

Impact of Pandemic on Indian Tourism

September 2021

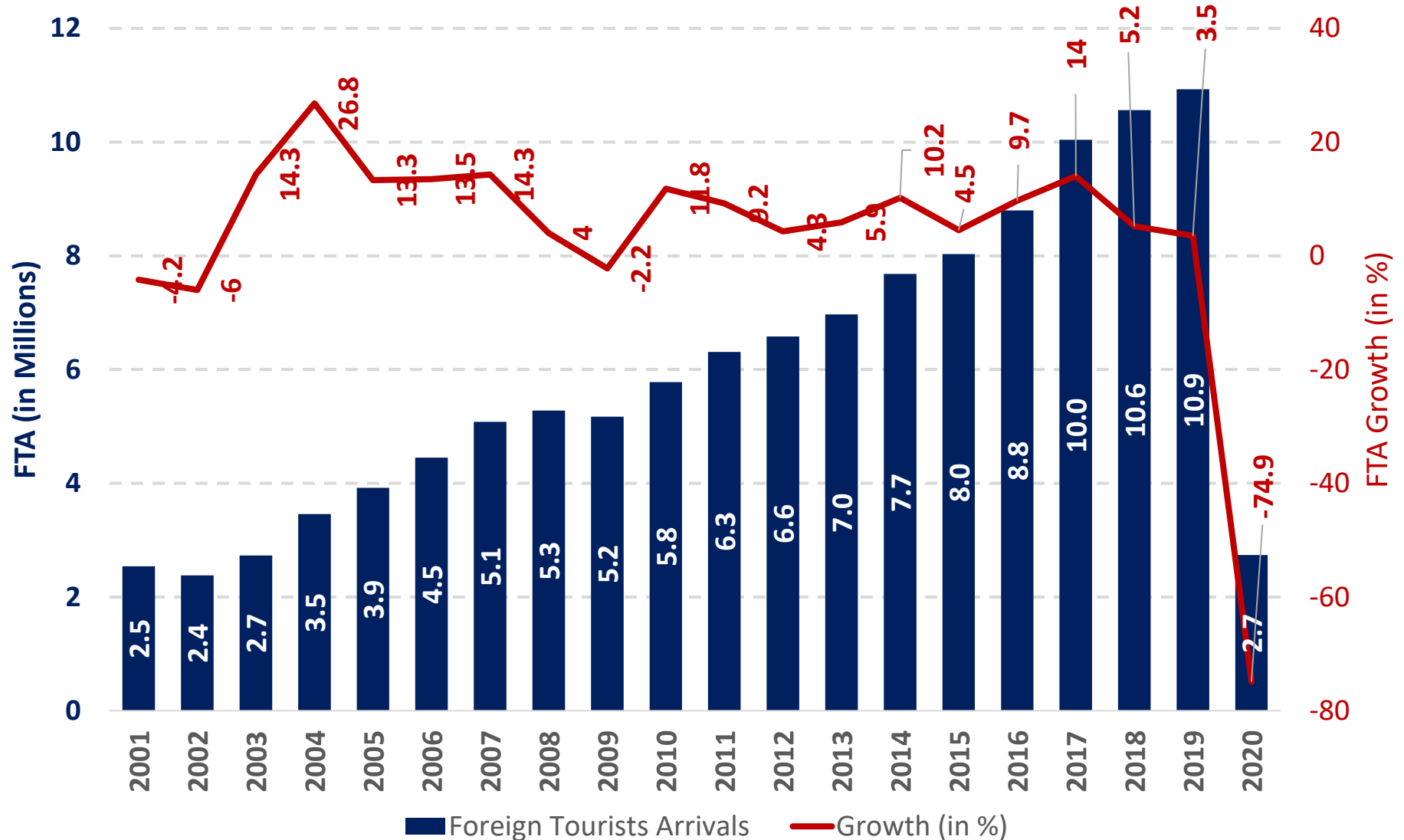
ACRA | Ascension Centre for Research and Analytics

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This Analysis includes:

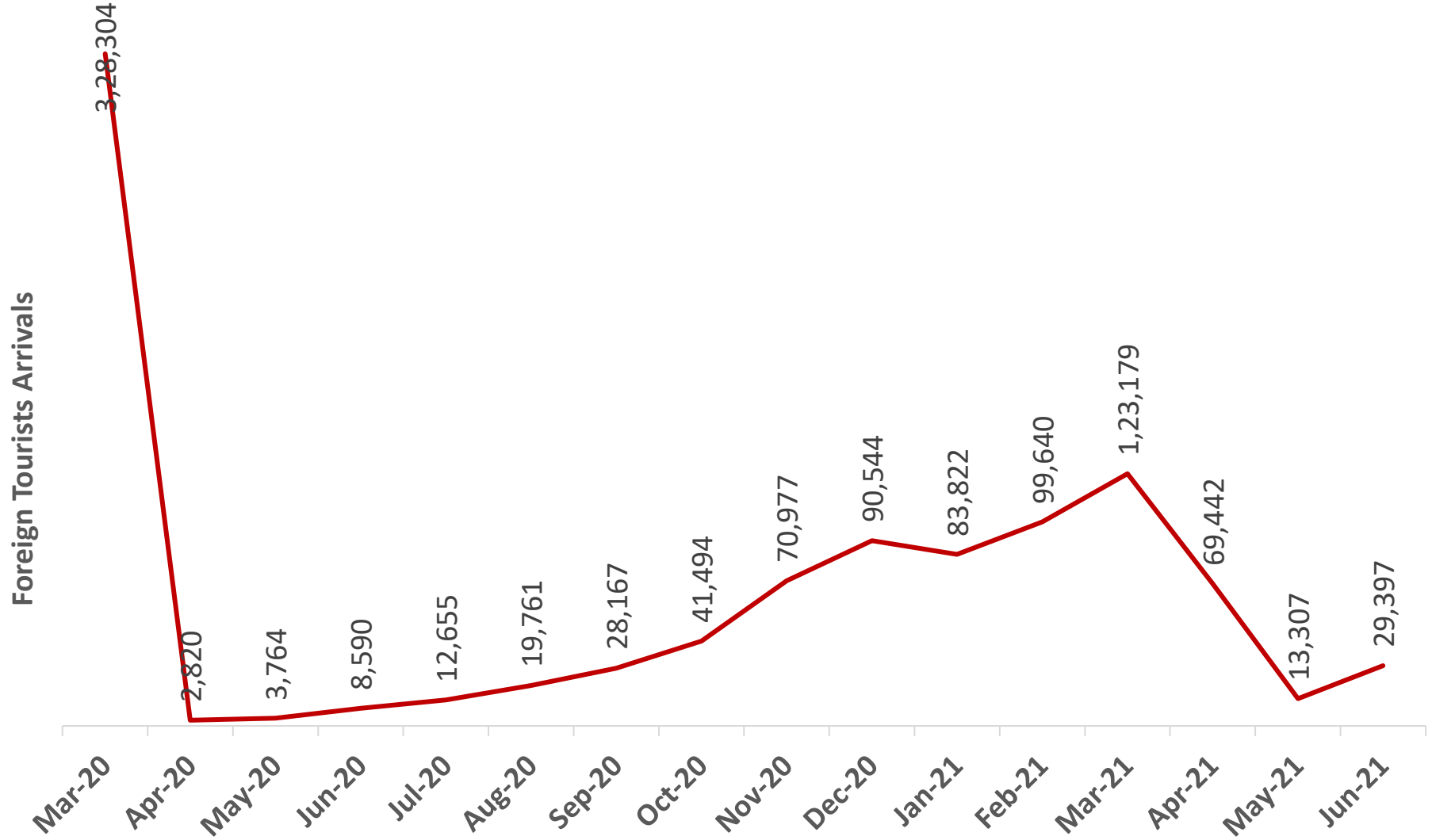
- ❑ Foreign tourists arrivals to India (FTA)
- ❑ International receipts from tourism
- ❑ Domestic tourism
- ❑ Economic impact
 - ❖ Aviation sector
 - ❖ Hotel sector
 - ❖ Gross Domestic Product (GDP)
 - ❖ Employment
 - ❖ Spending by tourists

