Study on Tourism in the Overseas Market of United Arab Emirates (UAE)

Final Report

Ministry of Tourism, Government of India

सत्यमेव जयते
Government of India

ACNielsen ORG–MARG

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Executive Summary

The foreign tourist arrival growth in India is little less than 11% per annum (2010) & United Arab Emirates contributes a miniscule percentage to the entire Foreign Tourist Arrival (FTA) in India. Though the share of FTAs from UAE to India is less owing to the small core population of the country, UAE nationals are known to travel extensively and frequently, as well being the high profile luxury seeking travellers. Considering the tremendous potential to attract foreign tourist, The Ministry of Tourism, Government of India has taken lot of innovative steps in terms of promotion and market development activity. To get a better understanding, Ministry of Tourism commissioned a study to gauge the perception of tourists—past as well as prospective—in selected foreign markets about tourism in India. This study-report attempts to assess the impact of the ongoing overseas campaign launched by the Ministry of Tourism, Government of India, to promote India as a high-value, up-market tourist destination. The Ministry of Tourism also intends to use the insights from this study as inputs in designing future overseas campaigns.

The report covers an in-depth insight of the traveller's demographic profile, level of awareness about India & its different products & services, preference & attitude, like & dislike & finally lead to arrive need-gap of the past travellers. The report has dealt with the different promotional strategies adopted by the competitive countries & what is the take away out of it & what best India tourism can offer to attract tourist from the target market. Government of India has set up India Tourism offices in different countries to facilitate intending travellers by way of providing required information so that they can plan accordingly. The study also covers the traveller's perception as well as experience to deal with those establishment & suggestion for improvement.

The entire study has been carried out by way of extensive secondary research followed by face to face interviews with the help of local office of The Nielsen Company. The categories of respondents are pas and prospective outbound tourists, travel houses, Indian tourism offices in Dubai.

India has for long been known for its rich culture and heritage beautiful and artistic historical monuments, cuisine with traditional Indian spices and herbs, pocket friendly rates, breathtaking natural beauty and a wide range of tropical beaches. Given the fact that UAE primarily has expatriates, and majority of them being Indians, working and staying there, the nationals of UAE

are well aware about India and its culture, aesthetics and the well highlighted destinations that India has to offer.

For holidaymakers from UAE, India is a "been there done that" kind of a destination. On virtue of having friends and relatives in India, they have visited India in past and have seen the destinations that are promoted frequently. India is not just an already visited destination but is also perceived as an expensive destination by them (especially after the financial downturn). The UAE nationals, by virtue of the geographic location of their residence, that is extremely hot during the summer months in northern hemisphere, travel for a long duration to escape the heat. Their budget for trip depends on the family size and type of vacation (as mostly are known to travel more than once in a year). Past travellers from UAE, predominantly travel for around three weeks during the summer and spend around INR 1,50,000 per head on an average in India with their families for a leisure trip. Most of the past travellers visited India to meet friends & relatives along with spending time to travel across India. The most fascinating things to them were to enjoy the cultural diversity, scenic beauty, Indian cuisine & people & that is why they would like to visit India in near future. Amongst long haul destinations, Asia is preferred by a large segment of UAE holidaymakers with Thailand, Malaysia and Singapore being the top destinations. However, India does not seem to be amongst the top Asian destinations for travellers. This needs to get modified, as India has as much to offer as any other Asian destinations.

All the past travellers are aware about India through different sources but the promotional /publicity material available at various forums are not helping to plan their travel. The information provided needs to be more comprehensive and clear, along with the ease of being in their local / national language. Travellers feel the need of a travel plan. All the required information is available on the website of ***Incredible India,*** but the website needs to be more focussed, product driven and clear so that travellers can decide their destination and can compare the benefit to visit India vis-à-vis other competitive countries. The Campaign should be focused more to lure the intending travellers to "Visit India "rather than simply describing India.

Travellers are only aware of Golden Triangle and the backwaters of Kerala, therefore, more destination specific visuals/ campaigns defining the products and its unique features need to be devised and promoted. Especially destinations like beaches and mountain locales need to be promoted more to UAE market, considering the purpose of trips usually taken by UAE holidaymakers. Rather than marketing India or just one state to the trade, focus should be on marketing a product /activity/ event. Under the umbrella of brand India new tourist circuits need to be created to attract different type of travellers. Segment specific products i.e different products and packages for uber luxurious tourists, family travellers, business travellers, medical tourist's etc. need to be offered. Moreover, since medical tourists also form a sizeable chunk of visitors from UAE to India, the need of the hour is to introduce specific packages for them along with designated visas. New, affordable treatments, hospitals, alternative medical facilities and apartment hotels need to be advertised more and frequently projected in Arab media, to influence medical tourists to visit India. Thus there is need to focus separately for the 3 different stakeholders;

Trade/ Tour Operator:

Tour Operators help travellers in planning foreign trips to countries that they are not aware of. Focussing on trade and making them fully aware of the products that India has to offer will create a gateway for foreign tourists to India. It is also suggested to improve the number of tour operators and motivate them to work for 'India Tourism Office'. There is a need for an integrated approach by India Tourism Office and tour operators. India Tourism Office must participate in important fairs and festivals where they can sponsor any event which will finally send a message to "*Visit India*" and not just educate travellers about India.

Media:

Media is a medium that can be used to make people aware about India. Media reaches the masses and hence is a very important tool of promotion. The media advertisements need to focus on the various products that India has to offer assuring that India is a safe and secure country to visit and can also showcase the unique blend of modern and traditional experiences that India has to offer. Media can help remove the myth of people that India is not a safe country and that India is still backward in its approach. The fact being that India is safe and has a huge variety of modern products to offer and that India is developing at a very fast pace as far as technology and modern amenities are concerned, which needs to be highlighted. Media can also take the help of UAE celebrities and famous personalities to promote the pleasant experiences that they had encountered during their stay in India.

<u>Traveller:</u>

More efforts need to be put in creating promotional campaigns which will increase footfalls of travellers to India. In order to attract intending travellers as well as past travellers (for repeat visit) - a comprehensive travel guide or plan with lots of stimulus is essential. Thus it is imperative to categorise the travellers from any particular country on the basis of their travel pattern and habit/ behaviour.

Last but not the least is "*Incredible India"* website needs to be upgraded regularly. The content of the website also needs to be reviewed periodically and new destinations/ products/ circuits need to be brought to the knowledge of the travellers. Promotional campaigns need to highlight the incredible India web-address more prominently to increase the visibility of the website.

Way Forward – Long Term and Short Term Measures to promote Indian Tourism

Short Term Measures:

- Organize focused Familiarization tours for media persons and tour operators.
- Impart training to front office executives who are in direct contact with prospective travellers so as they can handle all types of queries.
- Though enough publicity material is there, but it is all out-dated, there is no mention about New India – new destinations, new products, new packages, new circuits and new luxury properties need to be promoted alongside well known destinations, so as to offer a large choice in front of prospective travellers.
- New methods of promotion need to be introduced, for example, promotion on search engines and social networking sites which have immense reach irrespective of the geography.
- Frequent interaction with tour operators – to remain connected.

Long Term Measures:

- More focus on product /destination campaigns required for different set of travelers. Products for specific countries should be designed based on the needs and requirements of travelers from that specific geography.
- Rather than sending brochures etc, fortnight updates on what is happening NEW in India –event, launch, festival etc.
- Design advertisements with celebrities of the target country to lend trust and credibility to the promotional advertisement.
- For UAE travelers focus on apartment hotels, luxurious properties and Entertainment zones for kids.

Contents

List of Figures

List of Tables

Chapter One
About the Research Study

1.1 *Introduction to the study*

The growth of the Indian tourism sector in recent years has hinted at the untapped potential of the sector to contribute to national income and employment. This study was designed to gauge the perception of tourists—past as well as prospective—in selected foreign markets about tourism in India. This study-report attempts to assess the impact of the ongoing overseas campaign launched by the Ministry of Tourism, Government of India, to promote India as a high-value, up-market tourist destination. The Ministry of Tourism also intends to use the insights from this study as inputs in designing future overseas campaigns.

1.2 *Scope of work*

The scope of work for the study was as under:

- To conduct a study on tourism in the overseas market of UAE.
- Primary survey of the past and prospective travellers
- Compilation and analysis of information from secondary sources.
- Each country report shall provide information on the following aspects
    - Market /Country overview — economic and social profile
    - Outbound travel pattern in past
        - Traveller's profile
        - Preferred destinations
        - Expenditure pattern
        - Travellers to India
- Projections of future outbound travel
- Role and characteristics of tourism and travel trade in these countries
- Attractiveness of India for visitors from these countries

- Indian tourism marketing and promotion in these countries.
- Suggestions of specific measures to promote Indian tourism in these countries.
- Role of Indian tourism office in UAE in promotional activities should also be elaborated.

1.3 Objective of the study

The study aims to provide critical feedback to the Ministry of Tourism with regard to

- India as an attractive destination to visitors from these countries
- Marketing and promotion of Indian tourism in these countries.

Further, the findings of the study are expected to provide critical inputs in

- Suggestions of specific measures to promote Indian tourism in these countries.
- Elaboration upon the role of Indian tourism offices in these countries with regard to promotional activities.

The study was carried out by means of secondary as well primary research, the focus being on primary research.

1.4 Methodology

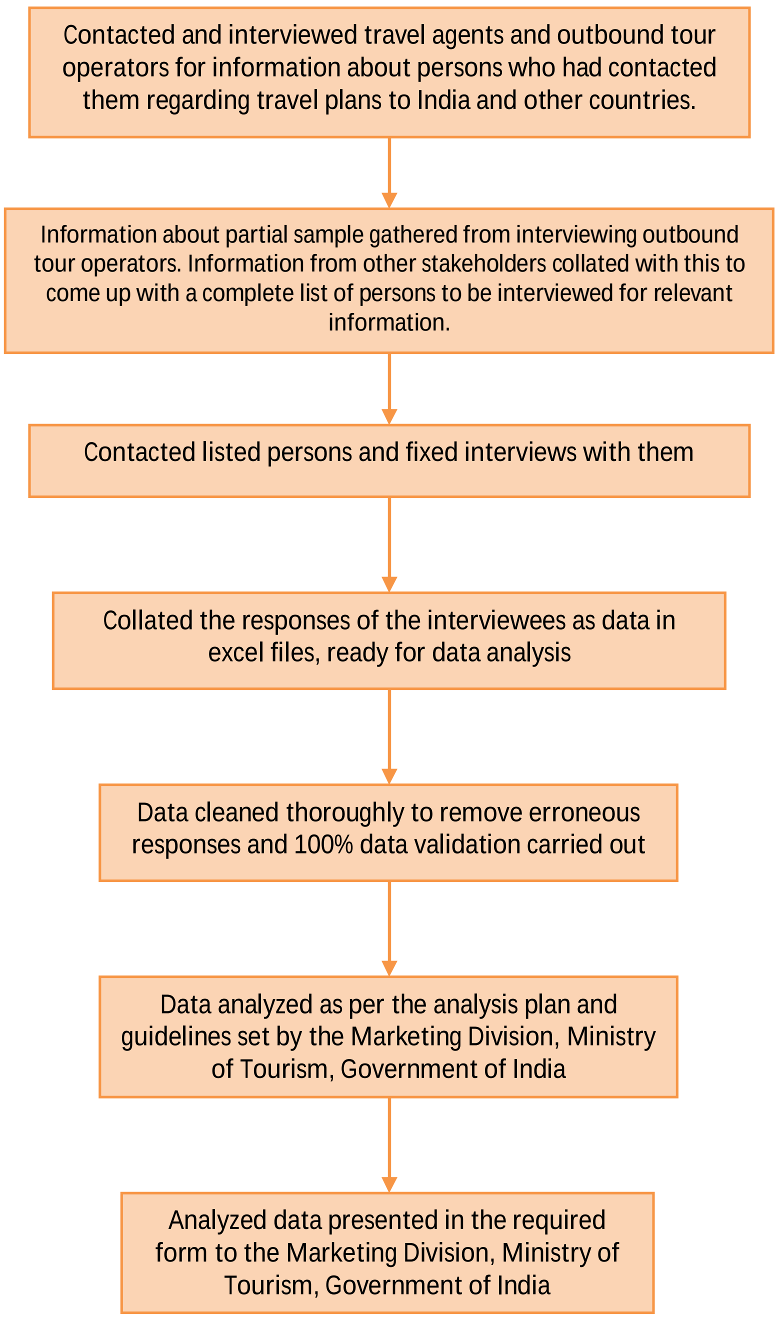
1.4.1 Research approach and methodology

The stakeholders involved were different for different categories of respondents of the study. The following table presents the consolidated list of stake holders and their envisaged roles in helping the study to achieve its objective:

Stakeholders	Purpose	Role-play
Travellers or Visitors	Outbound travellers and visitors as well as potential abroad travellers and visitors. These include: ▪ Persons who have travelled abroad in the last one year, and specifically to India ▪ Persons who have travelled abroad in the last one year, and to other countries but not India ▪ Persons who have not gone abroad yet but are planning or intend to travel abroad in near future and specifically to India ▪ Persons who have not gone abroad yet but are planning or intend to travel abroad in near future to other countries but India	Face-to-Face interviews with this sector of stakeholders provided valuable information with regard to the objective of the study
Travel agents and Outbound Tour Operators	Travel agents and tour operators with expertise in providing outbound travel options to travellers and prospective travellers	Knowledge about respondents who have already travelled abroad to India or other countries, as well as about prospective travellers intending to travel abroad to other countries or to India
Indian Tourism Ministry Offices or Directors of Tourism Offices	Officials from Ministry of Tourism and Tourism Offices provide help and information to persons interested in travelling to India	Information regarding travellers who have visited India in the last one year and who are intending to visit India in future

1.4.2 Operational methodology

The following flowchart provides a graphical representation of the methodology followed to gather relevant information from respondents.



1.5 Sample Size

The following table gives details of the sample of respondents in the various countries—both past and prospective tourists—classified according to their actual or desired destinations. The details for UAE are highlighted in yellow.

Country	Category of respondents				Total
	Persons who travelled abroad in last three years		Persons who have not gone abroad yet but intend to travel in near future		
	To India	To other countries	To India	To other countries	
U.A.E.	**760**	**750**	**148**	**349**	**2007**

1.5.1 Coverage

Segments

The following segments were covered by the study in UAE:

- Outbound Tourists / Local population
- Travel houses: major ones across various cities in proposed countries as well as Indian travel houses who have overseas counterparts to attract tourists into India
- Indian tourism offices in Dubai

The destinations short listed for locating and interviewing tourists in United Arab Emirates were as follows:

Country	Time	Location	No. of respondents	Sources of respondents	Hit rate
UAE 	Nov 2010 – March 2011	DUBAI	1507	1. Our Local office in Sharjah 2. Local directory (1368) 3. Local tour operators (639)	Nielsen contacted 3284 respondents to achieve 2007 interviews
		SHARJAH	500		
		Total	2007		

Apart from interviewing tourists at these destinations, officials from Indian tourism offices and outbound tour operators were also interviewed to gather more information regarding travel patterns of international tourists and their perception and inclination towards travelling to India.

1.5.2 Method of enquiry

Different modes of enquiry were followed for the various respondent categories as follows

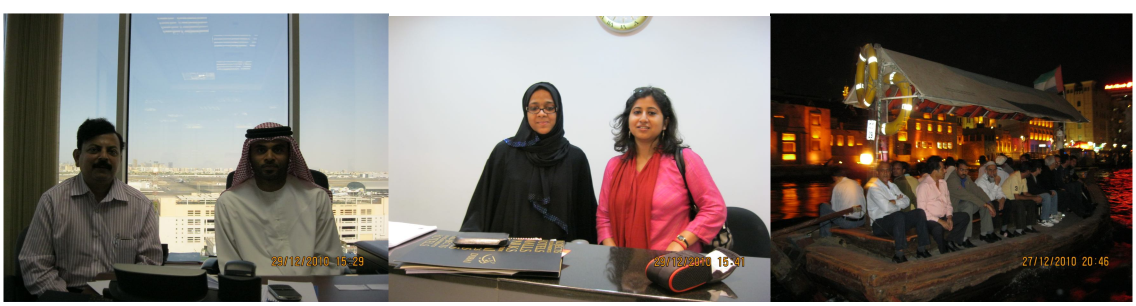
- **For inhabitants of UAE/ Local population** – Direct face-to-face interviews using the questionnaires provided
- **For tour operators** – Direct face-to-face interviews using the questionnaires provided
- **For Indian tourism offices** – Face-to-face discussions with an aim to get an idea about the promotional measures undertaken by the respective offices

1.5.3 Conduct/ control of field operations in different locations

The rest of the primary survey was conducted in association with the local ACNielsen offices at the various locations. Research professionals from Delhi supervised the field operations to maintain quality of the data being collected.

1.5.4 Data analysis, quality control measures

Analysis of data was primarily conducted on SPSS (Statistical Package for Social Sciences). Frequency and cross tabulation analysis were conducted as required. Segmentation of the entire sample of travellers was carried out on SPSS using parameters like traveller's age, occupation, education, annual income, last expenditure of abroad visit, etc. in order to give a detailed description of the travellers' profile.



Chapter Two
Background

2.1 Introduction

The United Arab Emirates (UAE) is a federation of seven autonomous Sheikhdoms with a total land area of 83,600 square kilometres. The seven emirates are Abu Dhabi, Dubai, Sharjah, Ras Al Khaimah, Fujairah, Umm al Qaiwan and Ajman.

The UAE Federation was formed on 2 December 1971 as a fully independent state when the so called 'Trucial States' ended their individual treaty relationships with Britain. Sheikh Zayed bin Sultan Al Nahyan became the first President of the UAE. Upon his death on 2 November 2004, his son, Sheikh Khalifa Bin Zayed Al Nahyan was elected President on 4 November 2004.

The per capita gross national product (GNP) of the UAE is among the highest in the world. Even though heavily dependent on revenues from hydrocarbons, the UAE has been successfully implementing economic diversification measures and has shored up large foreign exchange reserves and foreign investments that effectively insulate its economy during periods of low oil prices.

The UAE's native people or 'Emiratis' constitute approximately 20% of the country's population. The remainder include other Arabs, Palestinians, Egyptians, Jordanians, Yemenis, and Omanis and expatriates from multiple countries: Iranians, Pakistanis, Indians, Bangladeshis, Afghanis, Filipinos, and West Europeans.

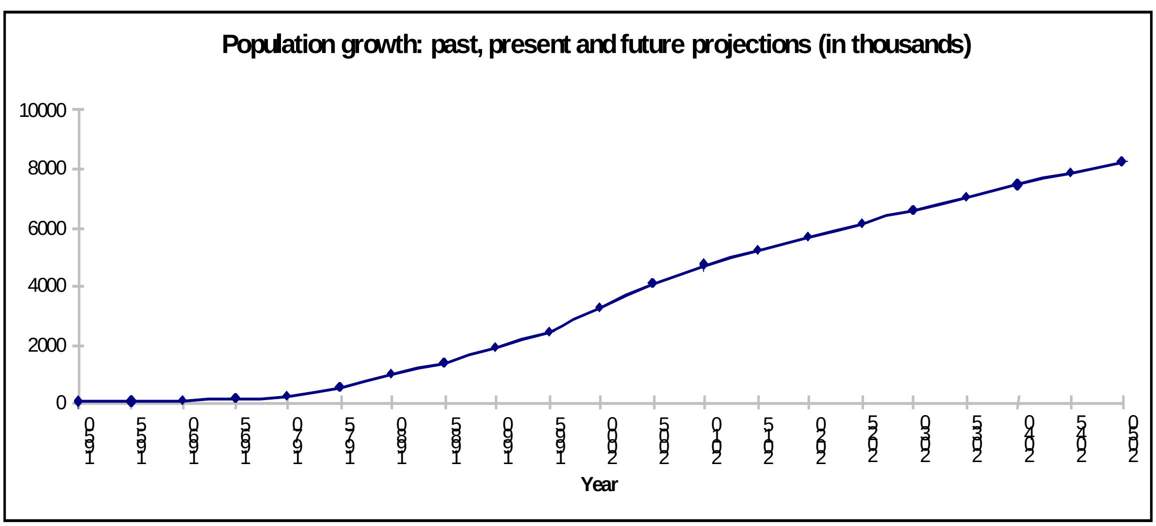
Arabic is the official language of the country. Other languages spoken include Persian, English, Hindi, and Urdu. English is widely understood in the UAE. Muslims constitute the vast majority (approximately 96%) of the UAE's citizenry, of whom 85% are Sunni and 15% Shia. In spite of a predominantly Muslim population, the UAE (and especially Dubai) is one of the most liberal countries in the Gulf, with a wide tolerance for other cultures and beliefs.

2.2 *Social Profile*

2.2.1 Rural/Urban Population

According to the UAE Bureau of Statistics, the population is estimated at 8.264 million (National Bureau of Statistics).[i] As mentioned earlier, the majority of the population consists of expatriates, with only 20% of the population reported being UAE nationals (Emiratis)[ii]. Almost 50% of the population is from South Asia. Indian nationals residing in UAE numbered approximately 1.75million at the last count and constitute the single largest expatriate community in the country[iii]. This fact serves to explain away a large proportion of the existing influx of tourists to India from UAE, since most expatriates tend to visit their home country during vacations.

Figure 1 Population growth: past, present and future projections (in thousands)



Source: United Nations (http://esa.un.org)

According to the 2005 estimates, 82% of the country's population resides in urban areas, largely because the majority of expatriates reside in the urban areas.[iv] As can be seen from the Table 2.1, 61.92% of the Emiratis and 87.46% of the expatriate population live in urban areas.

The high proportion of urban population, combined with the 2.9% annual rate of urbanization in the country (2005–10 estimates) makes for a high potential for outbound tourism since it is a well documented fact that the propensity to travel during vacations is much higher in urban areas than in rural areas.

Table 1 Distribution of rural-urban population

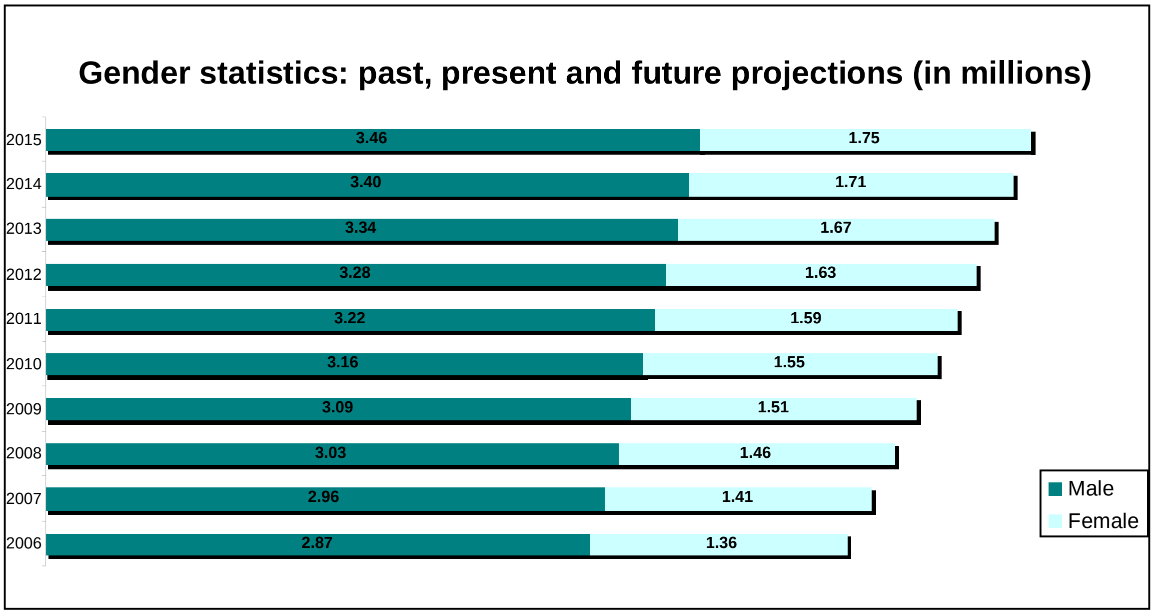
Nationality	Residence	Total (2005)	Percentage
Citizens	Urban	511,106	61.92
	Rural	314,389	38.08
	Total	825,495	100
Non Citizens	Urban	2,869,624	87.46
	Rural	411,308	12.54
	Total	3,280,932	100
Total		4,106,427	

Source: Ministry of Economy, Central Statistic Department, UAE

2.2.2 Gender Statistics

The society in UAE is male dominated, with over two males for every female (see Figure 2.2). There are various factors that account for the high proportion of male population, the prominent ones being the large number of male expatriates and immigrant labour in the country. This is a critical factor in influencing the choice of holiday destinations which offer attractive night life for men, namely, Malaysia and Thailand.

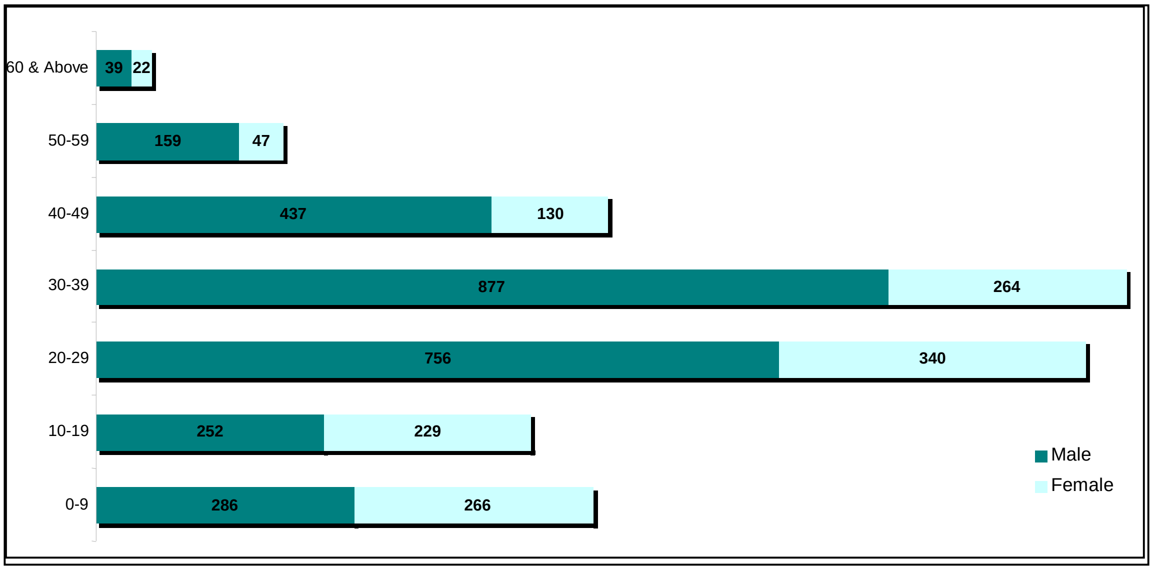
Figure 2 Gender statistics: past, present and future projections (in millions)



Source: United Nations (http://esa.un.org)

As is seen from Figure 2.3, the proportion of males in the population is the highest in the working age between 20 and 59 (2.85 males for every female)[v]. Employment statistics too shows an overwhelming predominance of males. While the participation rate in the workforce is 41.8%[vi] for women, the same is 89% for men, which is more than double[vii]. As an Islamic state, the government largely encourages women to be conservative and generally does not encourage women's participation in the workforce.

Figure 3 Age distribution of male and female population



Source: Census 2005, UAE

2.2.3 Prominent Religious Groups

While the Constitution of the United Arab Emirates declares Islam as the official religion of the country, and the government defines all citizens as Muslims, it nevertheless enables freedom of religion through other laws and policies. These, however, are tempered by restrictions that require deference towards the established customs and public morals of the country. Further, the law denies Muslims the freedom to change religion, and the government restricts their religious freedom in practice, even as it follows a policy of tolerance towards non-Muslim religious groups, interfering very little in their religious activities, except for a prohibition on proselytizing and public distribution of non-Islamic religious literature.

The entirely Islamic composition of the Emiratis has a strong bearing on the choice of tourist destinations. Further, UAE's outbound travel profile, according to *Market Vision*[viii], shows that 68% of travellers are families. This figure is one of the highest in the world. As a result of family oriented vacations and the prominent role of religion in their lives, Emiratis prefer tourist destinations that are religiously and culturally aligned to their own, thus marking countries like Malaysia as prime destinations, where they can be sure of availability of a number of their particular requirements and conveniences, such as Halaal meat and facilities for prayers and religious observances. A majority of tourists look towards holiday destinations which have religious significance.

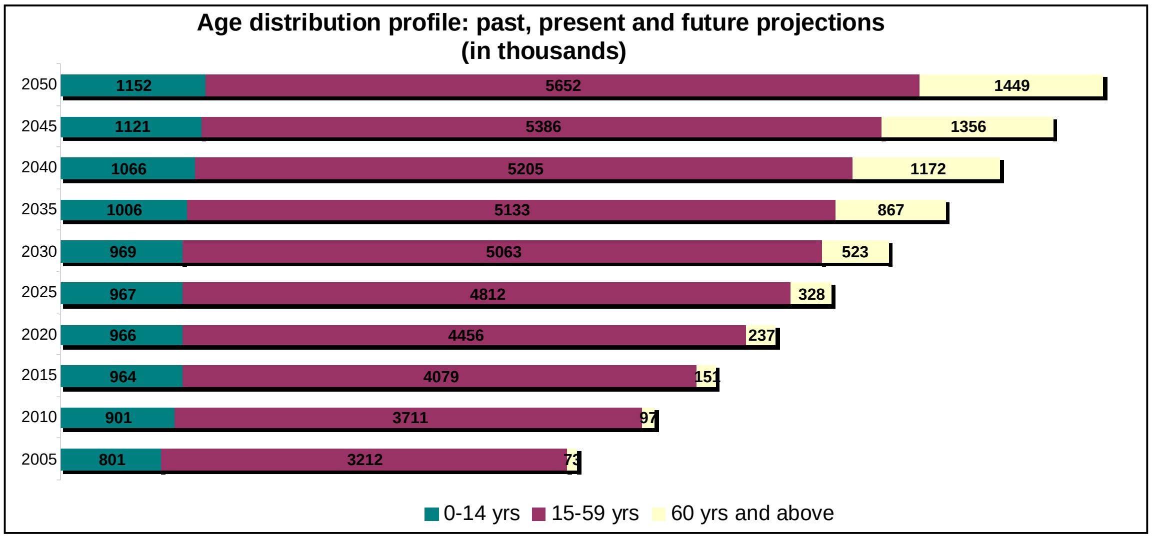
This is especially true in the light of the fact that the religious holidays are characterized by large-scale travel bookings. Both expatriates and Emiratis appear to plan their vacations during Eid, thus making it a crucial time period for the travel industry. Last year the Eid Al Adha holiday was just before one of the world's peak travel seasons (winter vacations), which resulted in a variety of offers at tempting prices for travellers, which in turn, boosted sales.[ix] Holidays such as Eid Al Fitr, which are shorter in duration, are marked by large travel bookings on the part of both expatriates and Emiratis for short haul destinations (which take about two to five hours). These trips are mostly leisure trips towards these destinations. The preferred destinations for Emiratis in the short haul are European countries. Expatriates, including other Arabs, choose destinations in Asia (Malaysia, Thailand) as well as countries such as Greece and Cyprus.[x]

It can also be seen that outbound holiday trend in the Gulf has changed since the September 11, 2001, attacks in the United States. Outbound travel choices for Gulf holidaymakers have narrowed to short breaks and regional destinations, rather than long-haul ones, and to destinations that have a high level of tolerance for Muslims, suggesting that holiday makers consider safety as a high priority[xi].

2.2.4 Age Distribution

Owing to the large scale influx of expatriates for work purposes, nearly 79% of the population of UAE consists of the age group between 15 and 59 years. Senior citizens (defined as 60 years and above) comprise a little over 2% of the total population while the proportion of the 0–14 age category is close to 19%.[xii] Figure 2.4 the age distribution in the country from 1950 figures to projections for 2050.

Figure 4 Age distribution profile: past, present and future projections



Source: United Nations (http://esa.un.org)

The fact that 73.9% of the population in the working age group is non-national[xiii] has a bearing on the high preference for tourism in the country, since this is a group of young people who don't belong to their resident country, and are thus motivated to travel frequently.

2.2.5 Literacy

National surveys have shown remarkable improvement in literacy levels from 90.5% in 2007[xiv] to 95% in 2009[xv]. The literacy rate for Emiratis is 93%. While the share of the total population with secondary degrees and higher education reached 54%, for 47% Emiratis attained secondary degrees and higher. The tables below show the correlation between educational status and earning, in terms of hours of work as well as major occupational groups. This would imply that with the rise in educational status, and thus, in earnings as well as the position of the occupational ladder, there is an increasing preference to travel abroad during vacations, thus adding to the outbound tourist potential of the population of UAE.

With regard to educational status of the Emiratis (both males and females), literacy rates and the share with university degrees rose concurrently between males and females, with females preferring to pursue higher levels of education.[xvi] This, however, is unlikely to have any bearing on the tourist potential because of the extremely low level of female participation in the economy or in decision making.

