

Growth of the Indian Tourism and Hospitality Industry

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ABSTRACT

Hospitality and tourism services in India had gradually grown to be a full-fledged industry in the recent past. The reasons are increased travel needs due to better spending habits, promotion by the government, and the developed infrastructural facilities. But definitely the growth of such an industry had significantly contributed towards the overall development of the Indian economy. The hospitality and tourism industry has two specific components (hotel services and travel services) and the performance in each component towards foreign exchange earnings is noteworthy.

This section evaluates The Indian Hospitality Industry's current Strengths, Weaknesses, and Opportunities & Threats. First, the study identifies the key factors driving the growth and major hindrances, and then suggests the formulation of strategies at the government level as well as private players' level, keeping in view the growth potential and competition from international players.

INTRODUCTION

In 2020, the Indian tourism sector accounted for 39 million jobs, which was 8% of the total employment in the country. By 2029, it is expected to account According to WTTC, India ranked 10th among 185 countries in terms of travel & tourism's total contribution to GDP in 2019. During 2019, contribution of travel & tourism to GDP was 6.8% of the total economy, ~ Rs. 13,68,100 crore (US\$ 194.30 billion). Tourism is an important source of foreign exchange in India similar to many other countries. The foreign exchange earnings from 2016 to 2019 grew at a CAGR of 7% but dipped in 2020 due to the COVID-19 pandemic.

MARKET SIZE

India is the most digitally advanced traveller nation in terms of digital tools being used for planning, booking, and experiencing a journey. India's rising middle class and increasing disposable income has supported the growth of domestic and outbound tourism.

By 2028, Indian tourism and hospitality is expected to earn US\$ 50.9 billion as visitor exports compared with US\$ 28.9 billion in 2018. The travel market in India is projected to reach US\$ 125 billion by FY27 from an estimated US\$ 75 billion in FY20.

The Indian airline travel market was estimated at ~US\$ 20 billion and is projected to double in size by FY27 due to improving airport infrastructure and growing access to passports. The Indian hotel market including domestic, inbound and outbound was estimated at ~US\$ 32 billion in FY20

and is expected to reach ~US\$ 52 billion by FY27, driven by the surging demand from travelers and sustained efforts of travel agents to boost the market.

During 2019, foreign tourist arrivals (FTAs) in India stood at 10.93 million, achieving a growth rate of 3.5% y-o-y. During 2019, FEEs from tourism increased 4.8% YoY to Rs. 1,94,881 crore (US\$ 29.96 billion). In 2019, arrivals through e-Tourist Visa increased by 23.6% YoY to 2.9 million. In 2020, FTAs decreased by 75.5% YoY to 2.68 million and arrivals through e-Tourist Visa (Jan-Nov) decreased by 67.2% YoY to 0.84 million. As of March 2021, the e-Tourist Visa facility was extended to citizens of 171 countries.

In April 2021, the percentage share of FTAs was highest from USA (26.85%), followed by Bangladesh (15.65%), Afghanistan (6.92%), UK (5.87%), Nepal (4.59%), Canada (4.27%), Iraq (2.99%), Portugal (2.40%), Germany (1.42%), Russian Fed (1.41%) Maldives (1.39%), France (1.33%), Sudan (1.21%), Korea (Rep.) (1.18%), and Australia (1.02%).

In April 2021, the percentage share of FTAs in India was highest at Bengaluru Airport (29.96%), followed by Mumbai Airport (17.48%), Ahmedabad Airport (15.72%), Delhi Airport (9.21%), Cochin Airport (4.91%), Chennai Airport (4.04%), Hyderabad Airport (3.34%), Lucknow Airport (2.40%), Bhavnagar Seaport (2.37%), Kolkata Airport (2.11%), Calicut Airport (1.41%), Amritsar Airport (1.35%), Kakinada Seaport (1.32%), Dabolim (Goa) (0.91%), Mangalore Airport (0.72%).