Foreign Tourists Arrivals (FTA) to India



Source: Ministry of Tourism

Month-wise Foreign Tourists Arrivals (FTA) to India



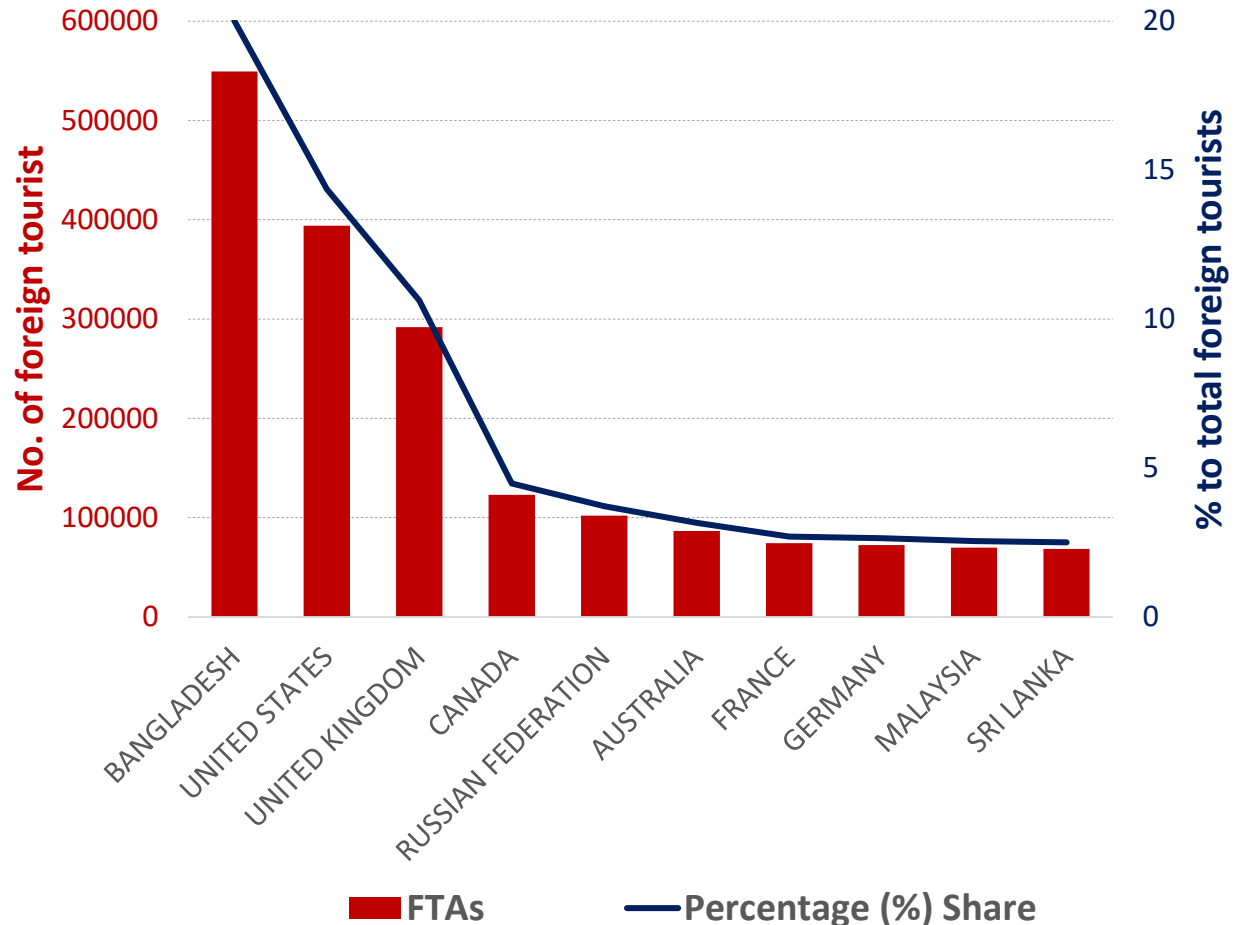
Source: Ministry of Tourism

Foreign Tourists Arrivals – Top 10 Countries

Foreign Tourists from Top 10 Countries to India - 2020

Share of Top 10 countries
66.76%

Share of Other countries
33.24%



Source: Ministry of Tourism

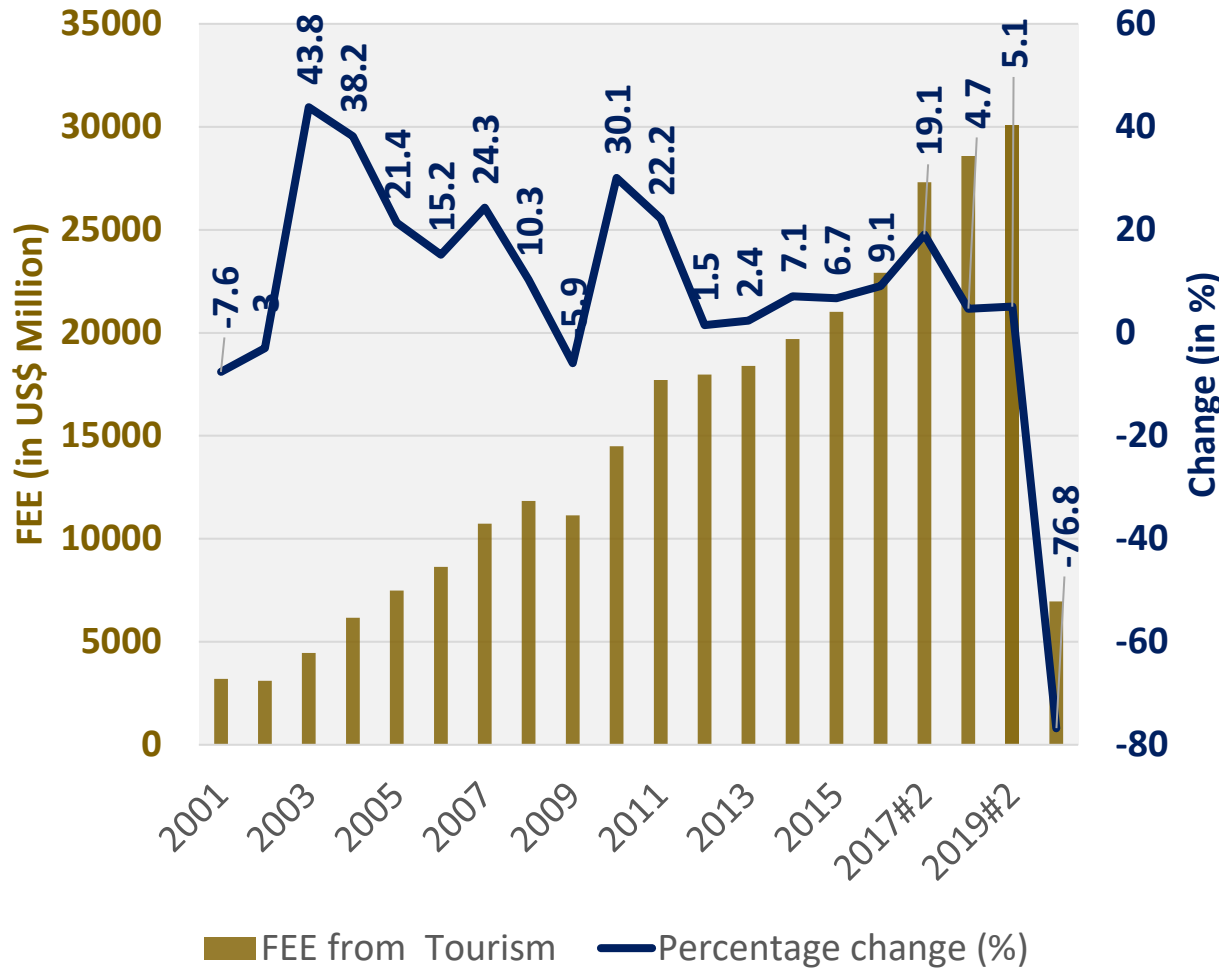
Purpose of Visits by Foreign Tourists

	2018	2019	2020
Business and Professional	16.3	14.7	11.7
Leisure and Recreation	62.4	57.1	58.2
Medical	6.1	6.4	6.7
Indian Diaspora	13.5	12.7	13.9
Others	1.7	9.2	9.5

