

India Market Overview

2019



Visit Finland Country Representative India

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Facts & statistics

It is the 7th largest country in the world by land area, and the second most populous, with a population of 1.3 billion people.

Capital: New Delhi

Main Cities: Mumbai, Bangalore , Kolkata, Chennai

Major Religion: Hinduism is by far the most prevalent, with almost 80% of the population describing themselves as Hindu

Main Languages: Hindi, English

INDIA'S ECONOMY

US\$2.6 trn

Indian economy - 3.1% of global GDP (2017)

7.3%

GDP growth projected for 2014-15 to 2017-18

7.2%

GDP growth estimated in 2018-19

7.4%

GDP growth projected for 2019-20

INDIA'S DEMOGRAPHIC STRENGTH

Empowered with unique demographic advantages, India is racing to be among the most developed economies in the next decade.

India's young workforce is gearing up for playing a major role in:

- Driving economic progress
- Improving labour productivity
- Increasing domestic manufacturing
- Enhancing revenue from services
- Bolstering indigenous innovations
- Enhancing India's purchasing power



2nd largest
population base : 1.3 bn



8th largest
in Science/Engg graduate
population



+74%
Steadily improving literacy
rate



53.8%
Labour participation rate
(2017)

BY 2020

29 years - average age in India

World's youngest population

47 mn surplus workforce in India

BY 2030

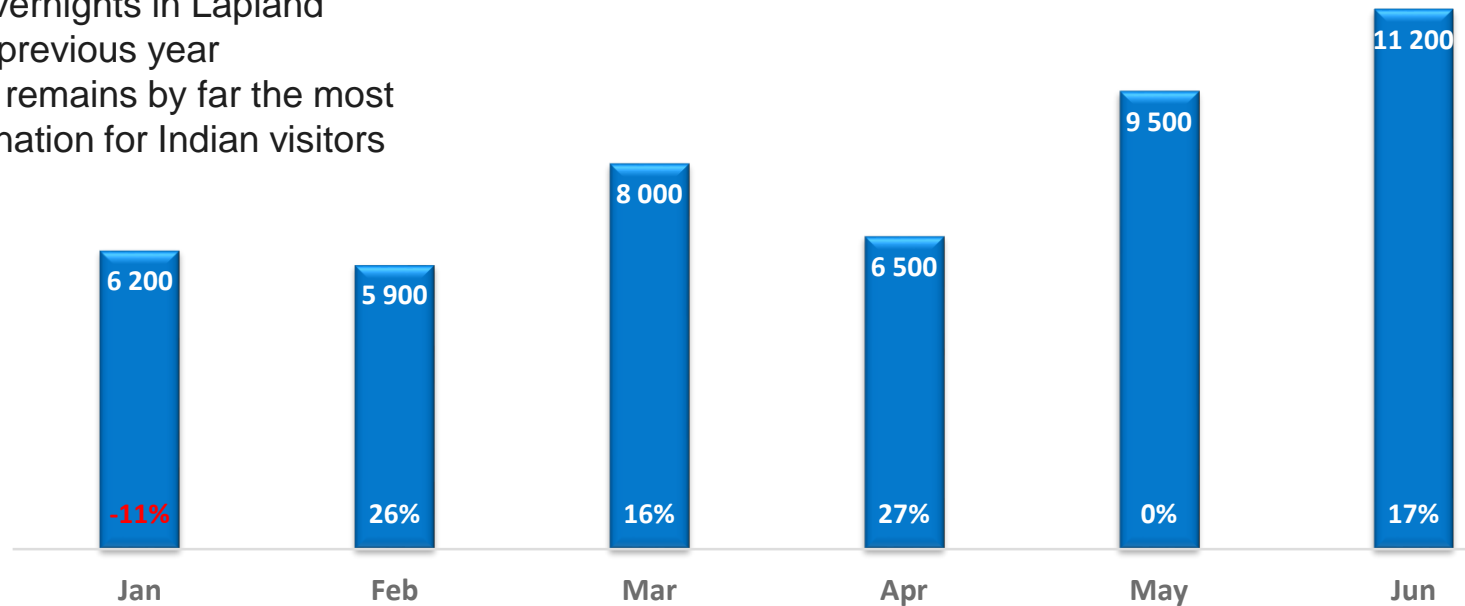
32 years - average workforce age

India's workforce will have an
average age of 32 years against
that of 43 years in China and 39
years in USA