Between January 2021 and April 2021, FTAs was 376,083 as compared with 2.35 million between January 2020 and April 2020, registering a negative growth of -84.0% Y-o-Y due to COVID-19. By 2028, international tourist arrivals are expected to reach 30.5 billion and generate revenue over US\$ 59 billion. However, domestic tourists are expected to drive the growth, post pandemic.

International hotel chains are increasing their presence in the country, and it will account for around 47% share in the tourism and hospitality sector of India by 2020 and 50% by 2022.

As per the Federation of Hotel & Restaurant Associations of India (FHRAI), in FY21, the Indian hotel industry has taken a hit of >Rs. 1.30 lakh crore (US\$ 17.81 billion) in revenue due to impact of the COVID-19 pandemic. The United Nations World Tourism Organisation selected Pochampally in Telangana as one of the best tourism villages in November 2021.

SWOT Analysis of the Lucknow Hotel Sector

Strengths

Rich Cultural Heritage

With a historical background of city of Nawabs, Lucknow is a land of diverse culture and legends that would captivate the imagination of any visitor. Natural splendors such as the vast Gangetic Plains, the gigantic Himalayas. A trip to this beautiful jungles, and an elongated coastline add to the beauty. A trip to this beautiful land is a varying sight of customs, religion, festivals, sight and sounds.

Growth of the Indian Tourism and Hospitality Industry

Table 1: Existing inventory (Major cities and across categories – Only branded)

Sr no.	City	Existing inventory at the end of			Y-o-y Growth	CAGR
		2012-13	2016-17	2017-18		
1	New Delhi*	16,738	20,981	22,159	5.6%	5.8%
2	Mumbai	12,807	13,494	13,726	1.7%	1.4%
3	Bengaluru	8,536	11,995	12,659	5.5%	8.2%
4	Chennai	6,330	8,332	9,211	10.5%	7.8%
5	Hyderabad	5,411	6,254	6,772	8.3%	4.6%
6	Goa	4,406	6,400	6,741	5.3%	8.9%
7	Pune	5,317	6,445	6,330	-1.8%	3.5%
8	Jaipur	4,129	5,058	5,426	7.3%	5.6%
9	Kolkata	2,163	3,199	3,860	20.7%	12.3%
10	Ahmedabad	2,477	3,117	3,393	8.9%	6.5%
11	Agra	1,299	2,092	2,260	8.0%	11.7%
Total		69,613	87,367	92,537	5.9%	5.9%
12	Other Cities**	24,642	31,852	35,626	11.8%	7.7%
Total		94,255	119,219	128,163	7.5%	6.3%

Note: *NCR includes New Delhi, Noida and Gurugram

** Other cities includes all other hotel markets across India

Source: Hotelivate

Table 2: Top Brands in Hotel Industry in India

Domestic Hotels	International Hotels
Bharat Hotels Ltd	Accor
EIH Ltd	Swissotel Hotels & Resorts*
Hotel Leelaventure Ltd	Four Seasons Hotels Inc
Taj Hotels Palaces Resorts Safaris	Intercontinental
ITC Ltd	Best Western Hotel
Neesa Leisure Ltd	Hyatt
Pride Hotels	Carlson Rezidor
Park Hotels	Berggruen Hotels
Lemon Tree Hotels	Hilton Hotels
Sarovar Hotels & Resorts	Wyndham Hotels
Royal Orchid Hotels	Choice Hotels
Concept Hospitality	Marriott International
	Starwood Hotels & Resorts**

Note: *Swissotel has been taken over by Accor

**Starwood Hotels & Resorts has been acquired by Marriott International

Source: CARE Ratings

Table 3: Proposed Branded Hotel Rooms across Major Cities and Categories (FY18 – FY23)