Source: Ministry of Tourism

Foreign Exchange Earning (FEE) from Tourism

FEE from Tourism and Change over Pervious Year



FEE from Tourism

2020

6958
US\$

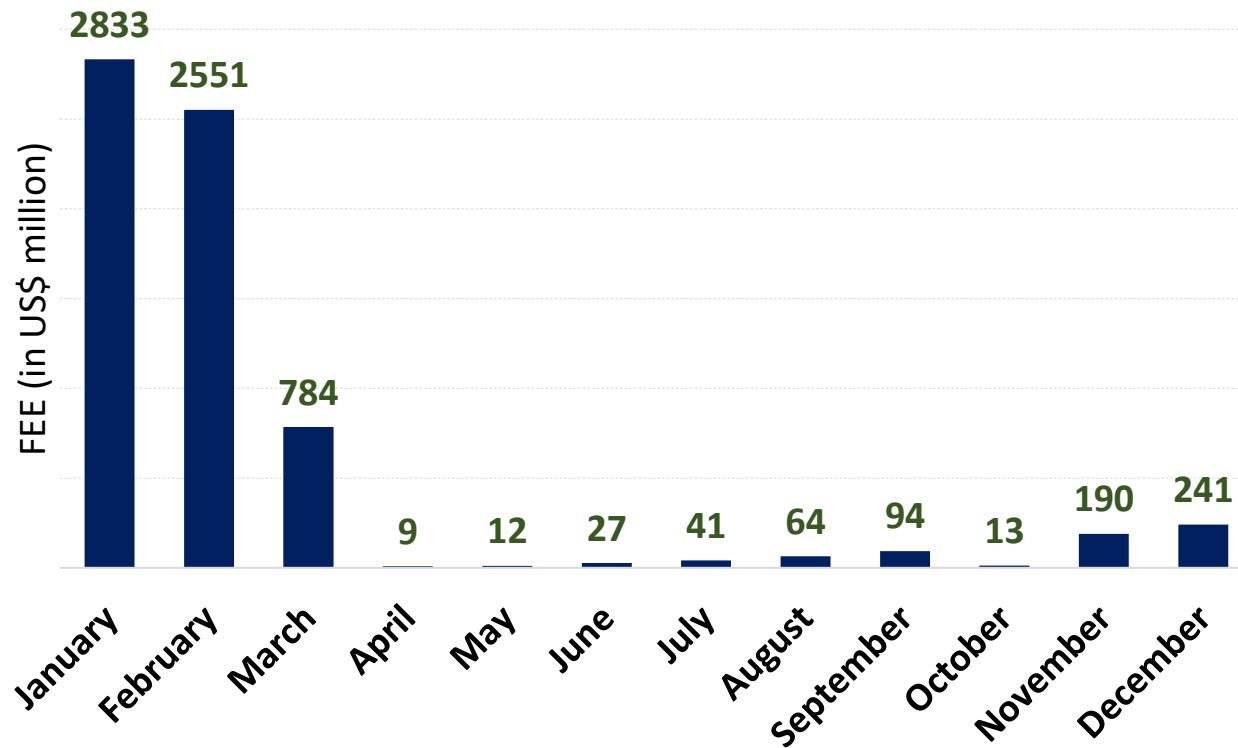
Change in FEE in
2020 over 2019

-76.8%

Note: #2 is revised estimate; Source: Ministry of Tourism

Month-wise Foreign Exchange Earning (FEE) from Tourism

FEE from Tourism in 2020
(in US\$ million)



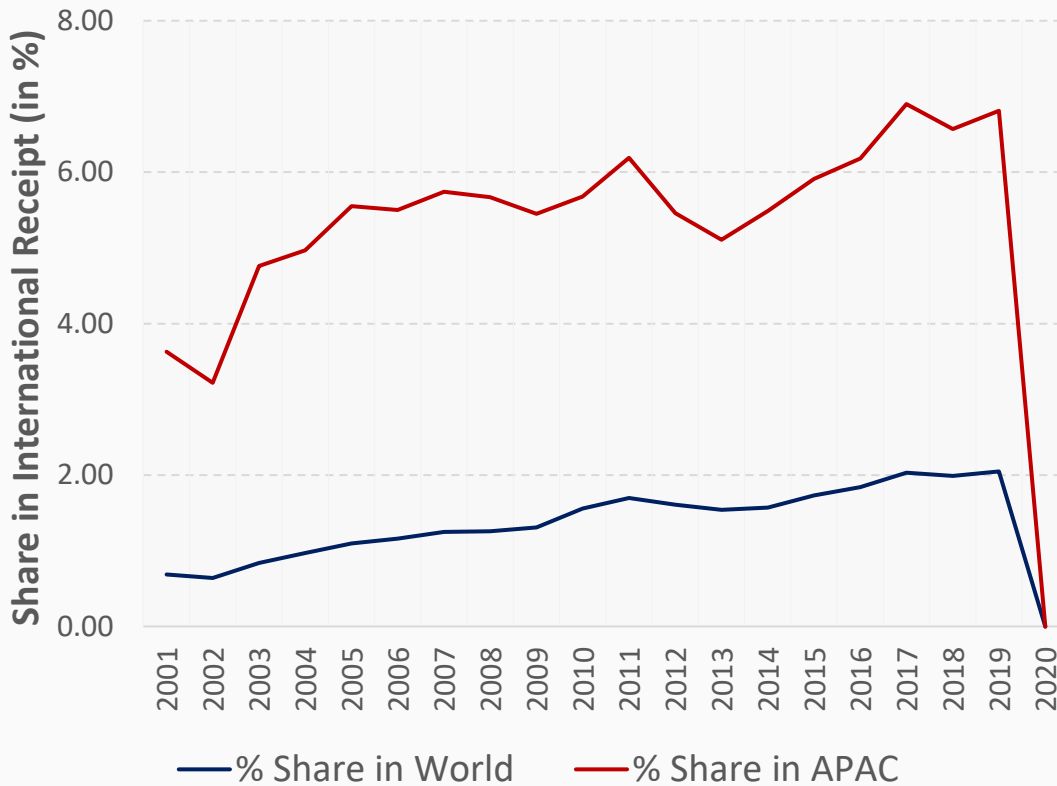
Dec. 2019 Vs Dec. 2020

2019 was
13 times
higher

Source: Ministry of Tourism

India's Share to International Receipt from Tourism – World and Asia Pacific (APAC)