Indian overnights in Finland 2019

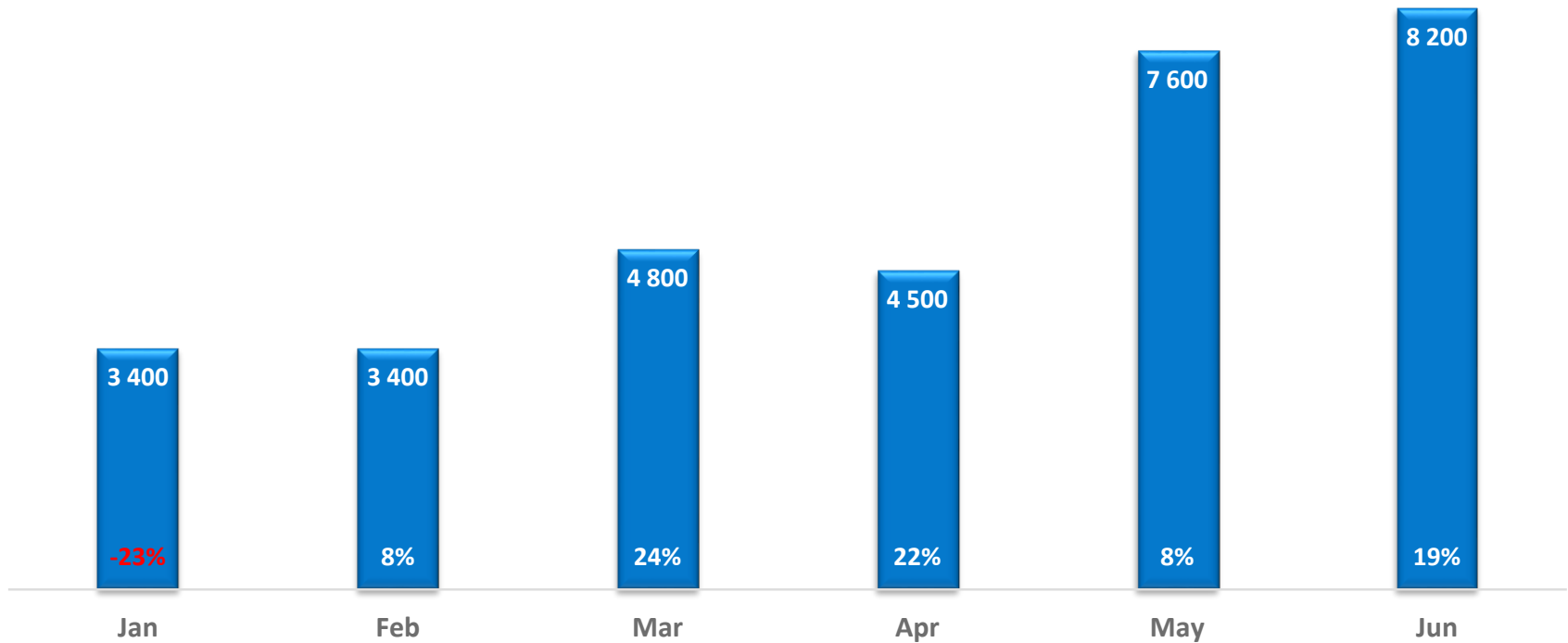
- Indian overnights have seen a positive growth in all months with the exception of January and May (avg change Jan-Jun 2019 +11%)
- June saw the biggest amount of visitors with over 11 000 overnights, this was also the busiest month in all regions but Lapland, where January was the top month – notably February saw a whopping 102% increase in overnights in Lapland compared to previous year
- Helsinki area remains by far the most popular destination for Indian visitors

Indian overnights in Finland in 2019*



Regional overnights in Finland in 2019 – India

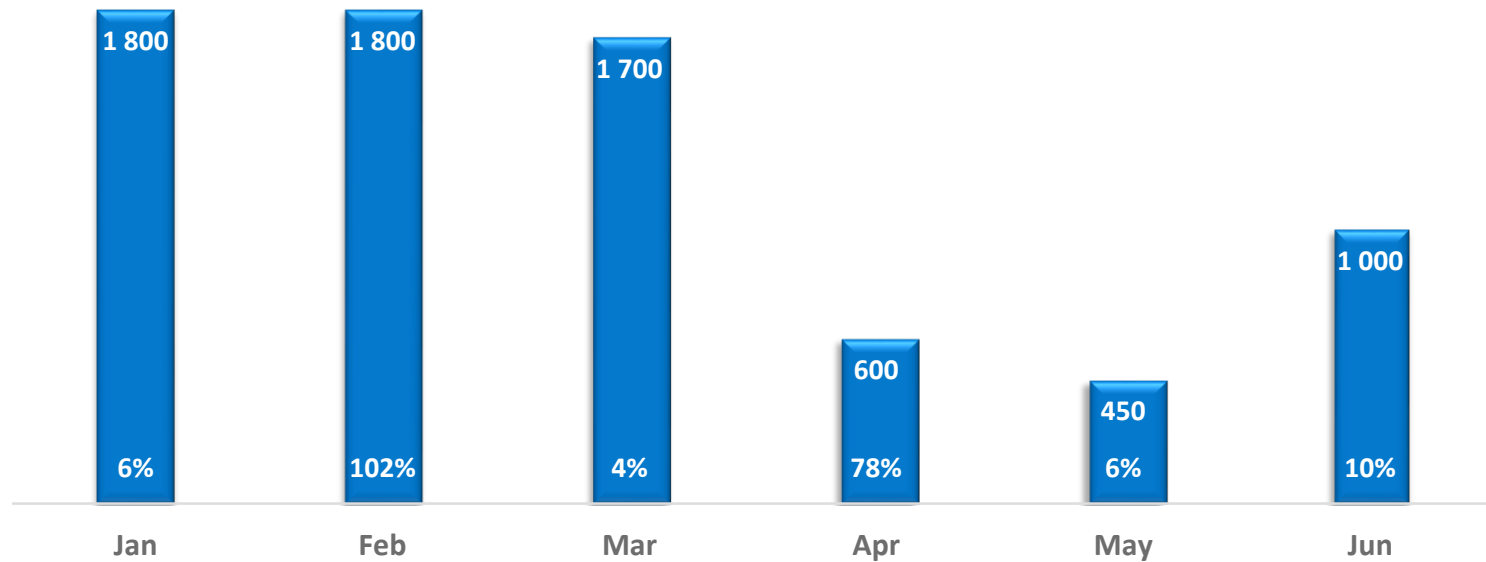
Indian overnights in Helsinki Metropolitan area in 2019*