	Existing Supply (FY18)	Proposed Supply*	Increase in Future Supply	Luxury	Upscale	Upper-Midmarket	Mid-market	Budget
Agra	2,260	428	19%	0.0%	0.0%	7.5%	65.0%	27.5%
Ahmedabad	3,393	1,343	40%	22.9%	27.4%	37.7%	4.3%	7.7%
Bengaluru	12,659	5,698	45%	17.3%	28.0%	22.8%	13.3%	18.6%
Chennai	9,211	978	11%	11.2%	12.0%	50.0%	26.8%	0.0%
New Delhi	14,724	1,492	10%	14.3%	26.3%	28.6%	5.6%	25.2%
Gurgaon	5,920	1,727	29%	0.0%	34.9%	9.7%	19.3%	36.1%
Noida	1,515	1,174	77%	0.0%	0.0%	51.6%	26.6%	21.8%
Goa	6,741	3,028	45%	0.0%	24.4%	28.1%	30.0%	17.5%
Hyderabad	6,772	1,149	17%	25.2%	0.0%	41.7%	10.4%	22.7%
Jaipur	5,426	1,086	20%	4.3%	23.0%	38.6%	30.5%	3.6%
Kolkata	3,860	1,768	46%	27.7%	8.9%	35.4%	10.3%	17.7%
Mumbai	13,726	4,039	29%	16.4%	13.4%	39.7%	11.4%	19.1%
Pune	6,330	894	14%	28.0%	15.5%	30.1%	11.2%	15.2%
Other cities	35,626	24,576	69%	4.7%	16.1%	31.3%	28.8%	19.1%
Total	128,163	49,380	39%	9.1%	17.9%	31.3%	22.8%	18.9%

Note:*Proposed Supply includes 7,210 rooms which have been open for less than six months, and therefore, not included in the existing supply

Source: Industry, Hotelivate

The Gap between Rising Demand and Limited Supply

The hotel industry in Lucknow is now witnessing a tremendous mismatch involving the demand and supply of rooms which in turn leads to higher room rates and occupancy levels. Table 1 depicts the supply-demand gap. The size of the hotel industry represents an awful figure with respect to Lucknow’s size and growth scenario. In spite of new capacities being thought over in the next five years, demand will outpace supply in the short-to medium-term.

Table 2 highlights that major cities in the country have witnessed notable escalation in Average Room Rates (ARRs) due to the increasing demand and negligible addition to supply.

Government Support

The U.P. government is showing interest towards promotion of tourism like never before. Significant funds are being allocated for the upliftment of the tourism industry. A sense of realization has come in with the introduction of the ‘incredible’ Lucknow’s campaign with prime focus on :

- Infrastructure
- Modernization of airports
- Open sky policy, and
- Development and new tourist destinations and circuits
- The Lucknow hotel industry stands to gain from this upbeat approach shown by the government.

Weaknesses

Meager Infrastructure Support

While government’s encouraging stance towards promoting tourism is refreshing, it is still miniscule compared to the need for developing infrastructure.

Poor rail and road networks make travelling deep inside Lucknow difficult and this keeps potential tourists away from towns and villages which truly highlight the rich cultural heritage of Lucknow. China is spending seven times more than India on infrastructure (excluding real estate) in absolute

Growth of the Indian Tourism and Hospitality Industry

terms. In 2003, India spent a total of US\$21 bn (3.5 percent of GDP) on electricity, roads, seaports, airports, and telecom compared to China's US\$150 (106 percent of GDP). However, the scenario is improving over the years.

Shortage of Supply

Due to lack of sufficient sites for new hotels, key cities will have to continue to face supply shortages. Delhi, the host city for the 2010 Commonwealth Games, is now struggling to meet the augmented demand and spreading into its suburbs. The shortage of accommodation will lead to the rise in ARR's reducing the competitive advantage of Lucknow as a business and tourism destination.

Sluggish Execution

Slow progress in infrastructure development has been hampering growth prospects even though this is the prime generator of employment opportunity (direct and indirect). In the midst of improving the basics, Lucknow could eventually lose out to other countries if the pace is not accelerated.