Table 2 Educational status and its relation with work and earning levels

Educational Status	Normal Hours of Work	Wages AED	Actual Hours of Work	Earnings AED
Illiterate	245	1845	244	1855
Read and Write	214	2002	218	2062
Primary	215	1884	219	1960
Preparatory	217	2235	218	2304
Secondary	208	3911	207	4028
Above Secondary & below University	202	7206	196	7277
University	196	10389	189	10530
Above University Diploma	200	12162	195	12301
Master	196	14156	182	14300
Doctorate	194	21324	188	21718
Total	212	4242	211	4332

Source: United Arab Emirates – National Bureau of Statistics (http://www.uaestatistics.gov.ae)

Table 3 Occupational groups and relation with hours of work and wages

Major Occupation Group	Normal Hours of Work	Wages AED	Actual Hours of Work	Earnings AED
Legislators, Senior Officials and Managers	204	13043	199	13176
Professionals	189	11383	182	11521
Technicians and Associate Professionals	202	6683	199	6858
Clerks	202	4639	197	4734
Service Workers and Shop and Market Sales Workers	222	3227	218	3338
Skilled Agricultural and Fishery Workers	239	2046	239	2078
Craft and Related Trades Workers	216	1965	219	2021
Plant and Machine Operators and Assemblers	221	2651	222	2723
Elementary Occupations	212	1634	213	1680
Not Stated	226	1951	226	1965
Total	212	4242	211	4332

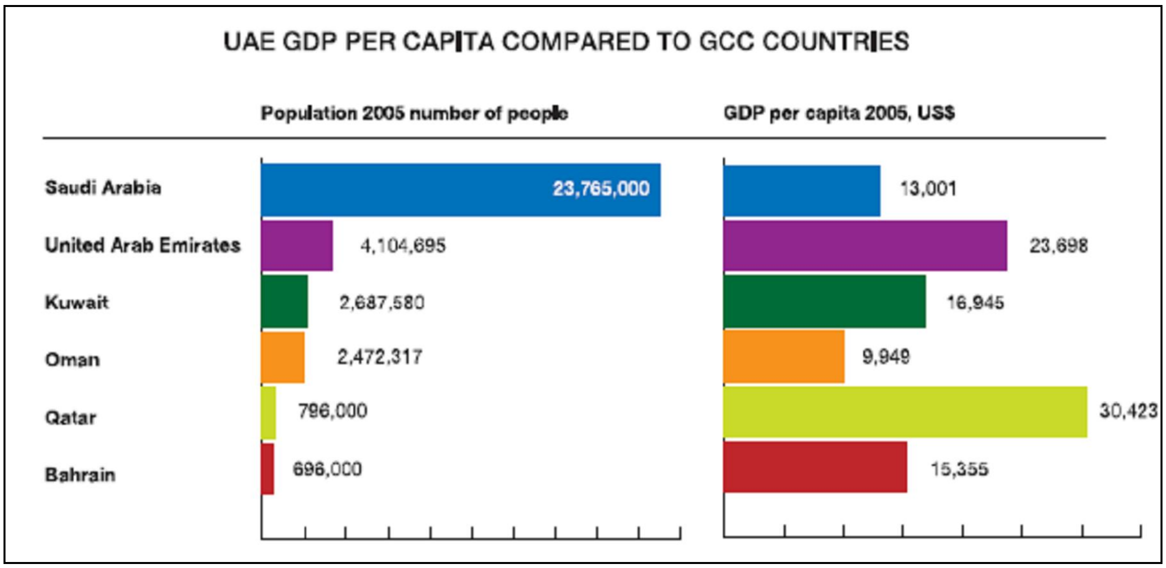
Source: United Arab Emirates – National Bureau of Statistics (http://www.uaestatistics.gov.ae)

2.3 Economic Profile

2.3.1 Gross Domestic Product (GDP)

The UAE is known for its high living standards, which derive primarily from the booming oil industry. The government has made efforts to diversify the economy and reduce its dependency on oil exports through promoting tourism, encouraging entrepreneurs, and through the construction industry. UAE was ranked number1 in terms of best quality of life in the Middle East and North African region by the Economist Intelligence Unit (EIU) 2009 Quality of Life Index. Figure 2.5 illustrates the relative per capita GDP of UAE as compared to the other GCC countries.

Figure 5 UAE GDP per capita compared to GCC countries



Source: http://dpeols.adeconomy.ae/dpe/ADVision/english/economic-vision-2030-section-1.pdf

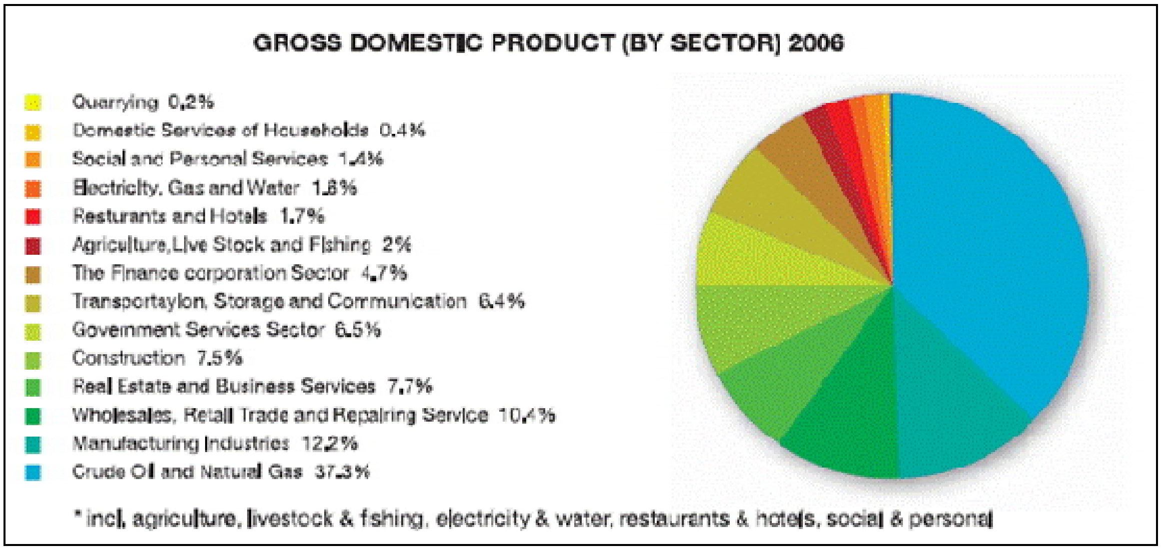
The official estimates of the rate of growth of GDP have ranged between 1.5% and 3.2% as forecasted by the UAE Central Bank and the UAE Ministry of Economy respectively. However, as per the figures below, the estimates by IMF put the rate of growth of UAE's GDP at 2.4% for 2010 and forecast a 3.4% rate of growth of GDP for 2011.

Table 4 Rate of growth of Gross Domestic Product			
2008	2009	2010*	2011**
5.1%	-2.5%	2.4%	3.2%
*Estimate **Forecast			
Source: International Monetary Fund (IMF) - World Economic Outlook October 2010			

Table 5 GDP (PPP: purchasing power parity)	
Year (est.)	USD (billion)
2010	199.8
2009	194.7
2008	200.1
Source https://www.cia.gov	

The GDP composition by sector indicates clearly the extensive contribution of the Secondary (51.5%) and Tertiary (47.6%) sectors [Agriculture contributes 0.9% to the GDP].

Figure 6 GDP by sector

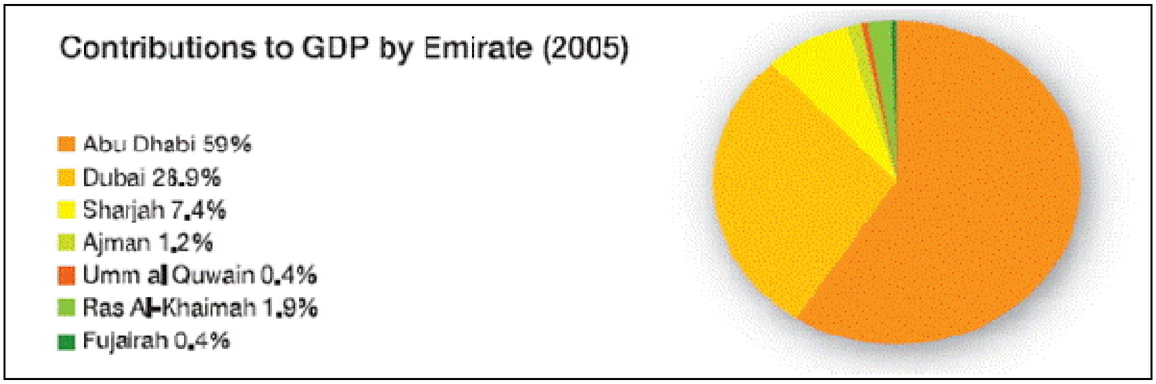


Source: Ministry of Economy, UAE

Abu Dhabi has approximately 10% of the world's proven oil reserves and 5% of the gas. The Emirate also has an impressive investment portfolio financed from oil income. Dubai is different. It has far more limited hydrocarbon reserves, and therefore, has a more diverse economy based on a vision of making Dubai the region’s business, logistics, media, and leisure hub. The Northern Emirates fare less well, although Sharjah has established itself as a base for manufacturing. The Northern Emirates are, to a greater or lesser extent, reliant on Abu Dhabi age-wise employment status and funds from the

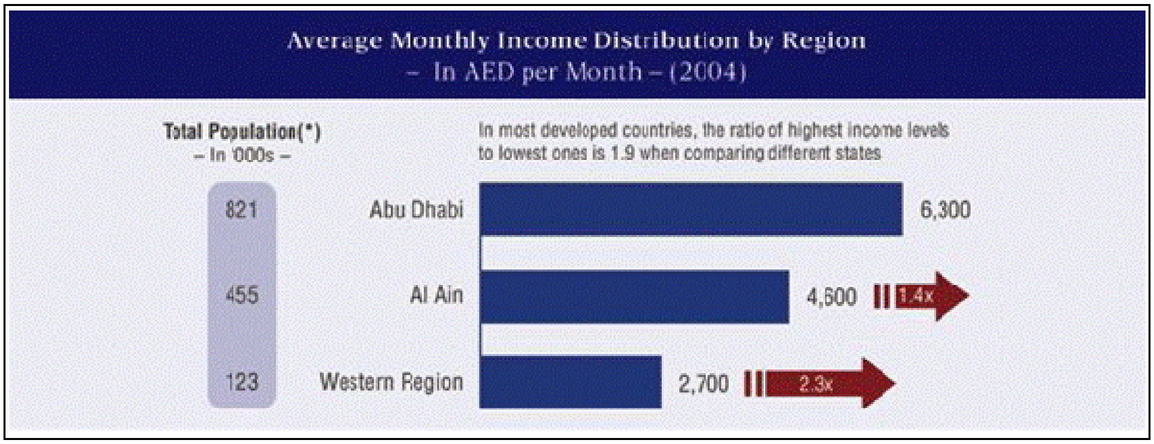
Federal Government. This can be seen from the pie chart as well as the average monthly income distribution by region shown below.

Figure 7 Contributions to GDP by Emirate (2005)



Source: Ministry of Economy, UAE

Figure 8 Average monthly income distribution by region



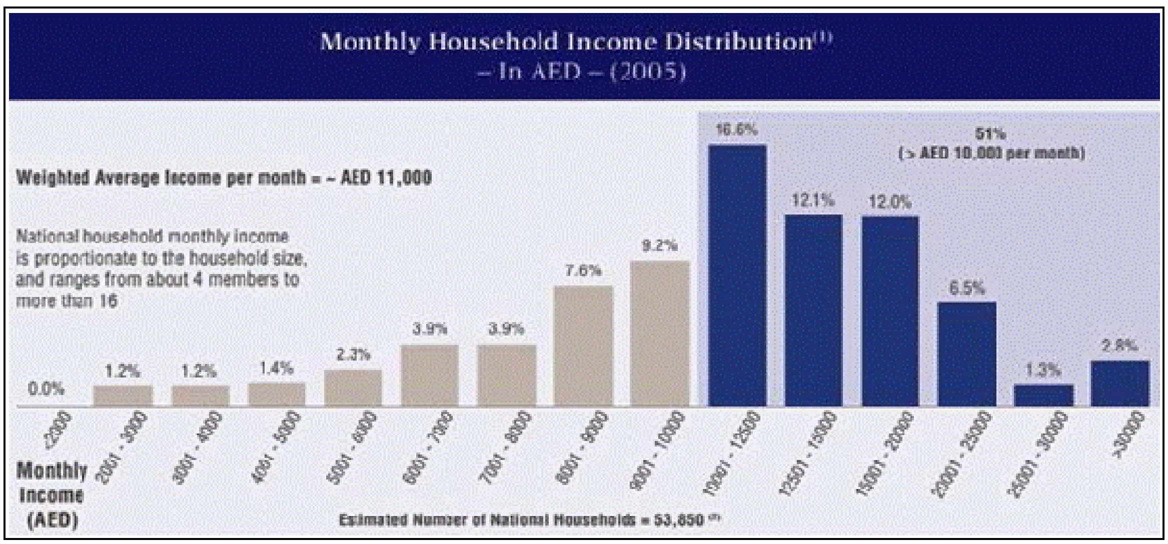
(Source: http://dpeols.adeconomy.ae/dpe/ADVision/english/economic-vision-2030-section-1.pdf)

2.3.2 Per capita income/ spending power

The primary source of UAE's rapidly growing tourism sector is the Dubai Emirate, which hosts the world's tallest hotel. According to the UAE government, Dubai's tourism revenue exceeds its oil revenue. The Emirate's 302 hotels hosted 6.4 million visitors from India, Pakistan, Iran, Lebanon, the Philippines, Europe, Australia, and South Africa in 2006.

The UAE has traditionally resisted a liberal economic environment favourable to foreign investment, and each Emirate retains close control on foreign ownership rights. The country is, however, viewed as a favourable investment destination by regional and international firms, particularly in the energy, infrastructure, and hospitality sectors. According to 2006 statistics from the United Nations Conference on Trade and Development, average foreign direct investment (FDI) in UAE was only US$ 18 million per year from 1998 to 2002, which increased to US$ 8.4 billion in 2004 and to US$ 12 billion in 2005. According to the UAE Government which valued FDI in UAE at US$ 10 billion in 2005, UAE ranks first in the Arab world in terms of attracting inward investment. This is reflected in the figure below that shows the weighted average monthly income distribution for UAE in 2005. As can be seen in the figure, 51% of the population had average monthly incomes over AED 10,000 and the distribution is positively skewed in favour of high average monthly income levels.

Figure 9 Monthly household income distribution



Source: http://dpeols.adeconomy.ae/dpe/ADVision/english/economic-vision-2030-section-1.pdf

The global financial crisis that erupted in 2008 had severe repercussions on the world rate of economic growth. Consequently, due to its open nature, UAE also experienced a slowdown in economic activity in 2009[xvii]. The worldwide freeze in credit markets hit Dubai harder than oil-rich Abu Dhabi.

The global economic crisis also saw a number of projects being either shelved or cancelled. There have been redundancies across all sectors, and particularly in construction. The lack of funds and credit, while mild compared to Europe and the US, is beginning to have an effect. The growth prospects of the UAE had been to some extent subdued due to weaknesses in the global economic recovery and the slowdown in the real estate sector. Consumer spending has also been held back by the reluctance of banks to provide loans which grew by only 2.4% in 2009 compared to an unprecedented 40% growth rate in 2008. The drop in spending power as a result of the economic crisis is reflected in the trend for GDP per capita as shown in the table below.

Table 0.6 GDP - per capita per annum

Year (estimate)	USD
2010	40,200
2009	40,600
2008	43,300
Country comparison to the world in 2010: 21 Rank	
Source https://www.cia.gov	

Despite the global financial crisis which contributed to the slowdown in economic activity and the associated decline in the demand for labour in various projects, there are indications that expatriates continued to arrive in the various emirates in search of work.

2.4 Tourism Overview

2.4.1 General Statistics

UAE residents spend an estimated US$ 6.6 billion per year (AED 24.2 billion) on international holiday trips, with US$ 4.0 billion on leisure trips and US$ 2.6 billion on trips to visit friends and relatives.[xviii]

In the Middle East, UAE is the largest outbound travel market in terms of expenditure and the second largest in terms of the number of outbound trips after Saudi Arabia.

Emiratis and expatriates tend to have different considerations in choosing their holiday destinations. For expatriates, visiting their home country during the long vacations is usually a priority, while Emiratis prefer to visit family, friends and relatives, usually in other Arab countries.

In the matter of vacations other than to visit home, family or friends, Emiratis give emphasis to the image of the holiday destination, clement climate, the quality of tourist facilities, accommodation and shopping, as well as cultural alignment. It is worth noting that Emiratis are very particular in requiring engagement for every member of the family at their tourist destinations—shopping for the women, entertainment centres for the children and night life for men.

For expatriates, on the other hand, areas of priority are cost of holiday, accessibility, fun and entertainment, and a variety of things to see and do. In this regard, their frequent business trips abroad are a big help in enabling them to choose their holiday destinations.

Emiratis travel as big families, and so, require connected rooms. They carry heavy bags because they stay for longer durations, with commensurately higher travelling budgets.[xix] Emirati travellers are repeaters, so once they find a place they like, they keep going there. They allocate about AED 70,000 to AED 80,000 per head for tickets and accommodation.

Emiratis rate the image of the holiday destination, good tourist facilities, cultural familiarity, quality of accommodation, variety of shopping and good weather as important I their choice of holiday destination.

2.4.2 Outbound / long-haul market

The consistent growth in population coupled with the hectic pace of economic and trade development has led to an increasing number of outbound leisure and business tourists from the UAE.

The value of UAE residents' travel outside of the Middle East has increased from AED 304,000 in 2000 to AED 728,000 in 2009.[xx] The travellers' top destinations were:

- United Kingdom
- Thailand
- Egypt
- Malaysia
- India

The 2.86 million trips (as per Market Vision Survey 2004) in a country inhabited by a little more than 4 million people represents a high ratio of outbound travel, meaning two-thirds of the country's population travelled out of the country at least a year. This, of course, includes all travel trips, including annual vacation by workers, family vacations as well as business travel. A breakdown of the 2.86 million trips shows that holiday and visiting friends and relatives (VFR) segment represents 69%, business 26% and others about 5% of the trips. Among the 51.1 million room nights, holiday and VFR represents 87% of the spending, leaving 9% for business and 4% for other categories (medical/study, etc).[xxi]

Given that 80% of the population is estimated to comprise of expatriates, the outbound travel sector is fairly resilient in that most expatriates do tend to travel to their home countries on vacation at least once in two years. [xxii]

2.4.3 Preferred destinations/ frequency of travel

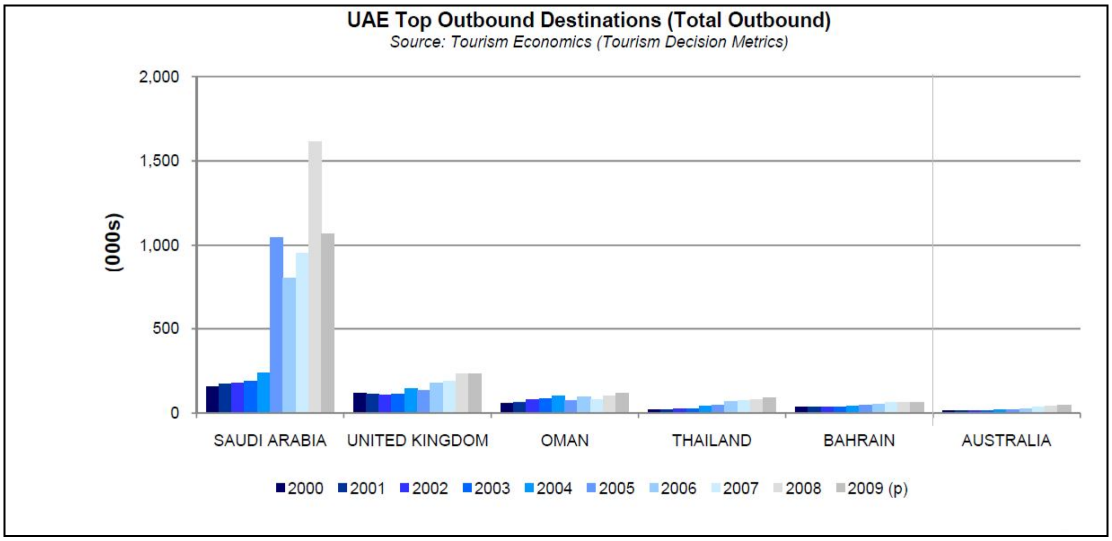
Among the top holiday destinations preferred by UAE travellers (both short and long trips), India, Thailand, Oman, UK, and France make the leisure list with more than 100,000 trips followed by Lebanon, Syria, Germany, Italy and Egypt with 50,000 – 100,000 trips.[xxiii] However, India being a top holiday destination must be viewed in conjunction with the fact that a large portion of the expatriate population working in UAE is from India.

The top holiday destinations for Emirati travellers in the Middle East were Oman, Lebanon, Egypt, Syria and Jordan, popular for their ‘cultural affinity’ and value for money as well as being Muslim and family friendly places, with no visa hassles.

In the Far East, Emirati travellers prefer Thailand and Malaysia for medical tourism purposes and India is popular for its wellness programmes and historical ties with the UAE. Outbound travel from United Arab Emirates has increased from 906,000 in 2000, to 3.5 million in 2009.[xxiv] The top five outbound destinations for the UAE were:

- Saudi Arabia
- United Kingdom
- Oman
- Thailand
- Bahrain.

Figure 10 Top Outbound Destinations



Expatriates are attracted to the Levant and Egypt for their historical interest, the Indian Ocean islands for honeymoon and family vacations, and Australia is a quickly growing market as students from the UAE go there to study and are joined later by their parents for the holidays.

2.4.4 Seasonality / Travel patterns

About two-thirds of UAE residents usually travel abroad at least once a year, and this figure has remained consistent for several years. The majority travel on leisure and VFR (visiting friends & family) trips. The most popular period for travel is June–September, in order to get away from the excruciating heat and humidity during this period.

2009 was an exception when a marginally lower proportion (about 62%) of the UAE population travelled overseas. It was a challenging year for world tourism, as it faced the impact of the global economic crisis and the outbreak of the Influenza A (H1N1) pandemic. In the UAE, the situation was further aggravated by the downturn in the construction and real estate sector that led to job losses, salary cuts and overall downward consumer sentiment in the economy. This negatively affected outbound travel, especially in the first half of the year.

Total outbound trips from the UAE in 2009 declined 5.4% from an estimated 5.35 million in 2008, travel nights declined from 81.5 million to 76.7 million. However the situation improved in 2010. Outbound travel from the UAE surged 20% compared to the same period in 2009.[xxv] In the past five years there have been seen significant changes in UAE travellers' frequency of travel, incidence of short-haul trips, seasonality of trips, booking methods and their use of online services.

For example, the incidence of taking short trips, defined as holidays or breaks of one to three nights' duration away from home, has increased by 12% over the past five years among UAE residents. Further, among those who take short trips, the frequency of taking such trips has also seen a steady increase over the years. The preferred season for travelling is during the peak summers, namely June to August.

Chapter Three
Travel &Trade

3.1 Role and characteristics of tourism and travel trade in the country

Travel agents in UAE play a crucial role in the tourism industry. The travellers in UAE can be roughly separated into two types. The first are those who come predetermined with the country that they want to visit. Such travellers are difficult to convince otherwise as they come well researched about the place they are going to visit. Then there are those travellers who approach the travel agents with certain specific criteria about their intended destination. It then becomes the responsibility of the travel agent to help the traveller choose his destination.

Though it is often observed that travellers come predetermined with the destinations they want to visit, these travellers still approach travel agents to get their arrangements made in the respective destinations. These include advice on which airline to travel, places in the country to visit, accommodation which satisfy their criteria and activities which they can do during their vacation. They also come to the travel agents to help avail the various packages that various countries' tourism department offers to tourists visiting their country. Since the travellers are somewhat conscious of the budget of their travels, travel agents have to incorporate ravel expenses, cost of stay etcetera and then present them with the ideal package which would conform to what they want.

Travellers who have not yet decided present a challenge to the travel agents. These travellers come with a rigid list of criteria's which the destination must conform with. Emiratis look for countries which can offer them a holiday destination to relax, rejuvenate and give them respite from the scorching heat in their country. Relaxation, nature of resorts, natural beauty, weather aspect and safety are the criteria's most of the travellers look into. Based on the information available with the travel agents, they present the travellers with options of the various places they can visit.

Travel agents must also assess the preferences of people within a group of travellers. In certain cases, it has been observed that certain individuals within a group prefer a destination that offers exciting nightlife. If the destination does not fulfil this criterion, the group may end up moving to a place with nightlife, even though it may meet their preferences stated earlier.

There are different ways travel agents source their information. They keep themselves up to date with the information available with each countries overseas tourism office. They avail information on the latest packages, offers, upcoming destinations within the country from these offices. Their second primary source of information is from the travellers who have already visited these destinations. The feedback they receive from travellers help them in knowing the actual ground realities of a given destination. This information is crucial in assisting future travellers with the destination they would like to go, as well as the various facilities that they could avail there. Other sources of information include media, advertisements etc.

3.2 Flight connectivity (major airlines, flights from all major airports to India)

Flight connectivity between UAE and India is extremely good, in terms of both international as well as domestic airlines. The following table provides a list of the major international airlines connecting India and UAE on a regular basis:

Note: This graph is not on scale and is just representative. We have not shown the direct flight between primary cities of UAE and other cities of India like Ahmadabad, Hyderabad, Jaipur, Kochi, Kozhikode, Lucknow, Mangalore and Tiruchirapally.

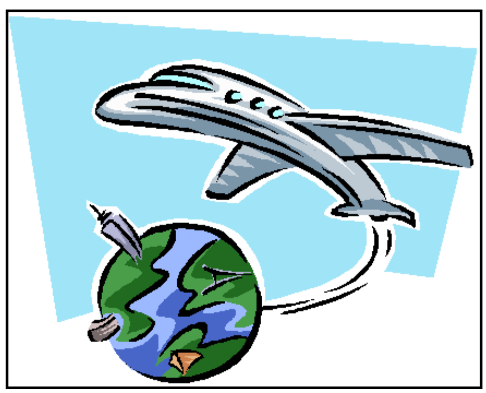
Table 7 Major Airlines plying between UAE and India

	Abu Dhabi	Dubai	Ra's al-Khaimah	Sharjah	Fujairah
Air Arabia	X	X	X	√	X
Air India	√	√	X	X	X
British Airways	√	√	X	X	X
Cathay Pacific	X	√	X	X	X
Egypt Air	X	X	√	√	X
Emirates	√	√	X	X	X
Emirates Airlines	X	X	X	X	X
Etihad Airways	√	X	X	X	X
Gulf Air	√	√	√	√	√
Indian Airlines	X	X	√	√	√
KLM	√	√	X	X	X
Oman Air	√	X	X	X	X
Qatar Airways	X	√	X	X	X
Royal Jordanian	√	X	X	X	X
Singapore Airlines	√	X	X	X	X

Source: http://www.uaeinteract.com/travel/byland.asp

In addition to these international airlines, the following domestic airlines from India also connect with all the major UAE airports:

(1) Jet Airways
(2) Kingfisher Airlines
(3) Air India Express



3.3 Flight prices to India and to other countries

As can be seen from the following table, relative prices of air travel from UAE to India are much lower than competitor countries like Malaysia, Thailand, UK and France, while the frequency of service is comparable to the others, except for France.

Table 8 Relative price (in INR) – travelling to India and other countries

(In INR) - As on March 4, 2011	Abu Dhabi			Dubai			Sharjah		
	Min	Max	Flights	Min	Max	Flights	Min	Max	Flights
France (Paris)	25,406	95,327	63	14,966	89,793	55	24,767	100,888	22
Malaysia (Kaula Lumpur)	12,913	162,147	42	11,844	132,439	58	11,455	106,152	9
Thailand (Bangkok)	16,366	258,754	41	15,009	258,754	58	16,390	43,887	7
United Kingdom (London)	20,043	133,188	40	15,210	101,562	67	24,194	100,543	23

Source: http://www.skyscanner.net

Note: Ra's al-Khaimah and Fujairah do not have direct flights to these countries.

In comparison, travel to India is more economical. The following table provides the prices and frequency of air connectivity from the principal tourist sources in UAE to key airports in India.

Table 9 Prices—travelling from various places in UAE to tourist destinations in India

As on March 4, 2011

(In INR)	Abu Dhabi			Dubai			Ra's al-Khaimah			Sharjah		
	Min	Max	Flights	Min	Max	Flights	Min	Max	Flights	Min	Max	Flights
Ahmadabad	7785	19,776	5	8555	48,256	29	-	-	-	7356	26,265	8
Bangalore	7785	60,709	49	7417	48,447	56	-	-	-	6130	27,190	12
Chennai	7785	126,873	42	6436	70,548	60	-	-	-	6130	32,550	10
Delhi	7785	126,873	42	6616	37,969	71	-	-	-	6620	39,562	12
Hyderabad	9113	62,515	37	6191	103,149	50	-	-	-	6375	9589	6
Jaipur	13,592	94,353	28	8290	47,140	31	-	-	-	8949	31,067	8
Kochi	8159	18,376	3	7530	45,738	57	-	-	-	5517	9617	9
Kolkata	-	-	-	11462	53,881	35	-	-	-	10,589	14,052	5
Kozhikode	7785	92,385	33	5922	92,062	29	6375		1	6941	20,898	9
Lucknow	9428	81,445	29	8704	56,003	34	-	-	-	8655	27,851	12
Mangalore	9148	63,852	22	7922	54,497	35	-	-	-	8293	19,532	6
Mumbai	7785	86,181	53	6585	39,313	59	-	-	-	6007	28,666	12
Tiruchirapally	26,434	114,942	17	11242	59,542	20	-	-	-	-	-	-

Source: http://www.skyscanner.net

Note: Flight prices to and from Fujairah are not listed.

3.4 Hotel Tariffs

As can be seen from the table below, hotels in India are extremely competitively priced with regard to competing tourist destinations barring Germany, Malaysia and Thailand which are hot favourites with UAE outbound tourists.

Table 10 Relative price – hotels in India and other countries

Country	Price Range (INR per Room-night)
France (Paris)	1568 to 62,732
Germany (Berlin)	502 to 13,774
India (Delhi)	545 to 25,110
Malaysia (Kaula Lumpur)	581 to 13,543
Thailand(Bangkok)	465 to 13,679
United Kingdom (London)	589 to 39,796

Source: http://www.skyscanner.net

3.5 Perspective of Tour Operators

3.5.1 Who travels to India and why

An important reason for UAE residents to come to India as a tourist destination is its natural beauty, greenery and wildlife. Living as the Emiratis and other UAE residents do, amidst artificial surroundings in a desert country, India's natural bounty is a very strong incentive for them.

Medical tourism is another strong draw for India, since UAE, in spite of its high per capita incomes and GDP, is devoid of a public system of healthcare, and private healthcare being prohibitively expensive, India beckons as an attractive destination through its much cheaper, state-of-the-art healthcare facilities.

A lot of Emiratis are happy with the general hospitality and kind heartedness of the people in India. It has a good value for money, although it faces healthy competition from Malaysia and Thailand. People love the wide variety of cuisines available in India. They also feel that where India falls short in terms of infrastructure, it has the advantage in terms of the number of people available to serve the tourists as porters, guides etc. And Emiratis being repeaters, once they like the country, they keep repeating their visits.

Another source of tourist traffic from UAE, specifically from Dubai, is that of NRIs from US and Europe, who stop at Dubai on their way, and then come to India, either to visit the land of their ancestors, or to introduce it to their next generations. This however, though technically tourist traffic from UAE, is not that of UAE residents.

3.5.2 Trade experience with India as a tourist destination

Somehow, India does not figure as much a preferred holiday destination as it should, despite the fact that it is relatively cheap to travel there and is a place that offers a wide variety of cultural heritage and places to visit. According to tour operators, people only know about the golden triangle and the backwaters, even though Indian tourism has much more than that to offer.

The reason for a general lack of awareness about Indian tourism is attributed by tour operators to lack of proper promotion and targeted packages to attract customers. India's tourism potential is largely wasted as it is not marketed properly.

Another problem is that of educating the staff at the front offices of the travel & trade who are the ones which have direct contact with the prospective travellers, not on a one-time basis, but on a continuous basis. The staff members need to be trained continuously in terms of the latest options and products on offer, as well as in terms of their language skills. Guides at tourist destinations need to be trained via English speaking classes to be able to better interact with the tourists and provide more satisfaction through their services.

3.5.3 Rating India against other prime Asian destinations

India is also a relatively cheaper destination to visit overall, although it faces healthy competition from Malaysia and Thailand in those aspects. People love the wide variety of cuisines available in India.

A large section of tourists also visit India for religious purposes, the temples and religious monuments being a major attraction. Proximity is also a strong factor, because India is closer than other preferred Asian destinations such as Malaysia, Hong Kong, etc.

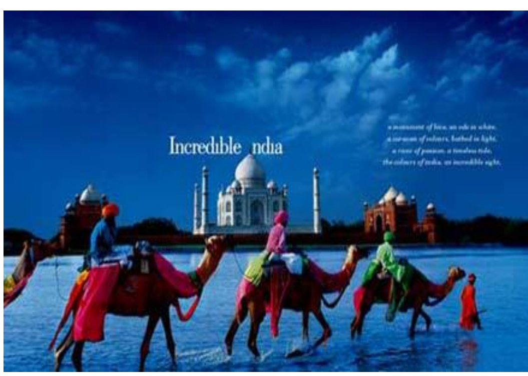
With the quick availability of visa for UAE citizens, cheap airfares and a wide potential for tourism in the country, many of the citizens, travellers and operators alike are confident of India becoming a preferred choice of destination by revamping its profile and marketing strategies for international tourists. Tour operators stress on the huge potential available with India in the tourism market and hope for the country tapping into it.

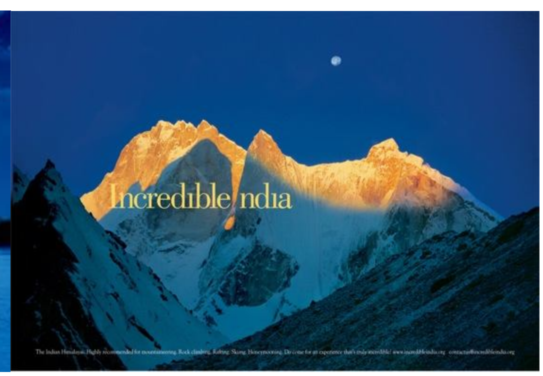
3.5.4 Issues related to marketing India as a tourism destination

Even though tourist options cover a wide range, from nature, wildlife and greenery to historical monuments and medical tourism, nothing is marketed in concrete terms that can appeal to potential clients, and makes it hard for the operators to sell to the travellers.