* All figures are preliminary

Regional overnights in Finland in 2019 – India

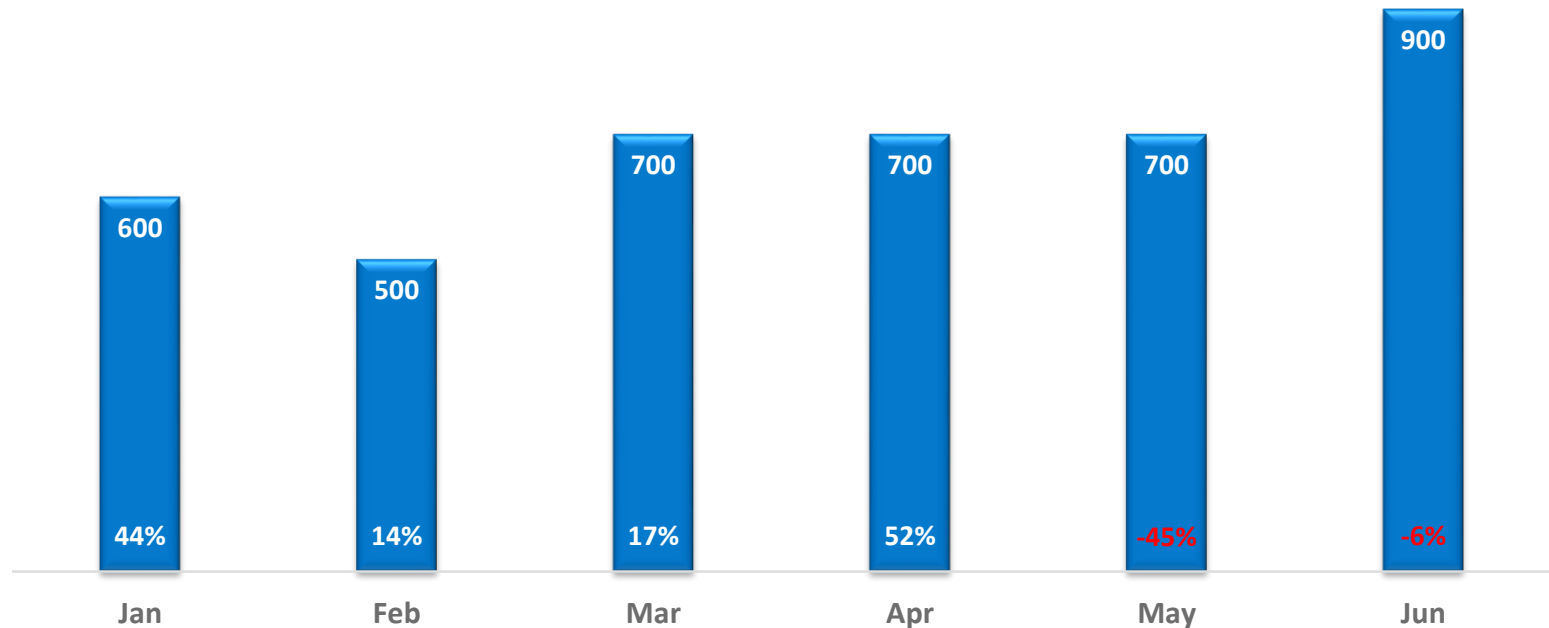
Indian overnights in Lapland in 2019*



* All figures are preliminary

Regional overnights in Finland in 2019 – India

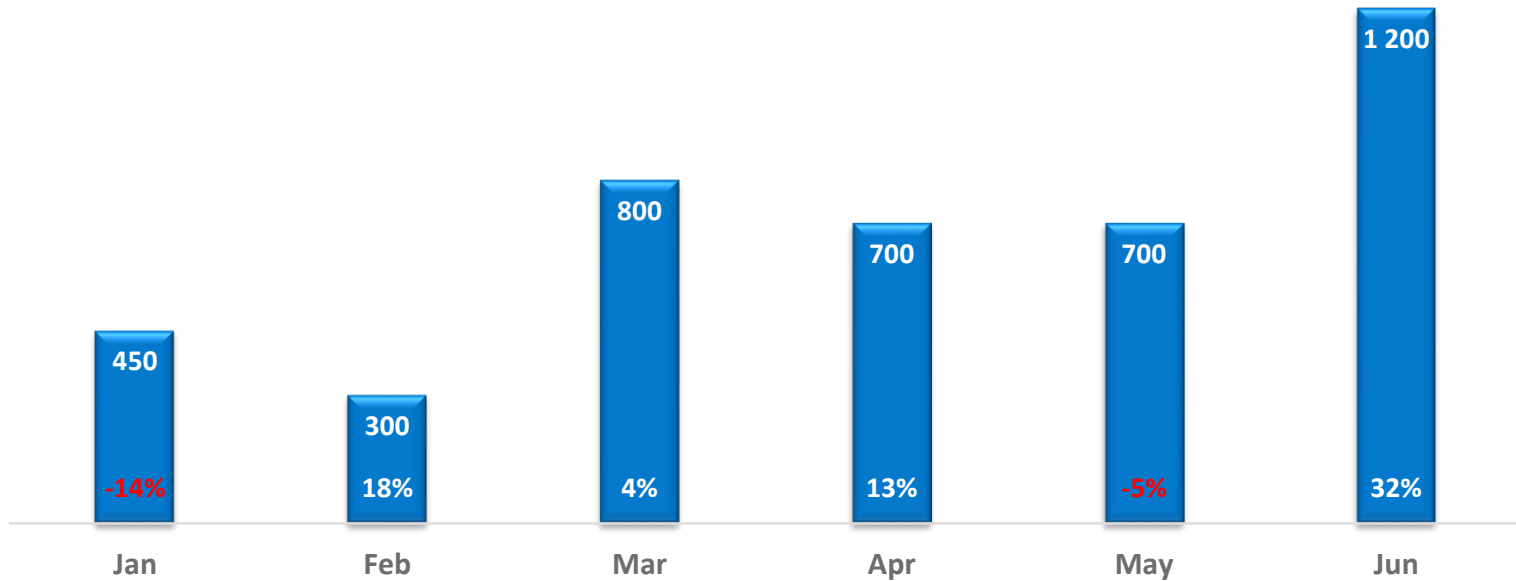
Indian overnights in Coast & Archipelago in 2019*



* All figures are preliminary

