

INDIAN OUTBOUND TRAVEL HAS A VERY POSITIVE OUTLOOK: INTERGLOBE AIR TRANSPORT'S CEO



Having already emerged as a major outbound travel market, India is expected to grow further over the next few years, according to MR SIDDHANTA SHARMA, President & CEO, InterGlobe Air Transport (IGAT).

By Prem Kumar |

To start with, what is your assessment of the current outbound travel from India?

India has emerged as a major outbound market over the past decade both in terms of volume as well as overall spends in the outbound travel sector. This already

large market is expected to grow further over the next few years. International Tourism Boards are leveraging this opportunity and their increased interest in the Indian market is implied through their marketing and promotional activities. Every day more tourism boards are setting up their offices and increasing their presence in India and all these efforts, suggest a very positive outlook for the sector.

What kinds of trends have you noticed in the Indian outbound travel in recent years in terms of tastes, choices and preferences?

Historically, Indian travellers were perceived to be cautious, non-experimental and low spenders. However, the profile of

the Indian traveller has significantly changed over the last decade. The emerging middle class, financial empowerment of women and smart technologies has energized the sectoral growth further. As the income levels and size of population corresponding to those income levels rose, people started spending on tourism and for leisure activities more often. Another reason was to brag about the fact that one has been to an overseas location. 'I have got a visa stamp in my passport' was a statement to make! The new age Indian travellers today are spending more and are exploring new destinations. Adventure, sight-seeing, exploring the unexplored and relaxation are the key drivers of outbound travel today.

How do you see the Indian outbound travel evolving in the coming years? What factors would lead to these prospective changes?

Indian millennials are the new fast-growing segment which has the propensity to spend. They are more confident and adventurous than previous generations when it comes to travel. Millennials prefer independent travel over group tours and are less concerned about issues like language or cultural barriers.

Higher disposal incomes and easy

EMIs are also acting as catalysts towards the increasing numbers of first-time travellers entering the international holiday market every year. While South East Asia continues to be hot with the new travellers due to its proximity and affordable packages/cost, there is an emerging trend to experiment with their choice of destinations. Central Europe, Australia, Canada and China are witnessing high growth from the Indian market every year.

According to you, how is the current crisis in India's civil aviation affecting the country's tourism?

The tourism sector in India, over the past few months, has been influenced by various factors, ranging from capacity issues, reduction in long haul flights, the closure of airspace in the region, making it unviable for some carriers to fly to India. The sudden decline in ca-

capacity has led to an increase in international airfares due to which many travellers are tweaking their plans, and some are choosing cheaper short-haul international destinations.

What are the changes you are noticing in India's travel trade? How should India's travel agents deal with the challenges they are facing?

The growing middle class, higher disposable income, low fare international flights, ease of visa and liberal foreign exchange policy has made travel easier and far more lucrative. The number of international travellers has not only grown from the metros, but also from tier II and III cities across India.

OTAs are distributing inventory of airlines and hotels in addition to providing financing solutions that provide them with a credit facility looking at their past purchase record. Innovation and collaboration providing value to all

the stakeholders is the key to success.

To remain relevant in the changing travel landscape, they need to continue to provide world-class services by:

- Providing quick access to relevant information and the ease of online booking
- Being transparent in the fees they charge for their services
- Adding value through customisation of travel itineraries and promote experiences rather than focussing just on ticketing

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