Although the world travel and tourism council rated India second in price competitiveness (after Brazil), there are many factors which need to be looked into to encourage foreign visitors. Hotel taxes in India are higher than those in most Asian countries. Also, long drawn out bureaucratic procedures for visa processing is not at all popular with foreigners.

Opportunities

India's Sturdy GDP Performance

GDP is expected to grow at 7-8 percent over the next five years motivated by inward investment level. Considering the low operating costs in India and the quality of the local workforce, many companies choose to transfer their operations there, resulting in a surge in demand for hotels.

Rise in the Middle Class Population

A strong economy means more disposable income and increasing affluence for India's middle classes. India has a population of over 1 billion, of which about one-third are middle class. This figure is expected to touch 400 mn in 2010, overtaking the total population of the US- and given the current economic growth, this trend is likely to continue. A significant rise in the disposable income has seen a 40 percent annual growth in the last three years in the domestic tourism circuit and is currently estimated at 300 million annual travelers. This is due to the fact that the per capita income has grown by 7.1 percent in 2005, while gross domestic savings touched an all-time high of 28 percent. Notably, the present surge in domestic tourism is due to an increase in the disposable income. This results in income induced spending which is likely to maintain itself for a longer period. High disposable incomes also boost the concept of traveling for leisure.

Introduction of Low Cost Airlines

The increase in the number of India's middle classes has spurred the development of low-cost airlines and has naturally helped boost domestic travel across the country by making it more inexpensive. Air Deccan being the first low-cost no-frill airline was launched in May 2003, and since then many other players have entered the market, e.g., Go Air, Paramount Airways, SpiceJet, and IndiGo. Other private airlines include Omega Air, Magic Air, East West, Indus, Premier Star

Air, and MDLR who are almost set for debut flights. An increase the number of low-cost airlines boosts domestic travel which impacts the hotel industry in a positive manner.

Open Sky Benefits

This countries to bring in more tourists adding to the surging demand of hotels. India and the US agreed to allow unlimited flights between the two nations in 2005. India has also entered into similar agreement with Europe, which has led to the rapid expansion of new services. Operators such as British Airways, Virgin Atlantic, Ari France, and Lufthansa have all introduced additional services or launched new routes to India. The unprecedented growth in the Indian aviation industry brings stimulating opportunities for the hotel industry, as airlines transport around 80 percent of international tourists. The open sky policy has helped in boosting international travel to India.

Upcoming Business Opportunities

Commercial zones that are being developed in metro suburbs and secondary markets will add to the accommodation demand in the next four to six years. Projects that comprise of retail and commercial space have also gained impetus and will emerge as an attractive option. This provides an exceptional prospect for the hospitality industry. The concept of budget hotels (started by Indian Hotels-Ginger, the erstwhile Indione) is also going to gain importance, due to their intrinsic nature of operation, related costs, and flexibility.

Medical Tourism

Lucknow is now regarded as a health tourist destination. A study by Mckinsey and Confederation of Indian Industries (CII) reveals that at its current pace of growth, healthcare tourism alone can earn over US\$2 bn additional revenues by 2012. Lucknow is expecting a steady flow of patients from the developed countries as well as from countries in Africa and West Asia that are lacking in suitable healthcare infrastructure.

Health tourism is now over a US\$ 300 mn industry, attracting about 1,50,000 patients every year. Lucknow has to take advantage of the cost benefit it can tender to a health tourist. The main driver behind healthcare tourism in Inida is its cost-effectiveness. A heart surgery in the US costs US\$30,000 as compared to US\$6,000 in India. Similarly, a bone marrow transplant in the US costs US\$2, 50,000 as compared to US\$26,000 in India.