Quite a few travellers from UAE seek nightlife in their holiday destinations, which, unfortunately, cannot be offered to them at many of the tourist spots. Thus, there have been cases of tourists cancelling their hotel bookings in Kerala and ending up vacationing in Goa. This example, in particular, highlights the point about packages and offers not being targeted properly with a view to the preferences of the clients.

Security being a major concern for UAE travellers, many are of the opinion that the Indian media is not regulated enough and has a negative attitude towards the government. Tour operators however feel that India is now being perceived increasingly as a safe destination.





Chapter Four
Past outbound travel behaviour

4.1 Introduction

Summer vacations in UAE are much anticipated. During this three month period (June end to September first week), Emirates look for countries which can offer them a holiday destination to relax, rejuvenate and give them respite from the scorching heat in their country. European and Far East destination are the most preferred, as the massive amounts of bulk bookings with travel operators suggest.

Emiratis usually travel in large groups, comprising of 8-10 people. With schools ending in the month of June, bookings are made a month in advance. The country destination is usually predetermined by the families. It is only after they have gained considerable information on the country they plan to visit (media, word of mouth, promotions) do they approach the travel operators for packages. Says one travel operator, "We can't do anything about the groups who come prepared with the country they want to go to". Travel operators first ask the travellers the country where they want to travel and then offer those packages. Those however, who come unprepared, tour operators offer them countries based on the commission and knowledge of front executives who are interacting with clients or probable tourists. Security is also a major concern for UAE travellers. Many of them prefer countries which have a stable political environment and do not have negative publicity. They rely largely on television and radio to evaluate the country's security scenario.

4.2 Profiling information

4.2.1 Place of residence

The survey investigated 1510 respondents (persons who have travelled abroad in the last three years) from UAE of which 74% travellers were from Dubai and 26% from Sharjah.

Figure 11 Respondents by place of residence

Source: http://www.memnav.com/im/uae_map.gif

4.2.2 Age categories

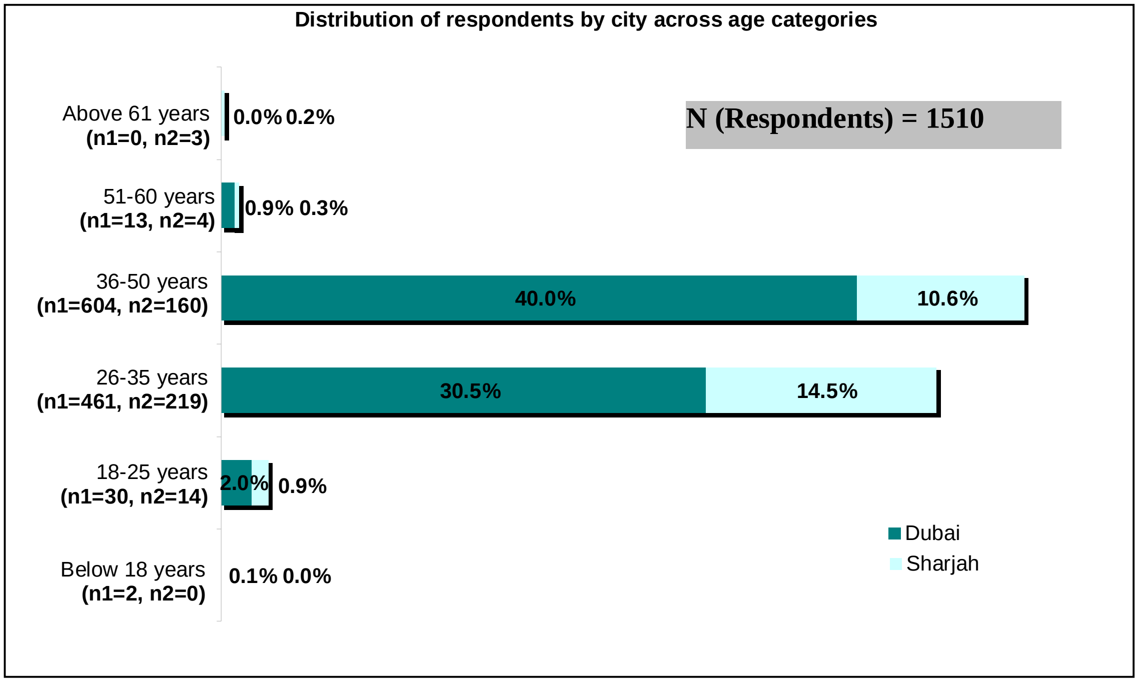
51% of the respondents (764 respondents) were in the age group of 36 to 50 years. 45% of the respondents (680 respondents) were between 26 to 35 years of age. Overall, 96% of the respondents were in their peak productive years between 26 and 50 years of age.

Table 11 Respondents across age categories

Age categories	No. of respondents	Percentage
Below 18 years	2	0%
18-25 years	44	3%
26-35 years	680	45%
36-50 years	764	51%
51-60 years	17	1%
Above 61 years	3	0%
Total	1510	100%

Taken by city of residence, the overall distribution of respondents between Dubai and Sharjah was appoximately 11:4. Respondents between 36 and 60 years of age from Dubai were a much higher proportion than overall while those in the age group 18-25 years were much lower than the overall proportion.

Figure 12 Distribution of respondents by city across age categories

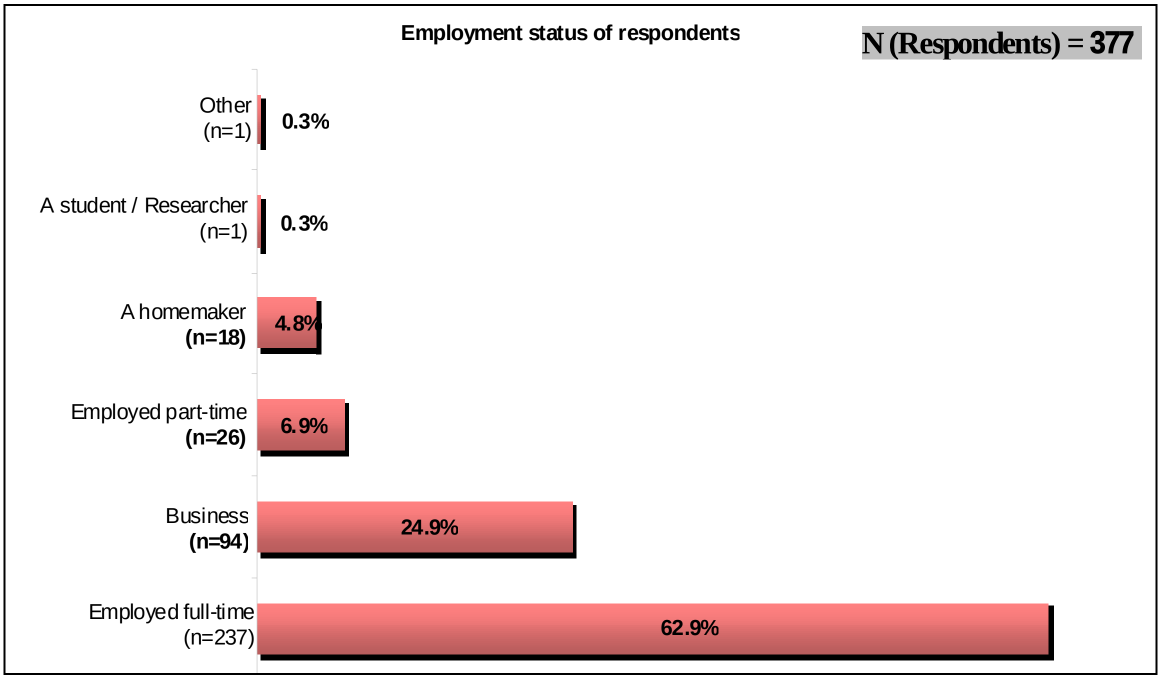


Note: "N" is the total number of Respondents/ Responses, "n" is the number of Respondents /Responses who have answered the particular option/choice of the question asked.

4.2.3 Employment status

Of the 377 persons who responded to the question on employment status, 63% respondents were employed full time. About 18 homemakers constituted 5% of the respondents. Other important segments were part time employees 7% and business persons constituting 25%.

Figure 13 Employment status of respondents



With regard to age-wise employment status, more than 62% respondents were employed full time in the age groups 26-35 years, 36-50 years and 51 to 60 years.

Table 12 Employment status of respondents

Age-wise employment status		Employed full-time	Employed part-time	A student / Researcher	homemaker	Business	Other	Total
18-25 years	No. of Respondents	3	1	0	3	1	0	8
	% of Total	0.8%	0.3%	0.0%	0.8%	0.3%	0.0%	2.1%
26-35 years	No. of Respondents	122	14	1	11	44	1	193
	% of Total	32.4%	3.7%	0.3%	2.9%	11.7%	0.3%	51.2%
36-50 years	No. of Respondents	108	11	0	4	46	0	169
	% of Total	28.6%	2.9%	0.0%	1.1%	12.2%	0.0%	44.8%
51-60 years	No. of Respondents	4	0	0	0	2	0	6
	% of Total	1.1%	0.0%	0.0%	0.0%	0.5%	0.0%	1.6%
Above 61 years	No. of Respondents	0	0	0	0	1	0	1
	% of Total	0.0%	0.0%	0.0%	0.0%	0.3%	0.0%	0.3%
	Total	237	26	1	18	94	1	**377**
	% of Total	62.9%	6.9%	0.3%	4.8%	24.9%	0.3%	100.0%

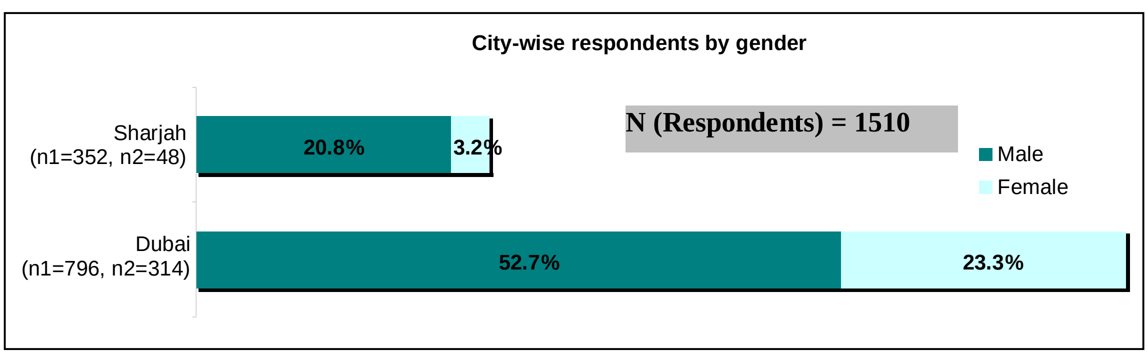
4.2.4 Gender

Women constituted about 24% of the survey participants. Overall, 362 women (past travellers) were interviewed during the primary survey across the five cities.

Table 13Respondents by gender

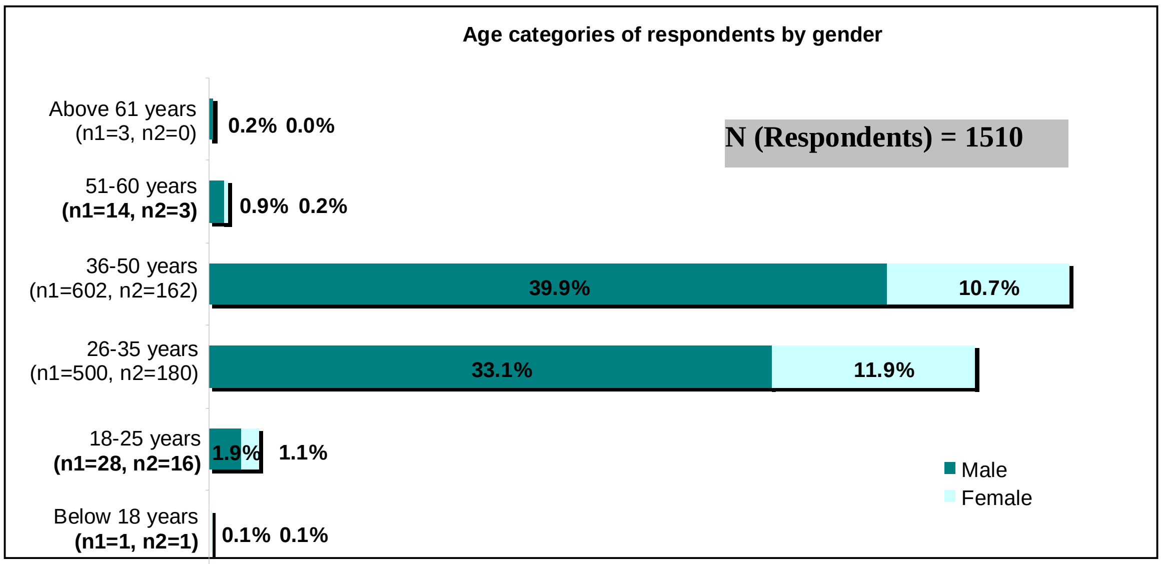
Gender	No. of respondents	Percentage
Male	1148	76%
Female	362	24%
Total	1510	100%

Figure 14 City-wise respondents by gender



The gender distribution had some variation across age categories. While the overall proportion was 26% females to 74% males, leaving aside the 0-18 years age group (with one male and one female respondent), the percentage of women respondents was maximum (40%) in the age category 18–25 years, followed by 36% in the category 25–36 years.

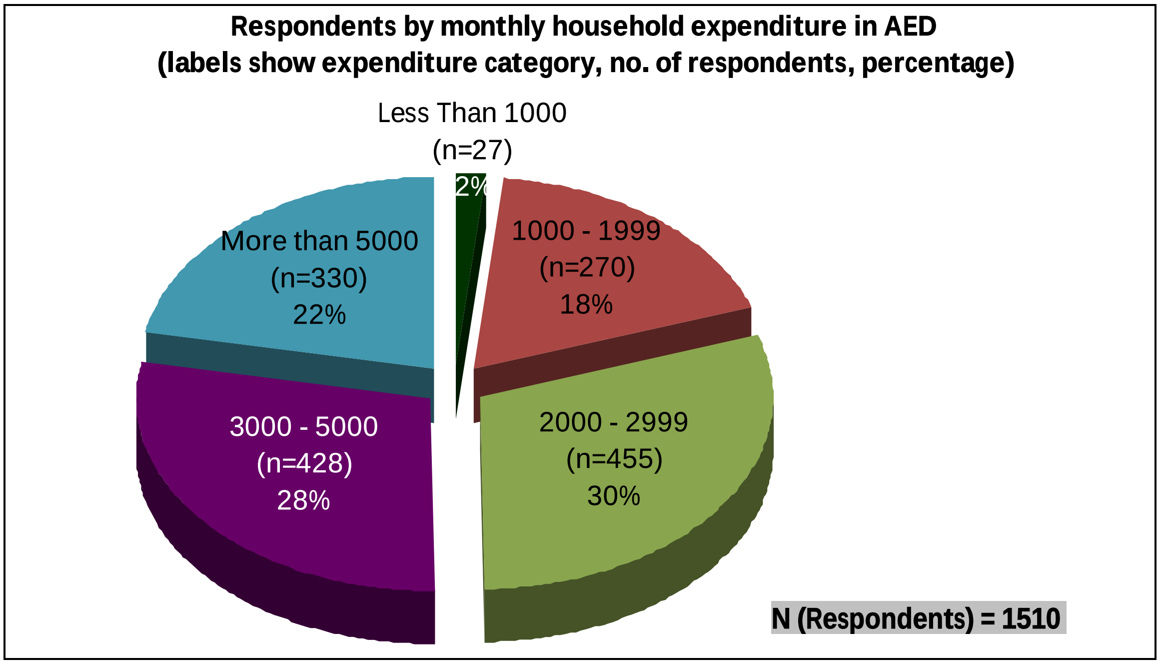
Figure 15 Age categories of respondents by gender



4.2.5 By expenditure per month

Around 20% of the respondents had a monthly household expenditure of less than AED 2000. A majority of 58% had a monthly household expenditure in the range between AED 2000 and AED 5000. Close to 22% were spending more than AED 5000 per month on household expenses.

Figure 16 Respondents by monthly household expenditure in AED

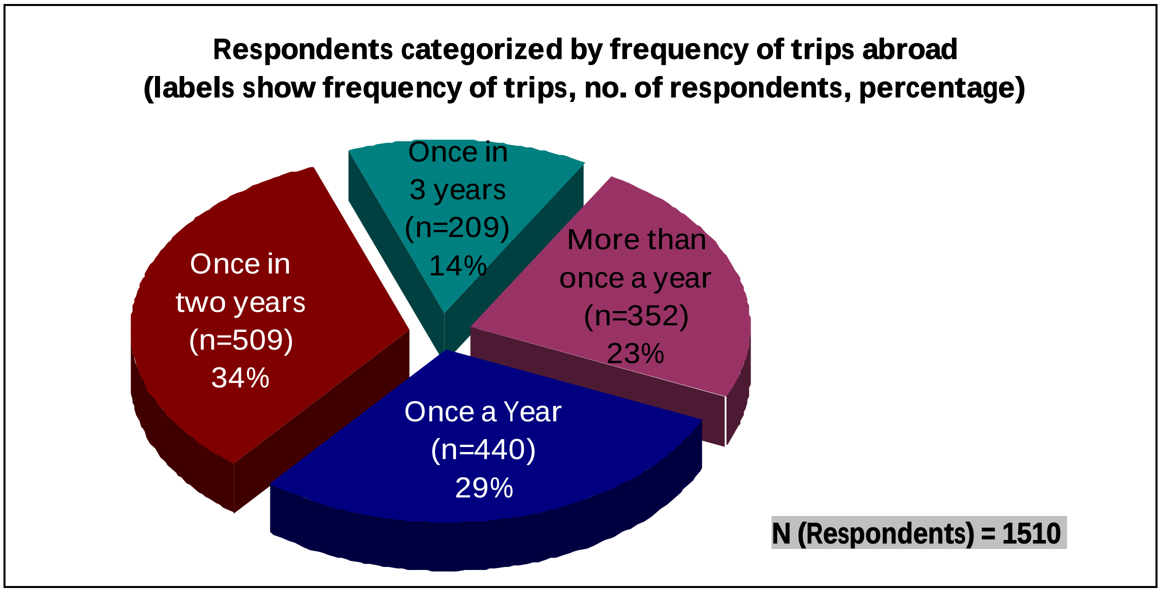


4.3 General Travel Behaviour

4.3.1 Frequency of trips abroad

Emiratis and expatriates residing in UAE plan at least two vacations in a year, one with the family and another with friends as well. An Emirati family usually holidays for at least 3 weeks sometime during the peak summer months between June and August when schools are closed. They travel in large groups of 8 to 10 members consisting of the head of the family, more than one wife, their children, and household help. They cook their own food, want separate rooms and are keen on entertainment like theme parks, Disneyland, etc. for the children. Of the 1510 persons surveyed, 29% travel once a year. 23% travel more than once a year. 509 respondents travelled once in two years (34%) and 209 (14%) travel once in three years.

Figure 17 Respondents categorized by frequency of trips abroad



4.3.2 Choice of Trips (Package / non-package)

Among those interviewed during the primary survey, 72% had not opted for package trips though as many as 62% travelled with their families on leisure trips or adventure holidays.

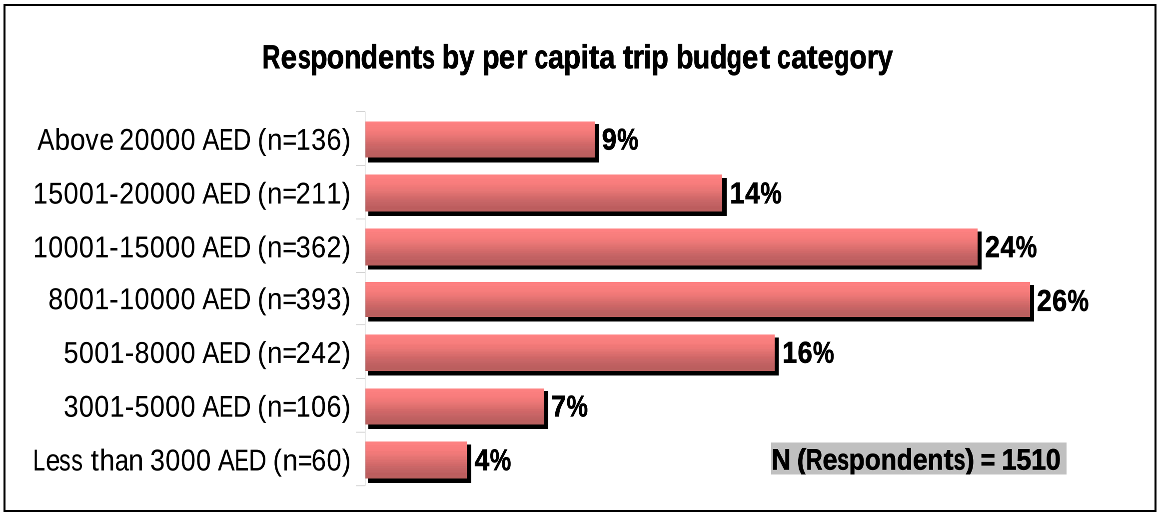
Table 14Choice of trips (package/non-package)

Type of trip	No of respondents	Percentage
Non-package trip	1093	72%
Package trip	417	28%
Total	1510	100%

4.3.3 Average expenditure on trips

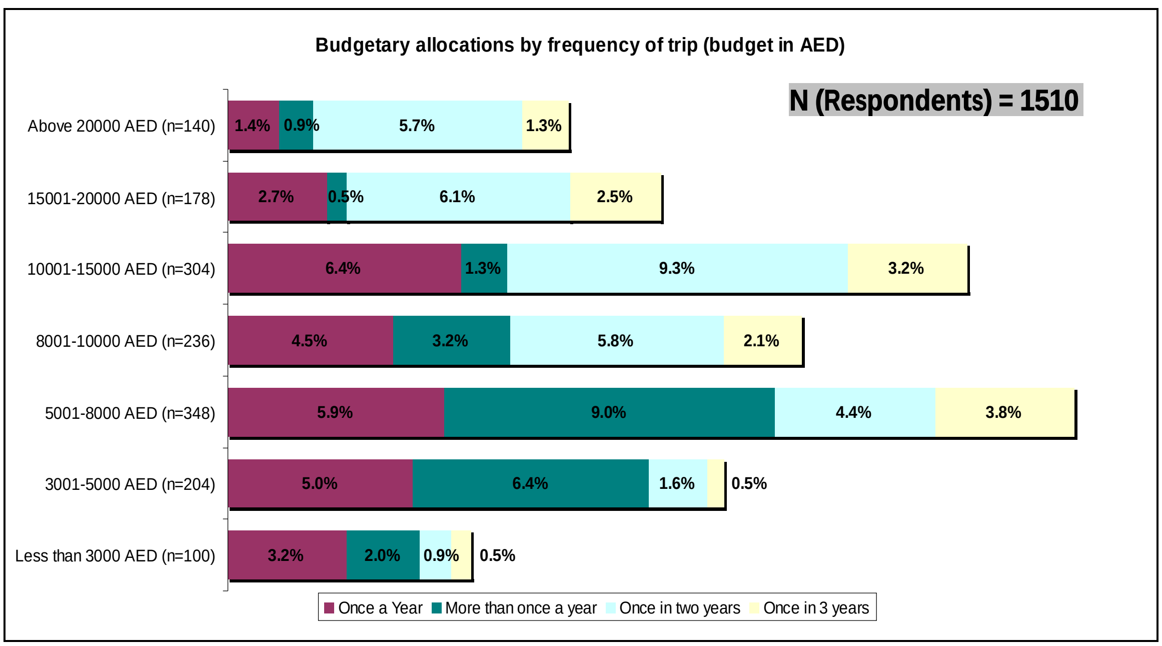
Secondary data implies that each Emirati family may budget for up to AED 70 to 80 thousand for such a family trip wherein they will stay in 5-star accommodations, luxury hotels and resorts.

Figure 18 Categorizing respondents by travel budget in AED per head



Nearly 42% respondents to the survey had a foreign travel budget between AED 5000 and AED 10000 per head. Of these, 16% were in the category AED 5001-8000 per head, 26% in the category AED 8000–10,000 and 24% in the category AED 10,000–15,000. About 23% travellers are high spenders budgeting over AED 15,000 per head for a foreign trip.

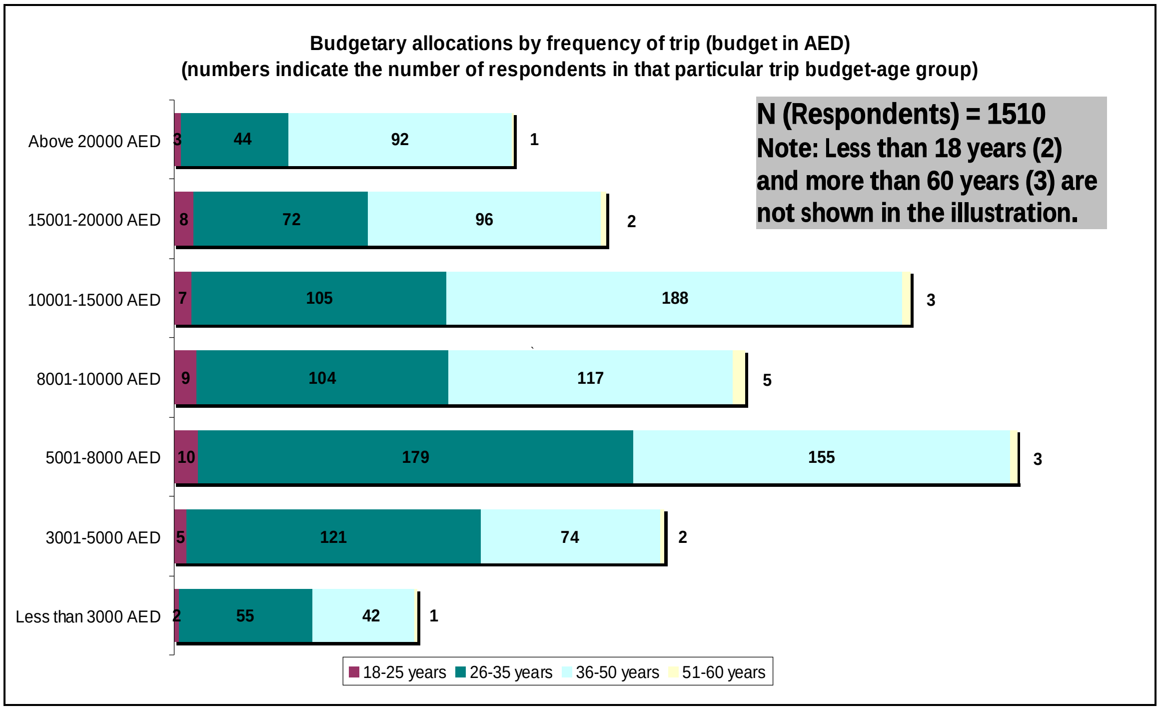
Figure 19 Budgetary allocations by frequency of trip (budget in AED)



The distribution of respondents across budget categories varied with frequency of travel. Nearly 65% of the most frequent travellers had budgets ranging from AED 3000 to AED

8000, while 50% and 60% respectively of those who travelled once in three years and once in two years had budgets more than AED 10,000.

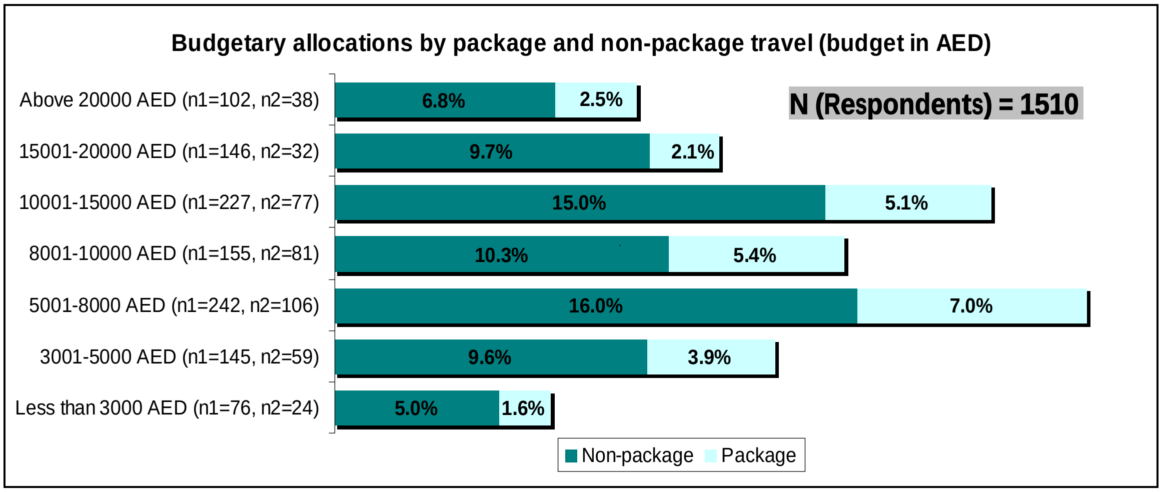
Figure 20 Budgetary allocations by age category (budget in AED)



In terms of budgetary allocation by age categories, except for the 18-25 years and above 61 years groups, which have only 2 and 3 respondents respectively, the budget ranges of AED 5001–8000, AED 8001–10,000, AED and 10,001–15,000 have similar shares in age groups 18–25 years, 26–35, 36–50 years and 51–60 years. However, in higher budget categories, the share of travellers in the 36–50 years group increases while that of the 26–35 years category goes down. This is obvious as individuals in the 36–50 years age category particularly among those fully employed are in higher earning brackets.

There was very little variation in the share of different budget categories between package and non-package trips, which implies that the budget of tourists from UAE is not influenced by whether the trip is a package tour or not.

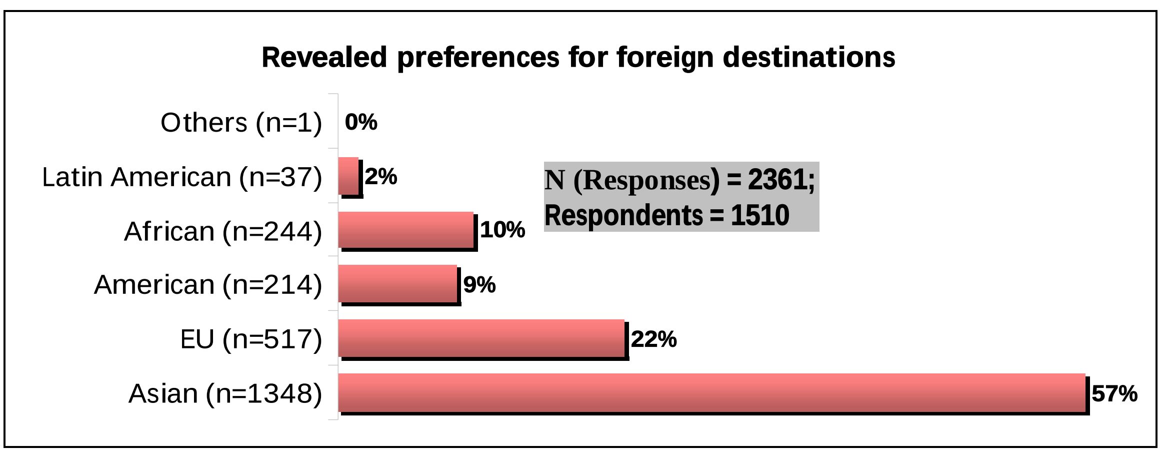
Figure 21 Budgetary allocations by package and non-package travel (budget in AED)



4.3.4 Preferred destinations

Respondents were asked to indicate their preferred foreign destinations for trips and they were given the freedom to select multiple options. In this analysis it was found that 57% of the responses were in favour of Asian destinations while another 22% responses showed in the inclination for EU. Of the 2361 responses received, 214 were in favour of countries in the North American continent and 244 (10%) favoured African countries. Not more than 2% responses showed preference for Latin American countries.