Regional overnights in Finland in 2019 – India

Indian overnights in Lakeland in 2019*

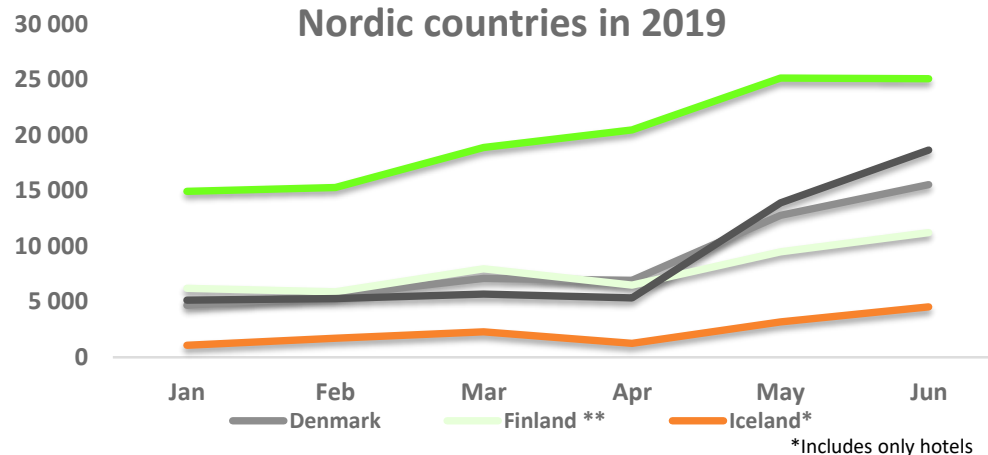


* All figures are preliminary

Nordic Comparison 2019 – Indian overnights

- Sweden remains a frontrunner in the overnight statistics
- During the winter Finland takes the second place but spring and summer time Indian visitors tend to visit Denmark and Norway more than Finland