India's share in International Receipt from Tourism



International

APAC

Rank 2001

36th

12th

Rank 2010

17th

17th

Rank 2020

13th

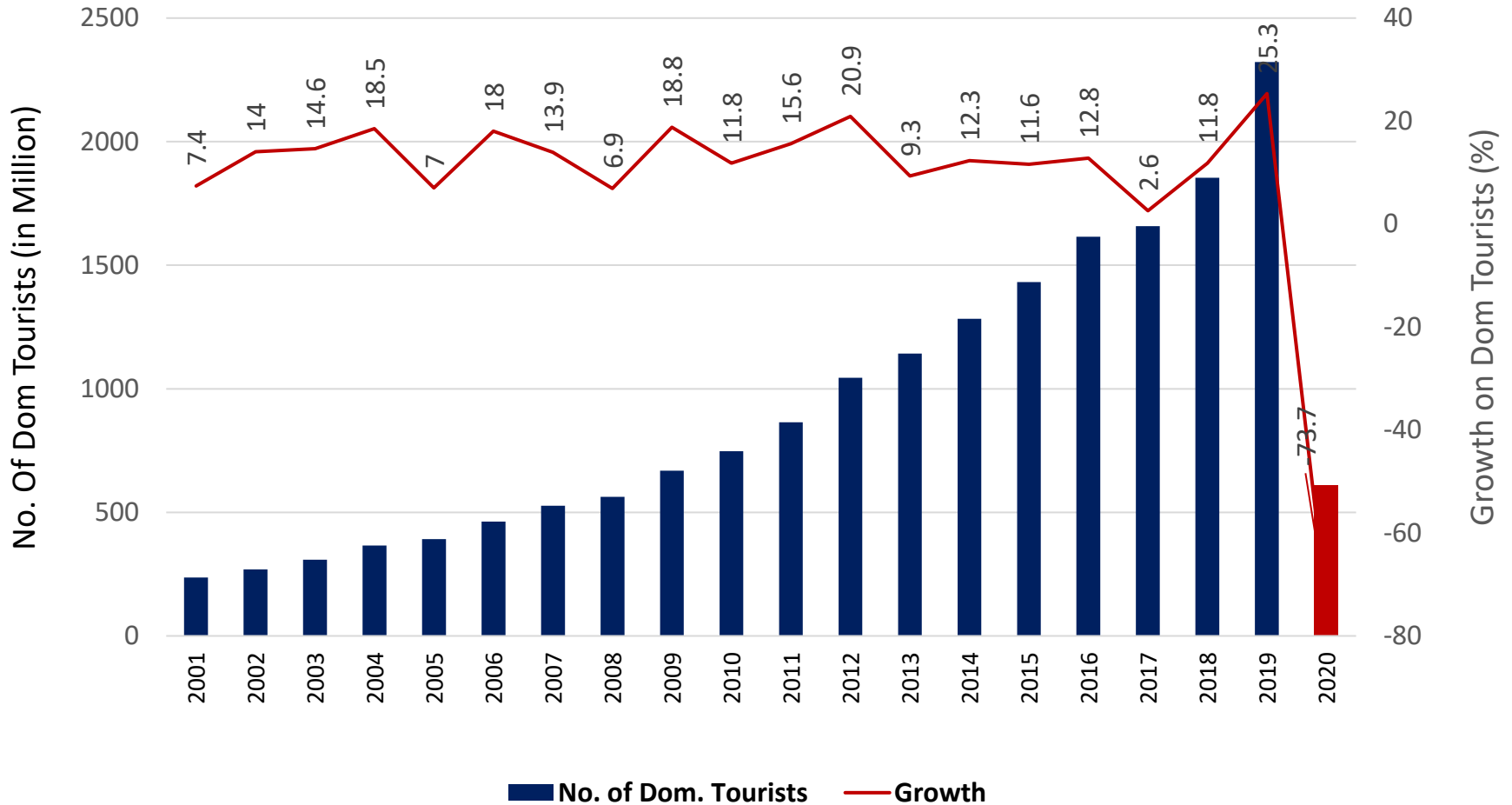
6th

Source: Ministry of Tourism

Note: Rank of 2020 not yet known

Domestic Tourist Visits and Its Growth Over Time

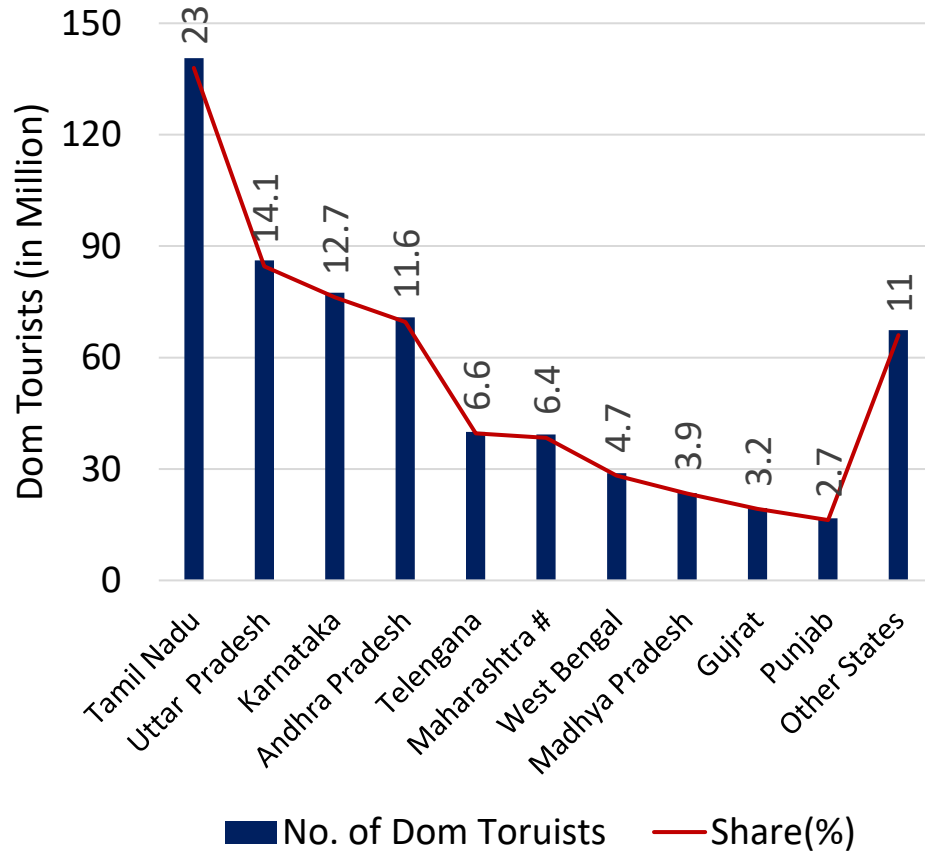
Number of Domestic Tourists



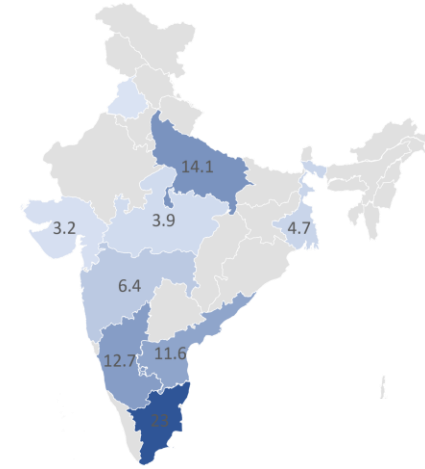
Source: Ministry of Tourism

Top Ten States in terms of Domestic Tourists

Top Ten States – Domestic Tourist Visits 2020



Shares Plotted for Top States



Total Share of Top 10 States

89%

Total Share of All Other States/UTs

11%

Source: Ministry of Tourism

What are Considered as Tourism Activities – Tourism's Economic Linkage

Entire Tourism Activities can be decomposed into Two Types

1. Tourism Characteristics Industries

- Non-Mechanised Road Transport
- Water
- Air
- Passenger Transport Supporting Services¹
- Transport Equipment Rental
- Travel Agencies and similar
- Other Recreational and Entertainment Services

2. Tourism Related Industries

- Clothing and Garments
- Processed Food
- Tobacco products
- Alcohol

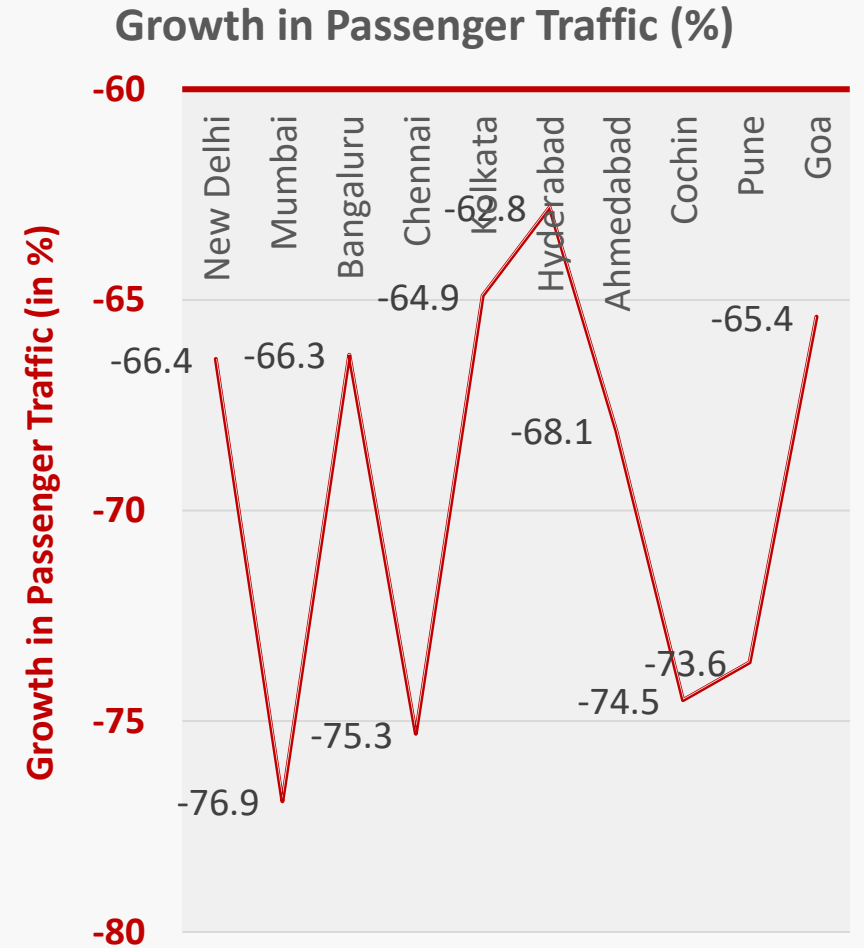
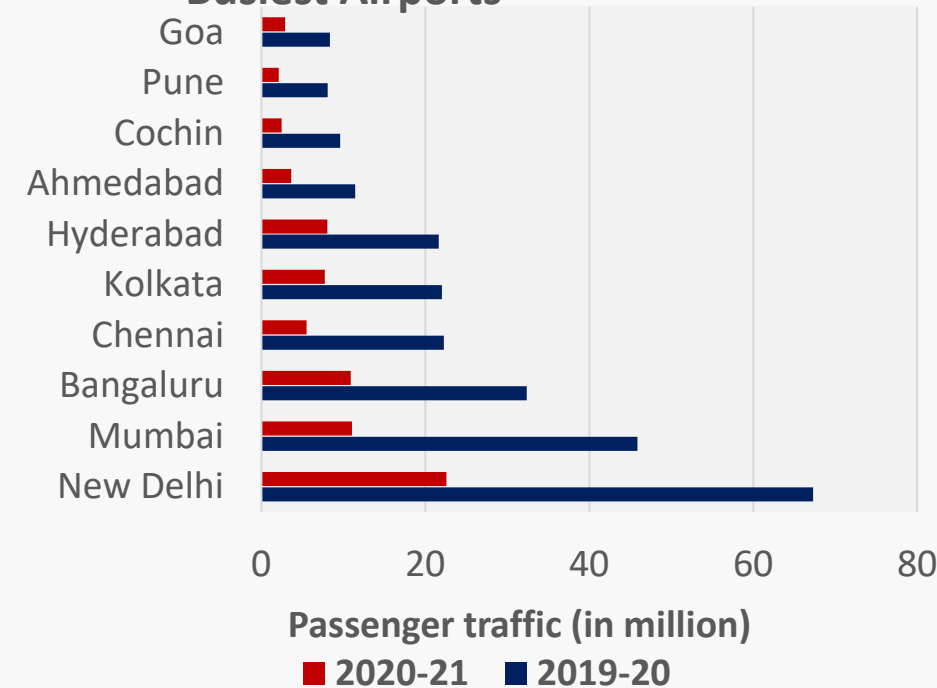
Tourism's economic impact occurs through income and employment generation