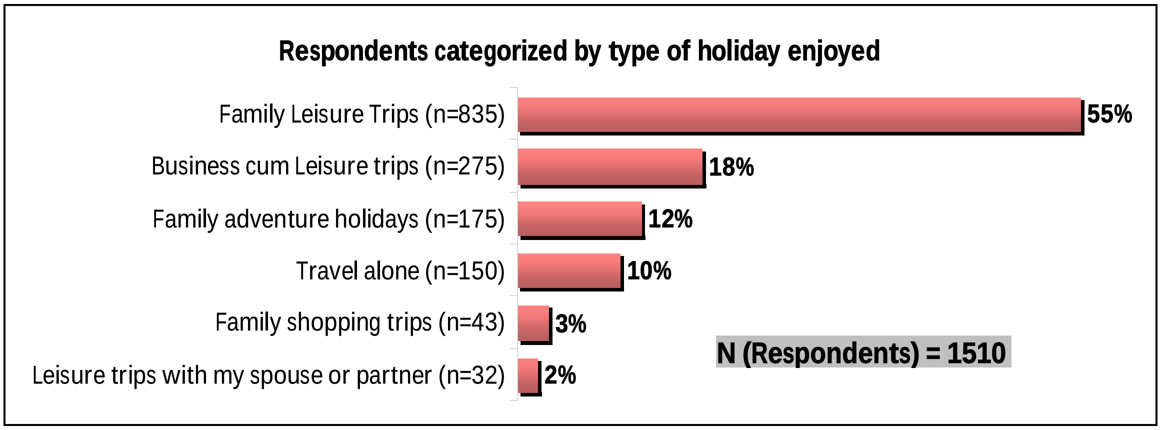
Figure 22 Revealed preferences for foreign destinations



4.3.5 Types of trip

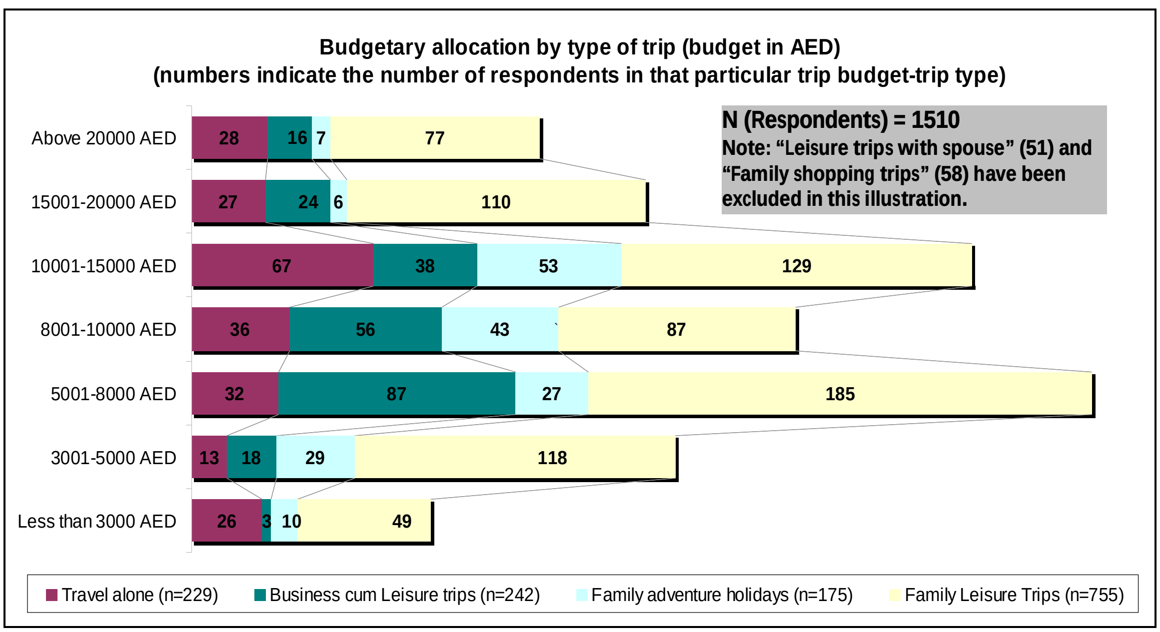
As many as 55% of all respondents described their overseas trips in the last three years as family leisure trips while 12% described it as family adventure trips. Around 18% claimed that they had travelled on business cum leisure trips and 10% had travelled alone. Leisure trips with spouse/partner and family shopping trips comprised a meagre 2% and 3% respectively.

Figure 23 Respondents categorized by type of holiday enjoyed



Although the percentage of travellers opting for family adventure holidays or those travelling alone are comparatively low at 12% and 10% respectively, they spend more per head than families leisure trips.

Figure 24 Budgetary allocation by type of trip (budget in AED)

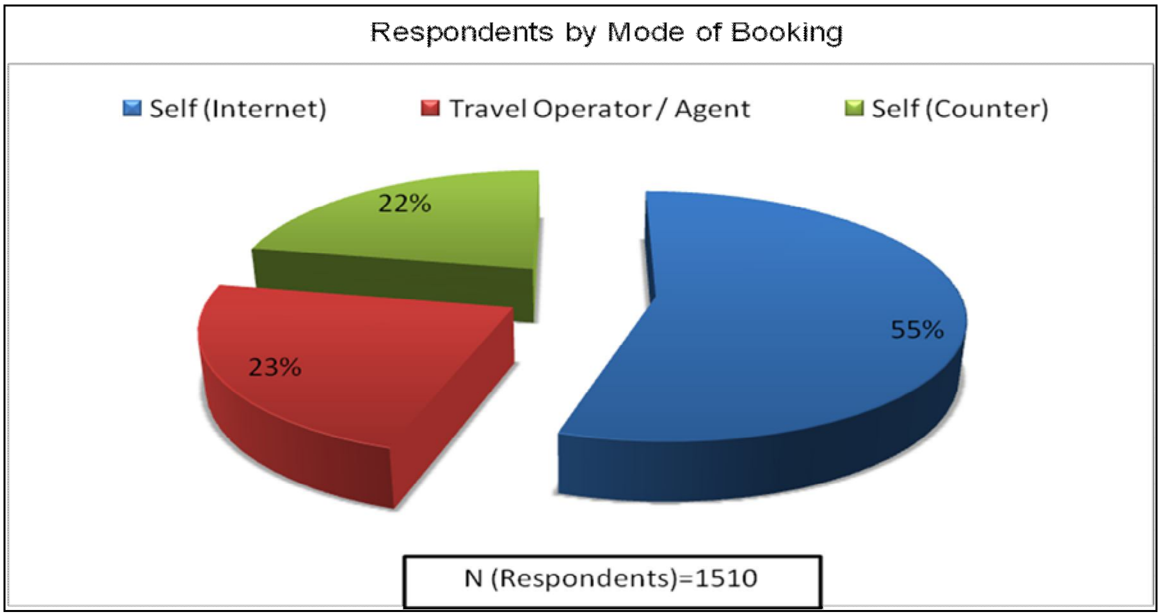


The majority respondents travelling abroad for family leisure trips had budgets between AED 8000–10,000 while those for family adventure holidays were higher at AED 15,000–20,000. Business-cum-leisure tips had budgets (AED 3000–5000 and AED 5000–8000). Of the holidaymakers from UAE who took family shopping trips, 55% respondents spent between 15,000–20,000 AED.

4.3.6 Mode of booking

Around 55% of the respondents booked their tickets over the internet. Another 23% used travel agents. While the remaining 22% booked their own tickets at the counter.

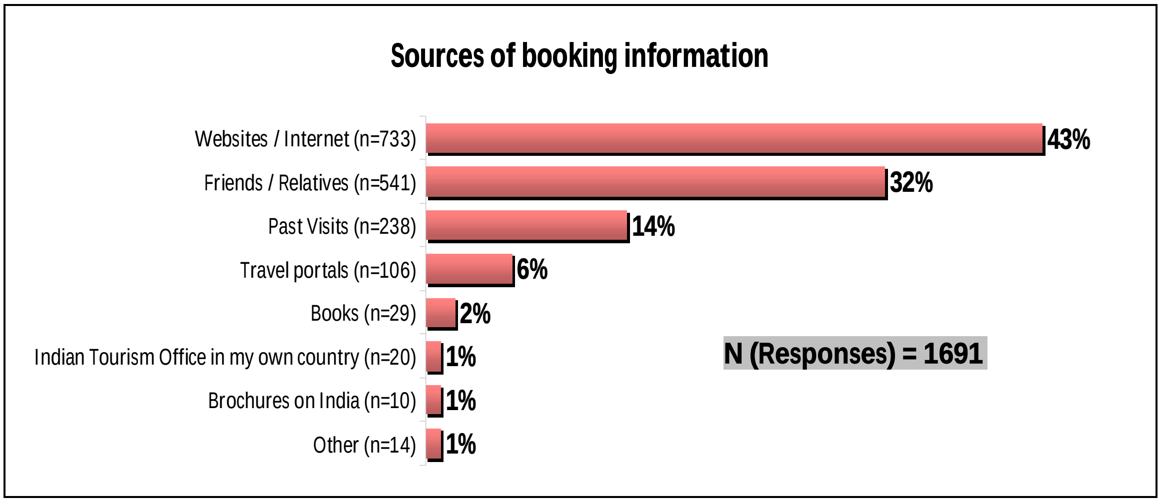
Figure 25 Respondents by mode of booking



4.3.7 Sources of booking information

The respondents who did not consult tour operators were asked to indicate sources of assistance they approached in order to book their tickets for the overseas trip. 43% of the 1691 responses received revealed that the internet was a very important source of information for travellers as well as a powerful tool for sorting out travel modalities. The other popular sources of reference were friends and relatives (32%) and experience from past visits (14%).

Figure 26 Sources of booking information



4.3.8 Type of tour operator used

Of the 1510 respondents, 423 consulted tour operators. These persons were asked to reveal information about the type of tour operator consulted. From responses received from 421 persons, it was found that in 56% of the cases these are operators from the UAE. In 33% cases multi-country tour operators are also consulted. But consultation with Indian tour operators is as low as 3%.

Table 15 Type of tour operator consulted

Type of tour operator	No. of respondents	Percentage
Multi Country Tour operator	139	33%
Tour operator that operates in my own country	236	56%
Tour operator in India	13	3%
Freelance travel agents	33	8%
Total	421	100%

4.3.9 Tour operators selection criteria

In the choice of the tour operator, for these 421 UAE holidaymakers who responded to this question, the cost of the package offered was closely followed by attention to their specific requirements and package options as key deciding factors. Brand name and travel insurance did not figure very significantly in their list of priorities while selecting tour operators.

Table 16 Criteria for choosing tour operators

Criteria for choosing a tour operator (for 421 respondents out of 1510)	Weighted average	Rank
Cost of package	2.19	1
Catering to my needs	2.12	2
Package options	2.10	3
Brand name	1.99	4
Presence of tour operator	1.87	5
Better package deal	1.78	6
Travel insurance	1.57	7
Any other	1.43	8

4.3.10 Mode of payment preferred

Most preferred mode of payment during a foreign trip across 1510 respondents was revealed to be the cash. Travellers' cheques came in second, followed by debit card and credit. Online payments were the least preferred mode of payment for travellers from UAE.

Table 17 Preferred mode of payment across respondents

Preferred mode of payment (across 2000 respondents)	Weighted average	Rank
Cash	2.17	1
Cheque	1.98	2
Debit	1.95	3
Credit	1.94	4
Online	1.90	5

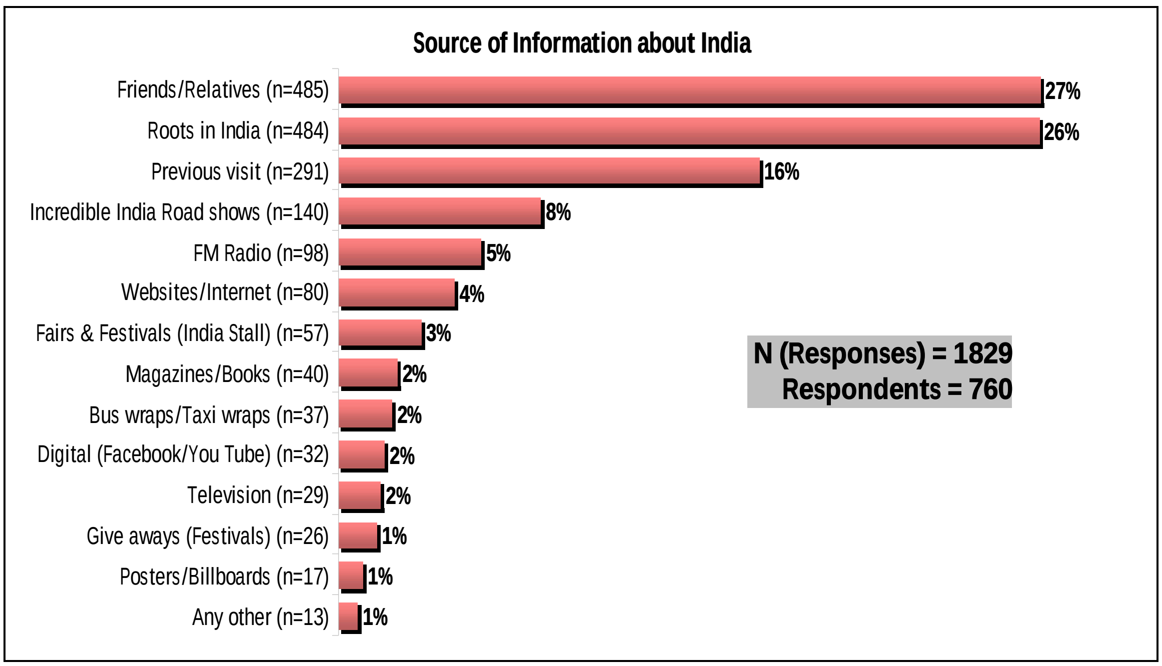
4.4 *Travel Behaviour of Past Visitors to India*

Of the 1510 respondents canvassed during the primary survey, 760 were those who had visited India in the last three years.

4.4.1 Source of information regarding India

Respondents were asked to indicate their source of information about India and they were given the freedom to select multiple options. 26% travellers, who have visited India in the past 3 years, have largely known about India because this was the country of their roots. Friends and relatives are also an important source of information (27%). In 16% cases it was also because they had been here previously. A mere 7% to 8% of all travellers had heard about India from the Incredible India Road Shows.

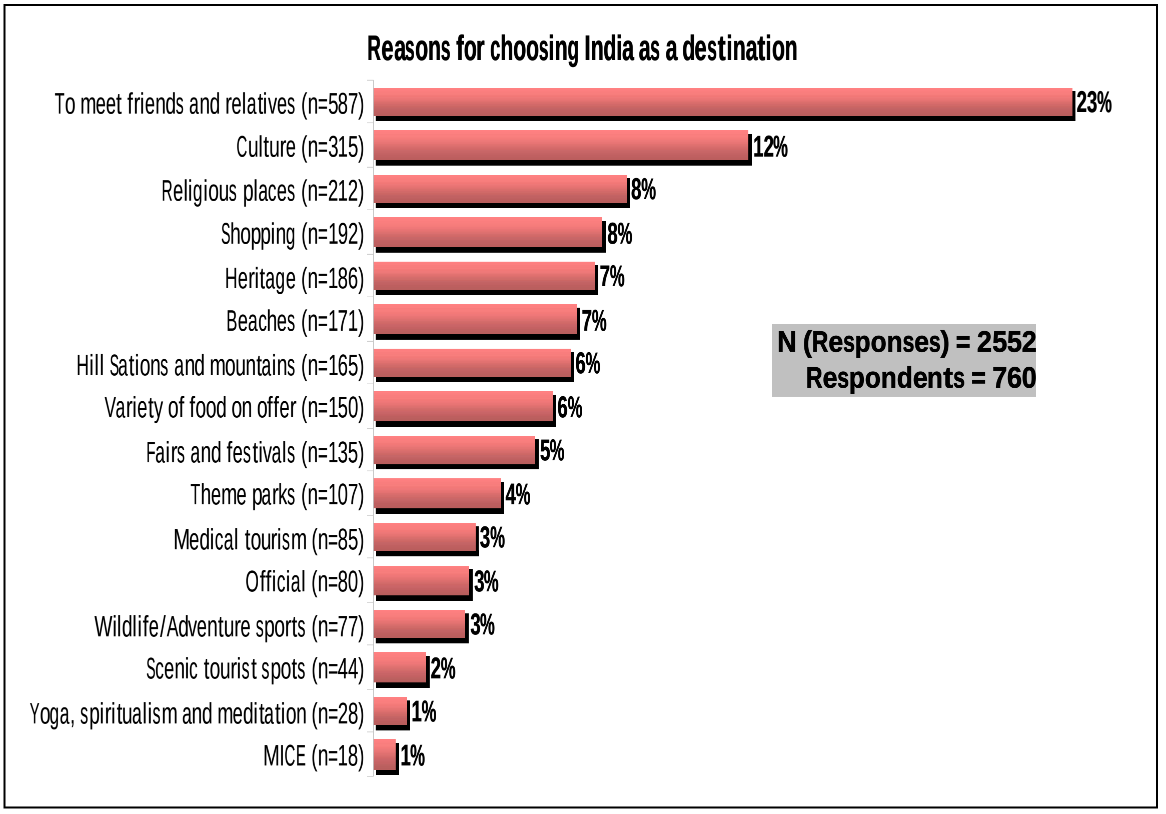
Figure 27 Source of Information about India



4.4.2 Reason for choosing India as a travel destination

Respondents were asked to indicate their reason for choosing India as a travel destination and they were given the freedom to select multiple options. The maximum traction for India among these travellers from UAE exists because their friends and relatives are here. 23% of all responses indicated this. Another 12% responses were received in favour of cultural attractions of India. Other important determinants are religious and heritage sites, as well as shopping and beaches (7% to 8% each).

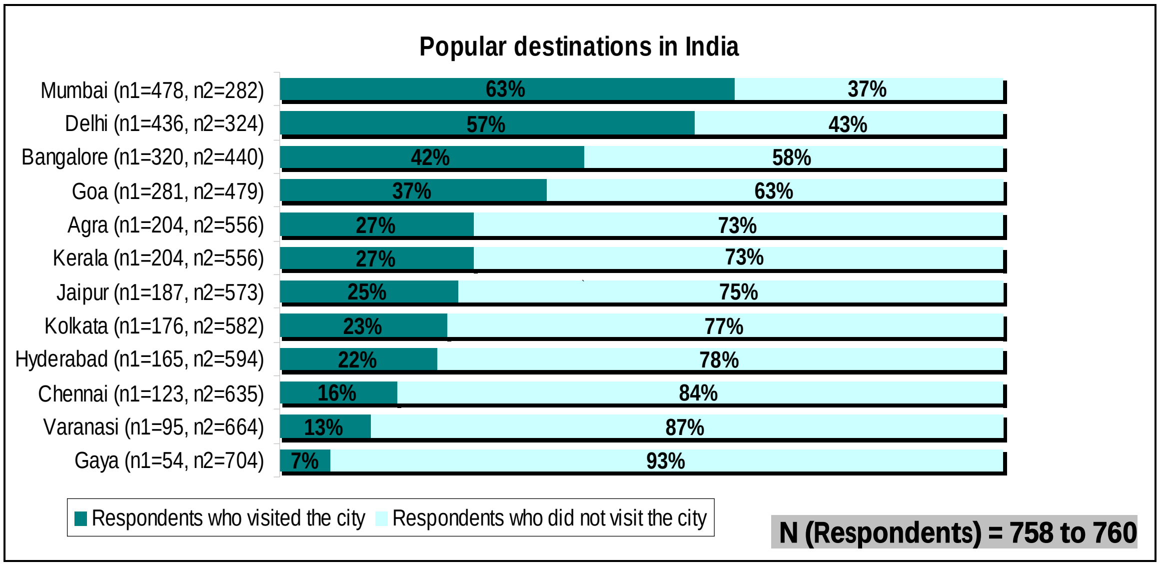
Figure 28 Reasons for choosing India as a destination



4.4.3 Destinations visited in India and source of information on them

Among those who have travelled to India in the past three years, many have visited Delhi and Mumbai. 63% of all 760 responses showed that Mumbai had been visited. Similarly, 57% of 760 responses indicated that Delhi has been visited. These were followed by Bangalore (42% of 760 responses) and Goa (37% of 760 responses). Cities such as Agra (27% of 760 responses) and Jaipur (25% of 760 responses) were less commonly visited. Kerala attracted about 27% of the 760 responses in the affirmative, followed by Kolkata (23% of 760 responses) and Hyderabad (22% of 758 responses). Chennai was not visited often.

Figure 29 Popular destinations in India

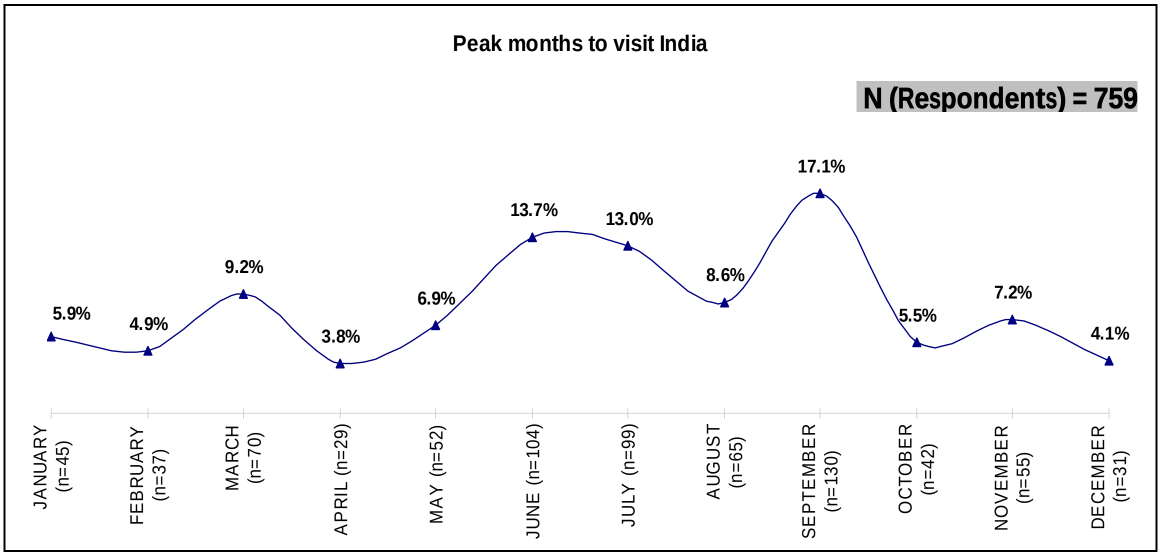


The survey reveals that information about these destinations has clearly not been first received from the usual sources such as websites, tour operators, travel publications or the India Tourism Office. Hardly anyone has opted for these and almost everyone has opted for ‘other sources’.

4.4.4 Travel month to India, duration of stay

The most favoured months for a visit to India for visitors form UAE are September (17%) when the weather starts improving, and June–July (total 27%) when children's schools shut down for the summer and the weather in UAE is unbearably hot. 9% UAE visitors also visit India in March.

Figure 30 Peak months to visit India



57% of the 759 respondents visited India for a period of two weeks to a month. Another 23% stayed for more than a month while 14% stayed for a period between a week and a fortnight. About 6% visitors stayed for up to one week.

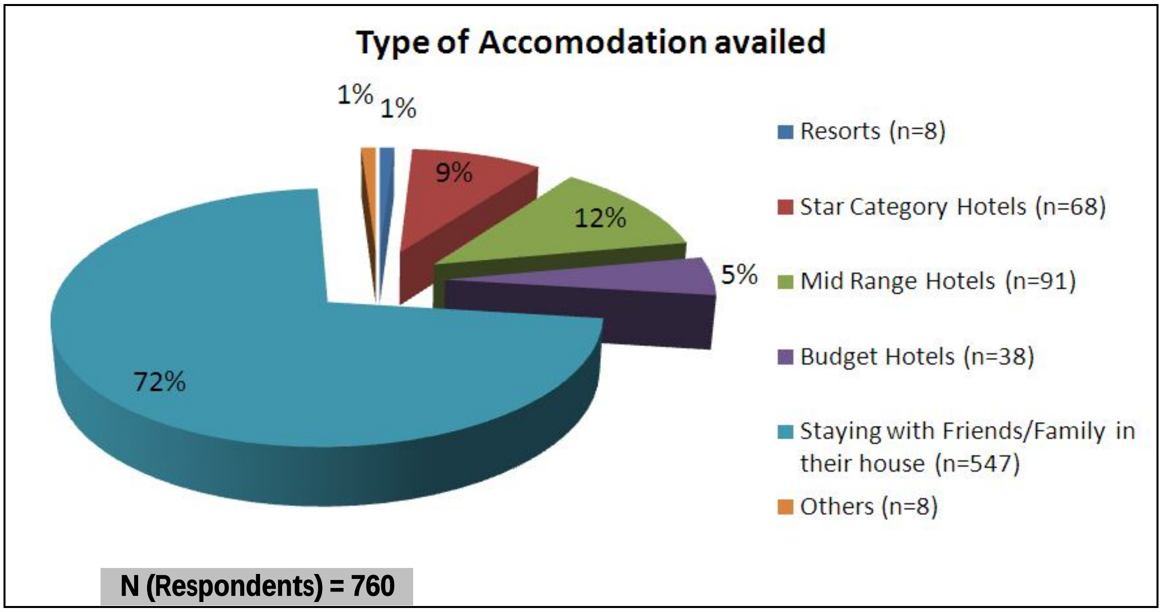
Table 18 Duration of stay in India

Duration of stay	No. of respondents	Percentage
Up to 1 week	42	6%
1 to 2 weeks	109	14%
2 weeks to a month	434	57%
More than one month	174	23%
Total respondents	759	100%

4.4.5 Type of accommodation availed of in India

Unlike Emirati tourists holidaying abroad, travellers to India mainly stay with family and friends. The share of such visitors is as high as 73% and they do not spend on luxury resorts and holiday packages. About 23% stayed in budget or midrange hotels. Another 3% stayed in star category hotels. Merely 1% availed of the luxuries offered by resorts in India.

Figure 31 Type of accommodation availed of in India

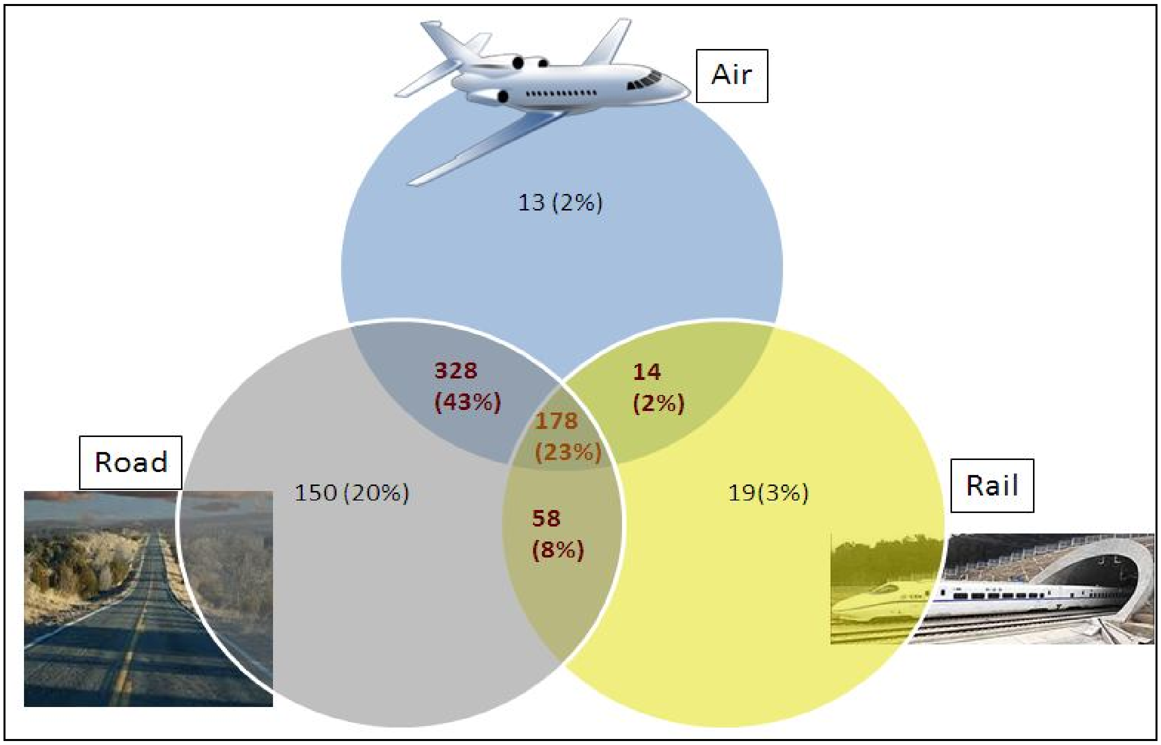


Star Category Hotels: Hotels in which have 4star, 5 star, 5 star deluxe and 7 star rating.
Mid Ranged Hotels: Hotels with 3star rating.
Budget Hotels: Hotels lying in the bracket of 1-2 stars rating.

4.4.6 Mode of local travel within India

Respondents who visited India were asked to indicate their choice of transport within India and they were given the freedom to select multiple options. It was found that within India, 20% people travelled by road alone, 3% by rail alone and 2% by air alone. 43% people travelled by road and air both, 8% by road and rail both and 2% by air and rail both. 23% people made use of all three types of travel options i.e air, road and rail. The maximum percentage of people made use of air as well as road for the purpose of travel within India.

Figure 32 Mode of Local Travel within India



Luxury trains such as Palace on Wheels, Golden Chariot, Deccan Odyssey or Indian Maharaja had not been indulged in by many travellers. Of the 182 respondents who responded to the query on Luxury trains availed, about 168 claimed to have availed of Rajdhani or the Shatabdi, while 14 said they had also availed of super luxury trains.

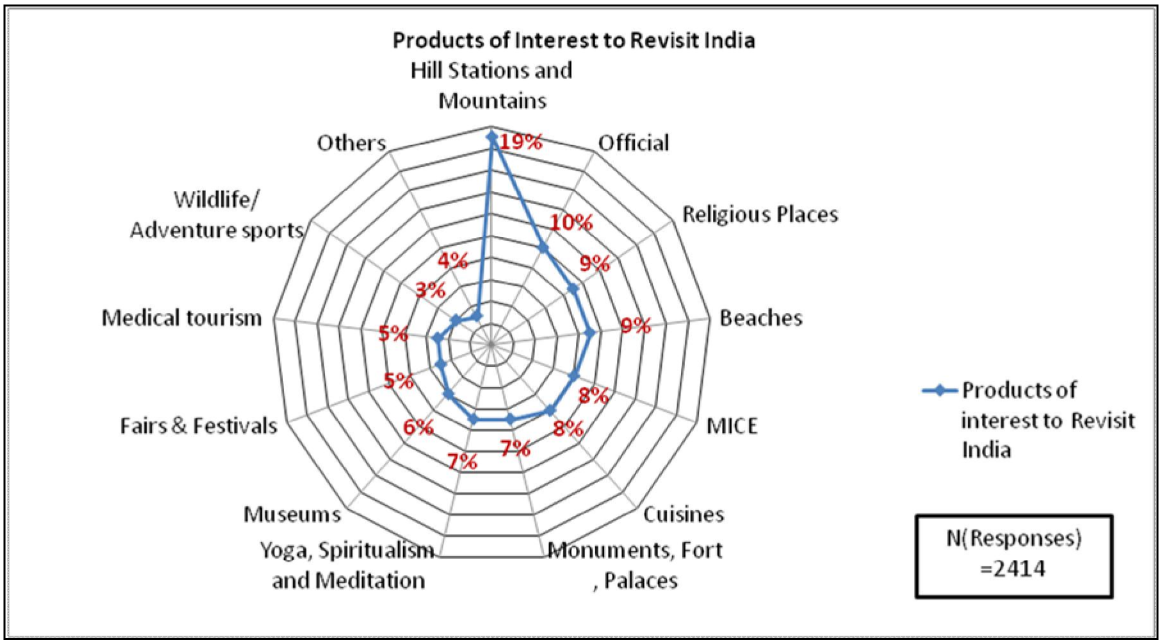
4.4.7 Intention of revisiting India

748 of the 757 respondents who had been to India in the last three years were certain that they would be revisiting.

4.4.8 Attractions for re-visiting India

Respondents who visited India were asked to indicate attractions that would draw them to India again and they were given the freedom to select multiple options. About 9% of the 2414 responses showed that the respondents were interested in religious places and another 7% were attracted to yoga, spiritualism and meditation. A maximum of 19% showed keenness to visit a hill station while 9% would visit beaches during their revisit to India. A considerable share of 10% plans to re-visit India for official purposes and another 8% were drawn to MICE (Meetings, Incentives, Conferences, Entertainment) related activities. While Indian cuisines attracted 8% of the respondents in the context of their re-visit 7% mentioned monuments, forts and palaces as their area of interest during re-visit.

Figure 33 Attractions for revisiting India



4.4.9 Reason for not revisiting India

Only 9 persons out of 760 said that they would not be revisiting India. These were mainly Emiratis, who cited problems related to visas and safety and security as the primary concern.

4.4.10 Best and worst experiences in India

Tourists from the UAE who have visited India are particularly happy with the hospitality warmth and kind-heartedness of the people in India. Those fond of food liked India because of the vast cuisine it offers.

Respondents who visited India were asked to indicate their best and most enjoyable aspects about coming here and they were given the freedom to select multiple options. The best part of coming to India is cited as opportunity to taste Indian food, chance to meet the family, and exposure to Indian culture and its people

Table 19 'Good about India visit' – Major entries

Pleasant Experiences	No. of responses
Food	385
Family	304
Culture	203
Beaches	100
Friends	88
Hills & Mountains	74
Weather	43
Historical Places	39
Nature	37

Table 20 'Bad about India visit' – Major entries

Unpleasant Experiences	No. of responses
Signage	194
Traffic	278
Public Conveniences	116
Bad Road	84
Too Crowded	63
Security	61
Pollution	223

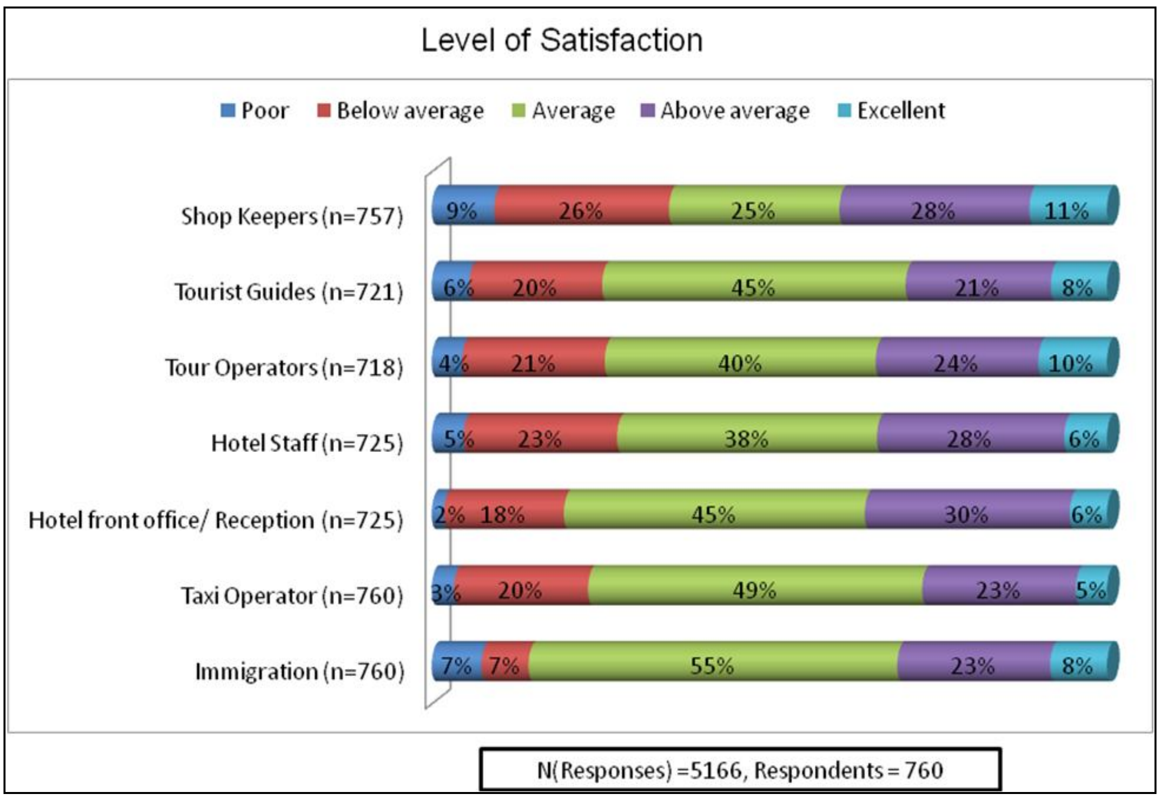
Sources of discomfort or unpleasantness were cited as signages and traffic and road conditions. Crowds and bad weather were also cited as reasons for disliking the experience. They also complained of corruption and repeated requests for tips everywhere they went. Many felt that tour guides were not professional and up-to-the-mark.