With yoga, meditation, Ayurveda, Allopathy, and other systems of medication, Lucknow has varied basket of services to offer to an individual, which is hard to match by other countries. The CII study claimed that “Clinical outcomes in Lucknow are on a per with the world’s best centers since India has internationally qualified and experienced specialists”

Vulnerability to Geopolitical Events

Tourism being a global trend, any undesirable development on the geopolitical scenario is likely to have tremendous impact on the flow of global tourists. India is no exception to this , as was evidenced during events such as 9/11 attacks, and Iraq and Afghanistan wars.

Regional Hubs Developing

The brisk growth rate of China, a few south East Asian countries and the Middle East Could affect Lucknow in terms of its ability to attract tourists into the country.

Other Reasons

The other threats include;

- Too much concentration on promotion of rural spots as tourism destinations;
- A change in preference for private guest houses by organization clients;
- An increase in the number of service apartments; and
- Declining perception of value for money

Competition from International Players

The launch of the 'Incredible India' tourism campaign and the emergent Indian Economy have supported India to enter into a global platform. More than 142 luxury hotel projects are coming India's way with gross investment of over Rs. 7,300 cr. The country is going to witness a surge in demand because of increased business activity, and spurt in leisure travel by the country's rapidly increasing middle class and international tourists. These factors have enticed various hotel chains in the US and Europe to enter the Indian hospitality sector. Arrival of international tourists has risen to 3.9 million in 2005, 13.2 percent more than the previous year and is expected to grow by a larger merging in subsequent years. The recent developments in this regard include.

- New brands such as Amanda, Satinwoods, Banana Tree, Hampton Inns, Hilton, and Mandarin Oriental are Entering Indian Industry collaborating with key local players.
- Key Indian players such as ITC, EIH, Bharat Hotels, Viceroy, DLF, Unitech, and Royal Palms are also keen to associate themselves with global brands. ITC is planning to extend its existing partnership with the US-based Starwood Hotel beyond the Sheraton brand by including other Starwood brands such as Westin, Four Points, and Aloft in its future projects.
- Unitech has collaborated with Marriot International to run its three new hotels in India and is expected to start its operation by 2008. These three new hotels are located in Kolkata, Gurgaon, and Noida.
- Mumbai-based Royal palms is negotiating with Anando, Starwoods, and Singapore-based Banyan tree for its three new hotel projects in India. The firm has already formed a joint venture with US-based Carison hospitality and brought Park Plaza brand to India.
- Strategic alliance of Trident with Hilton for co-branding certain hotels under the 'Trident Hilton' provides the opportunity to jointly exploit the international brand equity and marketing network of Hilton Group. Hilton may bring its other brands such as Travel Lodge, Howard Johnson, Galileo GDS, and Gulliver Travels to India.

Analysis of Current Scenario

With the increasing trend in ARR, RevPAR, and OR (Figure 3), it's worthwhile to investigate how different towns/cities are doing in terms of ARR and Or over the last five years.

Even though the tourism season begins in October, the India hospitality sector did very well even in the off-season due to favorable gap in demand and supply. This led to an overall rise in ARR and occupancy rates. For the third year in a row, most markets across categories witnessed an increase both in terms of occupancy levels and average rate. The all-India occupancy mark touched the 70.8 percent mark in 2006. Table 3 summarizes the performance of various Indian cities and towns, while Table 4 present the relative changes in OR and ARR.

- Places such as Bangalore and Kullu Manali have seen very steep rise in ARR compared to the rise in OR. One can safely conclude that there is a scarcity of rooms, especially during peak seasons; and since there is a scarcity of space within the mainland, one can explore the possibility of developing the suburbs.
- Vadodara and Pune, on the other hand, have much higher OR than ARR with sustained efforts from respective governments these places are going to flourish-lower cost is definitely going to help the cause.
- In general, where both OR and ARR have increased, there is enough business reason for expansion. Places where OR has decreased should focus on developmental activities such as government – lacked industrialization and international airport.

Building Strategies

Strategies can broadly be formed from two perspectives-government and private players. Some of these may be place-specific or generic in nature.