Aviation - Passenger Traffic in Top Ten Airports

Passenger traffic in top 10 Airports

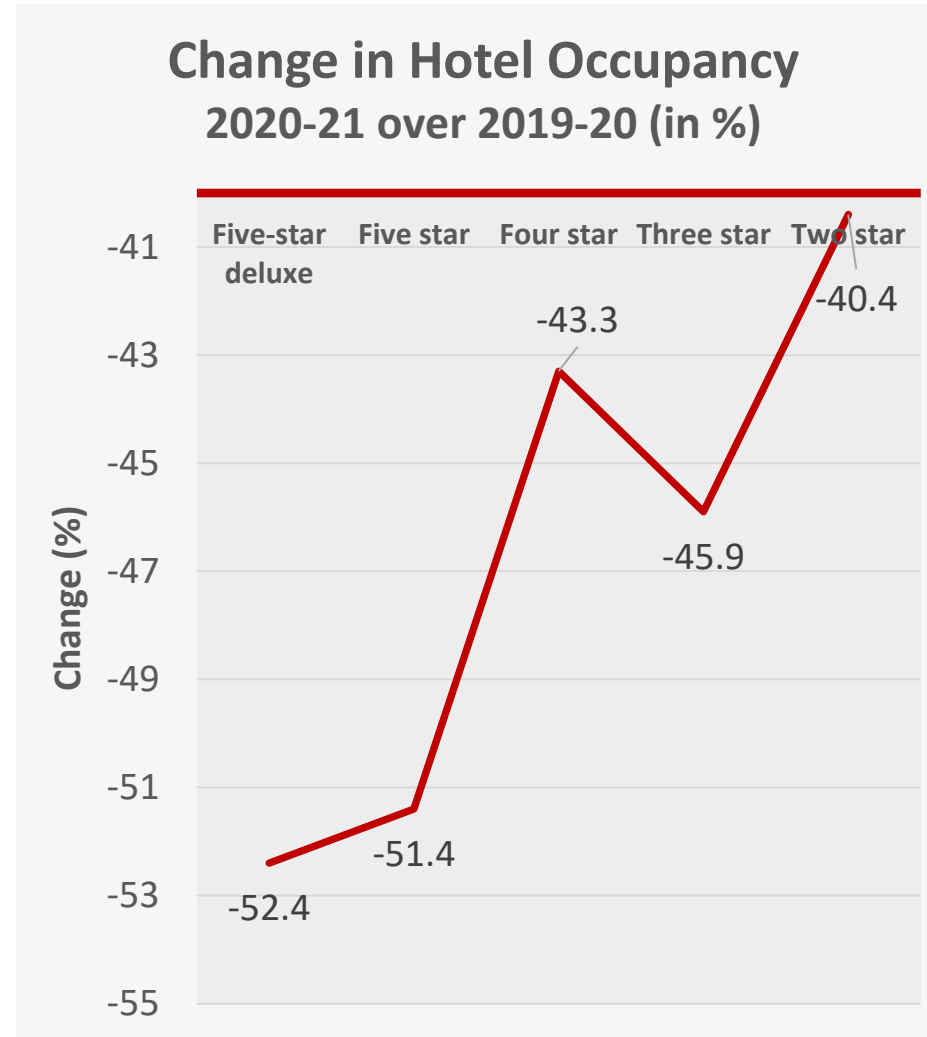
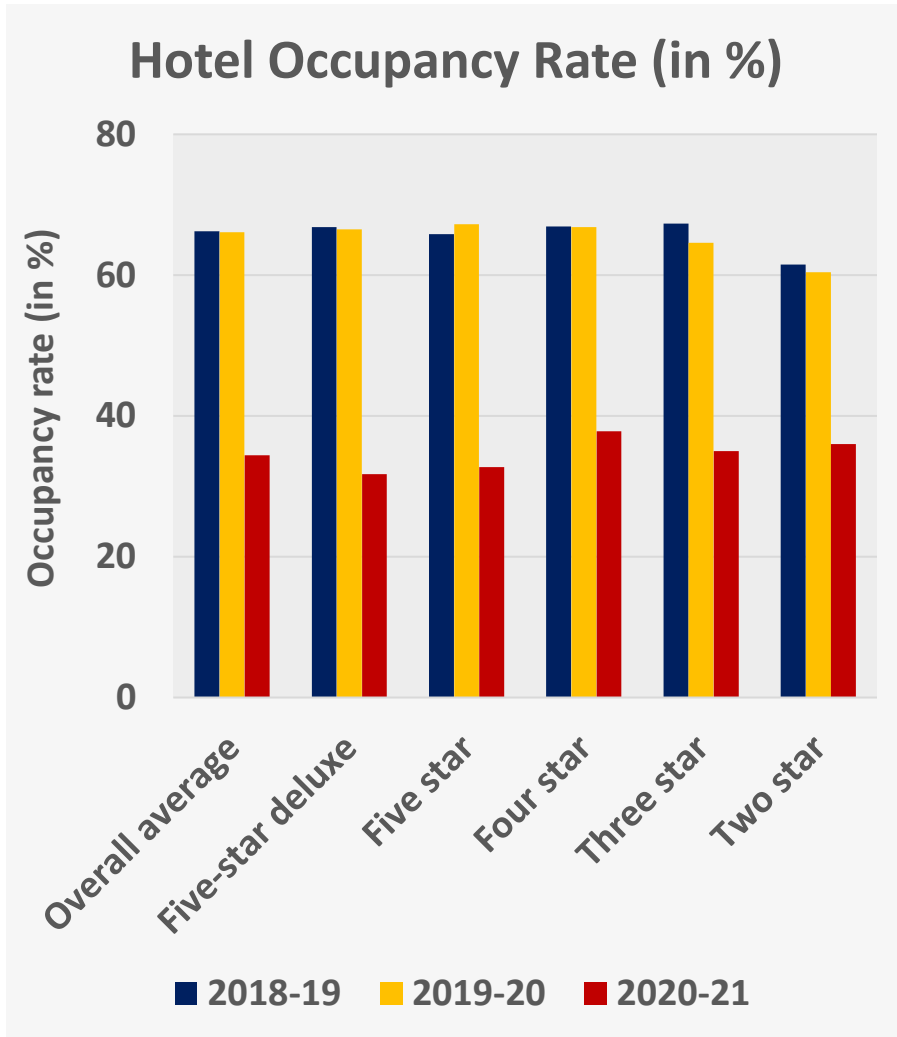