4.4.11 Level of satisfaction from service providers in India

- Only about 14% of the 760 respondents felt that their experience at immigration was poor or below average. A maximum of 55% felt the immigration experience to be average while the remaining 31% felt it was above average or excellent.

- Dissatisfaction with taxi services was expressed by around 23% of the 760 respondents. While 49% felt taxi services were average, 28% of the respondents found it above average or excellent.
- Over 36% respondents were of the opinion that staff at hotel front office and reception were above average or excellent while another 45% held that they were average. 20% thought that Indian hotel receptions and staff were below average or poor. However, there were 28% respondents who thought that the hotel staffs were not up to the mark with another 38% experiencing average hotel services.
- Of the respondents, 71% found the tour guides to be average or below, while 8% thought that they were excellent.
- As many as 34% were more than satisfied with their tour operator while another 40% felt that their services were average.
- About 35% of the respondents expressed their dissatisfaction with Indian shopkeepers while 39% found them above average or excellent.

Figure 34 Satisfaction over services availed



4.4.12 Overall satisfaction from visiting India

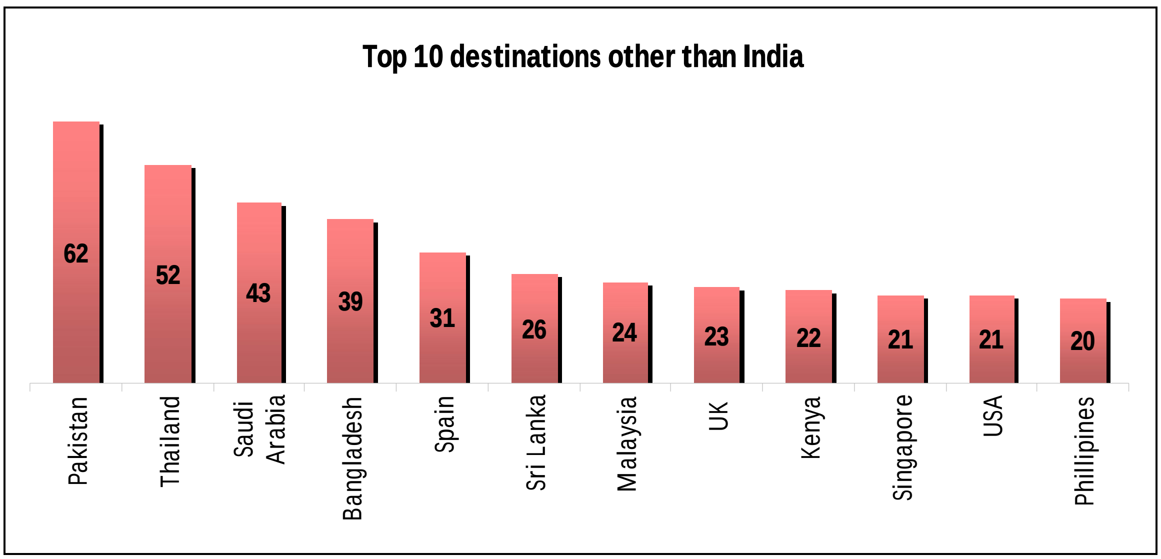
Overall, 99% of the 902 visitors interviewed in the survey were satisfied with their experience in visiting India. As many as 37%, in fact, rated their holiday experience as 'Excellent', while another 53% felt it was 'very good'.

4.5 Travel behaviour of other country visitors

4.5.1 Countries visited in past

Among the 750 respondents who had travelled out of UAE in the past three years to countries other than India, the maximum visits have been made to Pakistan followed by Thailand, Saudi Arabia, Bangladesh and Spain. Sri Lanka and Malaysia were considered interesting destinations as also UK. Kenya attracted wildlife tourists which Singapore was attractive to those who wish to explore and see new things. These top ten destinations constitute almost 50% of the outflow of tourists from UAE, as per the survey.

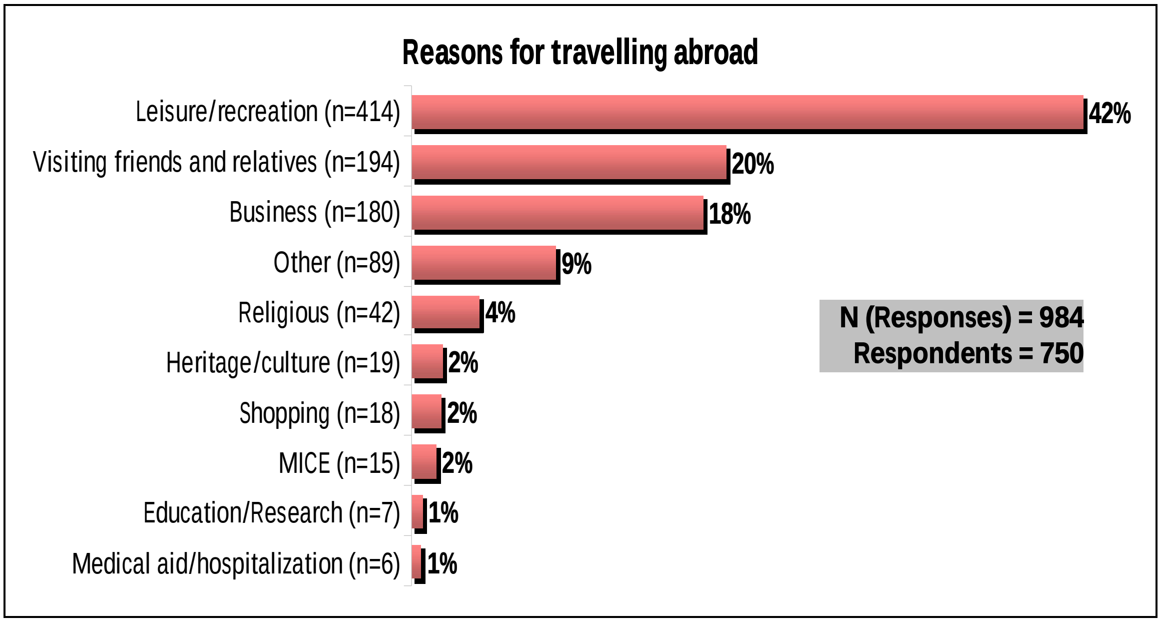
Figure 35 Top 10 destinations other than India



4.5.2 Drivers for visiting foreign locales

Respondents were asked the reasons for visiting foreign countries and given the option of multiple responses. Out of the 984 responses obtained, 414 (42%) cited leisure and recreation as their main reason, while nearly 38% said they came abroad to visit friends and relatives, or for business purposes. Other reasons such as religious, cultural, shopping, educational and medical tourism were not very significant.

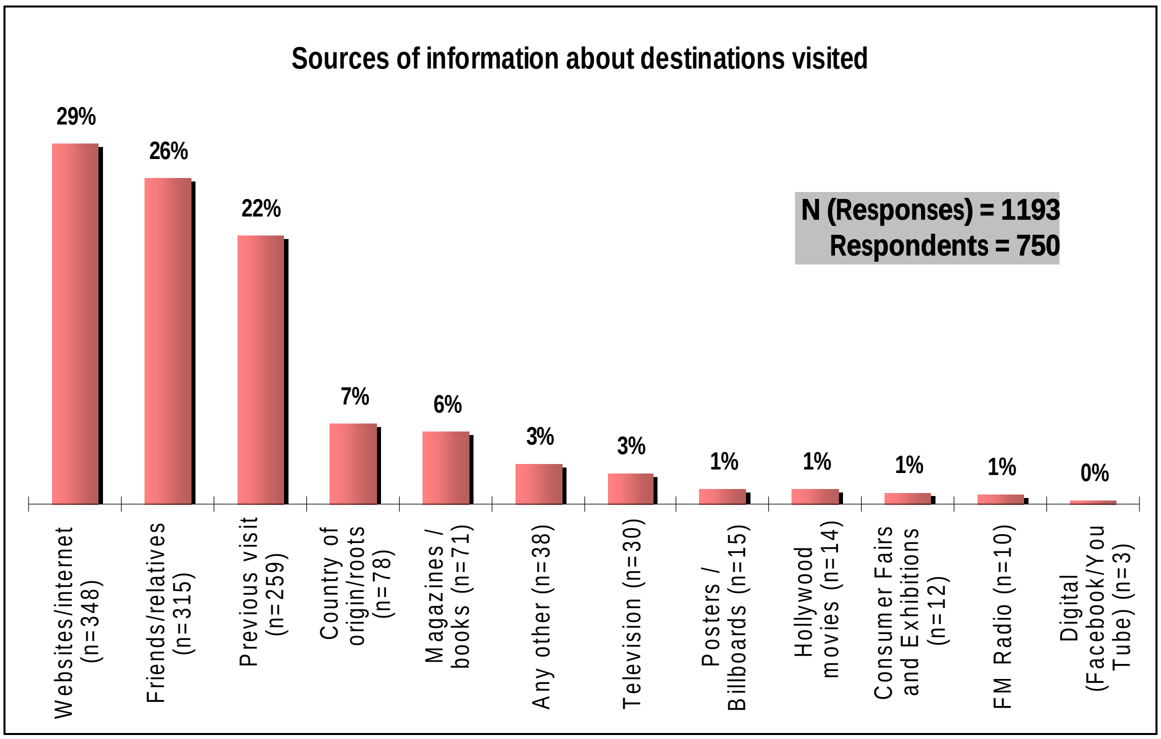
Figure 36 Reasons for travelling abroad



4.5.3 Sources of information on the destinations visited in past

Respondents were asked about the sources from which they obtained information about the destinations other than India that they had visited in the last three years. Out of the 1193 responses obtained from the 750 respondents in this category (due to the multiple response option), the top three responses were 'websites and other information on the internet' (348 responses or 29%), 'friends and relatives (315 responses or 26%) and 'previous visits' (259 responses or 22%). Other avenues of information were not significant.

Figure 37 Sources of information about destinations visited



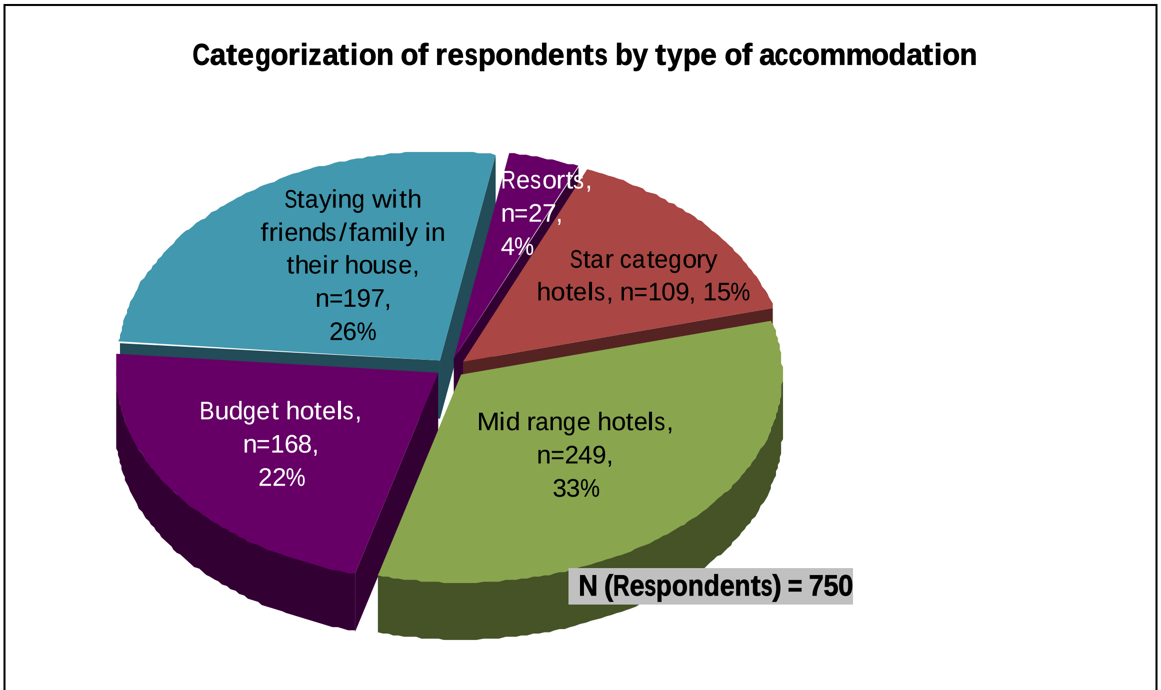
4.5.4 Value for money destinations visited

About 97% of 750 respondents felt that they had received value for their money in the destinations they had visited.

4.5.5 Type of accommodation used

Of those who visited destinations other than India, about 48% stayed in star category or mid-range hotels during their visit. 22% stayed in budget hotels while about 26% stayed with friends and relatives. Only 4% stayed in resorts in those destinations.

Figure 38 Categorization of respondents by type of accommodation

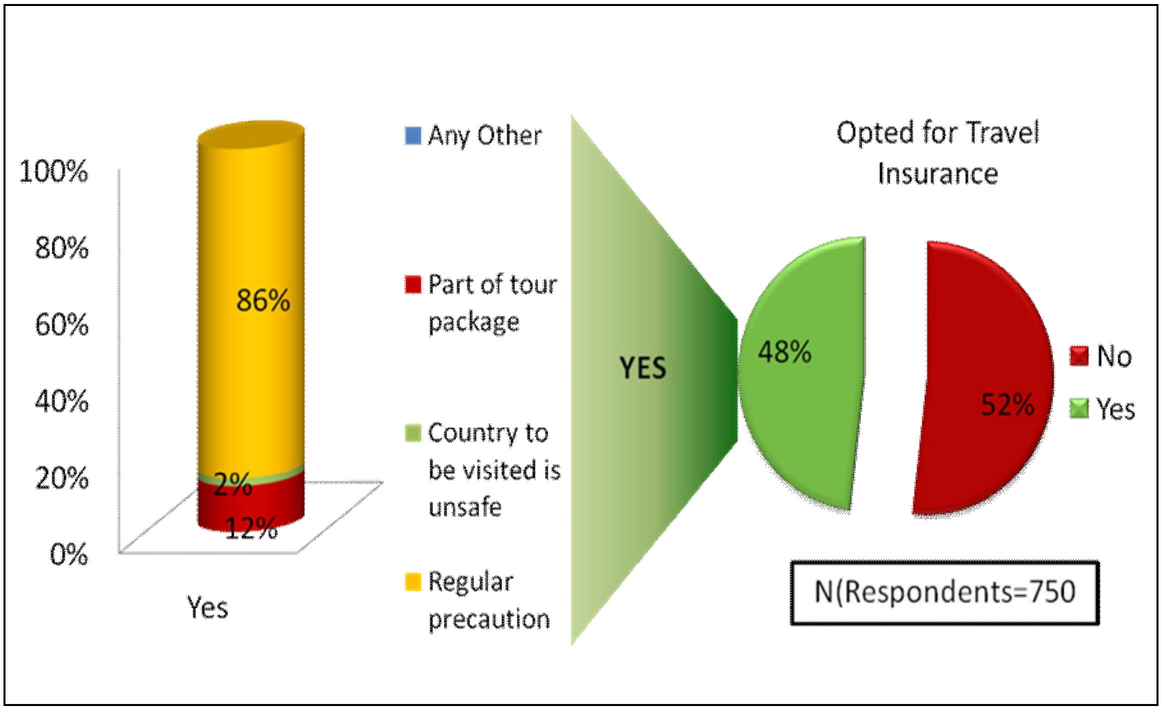


Star Category Hotels: Hotels in which have 4star, 5 star, 5 star deluxe and 7 star rating.
Mid Ranged Hotels: Hotels with 3 star rating.
Budget Hotels: Hotels lying in the bracket of 1-2 stars rating.

4.5.6 Reason for opting for travel insurance if any

Out of 750 respondents visiting other countries, 361 (48%) availed of travel insurance. Of these, 86% said they took it as a regular precaution while 12% took it since it was part of the tour package. Only 2% went in for it because they felt the country to be visited was unsafe.

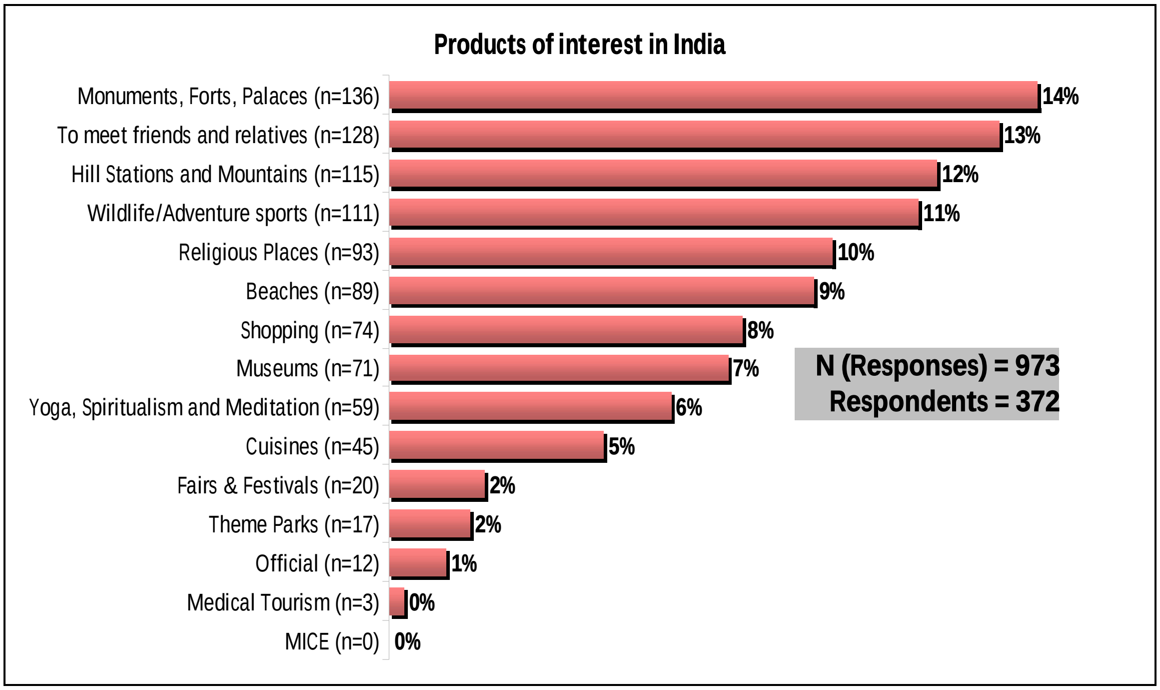
Figure 39 Reason for opting for Travel Insurance



4.5.7 Awareness of India as a tourist destination, intention of visiting India and primary tourist attractions in India

Out of the 750 respondents, 619 (83%) were aware of India as a travel destination, but only about half expressed interest in visiting India during their next trip. Those interested in planning a trip to India in the future were asked what would attract them here. Most responses (total 362 of 973 responses, i.e., 37%) were that people found India attractive for its monuments, forts and palaces, hill stations and mountains, wildlife and adventure sports. Some (128 of 973 responses) would also like to visit their friends and relatives residing in India.

Figure 40 Products of interest in India



4.5.8 Intention and reason for choosing an intermediary for India travel

However among the 372 respondents who expressed the intention of visiting India next, only about 74 respondents showed any inclination to consult a tour operator. 80% said that they would plan their own trips.

Those willing to consult tour operators believed that this would be more convenient (65%) and safe owing to access to local knowledge (15%). They expected to get better deals if they went through an intermediary (19%).

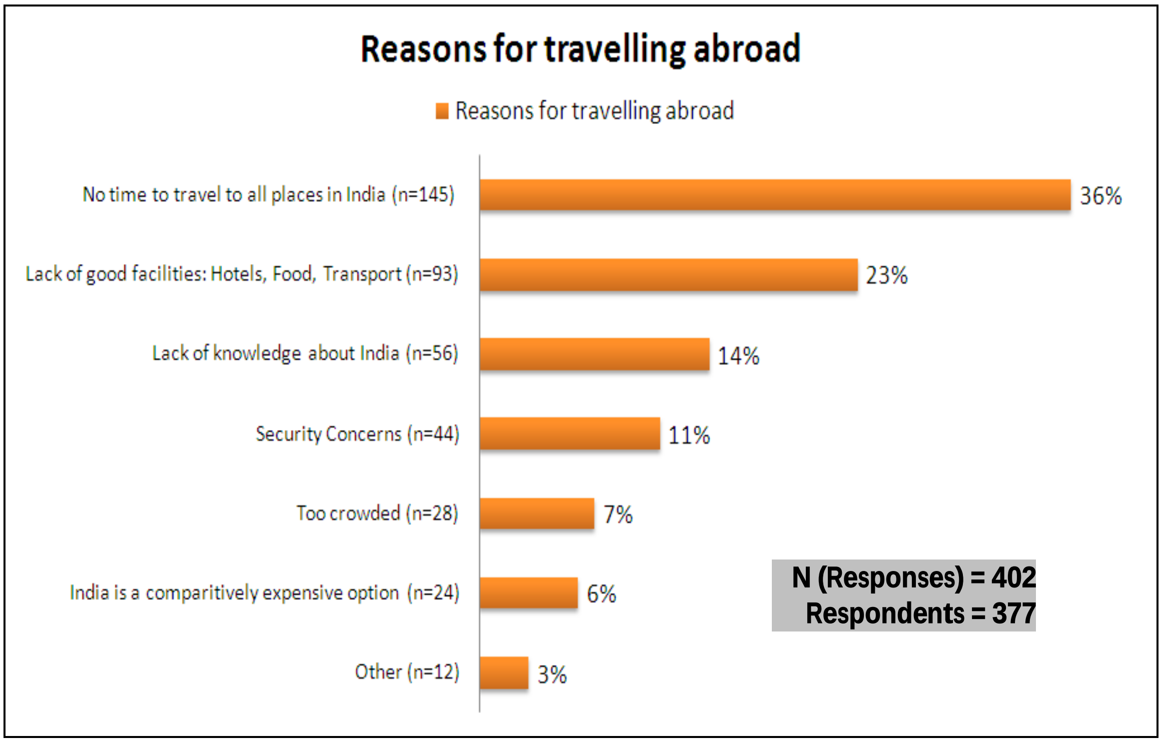
Table 21 Reasons for hiring tour operator

Reason for hiring tour operator	No. of respondents	Percentage
Convenient, better planned and organized	48	65%
Greater time efficiency	1	1%
Better deals	14	19%
Comprehensive information about India	11	15%
Total respondents	74	100%

4.5.9 Reasons for rejecting India as a tourist destination and intention of India visit in far future

Among the 377 respondents who were not interested in visiting India, the primary concern that proved a dampener for respondents (36% of 402 responses) was the concern that there would not be enough time to visit all the places that India had to offer. It is important to note that as many as 14% of responses indicate that those not planning on visiting India were doing so due to lack of knowledge about India.

Figure 41 Reasons for not intending to travel to India



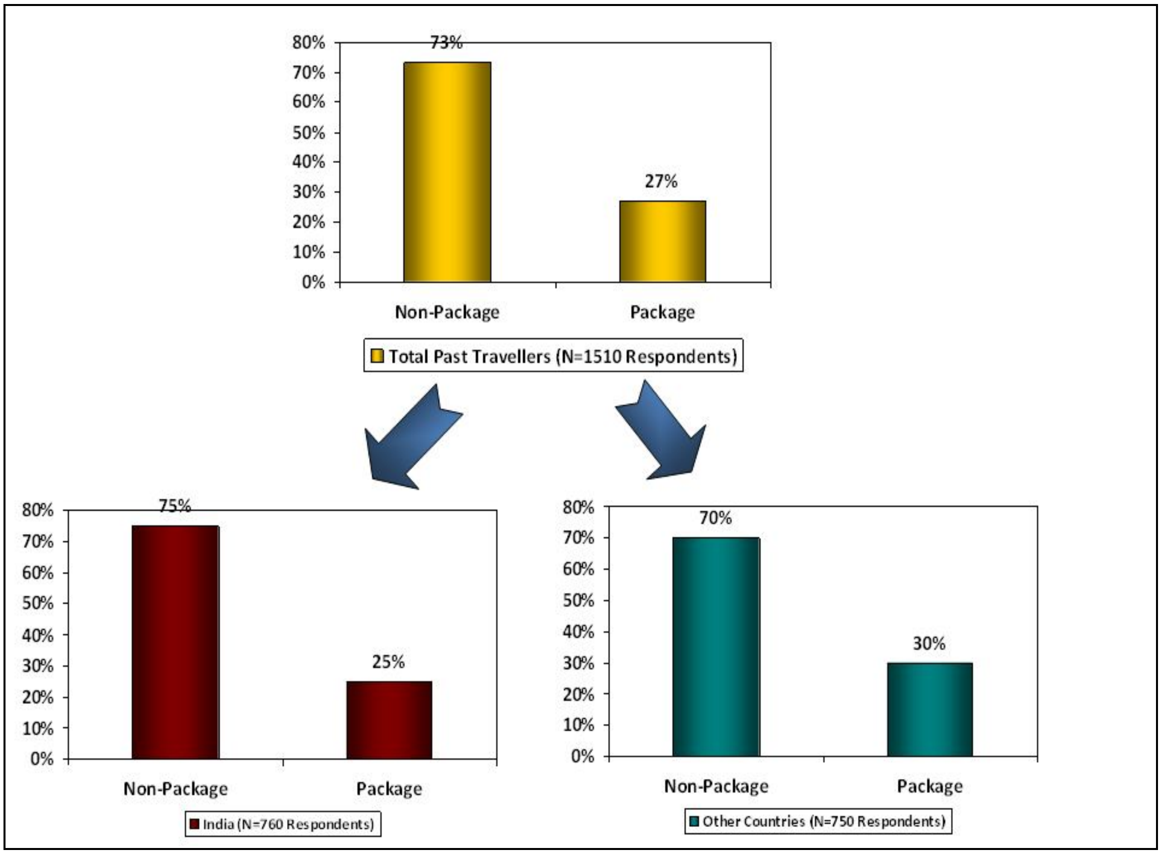
However, at the end of the interview 88% of the respondents said that they would visit India some time in the future.

4.6 India vis-à-vis other Countries – Past Outbound Travel Behaviour

4.6.1 Package or Non-Package Trip opted by Past Travellers

Compared to those visiting other tourist destinations, travellers to India had a larger proportion of non-package amongst past travellers. This may in part be attributed to best-deals awareness of those travelling to India. However, equally it could also be because the UAE population has an overwhelming number of Indians.

Figure 42 Comparing Share of Package & Non-package Travellers

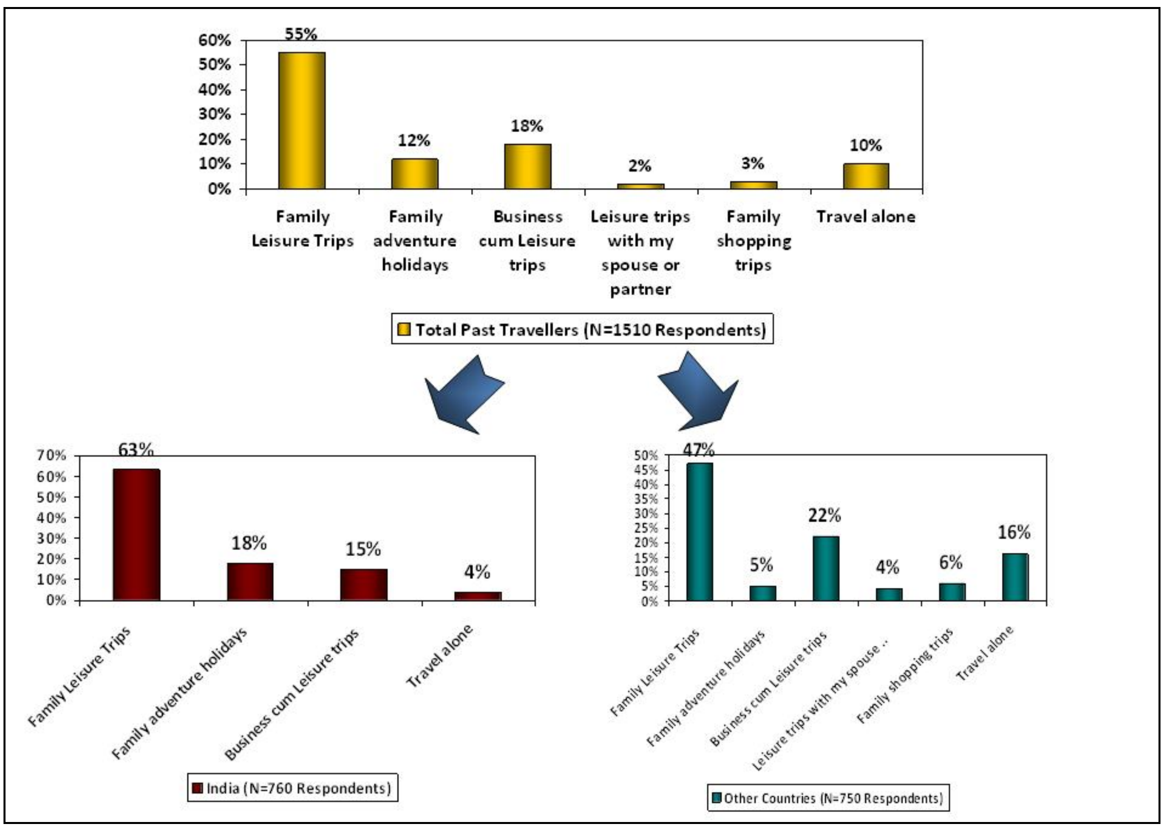


4.6.2 Type of Trips (Package/ Non Package)

While family-leisure trips do account for 47% of those travelling to other destinations, a substantially higher proportion of 63% of those who travelled to India in the past went for family-leisure trips. With a comparable number of responses of those who travelled to India vis-à-vis those who travelled to other destinations, it may be surmised that amongst the interviewed population a greater number of people thought of India as a family-leisure destination compared to other destinations. Even in terms of family adventure holidays, India scores substantially higher than other destinations.

However, when it comes to business cum leisure trips India is pegged marginally lower compared to other destinations in the world. Also, in cases of leisure trips with spouse, family shopping trips and travelling alone India scores behind other destinations of the world.

Figure 43 Comparing Types of Trips

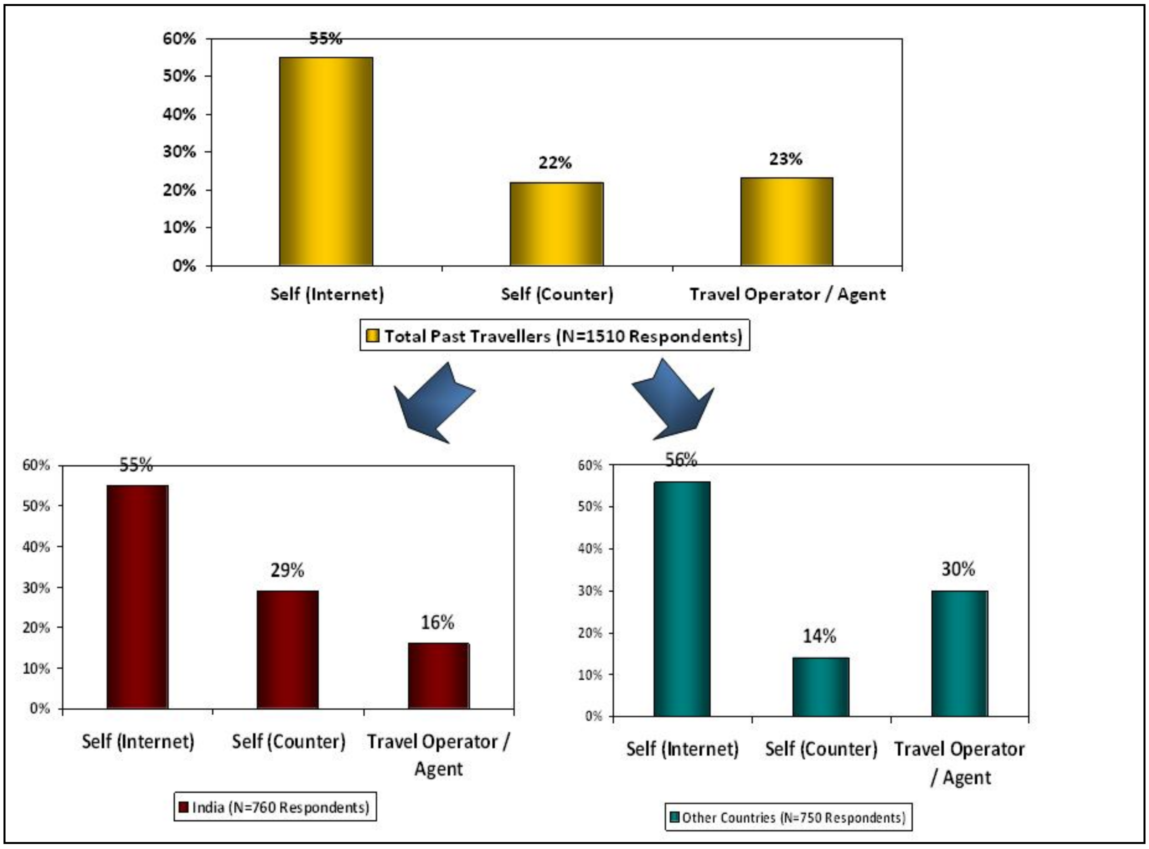


4.6.3 Mode of Booking by Past Travellers

Internet has substantially disintermediated travel trade – at least that is what would be apparent from the illustrations below. An overwhelming 55%, equally high in case of both India travellers and others, chose to use the online facilities to book their trips.

