



NBTC
Holland Marketing

MarketScan India 2016

The Hague, December 2016



NBTC Holland Marketing (NBTC)

NBTC is responsible for branding and marketing the Netherlands nationally and internationally. Using the 'Holland' brand, NBTC puts the country on the map as an attractive destination for holidays, business meetings and conventions. We carry out marketing activities in 13 markets, under the name of NBTC Netherlands Board of Tourism & Conventions. In cooperation with public and private partners, we attract visitors who spend money in Holland. We cultivate countries and regions that supply the most visitors to the Netherlands. Based on this philosophy, NBTC is active in Europe, North America, Asia and South America.

QuickScan India 2016

Inside knowledge of the Indian travel market is essential in order to gain access to this market. The MarketScan India 2016 offers relevant information about this country and its travel market to organizations in the travel industry and others. In this QuickScan, you will find a brief overview of the travel market as well as an insight into trends and developments.

Content

- India in a nutshell 3
- Indian travel market 4
- Internet and travel 6
- Incoming tourism to Holland 7
- Contact 8
- References 9



This MarketScan was put together by NBTC Research



India in a nutshell

India, a diverse country

The total population of India consists of around 1.3 billion people. Around 46% of the population is aged 24 and under, 41% is aged 25-54 and 13% is aged 55 years and over. India has a multicultural diversity with major religions such as Hindu (80%), Muslim (14%), Christian (2%) and Sikh (2%). The country has recognised 21 official languages. Hindi is the most widely spoken language (41%) and English is considered as the most important language for national, political and commercial communication. In total, 33% of the total population live in urban areas, in particular in the cities Delhi (26 million) and Mumbai (21 million). Tokyo is expected to remain the world's largest city in 2030, followed closely by Delhi.

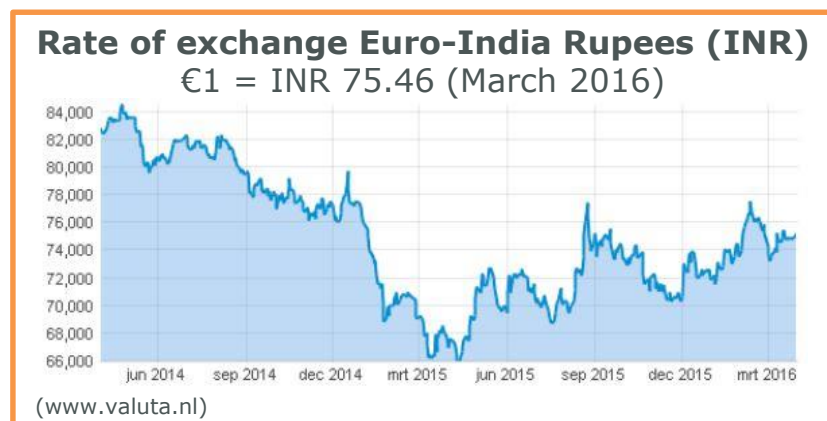
(Sources: The World Factbook, The World Bank Group, estimation population 2014)

Major player in the world economy

India belongs to the concept of BRIC countries (Brazil, Russia, India and China). These countries are known for its strong economic growth. In 2015 the Indian economy grew by 7.3%, which is a lot higher than the world average (3.1%). For 2016 and 2017 growth of 7.5% per year is being expected.

	2013	2014	2015	2016*	2017*
GDP growth	6.9	7.3	7.3	7.5	7.5

* Forecast
(Source: IMF, 2016)



Indian travel market (1/2)

1.3 billion domestic tourist visits

The number of domestic tourist visits in India was 1290.12 million in 2014. In 2013 this number was 1.1 million (growth rate of approximately 13%). It appears that Indians travelled mainly to the following states in their country: Tamil Nadu (25%), Uttar Pradesh (14%) and Karnataka (9%).

(Source: Ministry of Tourism, Government of India, 2014)

Fast growing outbound travel market

In 2013 the number of Indian nationals' outbound departures was 16.6 million. This number rose to 18.3 million in 2014 (growth rate of over 10%). India is one of the fastest growing outbound travel markets in the world. UNWTO forecasts 50 million Indian outbound travellers in 2020.

The strong economy, the increasing middle-class disposable incomes and a rise in airline capacity are important factors that influence Indian outbound travel. Indians travelled mainly to neighbouring countries. In 2014, most national departures have taken place during the months May, August and September.