Number of Passenger Traffic in 10 Busiest Airports



Source: Airport Authority of India

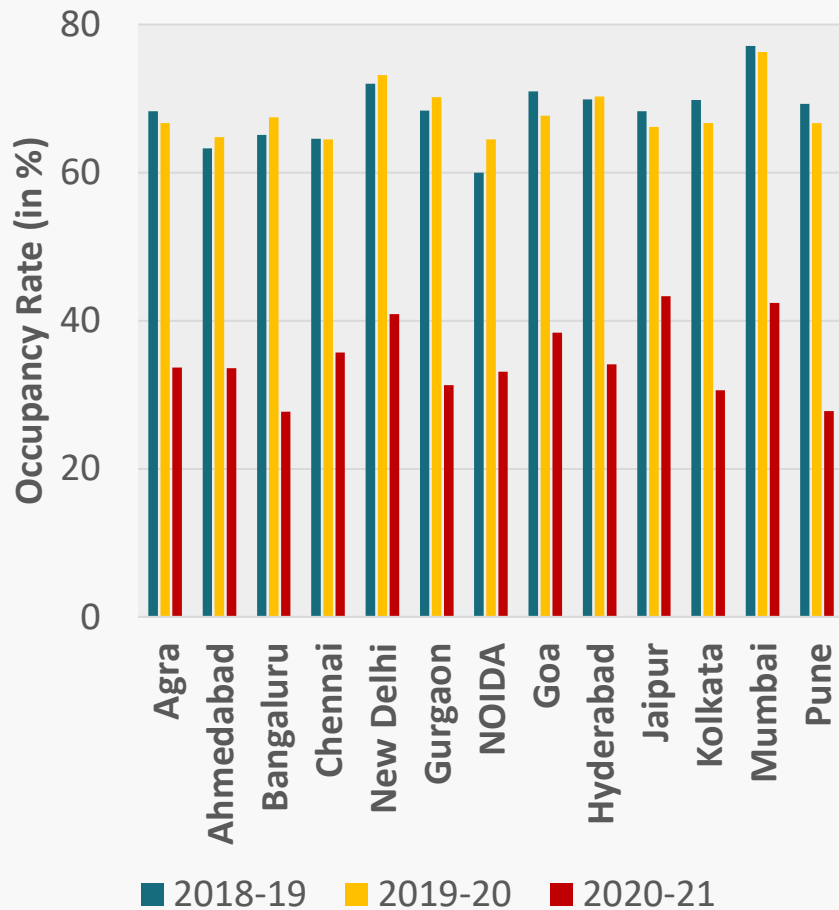
Hotel Occupancy Rates



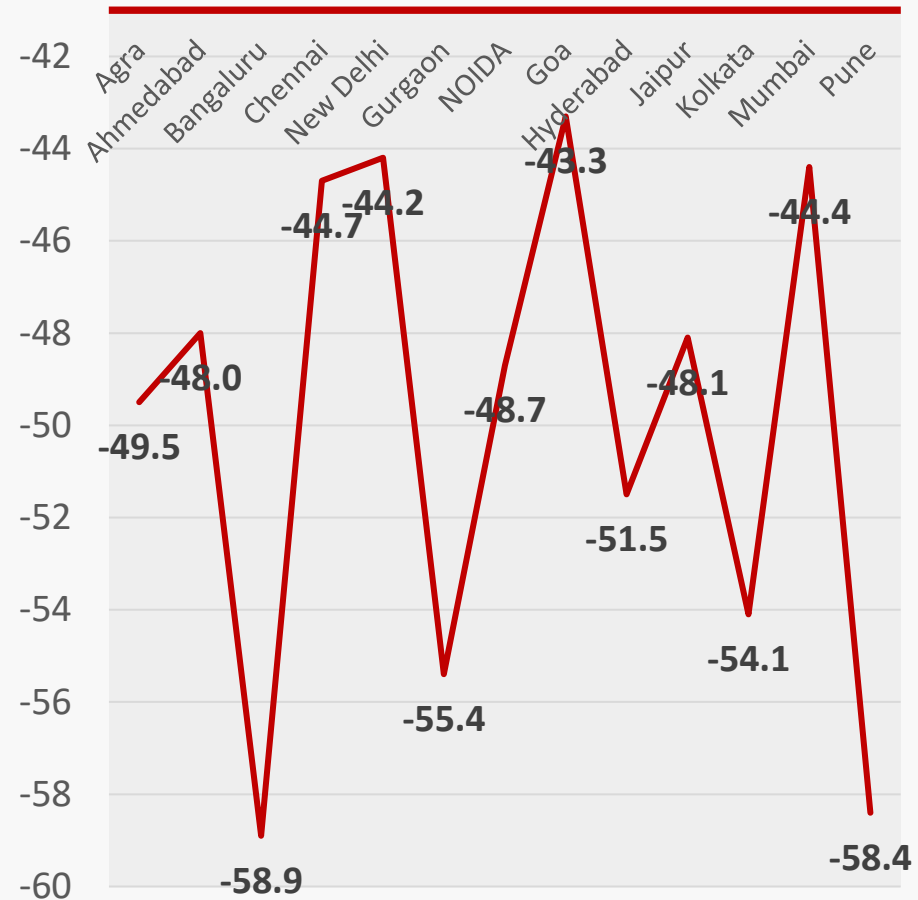
Source: Hotelivate Survey

Hotel Occupancy Rates

Occupancy Rate – Top 10 Cities



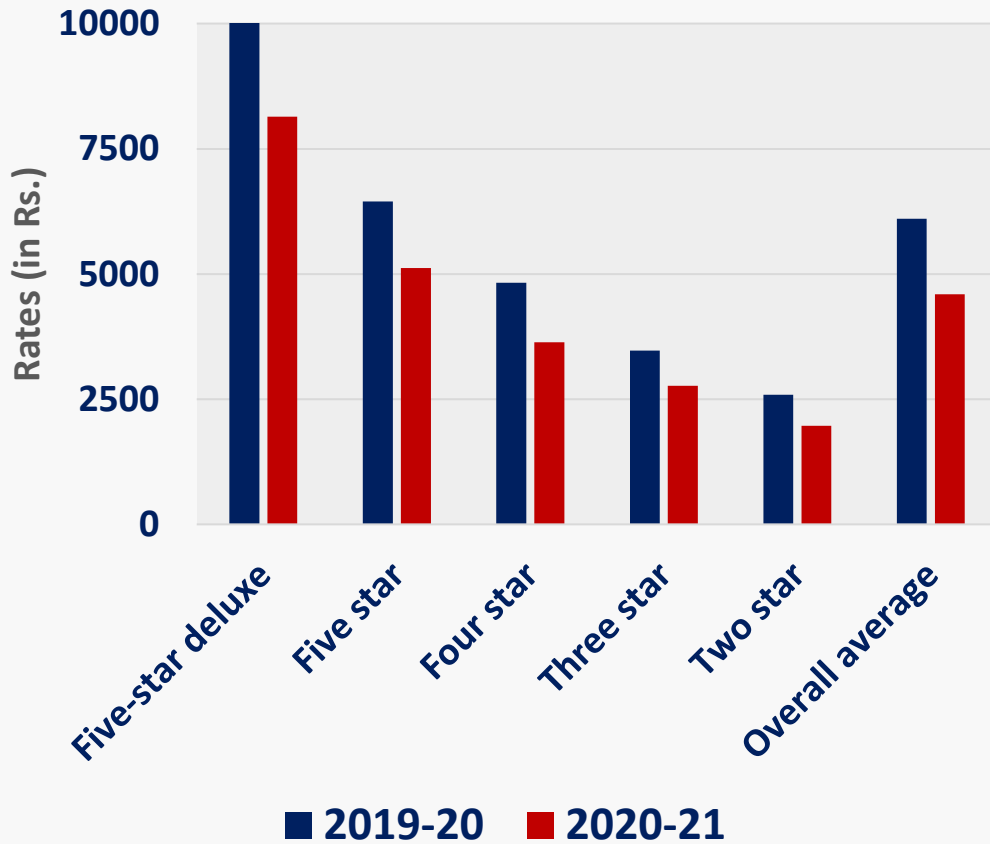
Change in Occupancy (in %) 2020-21 over 2019-20



