

First, the tourism industry will enter a more technological era in the coming year. Those in the industry who do not keep up with the latest trends and technology might not be able to manage or scale up their businesses. Yes, that is correct, and I have come to such a conclusion, especially after closely observing the industry for the last two years. During Covid19, we have all become digital and adopted technology and travellers are looking at more meta searches, virtual reality, contactless interaction with a quick turnaround.

Secondly, community participation after Covid19 has substantially increased. Homestays, local restaurants and other allied service providers have entered the mainstream now. And, therefore, travel will be more culturally rich and community supported now. The best part for a country like ours is that it will create millions of employment opportunities and engage people in entrepreneurial endeavours.

Thirdly, leisure travel will convert into bleisure, whether domestic or international and will be in the spotlight. Travellers are willing to spend money and pay for services as long as the deliverables meet international standards and we can see this transformation happening. Almost every global hospitality conglomerate is expanding, whether in India or elsewhere on the planet. The traveller will connect more with off-beat, adventure and wellness destinations with exclusivity and wellness-driven products as the focus.

I strongly believe we should strengthen bilateral relationships and develop regional tourism. India has, on its borders, countries with huge potential which we need to invest in and develop to boost tourism. Within India, we need to develop more waterways experiences, expedite cruises and incentivise MICE for corporate rebates.

Today, travel and tourism have many links that have become the value chain of growth. Post-Covid19 some tourism products and streams have seen more footfalls. Travellers are indulging in adventure, wellness, bleisure, rural, self-drives and solo tourism is on the rise. Medical tourism along with weddings and conferences have the most potential for growth. India is a country with colourful rich heritage, vibrant culture and rich cuisine that needs to be encashed with the upcoming state-of-the-art conference and medical facilities. We need to bring in private partnerships, protection of stakeholders and consumers money, safety of travellers, ease of business and one tourism policy with one tax structure. Tourism should follow the ONE ORDER policy globally.

Lastly, as the President of TAAI and Chairperson of THSC, I feel we need to continuously focus on skilling, upskilling and multiskilling so as to deliver the best because tourism means leaving positive impressions in the minds of a traveller to talk about and return to the destination. ■

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LUXURY TRAVEL BY INDIAN CONSUMERS EXPECTED TO GROW IN FUTURE

BY **HEMANT MEDIRATTA**

THE LUXURY hospitality sector has been growing and has seen an unexpected shift the past few years. There is a shift in consumer behaviour and consumption patterns which is leading hotels to adapt to the changing requirements of the consumers. The change is also due to the shifting of demographics. The new luxury consumer is younger, willing to spend on experiences and is well-informed.

One of the biggest opportunities for the industry in the coming few years is this demand surge for travel. There is a strong desire to go out and explore the world like never before. This presents a significant opportunity for hospitality and travel companies to capitalise on this demand and promote their

destinations, accommodations and activities to eager travellers.

A report by the World Travel & Tourism Council (WTTC) predicts that India will become the world's fastest-growing major economy in the travel and tourism sector, growing at an annual rate of 7.5 per cent between 2021 and 2031. The report also suggests that luxury travel will be a key contributor to this growth.

Indian travellers are increasingly looking for luxury experiences that are authentic and immersive rather than just high-end amenities. This has given rise to luxury alternate accommodation like homestays which are offering local experiences, be it cultural, adventure, wellness or culinary.

Another opportunity for the industry is the growing trend of sustainable tourism. As consumers become more aware of the impact that travel can have on the environment and local communities, they are looking for ways to minimise their footprint and support sustainable practices. This presents an opportunity for companies to showcase their commitment to sustainability and differentiate themselves from the competition. The consumers can now differentiate those that are greenwashing to those who

are genuinely making efforts on sustainability.

In the luxury hospitality sector, the Indian market has always had a strong demand for high-end accommodations, and this is unlikely to change in the coming years. With a growing middle class and an increasing number of high net-worth individuals, the demand for luxury hotels, resorts, and other forms of upscale accommodation is likely to continue to grow. This has also given rise to independent luxury hotels across the country which can capitalise on this demand and promote their services to this target market.

In summary, luxury travel by Indian consumers is expected to continue to grow in the coming years. Indian consumers are increasingly looking for luxury experiences that are authentic and immersive, with a growing interest in experiential and sustainable travel. As we move forward, I am confident that the Indian market will continue to thrive and provide countless opportunities for growth and success in the travel and luxury hospitality sector. ■

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ANALYSING INDIA'S CIVIL AVIATION SECTOR AND ITS GROWTH PROSPECTS

BY **UDIT AGARWAL**

AS WE look at the revival of the hospitality industry post the pandemic, it is paramount to understand the outlook for the aviation industry which is a critical enabler of the hospitality industry. Furthermore, in the aviation sector, we must look at two distinct buckets, the short-term and the long-term while analysing the perspective of the primary stakeholders, namely airlines and airports, among others.

SHORT-TERM OUTLOOK

In the short-term, let us initially look at the recovery post-pandemic. In the domestic sector, passenger numbers have reached 0.41 million per day in comparison with the 2019 number of roughly 0.41 million passengers per day, implying a considerable recovery. In addition, the resilience of the industry has improved, evident from the recoveries seen after each successive wave of the pandemic.

In the domestic sector, following the first wave, it took 10 months to return to 65 per cent of February 2020 levels of traffic. But after the second and third waves, it took six months and two months respectively. In the international market, traffic returned to 65 per cent after only three months after the third wave whereas this level of recovery could not be achieved after the first and second waves as regular international scheduled services were not permitted until March 2022.

Considering the improved resilience and recovery of traffic, it is likely that the short-term horizon will see stable traffic patterns. As per CAPA Advisory's forecasts, domestic traffic should return to pre-Covid levels in FY2023 ie 130-140 million passengers, however international traffic is expected to reach closed to 60 million or around 10 per cent less than in FY2020.