Monthly accommodation statistics for the Nordic countries in 2019



Monthly accommodation statistics for the Nordic countries

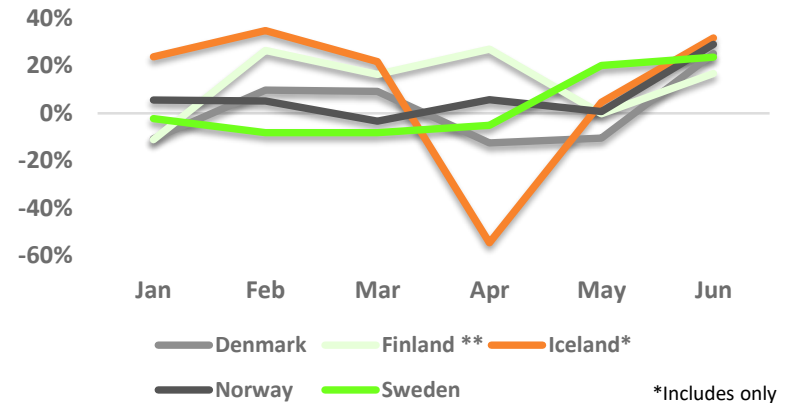
	Jan	Feb	Mar	Apr	May	Jun
Denmark 2019	4 697	5 592	7 110	6 944	12 771	15 537
Denmark 2018	5 260	5 094	6 512	7 930	14 267	12 424
Denmark change 2019/18	-563	498	598	-986	-1 496	3 113
Finland 2019**	6 216	5 892	7 959	6 487	9 483	11 213
Finland 2018	6 994	4 658	6 839	5 109	9 503	9 608
Finland change 2019/18	-778	1 234	1 120	1 378	-20	1 605
Iceland* 2019	1 074	1 718	2 301	1 248	3 193	4 532
Iceland* 2018	868	1 274	1 891	2 746	3 054	3 441
Iceland change 2019/18	206	444	410	-1 498	139	1 091
Norway 2019	5 160	5 285	5 695	5 358	13 911	18 654
Norway 2018	4 890	5 027	5 895	5 068	13 810	14 454
Norway change 2019/18	270	258	-200	290	101	4 200
Sweden 2019	14 926	15 284	18 881	20 458	25 134	25 079
Sweden 2018	15 280	16 657	20 560	21 560	20 932	20 291
Sweden change 2019/18	-354	-1 373	-1 679	-1 102	4 202	4 788

*) includes only hotels **) all figures are preliminary

Nordic Comparison 2019 – Indian overnights

- Finland has maintained a positive change % for the majority of the year, with the exception of January and May
- Sweden decreased during the winter and Iceland saw a massive dip in April (-55%)
- All Nordic countries saw a good positive growth in June with Finland holding the 5th place and Iceland leading with a 32% increase from previous year

Monthly Change % in Indian overnights 2019/2018



Monthly change % in Indian overnights 2019/2018

	Jan	Feb	Mar	Apr	May	Jun
Denmark	-11 %	10 %	9 %	-12 %	-10 %	25 %
Finland **	-11 %	26 %	16 %	27 %	0 %	17 %
Iceland*	24 %	35 %	22 %	-55 %	5 %	32 %
Norway	6 %	5 %	-3 %	6 %	1 %	29 %
Sweden	-2 %	-8 %	-8 %	-5 %	20 %	24 %

*) includes only hotels **) Based on preliminary figures

India is rapidly becoming one of the fastest growing outbound travel markets in the world.



Source:

<https://www.forbes.com/sites/edfuller/2017/03/14/ignore-india-at-your-peril/#4b02d0074225>

https://www.business-standard.com/article/economy-policy/number-of-indians-travelling-abroad-to-double-by-2020-118010700295_1.html