Source: Hotelivate Survey

Hotel Rack Rates by Type of Hotels

Average Rental Rate by Type of Hotels



Source: Hotelivate Survey

Type of Hotels

Change (%) FY 2020 Over FY 2019

Five Start Deluxe

- 23.8

Five Star

- 20.7

Four Star

- 24.6

Three Star

- 20.2

Two Star

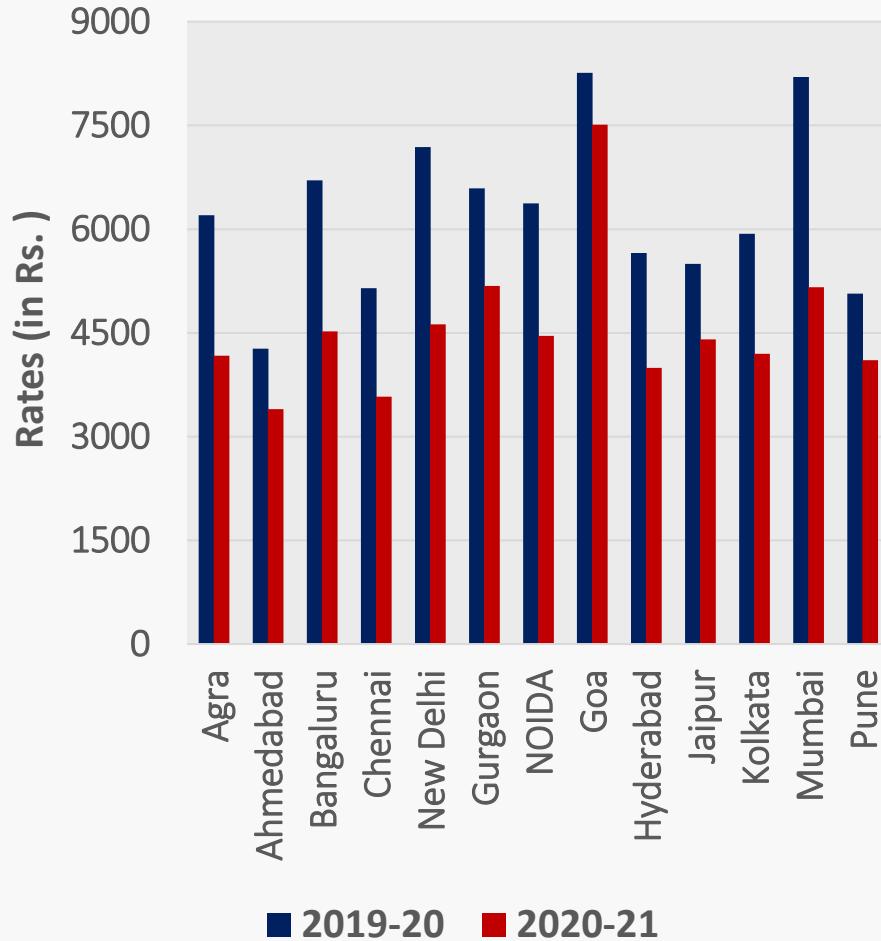
- 23.8

Overall Hotel Sector

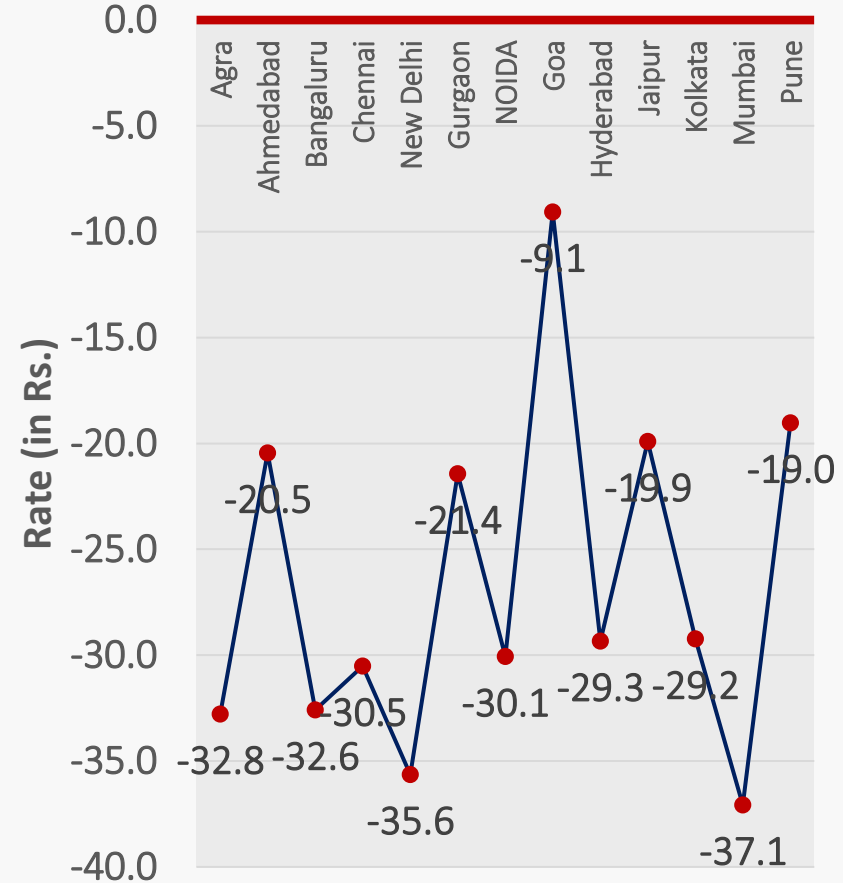
- 24.7

Hotel Rack Rates by Top 10 Cities

Hotel Rental Rates – Top Cities



Rate Change (in %) in FY 20 Over FY 19

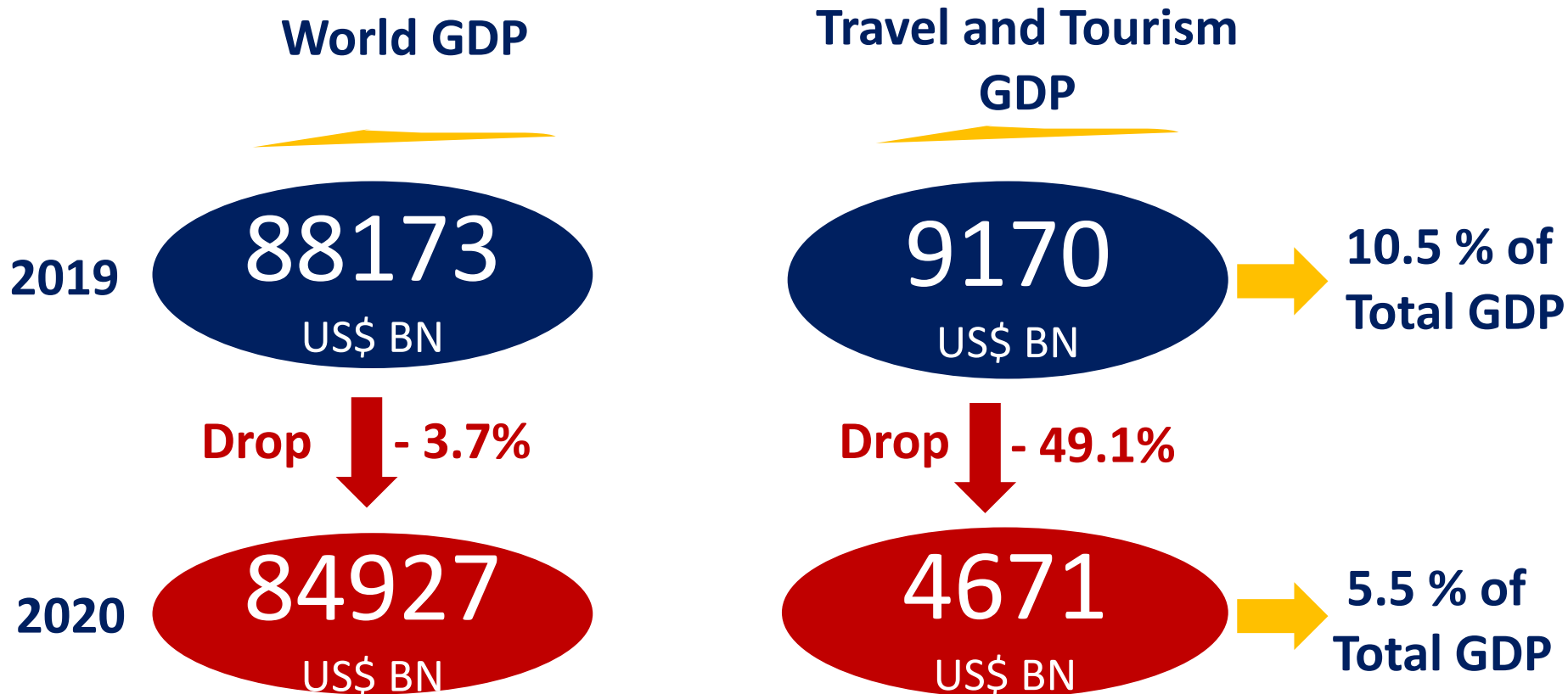


Source: Hotelivate Survey

Economic Impact – Global View on GDP

World travel and tourism GDP declined by **49.1%** and its contribution to total GDP became **almost half**

Gross Domestic Product (GDP)



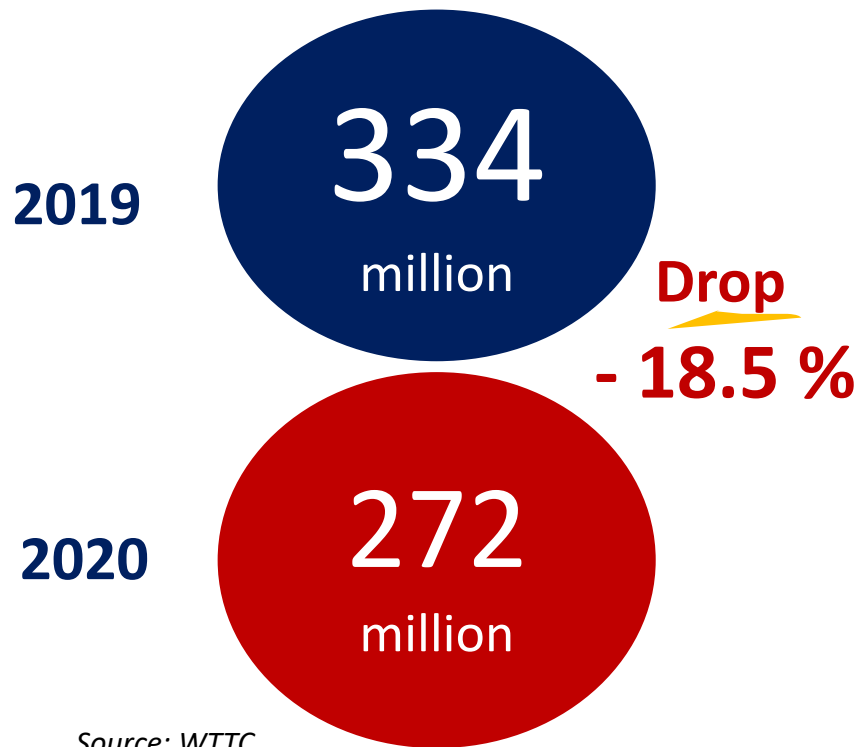
Source: WTTC

Loss in travel and tourism GDP – 4498 billion

Economic Impact – Global View on Employment

Travel and tourism employment declined by **18.5%** during 2020 and total job loss was 61.6 million worldwide