(Sources: Ministry of Tourism, Government of India, 2014 & ETC Market Insights India, 2014)

Top 5 visits neighboring countries

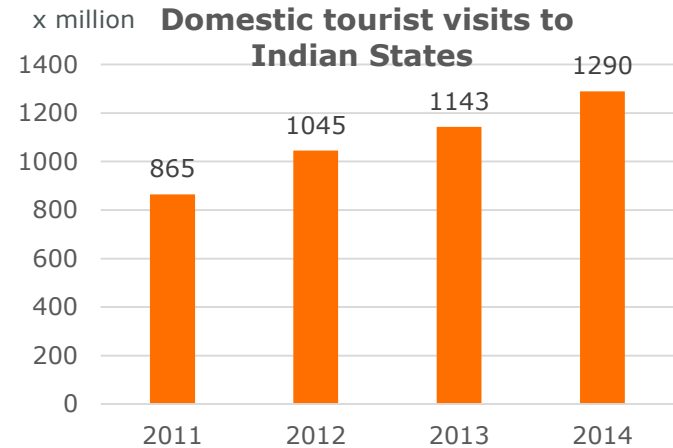
1. Bangladesh (36.0%)
2. Sri Lanka (20.8%)
3. Nepal (11.6%)
4. Tajikistan (11.2%)
5. Mauritius (11.0%)

(Source: Ministry of Tourism, Government of India, 2013)

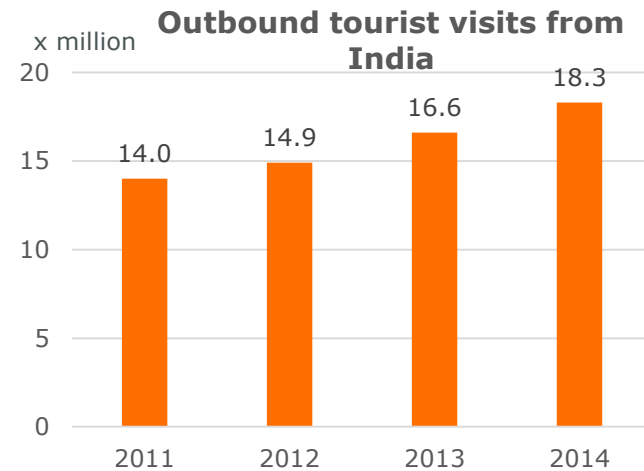
Top 5 visits European countries

1. United Kingdom (3.7%)
2. Switzerland (2.5%)
3. Italy (2.0%)
4. Germany (2.0%)
5. Russia (1.9%)

(Source: UNWTO, 2013)



(Source: Ministry of Tourism, Government of India, 2014)



(Source: Ministry of Tourism, Government of India, 2014)



Indian travel market (2/2)

Travel motivators; leisure, business and VFR

Spending time with family is a key motivation to travel for Indians. Therefore, Indians travel often in family groups. One of the reasons that Indians travel abroad is for shopping (50%). Indians love shopping and moreover prices of imported goods tend to be very high in India.

44% of the travellers travel to Europe because of business motives. Leisure accounts for 40%.

(Sources: Pacific Asia Travel Association, 2015 & UNWTO 2013)

Positive forecast for Indian arrivals in Europe

European countries registered two million tourist arrivals from India in 2014. This is 14% of all Indian international arrivals. Until 2019, the growth of Indian arrivals in Europe is forecasted to grow 7% per year.

(UNWTO, 2015)

The Schengen Visa is the representative of the collective of 26 European countries (including the Netherlands) that have mutually decided to eliminate passport and immigration controls at their joint borders. Indians who want to travel to one of these 26 European countries do need a Schengen visa, which can be accorded by the consulates of these 26 European countries.

(Sources: Ministry of Tourism, Government of India, 2014, ETC Market Insights India, 2014, Schengen visa info, 2015)

Opinion of friends, family and relatives are very important

Friends, family and relatives play an important role in the decision making process when choosing a holiday destination. Besides the Internet, tour operators play a significant role in influencing the choice of the destination.

Information sources which influence the choice of the destination

1. Recommendations from VFR who have visited the destination	51%
2. Recommendations from VFR who (have) live(d) in the destination	34%
3. Travel-specific information on the Internet	31%
4. Advice from a travel agent/tour operator	27%
5. Travel-specific programs on TV	25%

(Source: Source: Tourism Australia, Knowing the customer)



354 million Indians use Internet

About 354 million people in India use the internet according to an estimate. This account for approximately 27% of the total population. Internet usage is accelerating fast in India. It is being forecasted that 462 Indians will use the Internet in July 2016. This will mean that the online population will increase to 35%.