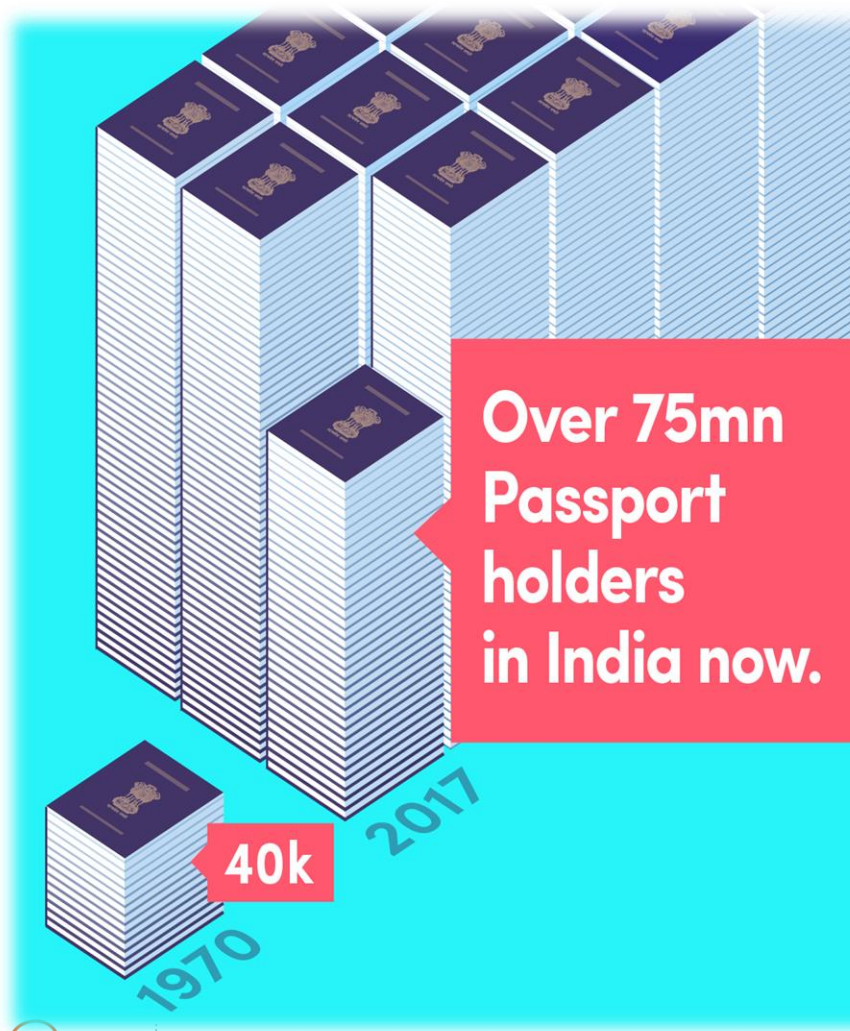
8/26/2019

SARA SODHI



The UNWTO predicts that India will account for 50 million outbound tourists by 2020 becoming World's Number 1 Outbound market.