However, when it came to our operators those travelling to India were substantially lower at only 16% of the respondents compared to 30% for those travelling to other destinations. Complimenting this difference of travel behaviour, those who booked their trips to India themselves at the counter (29%) were substantially higher compared to those who did similarly for other global destinations (14%).

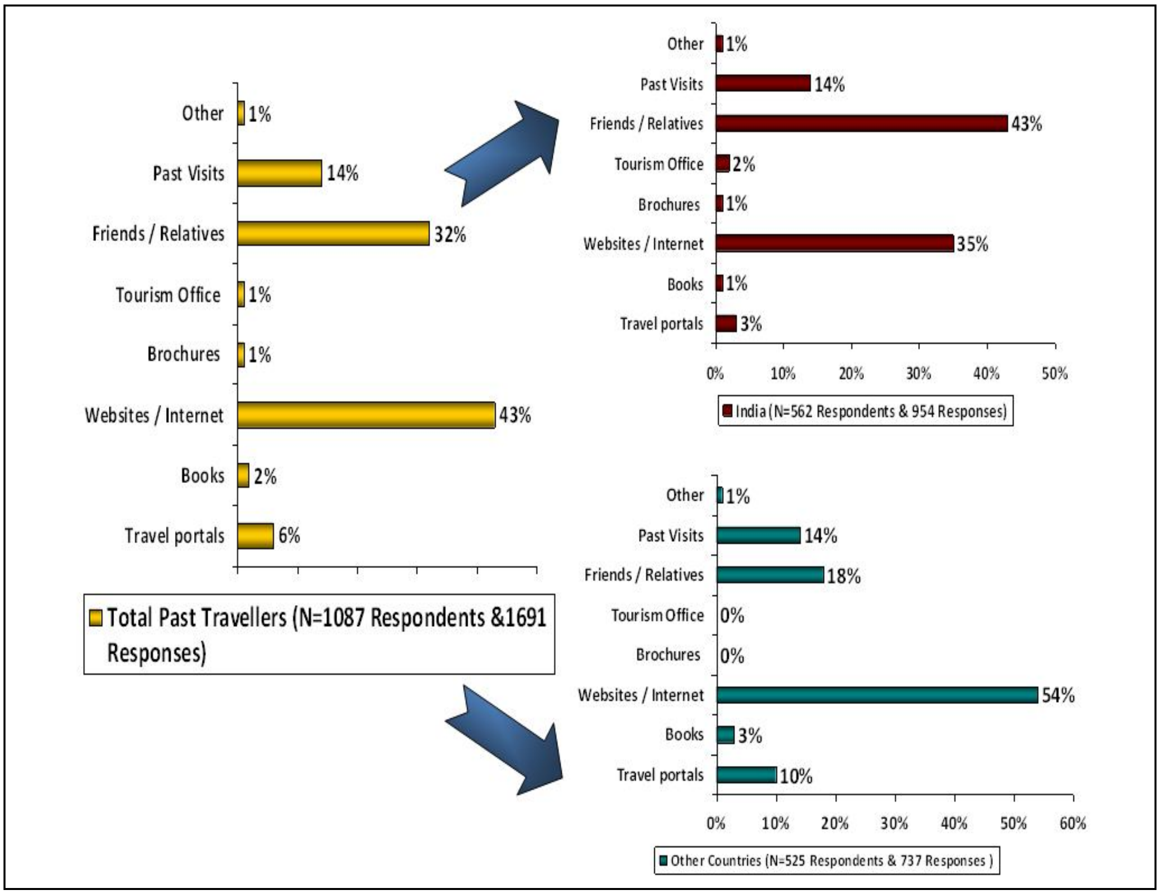
Figure 44 Comparing Mode of Booking



4.6.4 Source of Information for Destinations

Information sources tapped for gathering travel information shows even higher skew away from India. Those travelling to India use a much higher level of referral information from friends and relatives at about 43% compared to 18% by those travelling to other destinations. On the other hand those travelling to India sourced much lower proportion of web-based information at 35% compared to their counterparts who travelled to other destinations (54%). Travel portals reflected a similar difference with only 3% of past India visitors having sourced information from them compared to 10% of those who travelled to other destinations.

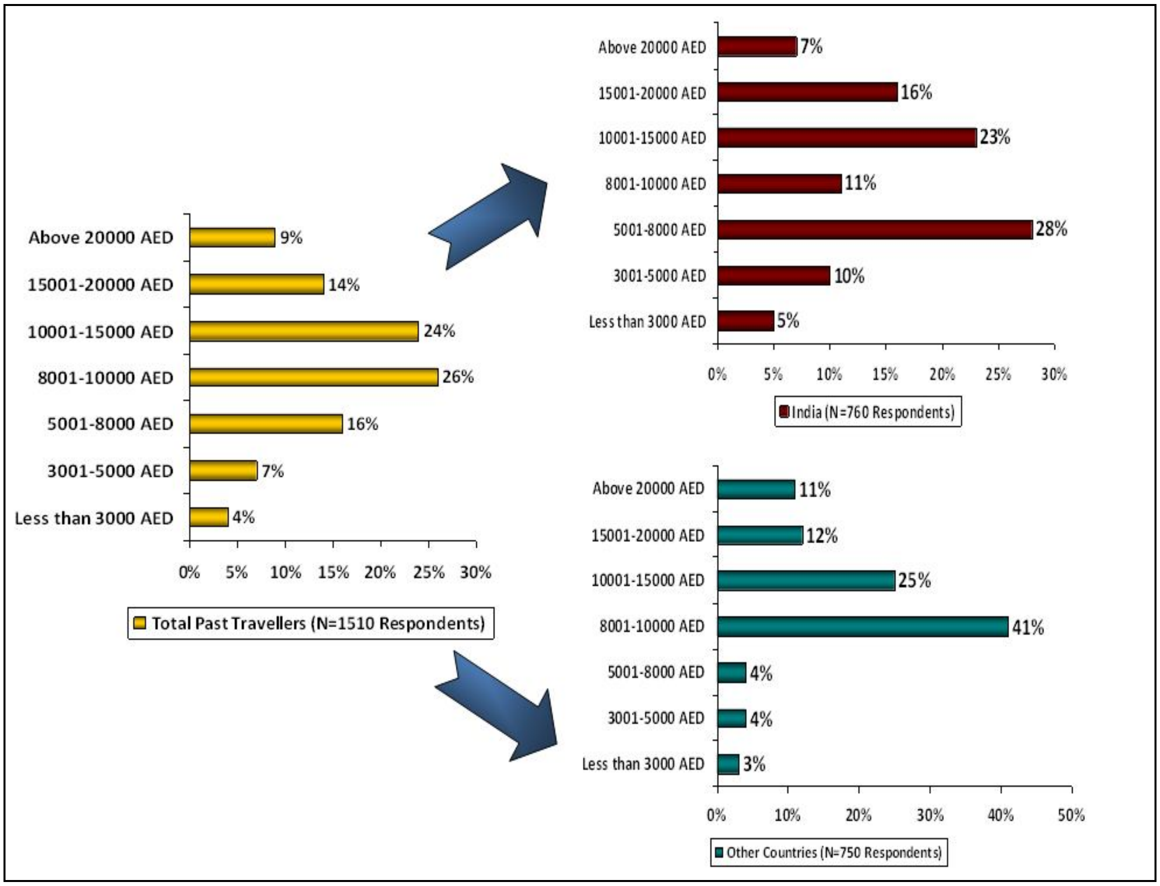
Figure 45 Comparing Information Sources for Destinations



4.6.5 Trip Budget of Past Travellers

Those travelling to India showed two distinct highs in terms of trip budget per person compared to a very normal behaviour of the trip budget distribution across the spectrum by those travelling to other destinations. Past India travellers showed two clear peaks at 23% in the AED 10,000-15,000 category and 28% in the AED 5000-8000 category. Those who travelled to other destinations had the highest proportion (41%) spending AED 8000-10,000 with another large segment of about 25% spending between AED 10,000 and AED 15,000. This may be attributed to there being a large section of budget travellers who visit India from UAE.

Figure 46 Comparing Trip Budgets



4.6.6 Trip Budget v/s Trip Duration of Past Travellers to India

Past India travellers have shown two clear segments of travellers—one that travels on a smaller budget in the range of AED 3000-10,000 and another that travels with a much larger budget of AED 10,000-20,000. In terms of time spent there is a very small proportion that visits for the less than one week trip with practically no high spenders in the category.

Table 22 Trip Budget v/s Trip Duration of Past Travellers to India

Trip Budget		Trip Duration			Total
		Less than one week	1-4 weeks	More than 4 weeks	
Less than 3000 AED	No. of Responses	4	24	10	38
	% of Total	1%	4%	2%	7%
3001-5000 AED	No. of Responses	5	50	21	76
	% of Total	1%	10%	4%	15%
5001-8000 AED	No. of Responses	33	120	60	213
	% of Total	3%	10%	5%	18%
8001-10000 AED	No. of Responses	8	34	42	84
	% of Total	1%	6%	7%	14%
10001-15000 AED	No. of Responses	2	82	91	175
	% of Total	%	11%	12%	23%
15001-20000 AED	No. of Responses	0	69	52	121
	% of Total	%	9%	7%	16%
Above 20000 AED	No. of Responses	0	31	22	53
	% of Total	%	5%	3%	8%
Total	No. of Responses	45	412	303	760
	% of Total	6%	54%	40%	100%

4.7 Medical Tourism

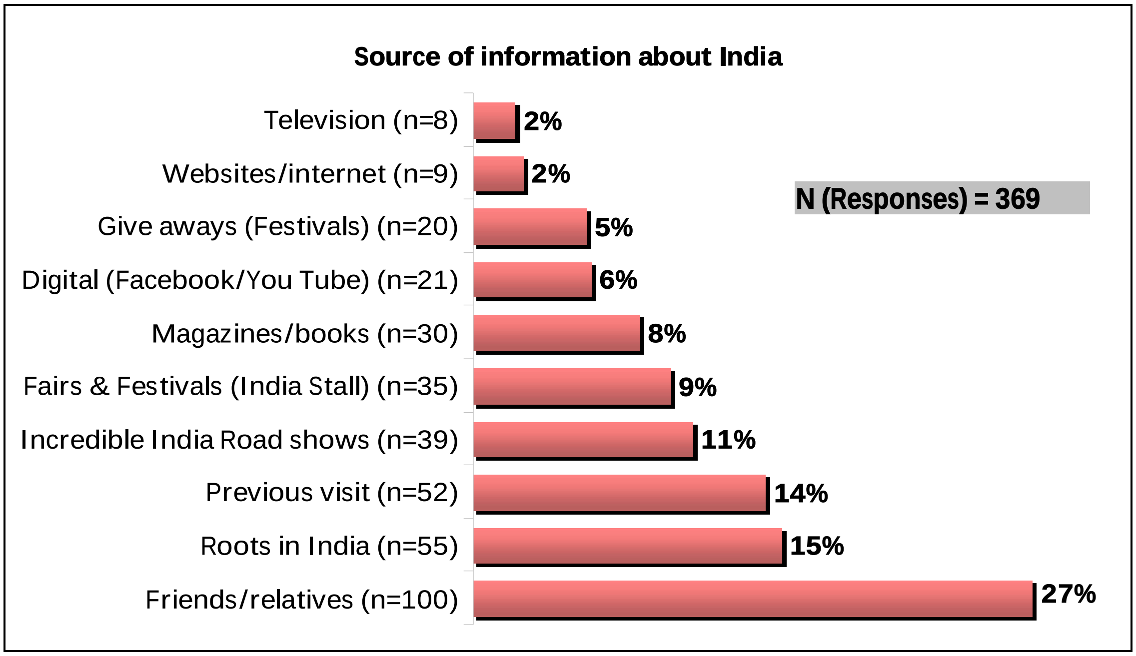
4.7.1 Introduction

Amongst the 1510 past travellers who were interviewed in UAE, 85 respondents of the 760 past travellers to India mentioned that they had travelled to India for the purpose of medical tourism. When they were enquired about their satisfaction with the medical tourism offerings and services in India, 70 respondents said that they were fully satisfied with the medical help they received in India. A separate analysis of the responses from the 85 past medical tourists to India was conducted and the results are listed below.

4.7.2 Sources of Information

According to 32% of the 369 responses (85 respondents with multiple responses), medical tourists were encouraged to come here for treatment either by friends and relatives or because they belonged to India. 14% had visited India for medical tourism previously. In a departure from norm, medical tourism seems to have been well publicized in Incredible India Road Shows since 11% responses showed many respondents had heard of it from there.

Figure 47 Sources of information about India

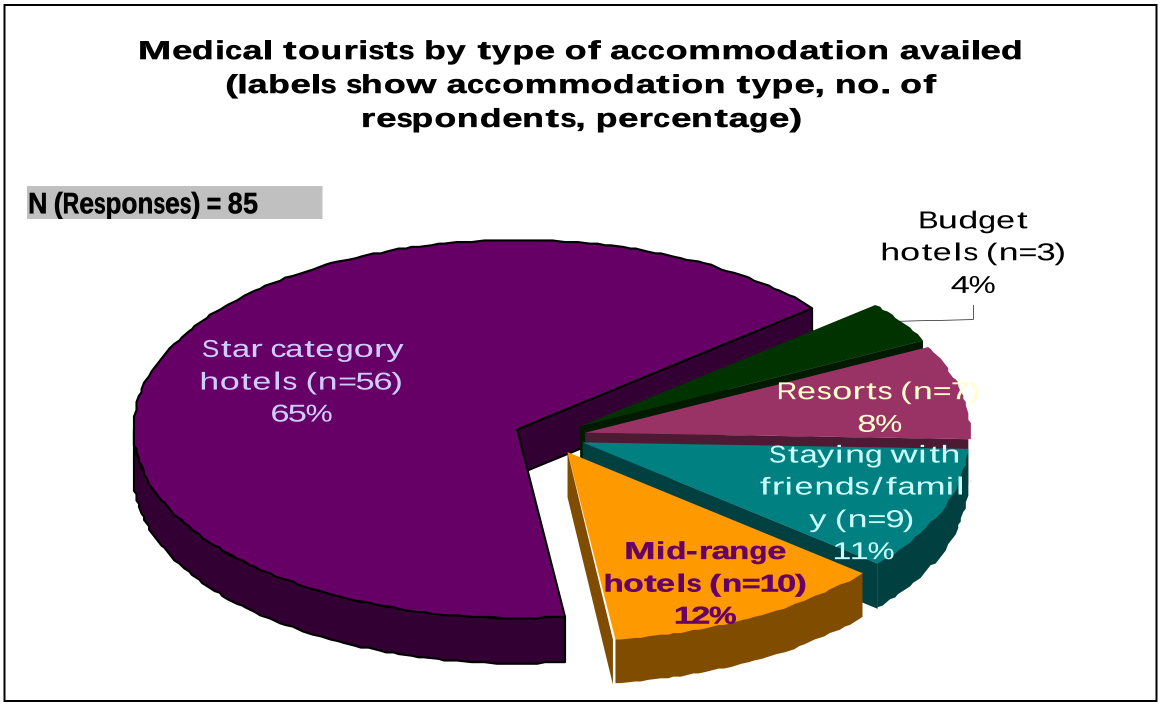


4.7.3 Duration of stay and accommodation

Most of them stayed for a period of one month or at the most two during the course of their treatment, 77% in stayed in starred or at least mid-range hotels.

This is a point of departure from holidaying tourists from UAE who tend to stay with relatives and friends rather than at hotels.

Figure 48 Accommodation type preferred by medical tourists



Note: Star category hotels: Hotels with more than 4 stars; Mid-ranged hotels: Hotels of 3 stars rating; Budget hotels: Hotels with 1-2 stars rating

4.7.4 Preferred destinations for medical tourism

82% medical tourists had returned fully satisfied with the treatment of their condition. Southern India is an important destination for medical tourists. Maximum visits are to Kerala followed by Chennai and Bangalore. Mumbai and Delhi were not seen to be important destinations for this set of medical tourists from UAE.

Chapter Five
Prospective Outbound Travel Behaviour

5.1 *Profiling Information*

5.1.1 By place of residence

About 497 potential travellers were interviewed of which 397 (80%) were from Dubai and the rest from Sharjah.

Figure 49 Respondents by place of residence

Source: http://www.memnav.com/im/uae_map.gif

5.1.2 By gender

30% of the respondents were women. Overall, 151 women were interviewed as part of the survey across the two cities, Dubai and Sharjah.

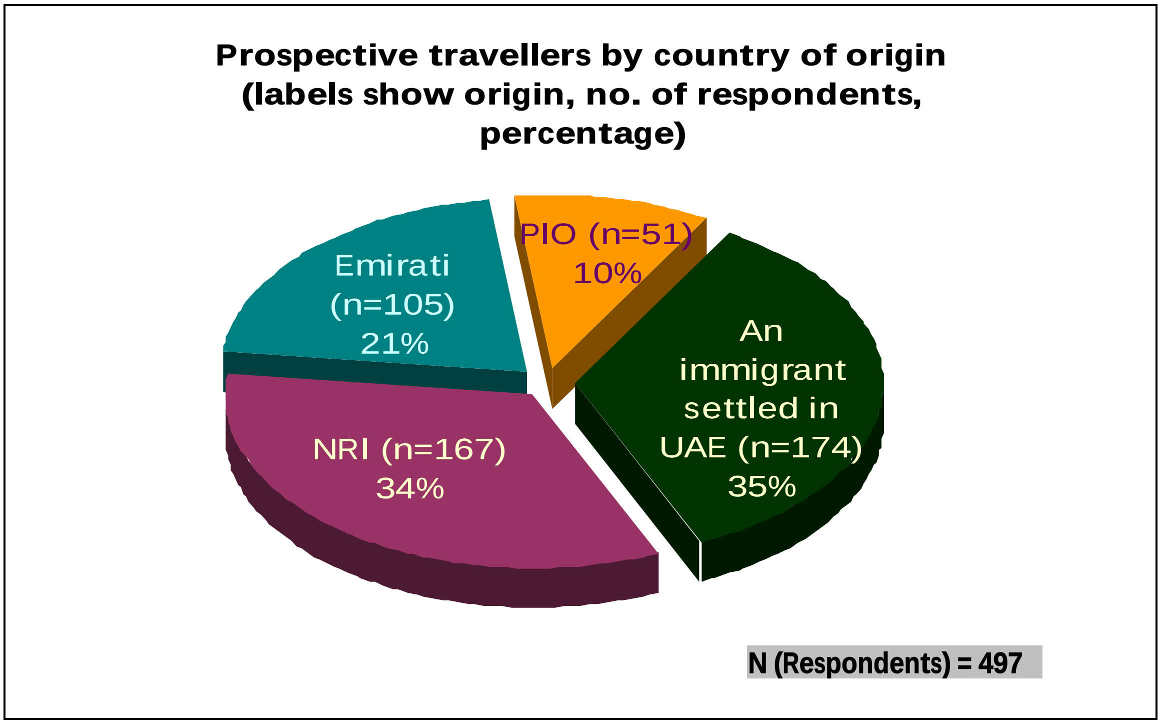
Table 23 Respondents by gender

Gender	No. of respondents	Percentage
Male	346	70%
Female	151	30%
Total	497	100%

5.1.3 By origin

Only 21% of the respondents were Emiratis or original inhabitants of the UAE. 44% were either PIOs (persons of Indian origin) or NRIs (non-resident Indians). The rest were immigrants from other countries settled in the UAE.

Figure 50 Country of origin of the potential traveller



5.1.4 By age group

45% of the respondents, that is, 226 respondents were between 26 to 35 years of age. 51% of the respondents that is 252 were in the age group of 36 to 50 years. Overall, 96% of the respondents were in their peak productive years between 26 and 50 years of age. 3% constituted younger people in the age group of 18 to 25 years.

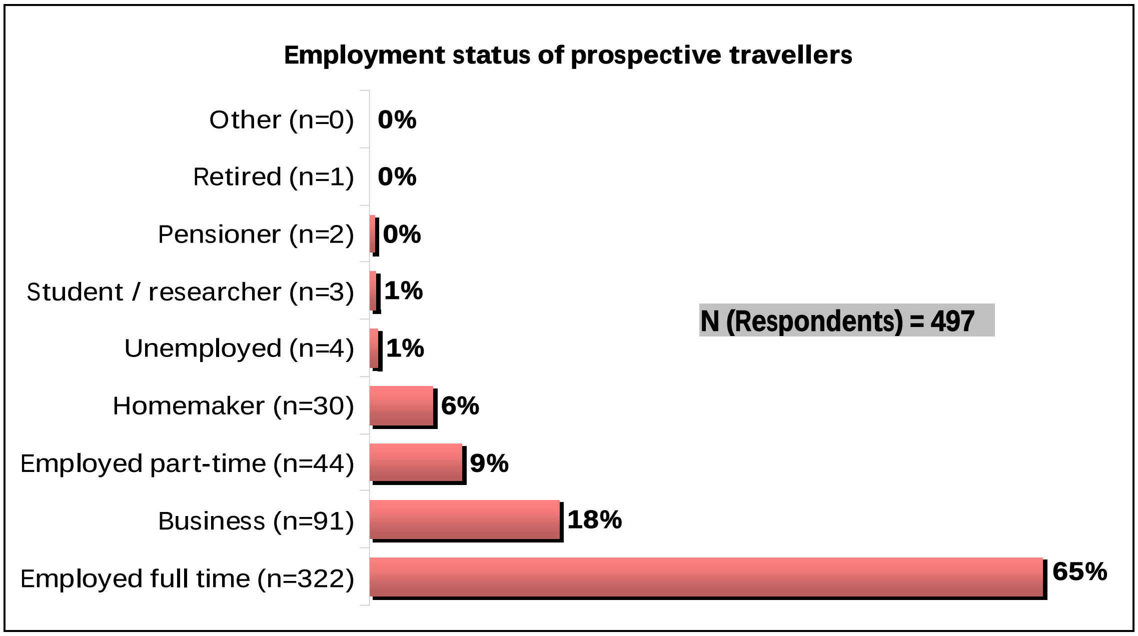
Table 24 Respondents across age categories

Age groups	No. of respondents	Percentage
18-25 years	16	3%
26-35 years	226	45%
36-50 years	252	51%
51-60 years	3	1%
Total	497	100%

5.1.5 By employment status

65% respondents were employed full time (322 of 497 respondents). Other key segments were business, part time employees and homemakers at 18%, 9% and 6% respectively. 3 respondents were students/researchers, 2 were pensioners and 4 were unemployed.

Figure 51 Employment status of respondents



5.1.6 By educational qualification

About 63% of the 497 respondents were at least graduates or had some technical or professional qualification. Only 7% of the respondents had not completed at least Higher Secondary schooling. So overall, the respondent universe was well-educated and aware.

Table 25 Educational qualifications of prospective travellers

Educational qualification	No. of respondents	Percentage
No formal education	3	1%
Primary	4	1%
Secondary	27	5%
Higher secondary	143	29%
Graduate and above	256	52%
Technical / Professional	54	11%
Other	10	2%
Total	497	100%

5.1.7 By expenditure per month

22% of the respondents were spending AED 1000 to AED 1999 per month on household expenses. In the case of 32% respondents (160 respondents of 497) monthly household expenditure ranged between AED 2000 and AED 2999. Another 45% respondents spent more than AED 3000 per month on household expenses. Only 1% of the respondents were in the lower spending categories of less than AED 1000 per month.

Table 26 Prospective travellers by monthly household expenditure

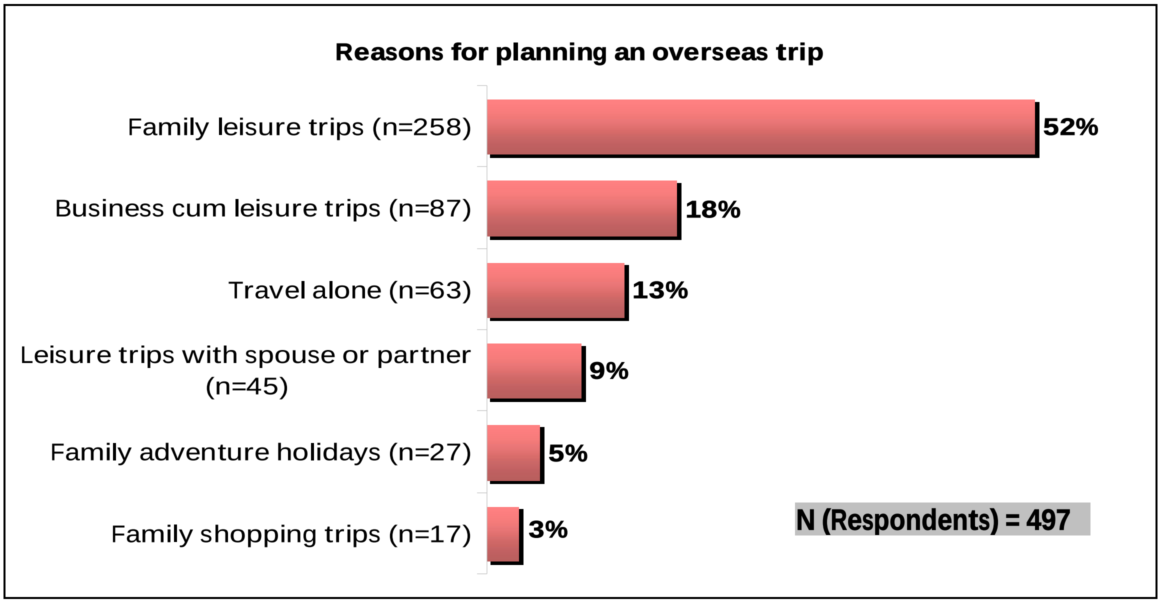
Monthly household expenditure (AED)	No. of respondents	Percentage
Less than 1000	5	1%
1000-1999	111	22%
2000-2999	160	32%
3000-5000	159	32%
More than 5000	62	13%
Total	497	100%

5.2 General Travel Behaviour

5.2.1 Type of trips

52% the respondents (258 of 497 respondents) wish to primarily go on family leisure trip. A considerable section also intends to go for business cum leisure trips (18%, that is, 87 of 497 respondents). 63 of the 497 respondents intend to travel alone. 5% of respondents wished to take family adventure holidays and 9% wished to go on leisure trip with spouse or partner.

Figure 52 Respondents by purpose of travel



5.2.2 Mode of booking

54% (268 of 497) respondents mentioned that they would book their tickets over the internet while 28% (139 of 497) expressed the intention of approaching travel agents. 18% (90 of the 497) respondents said that they would book their tickets themselves at the counter.

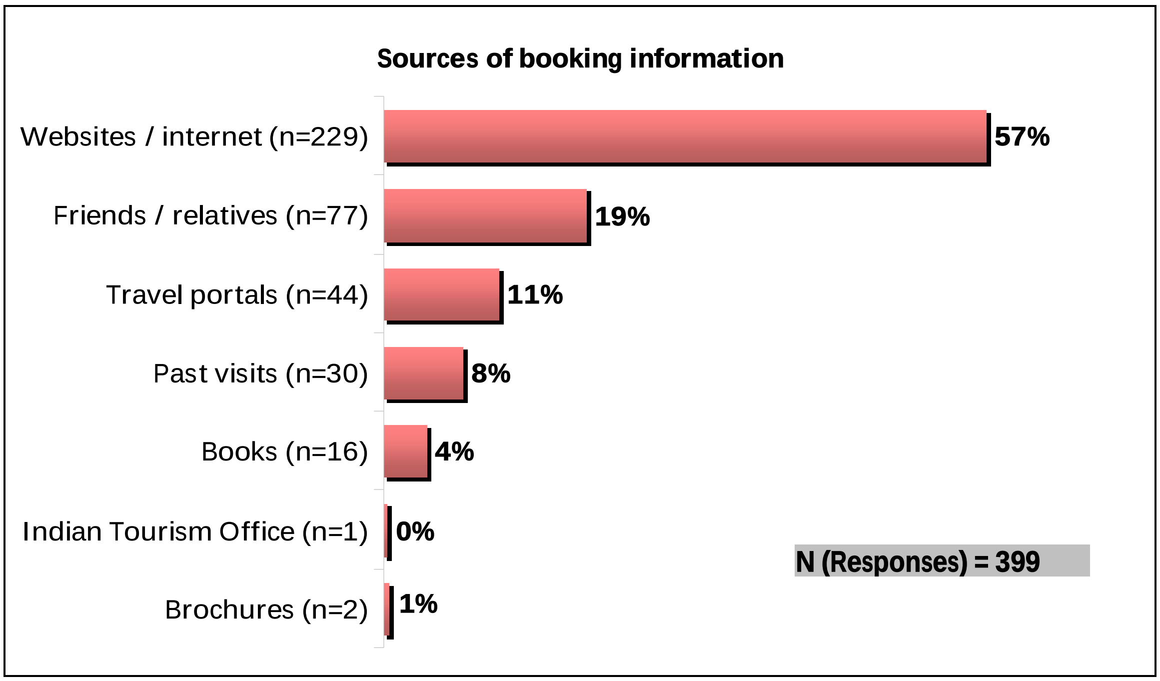
Table 27 Mode of booking for prospective trip

Mode of Booking	No. of respondents	Percentage
Self (Internet)	268	54%
Self (Counter)	90	18%
Travel Operator / Agent	139	28%
Total	497	100%

5.2.3 Sources of help for booking information

The 358 respondents who did not intend to consult tour operators were asked to indicate sources of assistance they would approach in order to book their tickets for the overseas trip (they were given the freedom to choose multiple options). 57% of the 399 responses received revealed that the internet was a very important source of information for travellers as well as a powerful tool for sorting out travel modalities. 44 of 399 responses cited travel portals while 19% responses showed that on occasion friends and relatives could also be consulted. Only one respondent mentioned the India Tourism Office as a potential source of information.

Figure 53 Sources of booking information



5.2.4 Type of tour operator used

Among those intending to approach tour operators for ticketing assistance, that is, 139 of total 497 respondents intending to travel in the near future, 54% said that they would approach operators from UAE. Another 36% were willing to approach multi-country operators. Only 4% mentioned that they would approach tour operators from India. 6% of the respondents indicated that they would approach freelance travel agents.

Table 28 Type of tour operator to be consulted

Type of Tour Operators	No. of respondents	Percentage
Multi country tour operator	50	36%
Operator operating in UAE	75	54%
Tour operator in India	6	4%
Freelance travel agents	8	6%
Total	139	100%

5.2.5 Tour operators selection criteria

In the choice of the tour operator, for these 139 respondents, the cost of the package in terms of value for money was an important decision point. This was followed by catering to the clients' specific needs and better package deals. Other factors were brand name and market presence of the tour operator, package options and travel insurance.

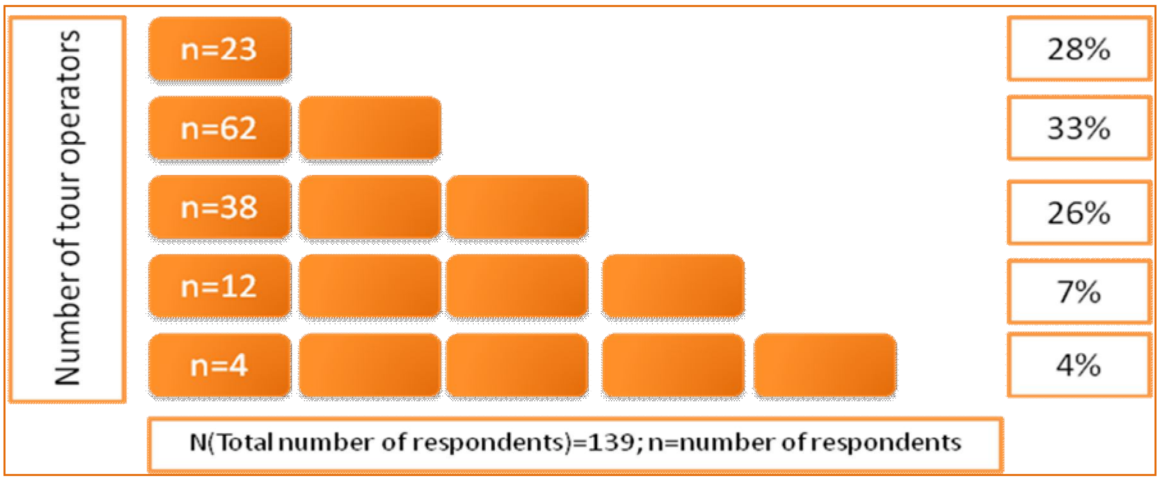
Table 29 Criteria for choosing tour operators

Criteria for tour operator selection	Weighted average	Rank
Cost of package	2.31	1
Catering to my needs	2.19	2
Better package deal	2.03	3
Package Options	1.89	4
Brand Name	1.83	5
Presence of tour operator	1.63	6
Travel Insurance	1.55	7
any other	1.00	8

5.2.6 Number of tour operators contacted and number of months in advance contacted

Of the 139 respondents who mentioned that they would approach tour operators, 28% said that they would not contact more than one tour operator before coming to a decision. 33% said that they would contact at least 2 operators before reaching a decision. 37% expressed the intention of approaching 3 or more operators before they took a decision.