Employment in Travel and Tourism Activities



Share of Travel and Tourism

10.0% of
Total employment
in 2019

9.1% of
Total employment
in 2020

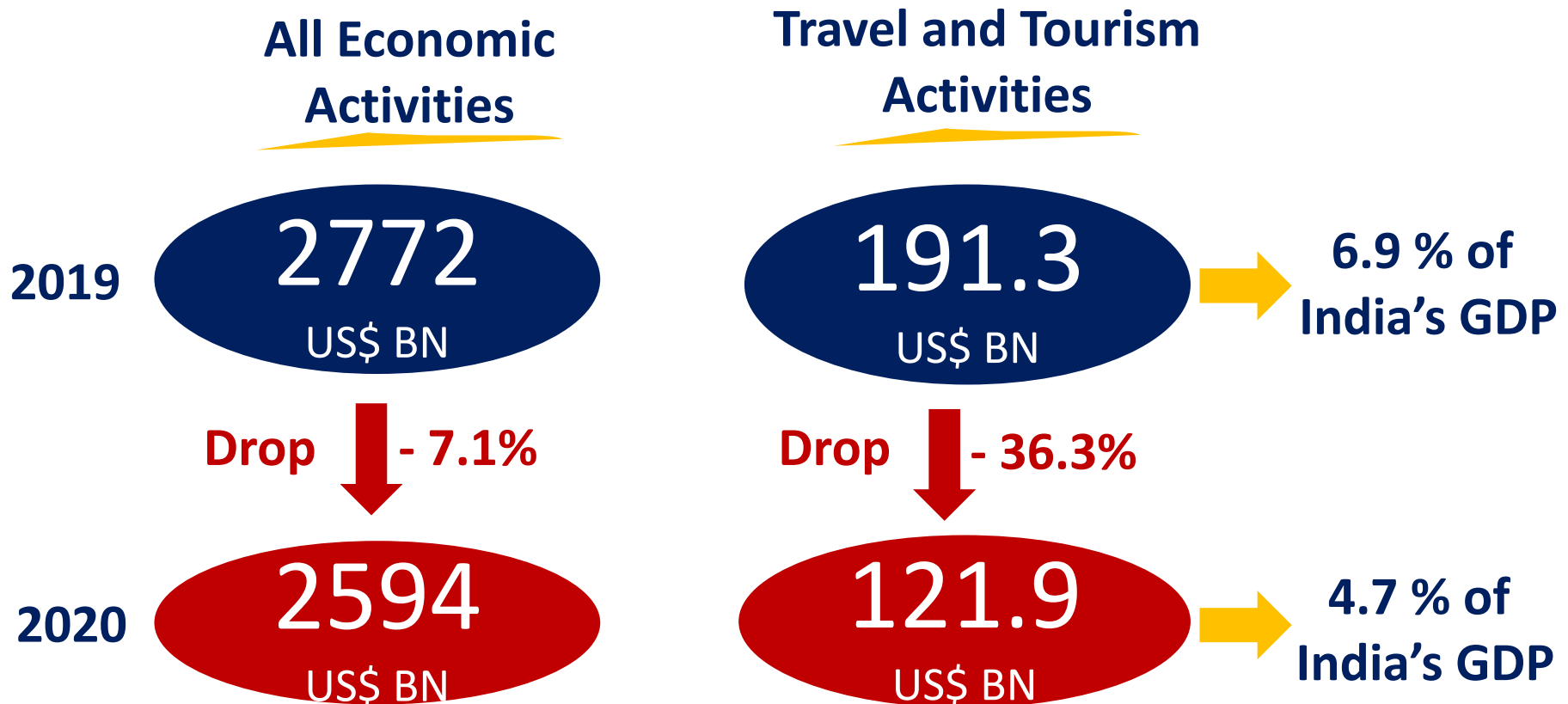
Loss in jobs during pandemic
61.6 million

Source: WTTC

Economic Impact – India View on GDP

India's travel and tourism GDP declined by **36.3%** and its contribution to India's GDP dropped by **32%** during 2020

Gross Domestic Product (GDP)

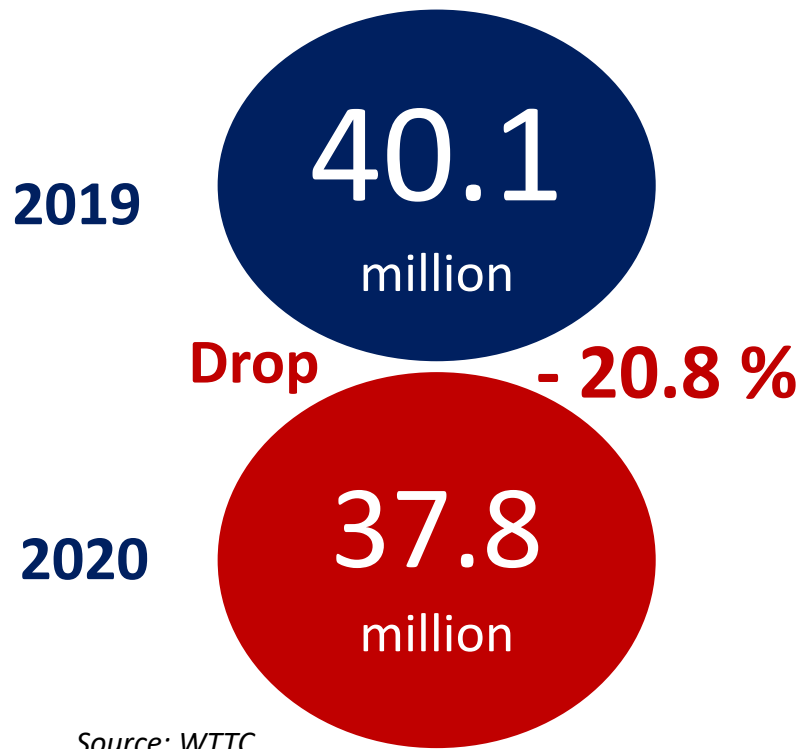


Source: WTTC

Economic Impact – India View on Employment

Travel and tourism jobs declined by **20.8%** during 2020 and total job loss was **8.3** million worldwide

Employment in Travel and Tourism Activities



Share of Travel and Tourism

Accounts for **8.8%** of total jobs in 2019

Accounts for **7.3%** of total jobs in 2020

Loss of jobs during pandemic
8.3 million

Source: WTTC

Economic Impact – Spending by Visitors

Spending by international tourists was declined by **61.9%** and spending domestic tourists was declined by **30.7%**

Visitors' Spending

International Visitors

Domestic Visitors

2019

30.8

US\$ billion

140.1

US\$ billion

Drop ↓ - 61.9%

Drop ↓ - 30.7%

2020

12.0

US\$ billion

97.1

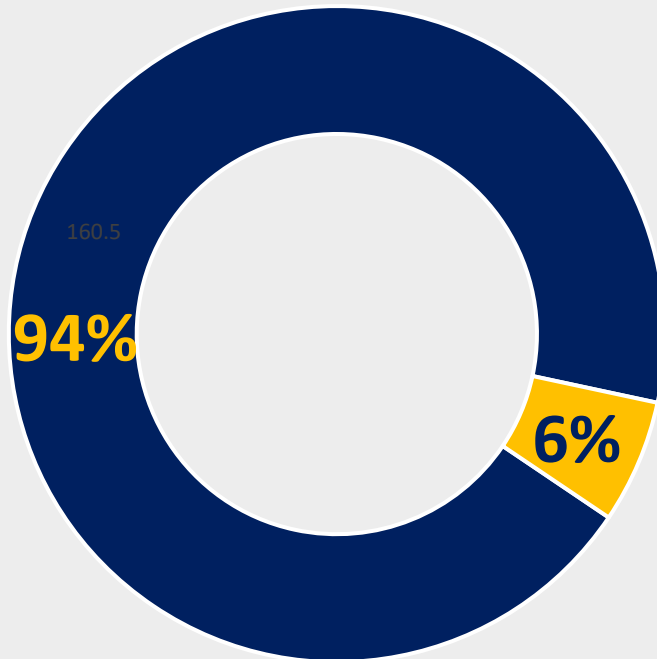
US\$ billion

Source: WTTC

Economic Impact – Spending by Purpose

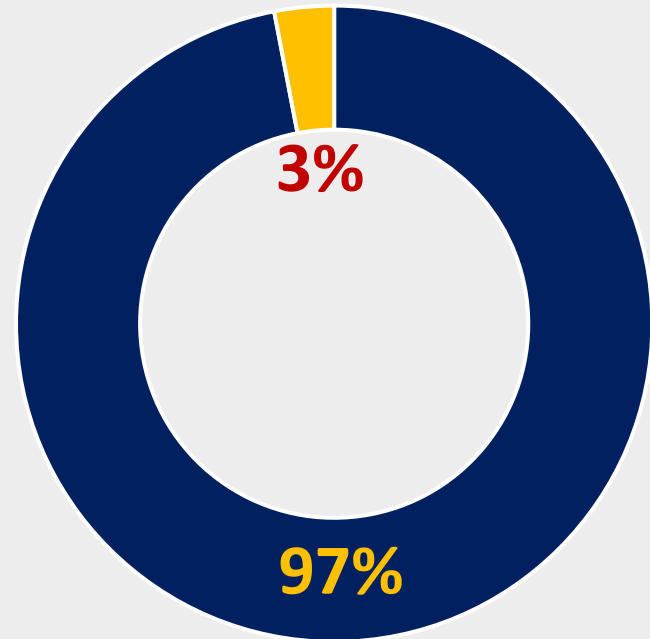
Spending on business was declined 3% also supports the fact that foreign tourist arrivals declined significantly during 2020

Spending by Type - 2019



■ Leisure spending ■ Business spending

Spending by Type - 2020



■ Leisure spending ■ Business spending

Source: WTTC

Thank You

We shall share all slides of this series in a few days

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