(Source: Internet Live Stats, estimation July 2015)

Smartphone Internet usage popular by Indians aged 20-30 years

Especially Indians between 20 and 30 years and living in urban areas use internet on their smartphone.

(Source: Ericsson, 2015)

Growing number of mobile Internet users

According to an estimate of eMarketer, the number of smartphone users in India reached 168 million in 2015. This is more than one quarter of the mobile phone users in India. The smartphone population is forecasted to reach 280 million in 2018.

(Source: eMarketer, 2015)

Indians travelling abroad make often use of their smartphones, 43% of outbound business travellers and 15% of leisure travellers use their smartphone.

(Source: Amadeus, 2013)

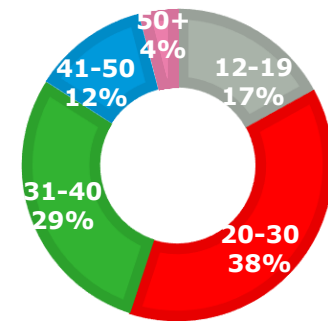
Facebook most popular social network among Indians

Facebook, LinkedIn and WordPress are the most visited social network sites according to comScore. Respectively 58, 11 and 7 million unique Indians visited these sites in March 2014.

Almost half of the outbound Indian travellers use Facebook frequently during their travels. While travelling, Facebook is often used by Indians in order to get advice and recommendation from friends and relatives, to find more information about the destination and to share their experiences with friends and family.

(Source: ETC Market Insights India, 2014)

Smartphone Internet user share in urban India, by age (%)



(Source: Ericsson, 2015)

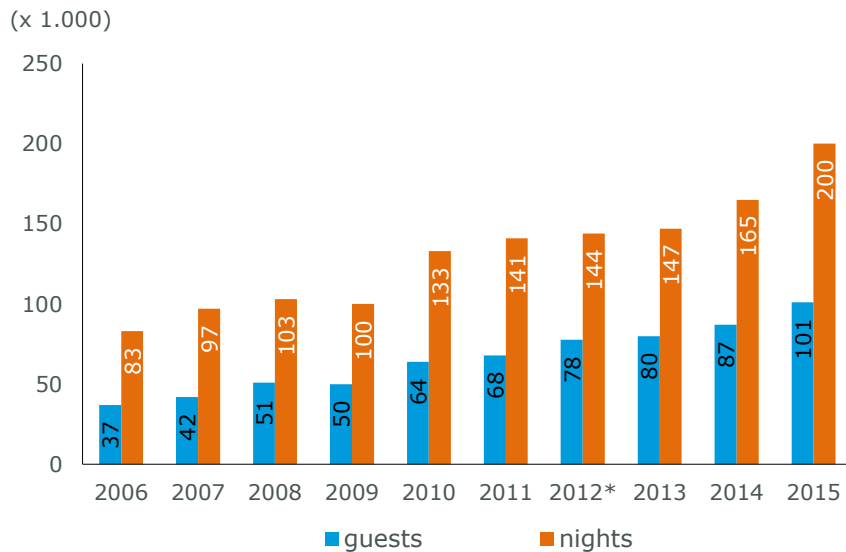


Incoming tourism to Holland (1)

101,000 Indian residents visited Holland in 2015

This is an increase of 16% compared to 2014. The number of guests represents visits of Indian with business or leisure motives.

Development inbound tourism from India

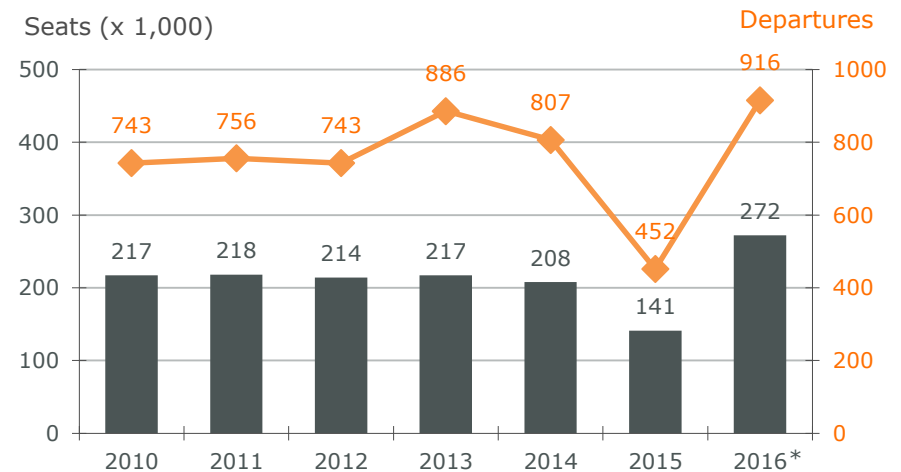


* Change in research design
(Source: CBS, 2016)

Flight capacity increased in 2016

Since March 2016, KLM and Jet Airways operate three daily flights to India (two to Delhi, one to Mumbai). Due to this development, the number of flights from India to Holland increased significantly in 2016. There were 916 flights which accounted for almost 272,000 seats.