Figure 54 No. of tour operators the respondents intended to contact before coming to a decision



47% of 138 respondents mentioned that they would contact the travel operator at least a month or two before they intended to travel. Another 36% mentioned that they might do so even 2 to 4 months in advance.

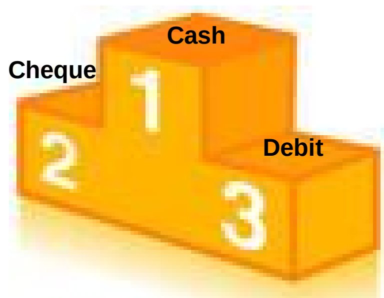
Table 30 Months in advance that tour operator would be contacted

Months in advance tour agent would be contacted	Frequency	Percentage
Less than 1 month	12	9%
1-2 months	65	47%
2-4 months	50	36%
4-6 months	10	7%
More than 6 months	1	1%
Total	138	100%

5.2.7 Mode of payment preferred

Both past travellers as well as potential travellers were least inclined to make online payments when they travelled abroad. Prospective travellers mentioned cash as their preferred mode of payment followed by followed by travellers' cheques, debit cards and cash.

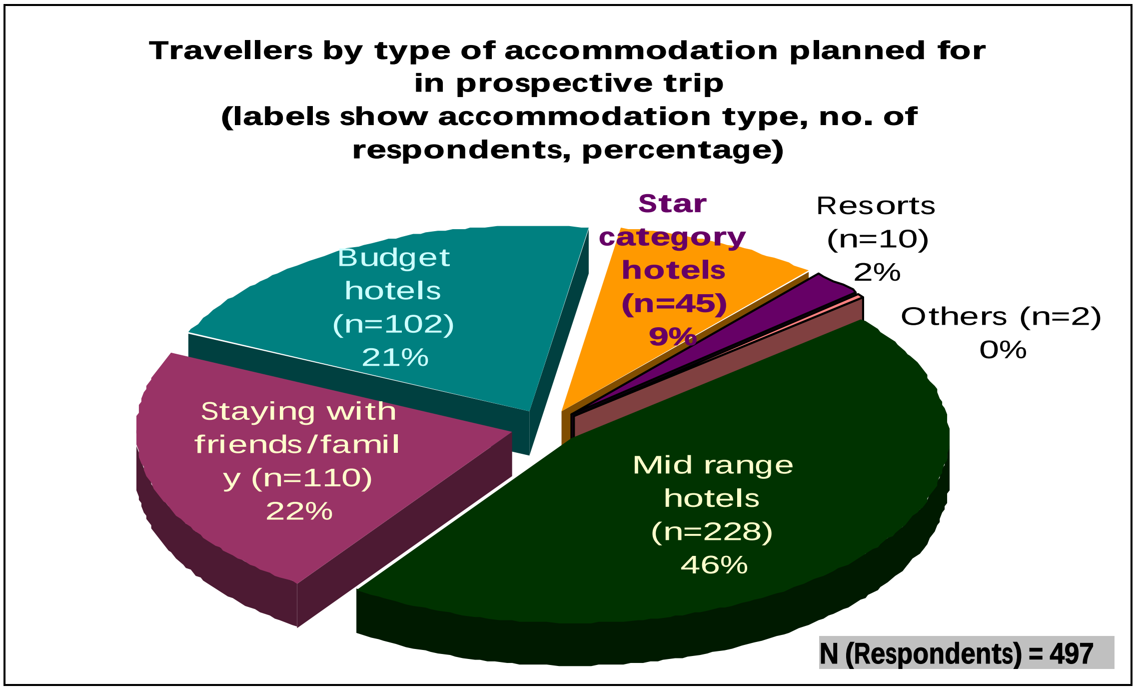
Figure 55 Ranking preferred modes of payment



5.2.8 Type of accommodation to be availed

67% of prospective travellers were willing to look at mid-range or budget hotels rather than star category hotels. 9% are willing to stay in star category hotels. 22% have expressed the desire to put up with family or friends at their residence.

Figure 56 Preferred type of accommodation during overseas travel

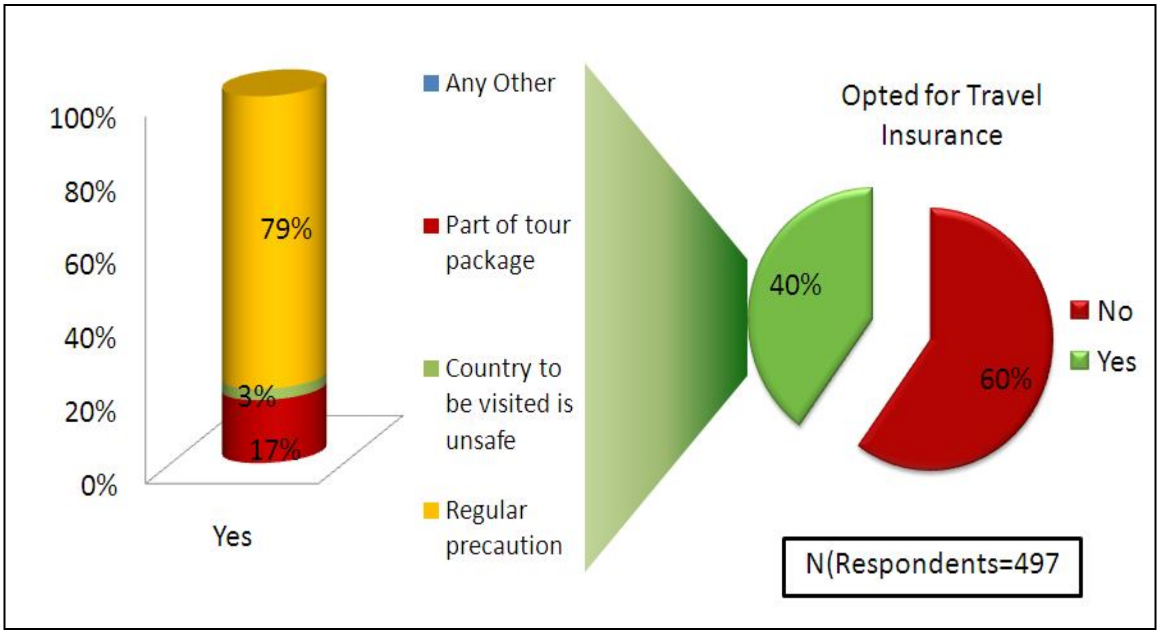


Note: Star category hotels: Hotels with more than 4 stars; Mid-ranged hotels: Hotels of 3 stars rating; Budget hotels: Hotels with 1-2 stars rating

5.2.9 Reason for availing travel insurance if any

In another departure from past travellers, 60% (296 of 497) prospective travellers do not wish to opt for travel insurance. Those who do, largely do so as a regular precaution or because it comes with the tour package rather than due to perceived dangers in the destination country.

Figure 57 Reason for availing travel insurance



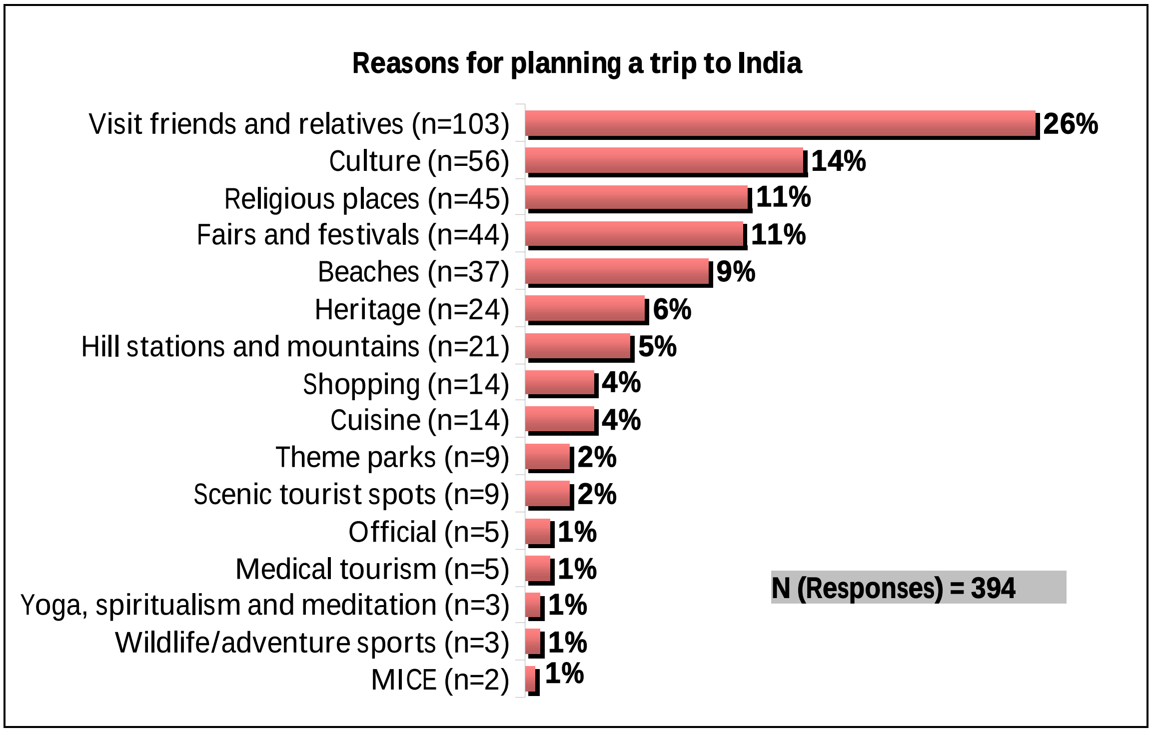
5.3 *Travel behaviour of visitors intending to visit India*

Of the 497 prospective travellers interviewed, 148 expressed the intention of visiting India in the near future.

5.3.1 Reason for choosing India as a travel destination

Respondents were asked to share their reasons for choosing India as a travel destination and they were given the freedom to choose multiple options. A total of 394 responses were received from the 148 respondents of which 103 responses indicated the desire to meet family and friends as the driving reason. It may be surmised that these responses have been elicited largely from persons of Indian origin and non-resident Indians among the respondents (218 persons). If one were to set aside this particular reason then the next most important reason for people intending to visit India in the near future is to experience its culture, heritage, cuisines, fairs and festivals (35% of responses). Religious places are significant for 11% of the responses. India's hill stations, beaches, wildlife, and scenic tourist spots offer other attractions (18% of 394 responses).

Figure 58 Reasons for choosing India for next trip



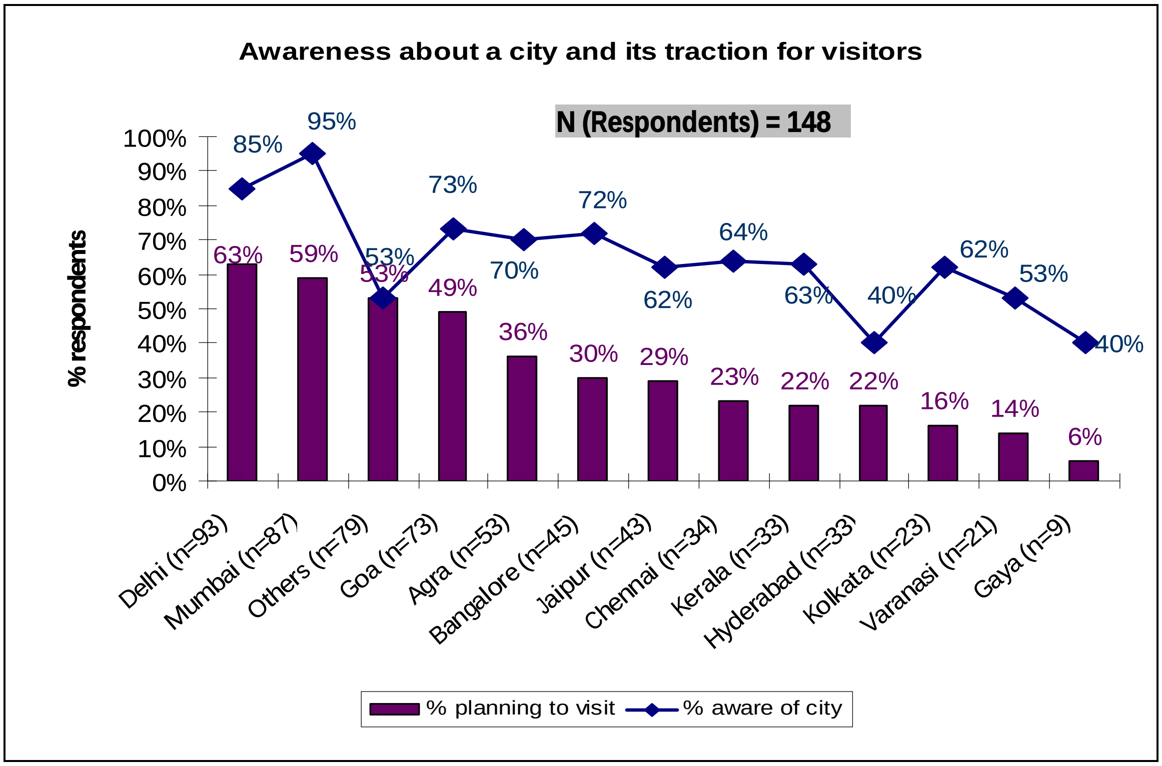
5.3.2 Intention of visiting only India or as part of a sub-regional trip

99% of these 148 respondents intended to visit India only and not as part of a regional tour to South Asia.

5.3.3 Awareness of destinations in India

The 148 respondents were queried about the cities they were aware of and planning to visit during their next trip. The most preferred destinations were revealed to be Delhi, Mumbai, Goa, Agra and Bangalore. Though a large percentage of the respondents were aware of Gaya, Varanasi, Kolkata, Chennai, etc, an equivalent percentage was not willing to visit these places.

Figure 59 Awareness of destinations in India and desire to visit them

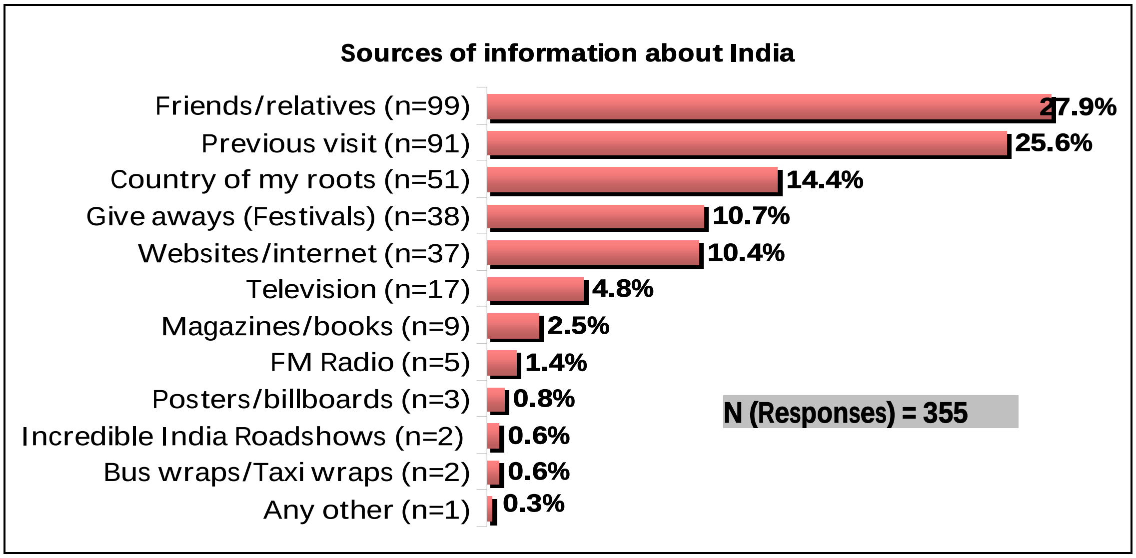


5.3.4 Awareness of India as a tourist destination

Respondents were asked to indicate their source of information about India and they were given the freedom to select multiple options. Travellers, who planned to visit India in the near future, have largely known about India because this was the country of their roots; about 14% of responses received indicated this (51 of 355 responses). Hence friends and relatives are revealed as a very important source of information (28% or 99 of 355 responses). Many of them had visited India before (26% of responses). 38 of the responses indicated that give aways at festivals were an important source. 10% or 37 of 355 responses reveal website/internet as information source.

It is pertinent to note that merely 2 of the 355 responses received indicated that traveller had heard about India from the Incredible India Road Shows.

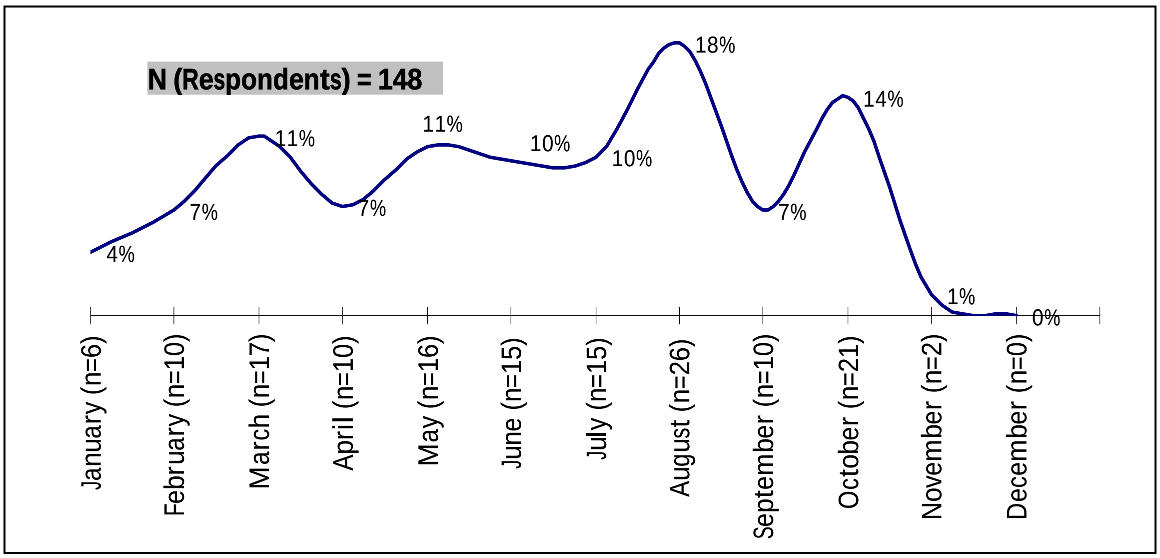
Figure 60 Sources of information about India



5.3.5 Time of visit to India

Prospective travellers most frequently expressed the desire to visit India in the month of August (18%). Many also indicated that they would like to be here in October (14%). March and May were seen to be other preferred months for an India visit (11% each).

Figure 61 Preferred month for potential visit to India



5.3.6 Duration of stay

72% of the 148 respondents intend to stay for a period of two weeks to a month. 21% intended to stay for periods longer than a month. India has many places and sights to see. It is a large and diverse country so very short visits are only made if the purpose is strictly business- or MICE- related. Else long duration visits are the norm.

Table 31 Duration of stay in India

Duration of stay	No. of respondents	percentage
Up to 1 week	2	1%
1 to 2 weeks	8	5%
2 weeks to 1 month	107	72%
More than 1 month	31	21%
Total respondents	148	100%

5.3.7 Reason for booking through a tour operator while visiting India

From the 148 respondents who planned to come to India in their next visit, 128 expressed the intention of approaching a tour operator. They felt the need for an intermediary primarily due to paucity of time (38% of 128 respondents) or because they were more comfortable seeking the tour operator's advice rather than doing the finding out themselves (42%).

Table 32 Reason for approaching tour operator

Reasons for approaching tour operator	No. of respondents	percentage
Less information available about India	15	12%
No credible source of information	9	4%
Don't have time	49	38%
More comfortable with tour operator	54	45%
Others	1	1%
Total	128	100%

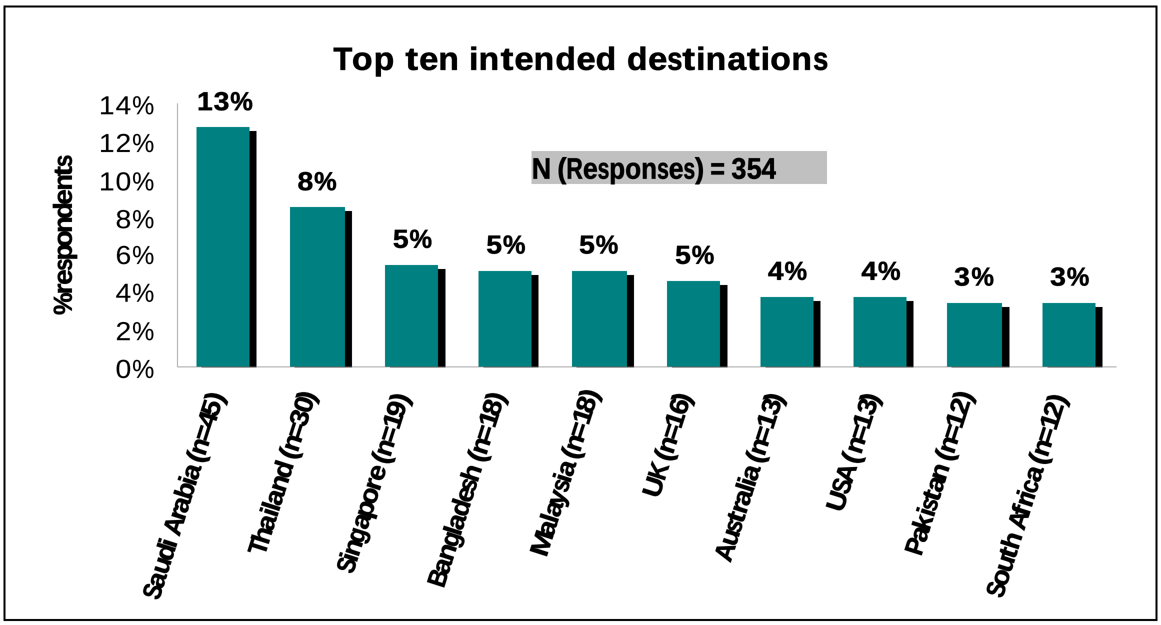
5.4 *Travel behaviour of prospective visitors to other countries*

During the survey, 349 potential travellers (who intended to travel to countries other than India in the next one year) were interviewed.

5.4.1 Countries to visit

Top favoured destinations for those intending to travel to other countries in the next year are Saudi Arabia, Thailand, Singapore, Bangladesh and Malaysia. There is a good degree of overlap between destination choices of past travellers and prospective travellers. Other preferred destinations include Australia, UK, Pakistan, USA and South Africa.

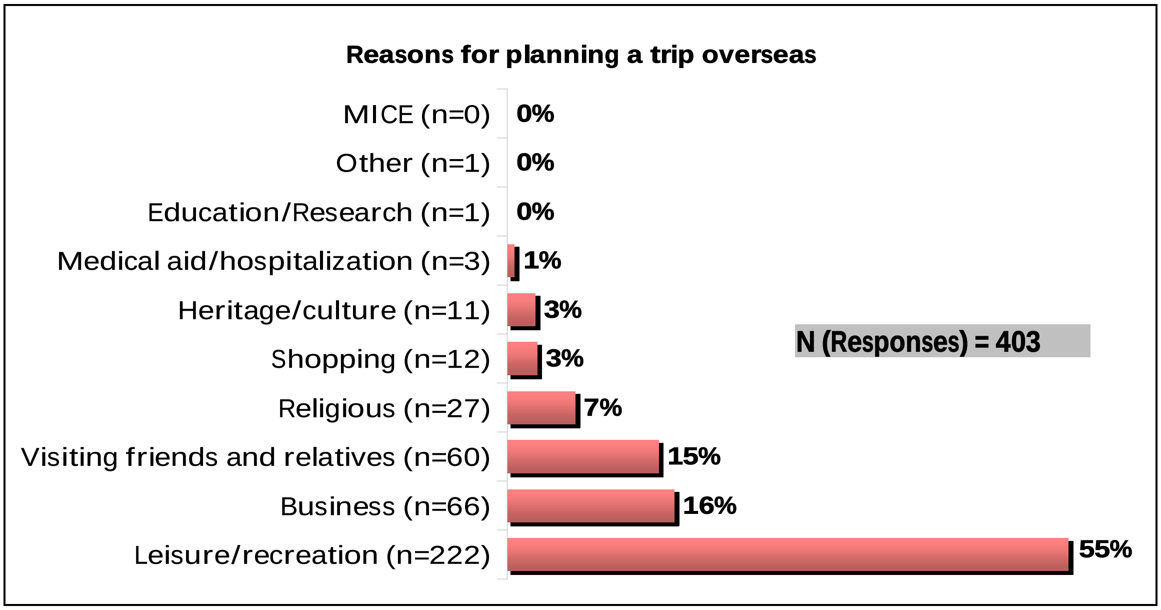
Figure 62 Top ten intended destinations



5.4.2 Drivers / reasons for visiting foreign locales

Respondents were asked the main reasons why they intended to travel overseas in the near future and they were given the freedom to select multiple options. 403 responses were received from 349 respondents. The top most reason for travel was cited as leisure/recreation (55% responses of 403). The other important drivers were business purposes (16% of 403 responses) and visiting friends and relatives (15% of 403 responses).

Figure 63 Reasons for travelling overseas



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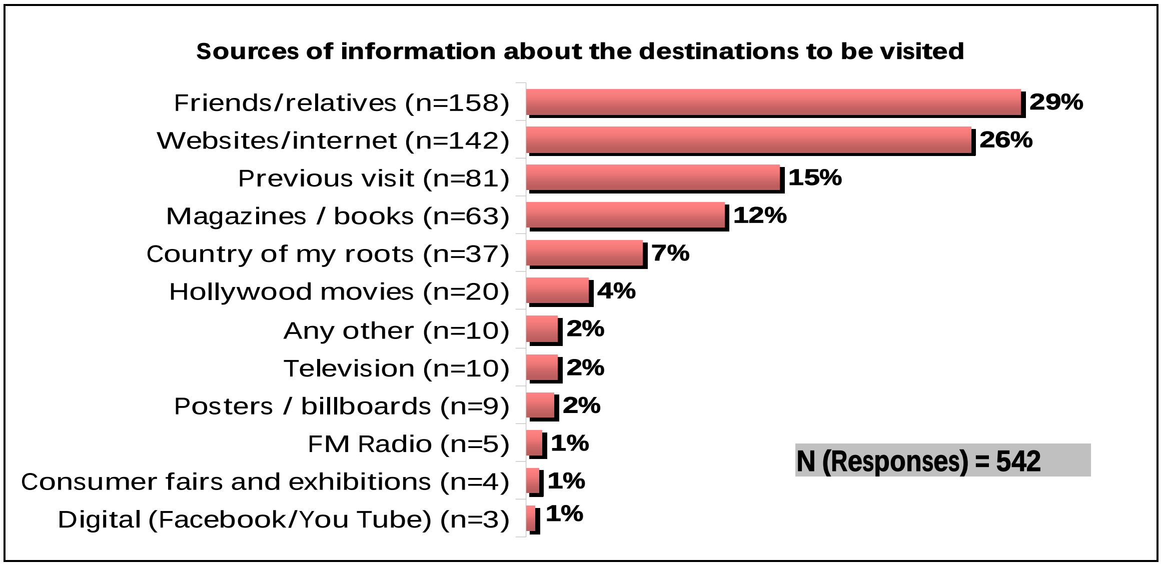
5.4.3 Sources of information on the destinations to visit

Respondents were asked to list the sources of information they intended to tap to know about their destination countries. They had the freedom to select multiple options. 542 responses were yielded by 349 respondents. Important sources of information regarding destination countries are friends and relatives (29% of all responses) and the internet (26% of all responses). A substantial percentage had made previous trips to the country (15% of all responses).

Figure 64 Sources of information about destination countries



5.4.4 Awareness of India as a tourist destination

79% (279of 349) respondents were aware of India as a potential destination before they took their decision to head elsewhere. Hence it is clear that India did not see attractive enough for them. For a leisurely holiday in India which is a large country with many places to see one needs a lot of time at ones disposal for a comprehensive tour of India. Also, though people are aware of India, often they do not know enough about it to want to come here.

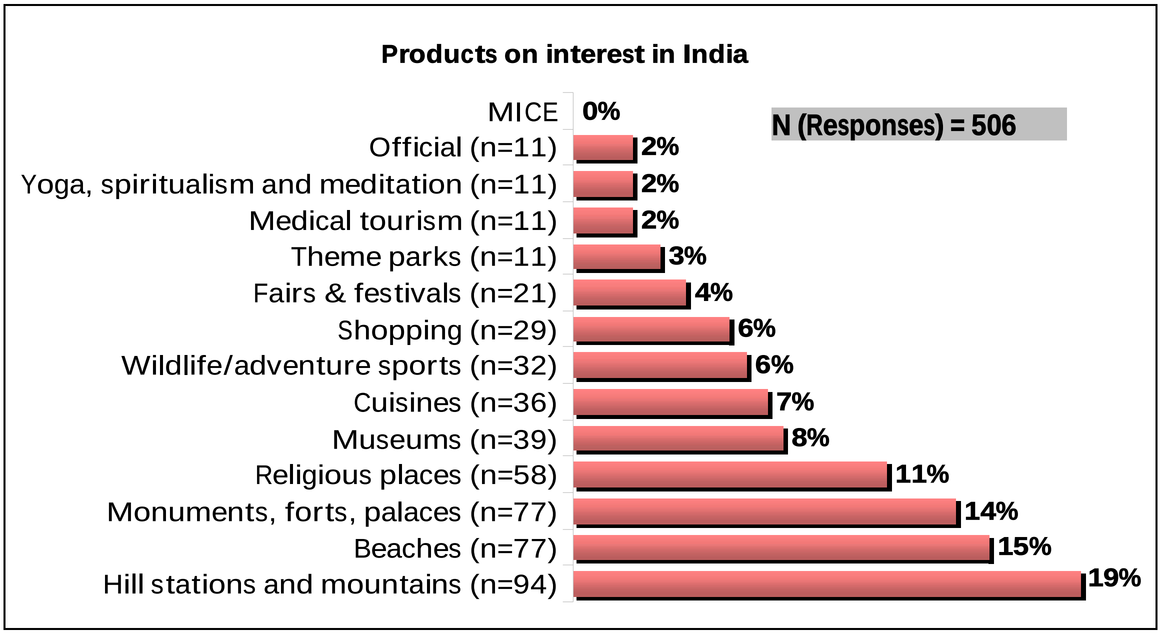
5.4.5 Intention of visiting India

51% of the (179 of 349) respondents expressed their intention to visit India next time. 170 respondents were clear that they would not be visiting India is any subsequent visit.

5.4.6 Primary attractions of India / motivation for visiting India

Those 179 respondents, who expressed interest in visiting India in subsequent trips, were asked about the primary attractions that they perceived to be offered in India. The query elicited 506 responses as multiple options were permitted. They evinced interest in India's hill stations and mountains (19% of responses), beaches (15%), monuments, forts, palaces (14% of the responses), religious places (11%) and museums (8% of responses).

Figure 65 Primary attractions in India



5.4.7 Intention and reason for choosing an intermediary for India travel

92% of these 179 respondents felt that if they were to visit to India, they would plan it themselves rather than go through a tour operator. Of the 15 persons who did express the intention of hiring a tour operator, 33% felt that the intermediary would provide relevant information about India. Another 47% felt that going through a tour operator would improve convenience and ease of travelling.

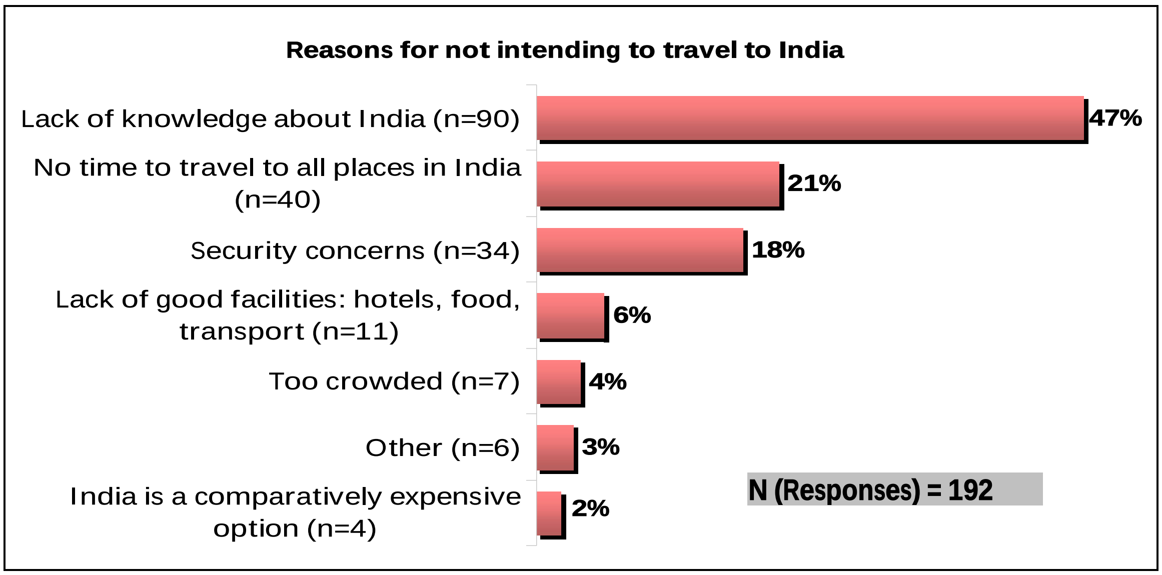
Table 33 Reasons for going through a tour operator

Reason for hiring a tour operator	No. of respondents	Percentage
Convenient, better planned and organized	7	47%
Greater time efficiency	2	13%
Better deals	1	7%
Comprehensive information about India	5	33%
Total respondents	15	100%

5.4.8 Reasons for rejecting India as a tourist destination and intention of India visit in far future

The 170 respondents who were clearly disinclined to visit India in the future were asked to present the reasons for such a decision. They were encouraged to provide multiple reasons. The driving reasons for not planning a visit to India lay in lack of knowledge about in India (47% of 192 responses) — trade, that is, the front office executives were not offering India as an destination for holiday if the prospective traveller was not pre-decided. Other deterrents were the notion that there would not be enough time to visit all the tourist attractions that India had to offer (21% of 192 responses) as well as perception that security in India was compromised (18% of all responses). Lack of good hotel and transport facilities (6% of 192 responses) as well as the notion that India was comparatively expensive and crowded (6% of 192 responses) proved to be dampeners to the enthusiasm for visiting India. 'Other' reasons offered included the fact that it was not convenient to travel with children to India as it lacked entertainment facilities such as theme parks, Disneyland etc wherein they could spend time on their own.