Strategies at the Government Level

Policy Thrust

The objective should be to position tourism as a major engine of economic growth and to leverage its direct and indirect effect for employment and economic development in a sustainable manner. Some of the tourism-friendly policies include:

- Liberalization of the aviation sector
- Pricing policy for aviation turbine fuel influencing air fares
- Rationalization in tax rates (hotels, airport, etc) in the hospitality sector
- Tourist-friendly visa processing
- Efficient immigration services
- Procedural simplicity for gaining land for construction of hotels, and
- Setting up more guesthouses

The concept of festival of India should be well promoted. Organizing fairs, and showcasing the way of live in India, its varied colors, exotic customs, rituals, and cuisine in potential countries may place India as a favored tourism destination.

Health Tourism

The presence of excellent resources at low cost is going to attract tourists from the developed as well as developing countries. However, if this can be packaged with travel and visiting places before or after treatment, this can draw more tourists.

Public Private Partnership (PPP) Model

Recognize the significant role of private sector with government working as a proactive facilitator and catalyst. Integrated tourism circuits can be created in collaboration with state Government, private sector, and other agencies to showcase Lucknow's unique civilization, heritage, and culture. Sense of hospitality and preservation of heritage should also be imbibed through these PPPs. After all, one happy tourist can generate many more.

Growth of the Indian Tourism and Hospitality Industry

Strategies at the Private Level

- A franchise model can be implemented to tame skyrocketing land price in most of the towns, as high land price and scarcity of land have proved to be major deterrents for any company to expand its hotels.
- A new way of tapping the potential Indian hotels market is through setting up of budget/economy hotels. In places such as Pune, Bhubaneswar, Ludhiana, Amritsar, Jaipur, and Chandigarh, where the average occupancy rate is 75 percent and the ARR is Rs. 1,300, budget hotels can be of great strategic advantage.
- However, the high cost of land in cities such as Mumbai, New Delhi, and Bangalore acts as an obstacle for setting up of mid-scale hotels, to cater to the mid-level business travelers, one can look beyond the city and focus on developing the suburbs.
- Budget hotels should take care of the fundamental needs of the traveler e.g., central air-conditioning, hot and cold water, TV and cable, direct-dial phone, mini-fridge, tea/coffee maker, writing desk, electronic locks, and WiFi and provide the same at an affordable price.
- E-CRM Strategy : The Internet has become the largest distribution channel in the hospitality industry beating all other traditional channels. For a majority of hotel customer, the hotel website is the first point of contact and hence its impact. Obviously, this hotelier's marketing budget should take this into consideration.

INVESTMENTS

India was globally the third largest in terms of investment in travel and tourism with an inflow of US\$ 45.7 billion in 2018, accounting for 5.9% of the total investment in the country. The hotel & tourism sector received cumulative FDI inflow of US\$ 15.89 billion between April 2000 and June 2021.

GOVERNMENT INITIATIVES

The Indian Government has realised the country's potential in the tourism industry and has taken several steps to make India a global tourism hub. Some of the major initiatives planned by the Government of India to boost the tourism and hospitality sector of India are as follows:

- From November 15, 2021, India allowed fully vaccinated foreign tourists to visit India, which in turn will help revive the Indian travel and hospitality sector. In the Union Budget 2022-23, an additional US\$ 316.3 million was earmarked for Ministry of Tourism.
- In November 2021, the Ministry of Tourism signed a Memorandum of Understanding (MoU) with Indian Railway Catering and Tourism Corporation to strengthen hospitality and tourism industry. The ministry has also signed an MoU with Easy My Trip, Cleartrip, Yatra.com, Make My Trip and Goibibo.
- In November 2021, the Indian government planned a conference to boost film tourism in the country with an aim to establish domestic spots as preferred filming destinations. This move is expected to create jobs and boost tourism in the country. In October 2021, Prime Minister, Mr. Narendra Modi launched the Kushinagar International Airport in Uttar Pradesh to boost tourism.
- The COVID-19 pandemic has greatly disrupted the Tourism industry. In September 2021, the Ministry of Tourism announced plans to allow international tourists to enter India and formal

protocols are under discussion. According to the previous announcements, the first five lakh foreign tourists will be issued visas free of cost.