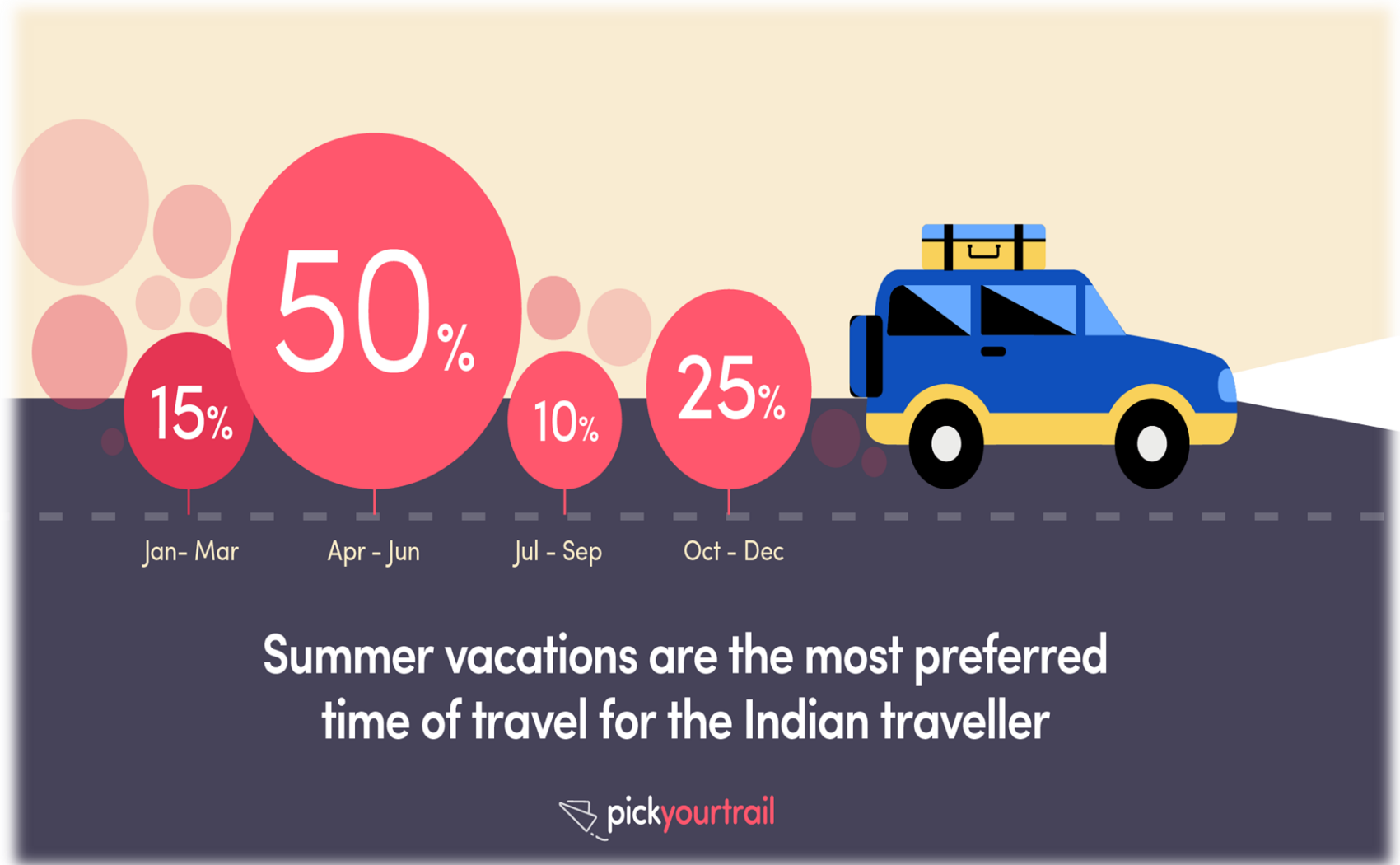
India Tourism Highlights



Indians can now enter
more than 50 countries with
Free visa / visa on arrival.

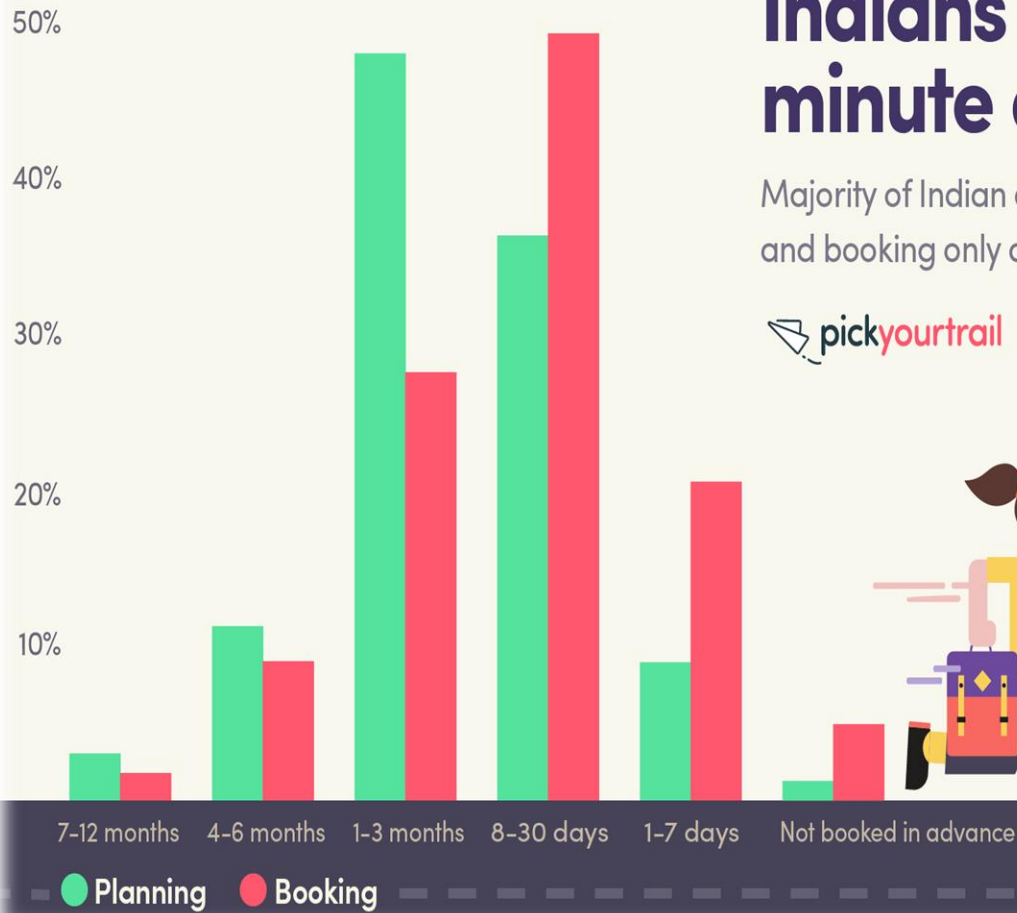


Source: <https://pickyourtrail.com/2018-travel-trends-international-vacations-ideas>



Indians love the last minute drama!

Majority of Indian outbound travellers do their planning and booking only a month before their trip.



Latest Travel Trends 2019

**'Customization'
will continue to be
the keyword for
2019 too**

**Experience-based
travel**

**Technology is a
game changer**

**Off-peak travel is
gaining appeal**

**The excitement in
last-minute
booking and
search**

**Destination
insights help
attract more
customers**

Indian Culture - Unique Customs and Traditions

The “Namaste”



- “Namaste” is one of the most popular Indian customs .
- It literally translates to I bow to you indicated by the folded palms placed before the chest.
- It also signifies the reductions of ones ego in the presence of the other.