Development seats and flights India - Holland



(Source: Apex.com, 2016)

* Preliminary figures

Note: The figures provide insight in the capacity of seats and flights, not in the occupation. The numbers are including stopping flights.



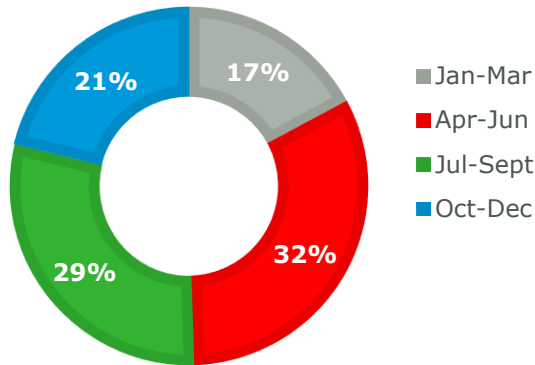
Incoming tourism to Holland (2)

Spread of visits

Spring is the most popular period to visit Holland for Indians (32%). Also relatively many Indian guests can be found in Holland during the summer (29%).

(Source: CBS, 2016)

Indian guests by quarter



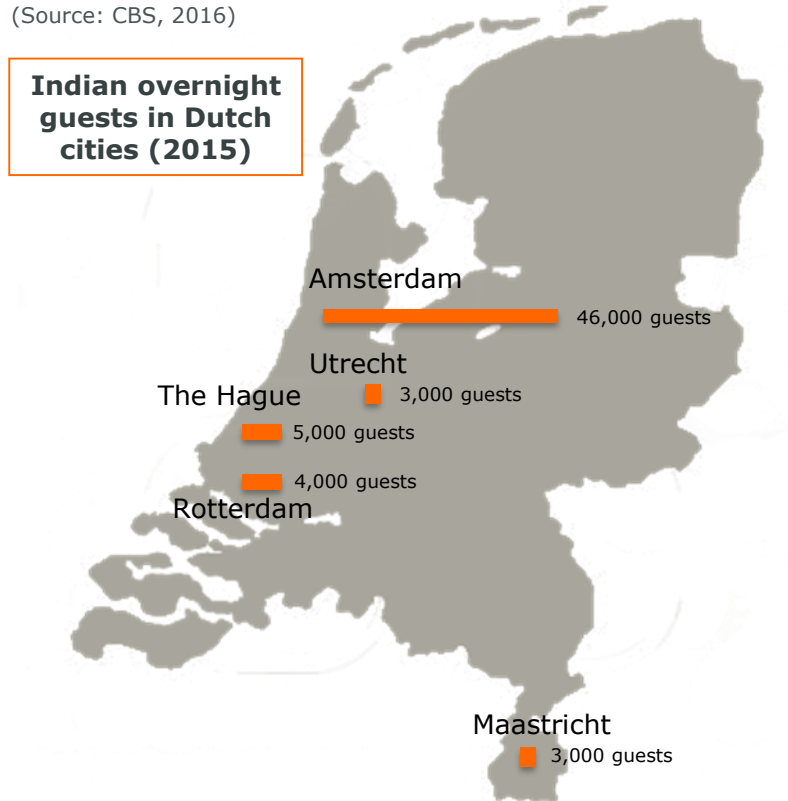
Dutch cities destination for more than half of all Indian guests

During their stay in Holland, six out of ten Indian citizens visit the main Dutch cities. Amsterdam is the most popular city, hosting 46% of the Indian guests.

Almost all Indian visitors stay in a hotel (98%). Especially 4 star hotels are popular (55%).

(Source: CBS, 2016)

Indian overnight guests in Dutch cities (2015)



Added value NBTC

NBTC can offer your organisation tailor-made advice, for instance:

- Local network: trade and press
- Local market opportunities, cultural expertise
- Advice on marketing, communication
- Co-marketing opportunity

Contact NBTC

For further details on the Indian market and Holland-marketing activities in India, please contact:

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