- In July 2021, the ministry drafted a proposal titled 'National Strategy and Roadmap for Medical and Wellness Tourism' and has requested recommendations and feedback from several Central Ministries, all state and UT governments and administrations as well as industry partners to make the document more comprehensive.
- In May 2021, the Union Minister of State for Tourism & Culture Mr. Prahlad Singh Patel participated in the G20 tourism ministers' meeting to collaborate with member countries in protecting tourism businesses, jobs and taking initiatives to frame policy guidelines to support the sustainable and resilient recovery of travel and tourism.
- Government is planning to boost the tourism in India by leveraging on the lighthouses in the country. 71 lighthouses have been identified for development as tourist spots.
- The Ministry of Road Transport and Highways has introduced a new scheme called 'All India Tourist Vehicles Authorisation and Permit Rules, 2021', in which a tourist vehicle operator can register online for All India Tourist Authorisation/Permit. This permit will be issued within 30 days of submitting the application.
- On January 25, 2021, Union Tourism and Culture Minister Mr. Prahlad Singh Patel announced plan to develop an international-level infrastructure in Kargil (Ladakh) to promote adventure tourism and winter sports.
- Statue of Sardar Vallabhbhai Patel, also known as 'Statue of Unity', was inaugurated in October 2018. It is the highest standing statue in the world at a height of 182 metre. It is expected to boost the tourism sector in the country and put it on the world tourism map.
- Under Budget 2020-21, the Government of India has allotted Rs. 1,200 crore (US\$ 171.70 million) for development of tourist circuits under Swadesh Darshan for eight Northeast states.

STATE GOVERNMENT INITIATIVES

- In October 2021, the Tripura government collaborated with Infovalley Educational & Research (P) Ltd. as part of a public-private partnership (PPP) to run the State Institute of Hotel Management (SIHM). Through the SIHM, the government aims to empower the youth and contribute to the growth of hotels and hospitality management in the state.
- In July 2021, the Kerala government, in collaboration with Vythiri in Wayanad, has initiated a campaign to vaccinate all tourism and hospitality stakeholders. The Ministry of Tourism sanctioned three projects for a total amount of Rs. 179.68 crore (US\$ 24.24 million) under the Swadesh Darshan scheme in Gujarat. The Ministry of Tourism has approved 16 projects for over Rs. 1,300 crore (US\$ 171.2 million) in India's North East under the "Swadesh Darshan" Scheme.
- In July 2021, the Odisha Tourism Development Corporation (OTDC) invited applications to operate shacks in six major beaches of the state.

ACHIEVEMENTS

Following are the achievements of the Government during 2019-20:

- During 2019-20, an additional fund Rs. 1,854.67 crore (US\$ 269.22 million) was sanctioned for new projects under the Swadesh Darshan scheme.

Growth of the Indian Tourism and Hospitality Industry

- Ministry of Tourism sanctioned 18 projects covering all the North Eastern States for Rs. 1,456 crore (US\$ 211.35 million) to develop and promote of tourism in the region under Swadesh Darshan and PRASHAD schemes.

CONCLUSION

Staycation is seen as an emerging trend where people stay at luxurious hotels to revive themselves of stress in a peaceful getaway. To cater to such needs, major hotel chains such as Marriott International, IHG Hotels & Resorts and Oberoi hotels are introducing staycation offers where guests can choose from a host of curated experiences, within the hotel.

India's travel and tourism industry has huge growth potential. The industry is also looking forward to the expansion of e-Visa scheme, which is expected to double the tourist inflow in India. India's travel and tourism industry has the potential to expand by 2.5% on the back of higher budgetary allocation and low-cost healthcare facility according to a joint study conducted by Assocham and Yes Bank.

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