Atithi Devo Bhavah



- In India, the saying Atithi Devo Bhavah is also integral.
- It means the guest is equivalent to god.
- It is a Sanskrit verse taken from the Hindu scriptures which later became a part of the Code of conduct for Hindu society, since the guest has always been of supreme importance in the culture.

Always a Festive Season



- India sees a large number of festivals, mainly because of the prevalence of diverse religions and groups.

Joint Families



- Also, in India, there exists the concept of a joint family, wherein the entire family (parents, wife, children and in some cases relatives) all live together. This is mostly because of the cohesive nature of the Indian society, and also reportedly helps in handling pressure and stress.

Religions



Bollywood



- One of the most famous and popular aspects of Indian culture, the thriving Bollywood film industry is based in Mumbai (formerly known as Bombay).
- Though similar in some ways to classic Broadway musicals, the colorful films from this area have a unique flavor that's all their own.
- With the name "Bollywood" originally achieving notoriety in the 1970s, this industry has grossed billions of dollars over the years.

Chai - the drink India can't live without



- Tea is India's most popular drink - the country consumes 837,000 tonnes of it every year.
- The ritual of drinking chai transcends all boundaries
- A popular ingredient in north Indian chai, ginger is believed to have numerous health benefits and is thought to keep your body warm in winter.

Holy Cow



- Cow, in the Indian culture, is considered to be a Holy animal.
- She is worshipped as a maternal figure and is a depiction of the bounty of Mother Earth.
- Cows have an auspicious significance in Indian culture and religion.

Tandoori Chicken



- Chicken is among the most popular meats eaten by many non-vegetarians in India.
- Tandoori chicken is a famous dish known for its fiery red color.

Food Insights

- Vegetarians
- Vegan don't eat egg (breads, cake and icecream)
- Jains don't eat root vegetables (no onion and garlic)
- Non Vegetarians Indians
 - ❖ don't eat beef
 - ❖ very few eat pork
 - ❖ With regards to fish & sea food it is always recommended to check with the client

Emerging Segments of Indian Travelers



- Historically focused on **working, saving** and **acquiring material possession** over '**spending on leisure**'
- Today sentiment is changing, new generation postponing owning and acquiring expensive items, for the sake of 'living a good life' instead
- **Travel has become the new code of modernity and a mark of being successful**

Functional Triggers of Change

A Convergence of triggers has facilitated change in the past 5 years

- Everything opened up
- 4G Network & more affordable data packs
- Access to information – new apps
- Comfort with credit cards and online payment
- Ease of obtaining passport and visas
- Rising income & increased exposure

The biggest game changers –Gen Z's are just entering the market

- First gen grown up with international travel
- Digitally enabled
- Comfort with GPS, Google translate, DIY
- Travel is the new cool and sign of living life
- An inspirational force for millennials and Xers

Traditional Indian Traveller (Dominant)

- All Inclusive Packaged Tours
- Rely on the Agents advise
- Large groups (30-40 Pax)
- Fear driven – find safety in groups
- Multigenerational
- Less tech savvy
- Often Veg/ Jain
- Carry packed food from India
- Prefer Indian , fear local food
- Value = Number of countries visited
- Stay 1-2 Nights per location
- Hop On Hop Off Tours

Urban Global Explorers (Emerging)

- DIY, Researched, self assembled tours, researched
- Tell the agent what they want
- Small groups (6-10 pax)
- Confident and fearless
- Same age group
- Very Tech Savvy
- Non-Veg or Experimental Vegetarian
- Don't carry food with them
- Curious about local food
- Value = Quality of Experiences
- Stay 3-4 nights or longer
- Seek authentic, local experiences

EDUCATION SECTOR IN INDIA

- India has one of the largest networks of higher education institutions in the world and is focused on improving primary, secondary and higher education
- India has the world's largest population in the age bracket of 5-24 years. This is a great opportunity for the education sector.
- The country's is focused on accelerating existing schemes and quality improvement in primary and secondary education, while in higher education, India aims to raise enrolment in skills development programs.

INDIA'S PERFORMANCE

- 3rd largest higher education system in the world
- 39,050 colleges in India
- 903 universities in India
- US\$ 91.7 bn estimated value of sector in FY18
- US\$ 1.67 bn FDI between 2000 - Dec 2017
- 36.64 million students enrolled in higher education in 2017-18.
- 25.8% Gross Enrolment Ratio in higher education in 2017-18.
- US\$ 2 bn FDI in online education expected to reach USD 5.7 billion by 2020

POTENTIAL

- World's largest population of about 500 million in the age bracket of 5-24 years
- Skill India Mission aims at skilling 400 million Indian youths by 2022
- US\$ 101.1 bn expected value of sector
- US\$ 35.03 bn expected value of higher education by 2025.

THANKS