

India's Travel & Tourism Sector Shows Strong Recovery with Domestic Tourism Leading the Way

Return of international visitor spend yet to recover

London, UK: The World Travel & Tourism Council's (<u>WTTC</u>) 2024 Economic Impact Research (EIR) reveals a significant recovery of India's Travel & Tourism sector, with domestic tourism playing a pivotal role.

The data shows that whilst domestic tourism is driving the recovery of the sector in India, international travel spend remains below pre-pandemic levels.

According to the global tourism body's latest research, the sector's contribution to India's GDP reached just over INR 19.13TN in 2023 – almost 10% ahead of 2019 levels.

Employment in Travel & Tourism grew by 10% to reach just under 43MN, 8% more than in 2019.

Domestic visitor spending was 15% ahead of 2019, reaching INR 14.64TN however international visitor spending remained more than 14% behind 2019 last year – INR 0.4TN less being spent by international visitors last year than in 2019.

Such strong growth in domestic visitor spending is evidence that domestic visitors have led the sector's path toward post-pandemic recovery.

Julia Simpson, WTTC President & CEO, said; "India's Travel & Tourism sector is bouncing back with remarkable vigour, driven by a surge in domestic tourism.

"While international visitor spending is still catching up, the unwavering support from local travellers showcases the resilience and potential of this dynamic sector. With continued strategic efforts, India is set to shine as a global tourism powerhouse.

"The Indian Government's ambition to facilitate 100MN inbound tourists at the anniversary of India's independence in 2047, as part of the @2047 ambition, will supercharge the Indian economy and make India one of the world's most popular travel destinations."

What Does This Year Look Like?

Across all four metrics, the sector is forecast to be ahead of 2019 by the end of this year.

WTTC projects that Travel & Tourism will contribute almost INR 21.15 TN to the Indian economy in 2024, an increase of 21% from 2019. Jobs are predicted to increase by 2.45MN this year, equivalent to one in 11 jobs in India.

International visitor spending is expected to grow more than 17%, to reach INR 2.85TN, while domestic visitor spending is projected to continue growing this year, with a 9.6% increase to reach more than INR 16TN.

What Does the Next Decade Look Like?

With the right government support, WTTC is forecasting that the sector could grow its annual GDP contribution to INR 43.25TN by 2034, representing 7.6% of the Indian economy, and could potentially employ almost 63MN people across the country.

The Indian Government's ambition to facilitate 100MN inbound tourists at the 100th anniversary of India's independence in 2047, as part of the @2047 vision, will supercharge the Indian economy and make India one of the world's most popular travel destinations.

What Does the Region Look Like?

WTTC forecasts that across South Asia, Travel & Tourism will contribute INR 25.1TN this year, with jobs supported by the sector reaching 54.77MN by the end of 2024. Domestic visitor spending is expected to reach INR 18.3TN this year whilst international visitor spending is anticipated to reach INR 3.8TN.

For more information, please visit wttc.org

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Editors Notes

This cutting-edge research was carried out in partnership with Oxford Economics. All values are in constant 2023 prices and exchange rates, as reported in March 2024.

The South Asian region economies include Bangladesh, India, Maldives, Nepal, Pakistan, and Sri Lanka.