Figure 66 Reasons for not planning a trip to India



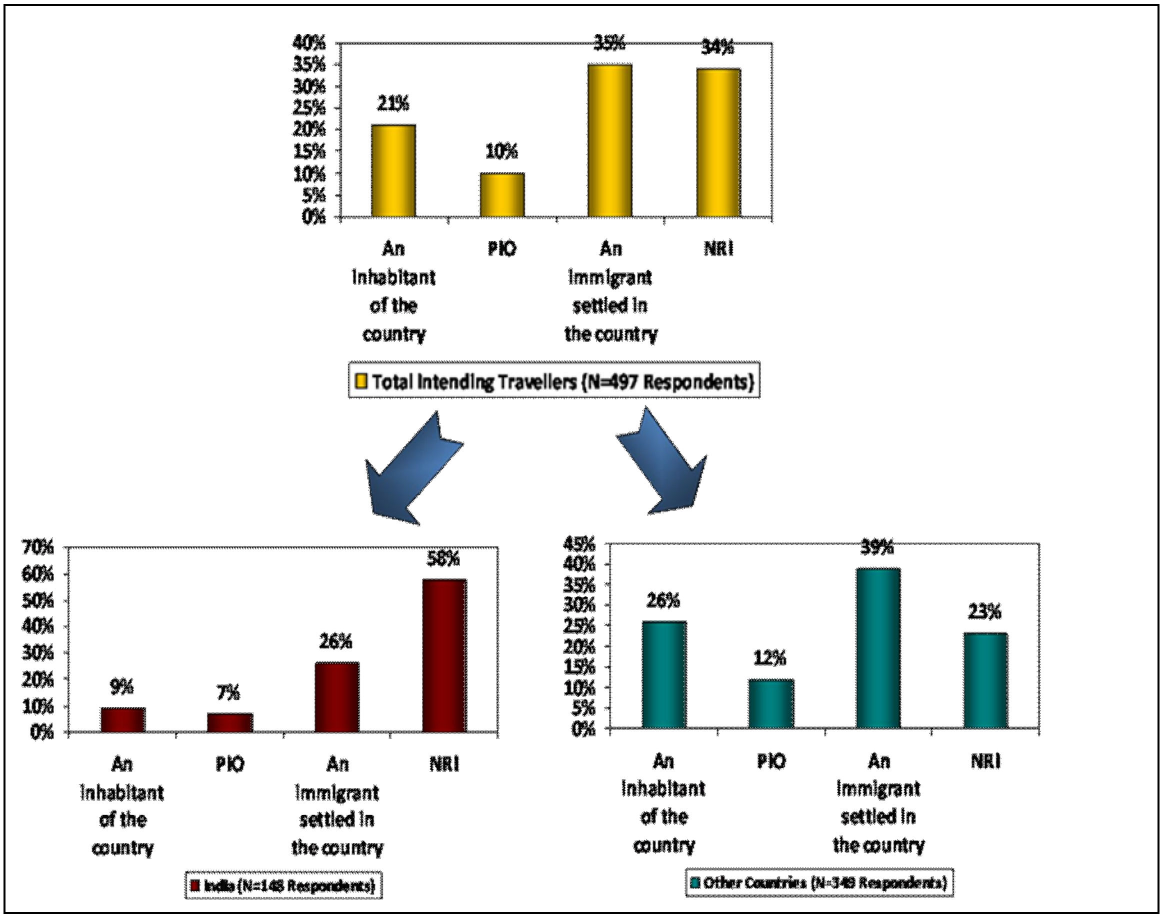
However, 92% of 348 respondents, at the end of the interview mentioned that they would indeed like to visit India at some point in the future, if not immediately. This is a very encouraging sign and indicates that if the potential travellers can be provided with more information about India there is likely to be greater traction for India and its tourist destinations.

5.5 *India vis-à-vis other Countries - Prospective Outbound Travel Behaviour*

5.5.1 Origin of Prospective travellers

Among prospective travellers headed for India, 58% were NRIs headed home. Emiratis constituted only 9% of the prospective travellers to India. However in case of travellers headed for countries in other parts of the world, Emiratis constituted a substantive 26%. NRIs were 23% and the bulk of the travellers, that is 39% comprised of immigrants to UAE from countries other than India.

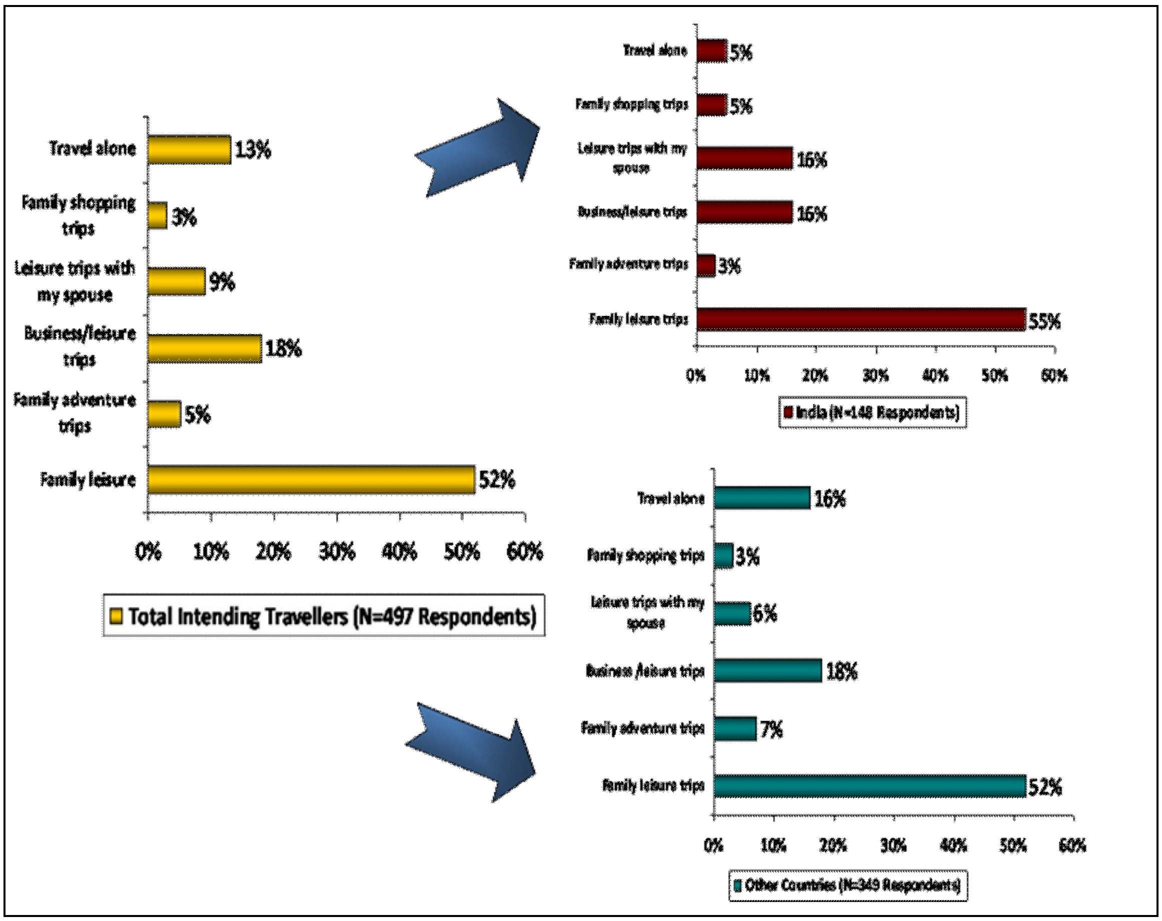
Figure 67 Country of origin of prospective traveller by destination



5.5.2 Type of Trip Undertaken by Prospective travellers

Over 50% of the potential travellers, irrespective of whether they were planning to come to India or go elsewhere, said that they were going to embark on a family leisure trip. 16% to 18% were travelling on business and would combine that with some local sightseeing at the destination. Up to this point the pattern of trip type is similar between travellers to India and those to other parts of the world. However, while 16% of other country visitors are planning to travel alone, the same for India visitors is only 5%. On the contrary, 16% of India visitors are planning a leisure trip with their spouse or partner while only 6% of other country visitors are planning to do so.

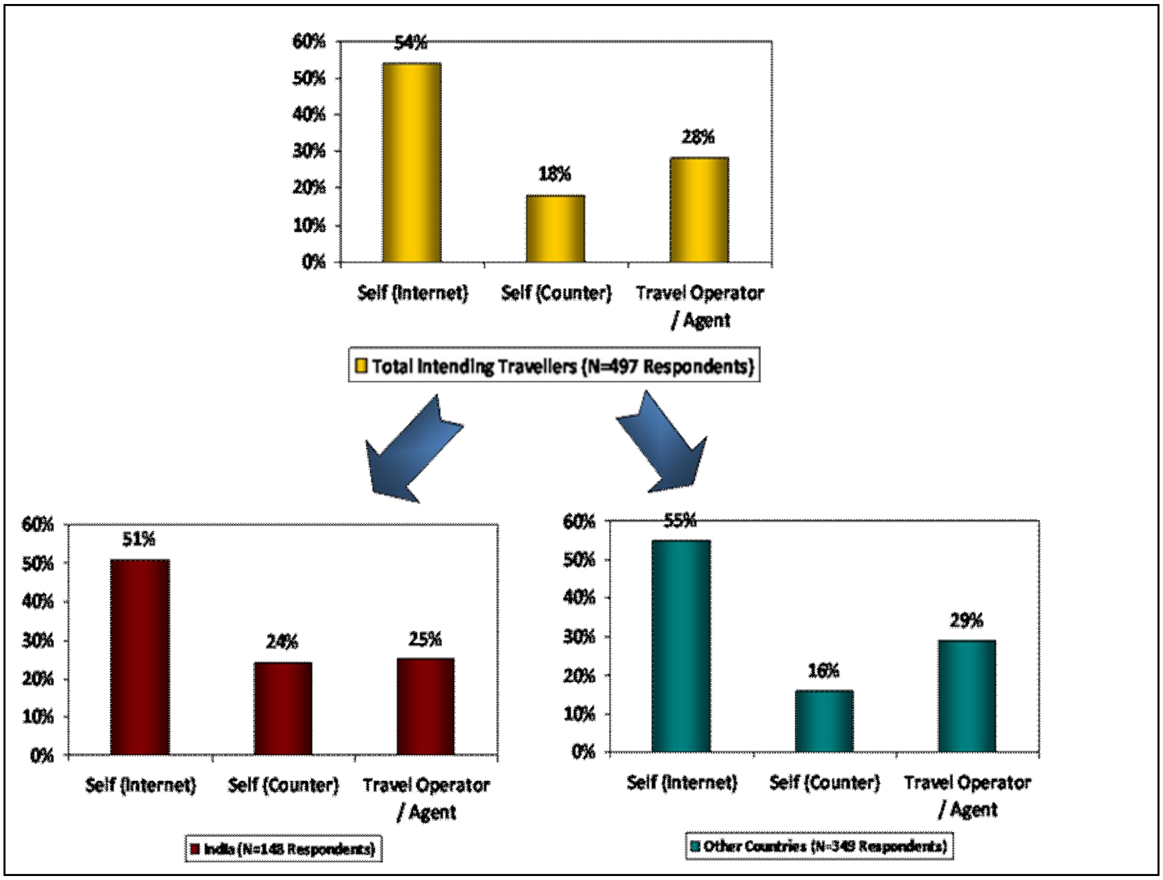
Figure 68 Type of trip planned



5.5.3 Mode of Booking for Trip by Prospective travellers

Ticket booking patterns are similar for travellers expecting to come to India and those going elsewhere. About 25% to 29% travellers plan to book through travel agents. In the case of India travellers a greater proportion (24% as opposed to 16% of non-India travellers) are seen to be booking by themselves at the ticket counter rather than over the net or through a tour agent.

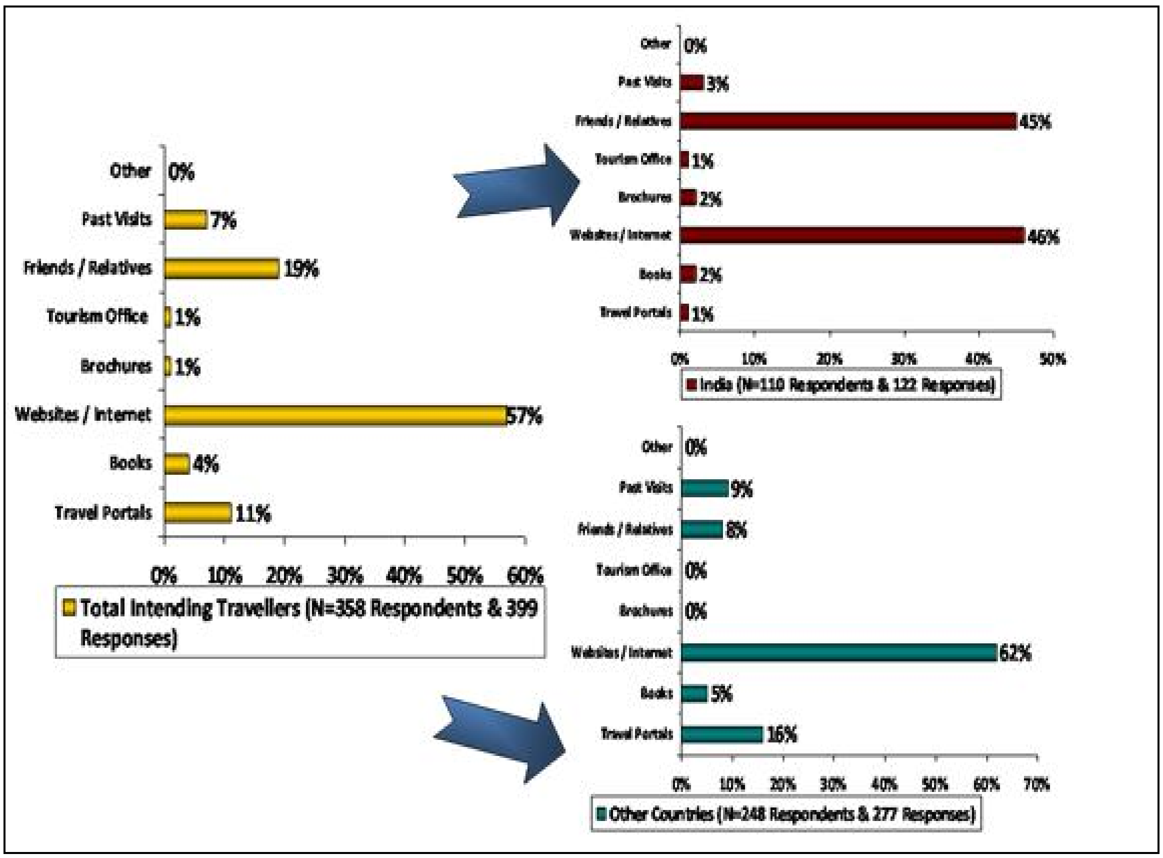
Figure 69 Mode of booking for prospective travellers by destination



5.5.4 Source of Information for Booking of Trip by Prospective travellers

The internet is an important source of booking information for both travellers coming to India and those going to other countries. 62% of responses from other-country visitors indicate reference to the internet. The same for India travellers is also high at 46% but 45% of India travellers are also consulting friends and relatives which is not the case with non-India travellers who are referring more often to travel portals (16% of 277 responses).

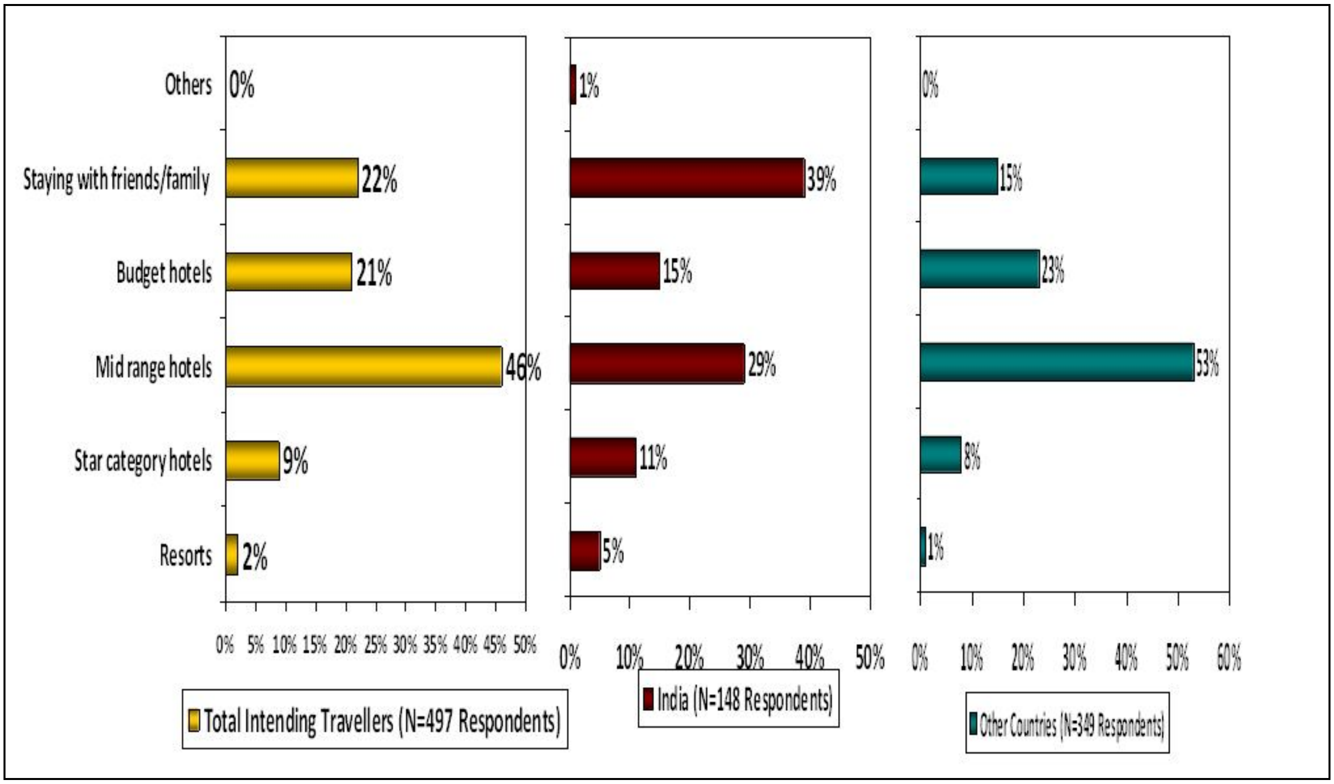
Figure 70 Source of booking information for prospective travellers by destination



5.5.5 Accommodation to be opted by prospective travellers

Maximum proportion of other country travellers mentioned that they would opt for mid-range hotels for accommodation. Another 23% would stay in budget hotels. Among India travellers, 39% would be staying with family and friends. This is not surprising because 58% of these travellers are NRIs. 29% expressed the intention of staying in midrange hotels too.

Figure 71 Accommodation to be opted for by prospective travellers



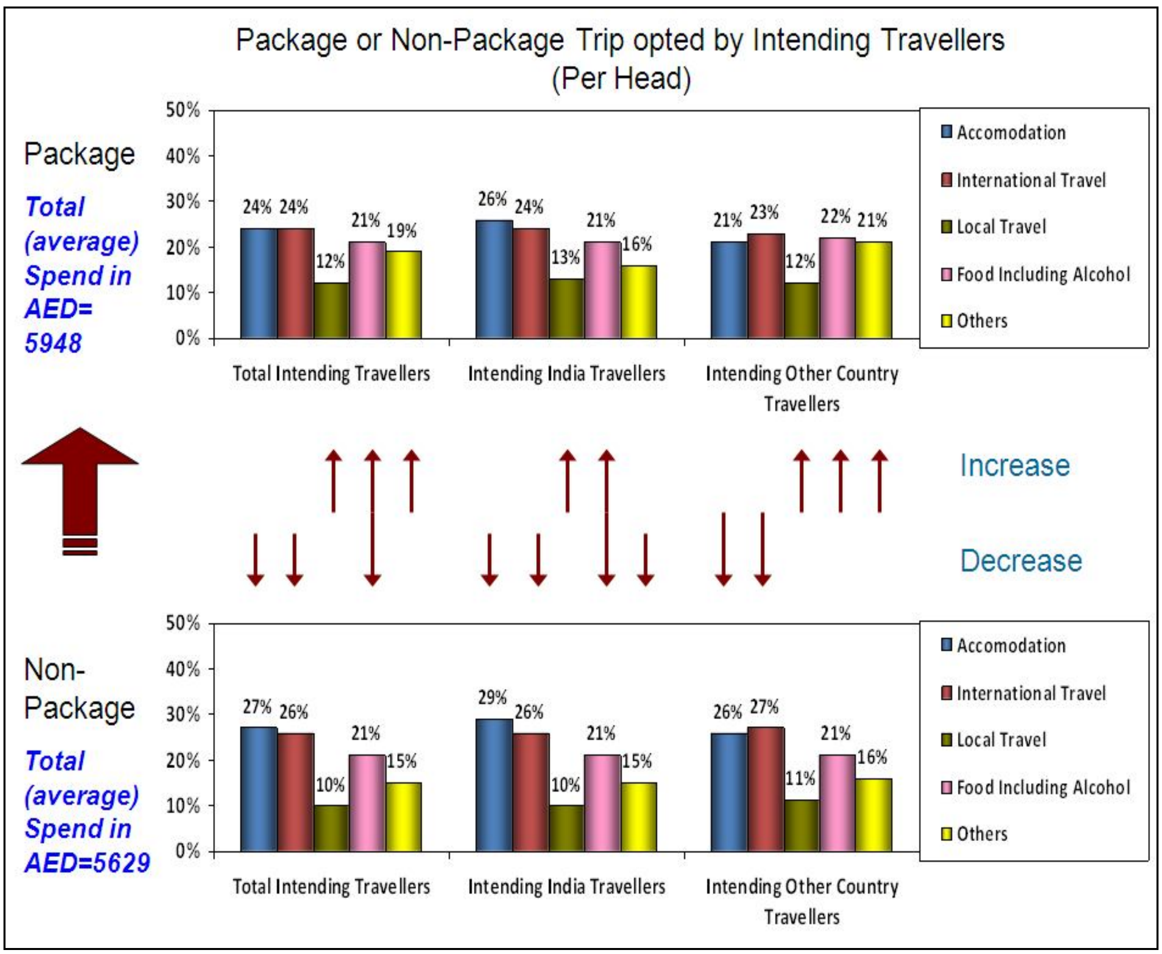
5.5.6 Package or Non-Package Trip opted by Prospective travellers (Per Head)

Among those prospective travellers to India who wish to opt for package deals, they intend to spend around 26% of their budget on accommodation, another 24% on international travel expenses and 21% on consumable costs. Expected expenses on local travel are only about 13%. Sundry and incidental expenses incurred are expected to constitute 16% of the outflow.

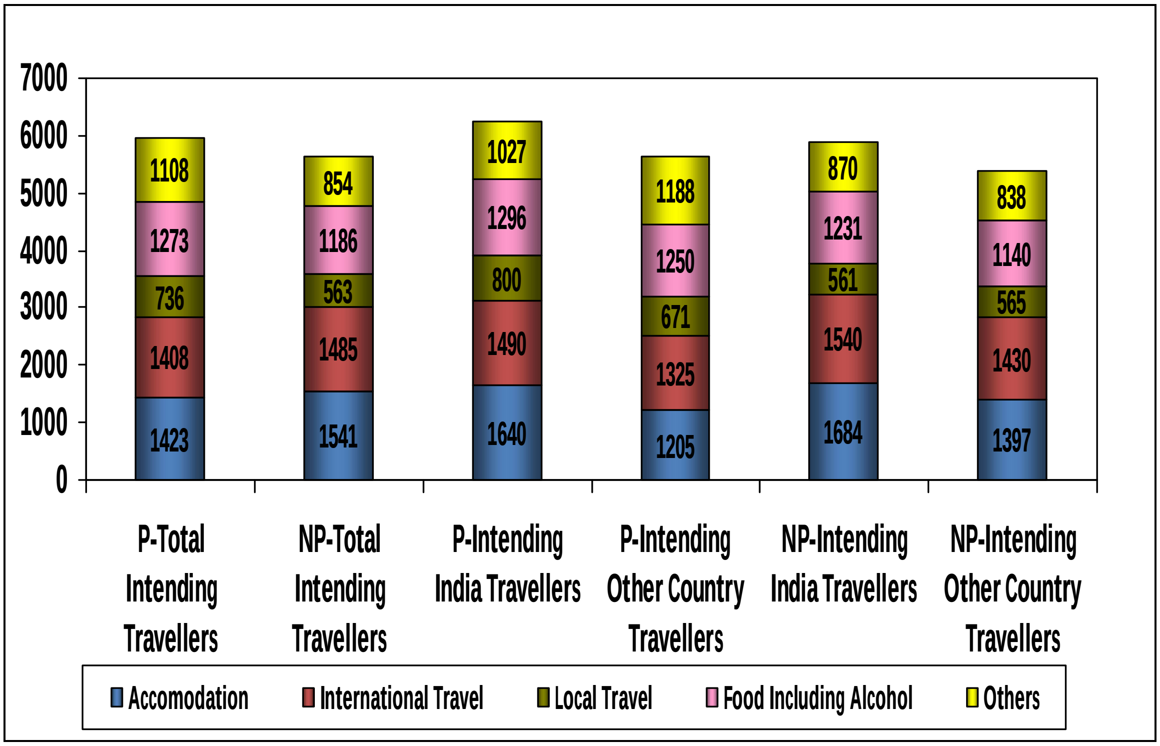
The pattern is the similar for travellers headed for the rest of the world— around 21% of their budget on accommodation, a slightly higher 23% on international travel expenses and 22% on consumable costs. Expected expenses on local travel are only about 12%. Sundry and incidental expenses incurred are expected to constitute 21% of the outflow which is fairly high.

Among those prospective travellers who wish to opt out of package deals, the pattern of intended spends is slightly different for India travellers vis-à-vis others. India travellers intend to spend comparatively more on accommodation (29% vis-à-vis 26% for other travellers). Both sets of travellers expect to spend 10-11% on local travel, 21% on consumables and 15-16% on sundries.

Figure 72 Comparing average cost baskets across package and non-package trip makers



5.5.7 Package or Non-Package Trip opted by Prospective travellers and average intended expenditure in AED (Per Head)



The above chart shows average expenditure that the intending travellers hope to incur in their intended trip abroad. The first two stacked bars shows the difference of intended cost of accommodation, international travel, local travel, food and other expenditure between package and non package trips. The middle two stack bars shows the difference of intended cost of accommodation, international travel, local travel, food and other expenditure between packaged India trip and packaged non India trip. Similarly the last two stacked bars shows the the difference of intended cost of accommodation, international travel, local travel, food and other expenditure between non packaged India trip and non packaged non India trip.

From this chart it can be observed, that in terms of accommodation, international travel, local travel, a package India trip in the near future costs an intending traveler more than a package trip to other countries in the near future. Similar characteristic can be observed when a non package India trip is compared to a non package non India trip, in terms of accomodation, international travel, food and other expenditures.

5.6 Projections for future outbound travel

5.6.1 Factors Considered

For the purpose of forecasting the future trends of Foreign Tourist Arrivals (FTA's) to India from United Arab Emirates (U.A.E), various factors were considered. The first factor is "Gross Domestic Product of a country" which is an indicator of the standard of living of the people of a country. Any change in the standard of living of the people will directly affect the number of outbound trips taken by them and also the amount that they are willing to pay for that trip. The second factor considered is the "Exchange Rate" (Dirham to Indian Rupee). A low exchange rate lowers the price of a country's goods for consumers in other countries. The third factor considered is "Inflation Rate" which is the percentage rate of change in price level over a period of time. Price is one of the most important factors for any consumer to make a demand decision. The final factor considered is "GDP Per Capita". This is the amount of money that each individual gets in that particular country and in turn gives an idea of the willingness to spend on foreign trips.

5.6.2 Implication of Factors

The financial downturn in 2009 affected the entire world and also the economy of U.A.E Tourism was also one of the sectors that got affected by the financial crisis leading to a decline in the inbound and outbound travelers.

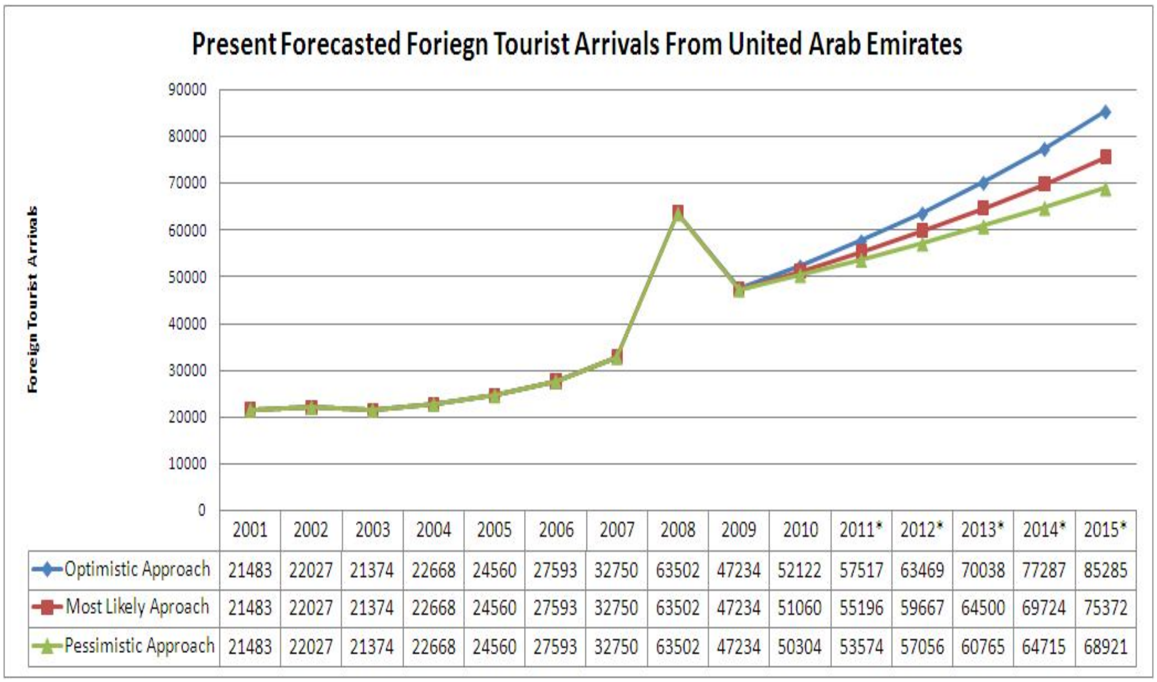
Post this crisis the economy is much more resilient to any other such change and has scope to grow further and so does the tourism industry of U.A.E like all other industries, tourism industry, though still burdened with effects of the economic downturn, showed the proof of recovery as more tourists decided to visit India in 2010 than in 2009. This should lead to an increase in the total U.A.E outbound travelers and in turn an increase in the U.A.E outbound travelers to India.

5.6.3 Method of forecasting

To arrive at the future trends of FTA's we have considered three possible approaches i.e. "***Optimistic Approach***" which is the approach based on the current growth trends- we have considered a compounded average growth rate (CAGR) of 10.35% for the period 2001 to 2009. *"**Most Likely Approach**"* assuming that all factors considered for the forecast grow at a constant rate- we have taken the rate as 8.1% which is the growth of the total foreign tourist arrivals to in India in 2010 as compared to 2009. *"**Pessimistic Approach**"* assuming the possibility that any future calamity can affect the factors considered- we have taken the rate as 6.5%.

These approaches can be seen as follows:

Figure 73 Forecast of outbound tourists from the UAE



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011*	2012*	2013*	2014*	2015*
Optimistic Approach	21483	22027	21374	22668	24560	27593	32750	63502	47234	52122	57517	63469	70038	77287	85285
Most Likely Aproach	21483	22027	21374	22668	24560	27593	32750	63502	47234	51060	55196	59667	64500	69724	75372
Pessimistic Approach	21483	22027	21374	22668	24560	27593	32750	63502	47234	50304	53574	57056	60765	64715	68921

**predicted values*

Note:

To arrive at these figures, the base years considered are 2001 to 2009 (both inclusive). Please note that these figures were arrived assuming that economic, social and political conditions of both India and United Arab Emirates will remain as it was during the time period based on which these figures have been projected. Occurrence of any contingency or event might affect the figures as given above.

Chapter Six
India Tourism Office

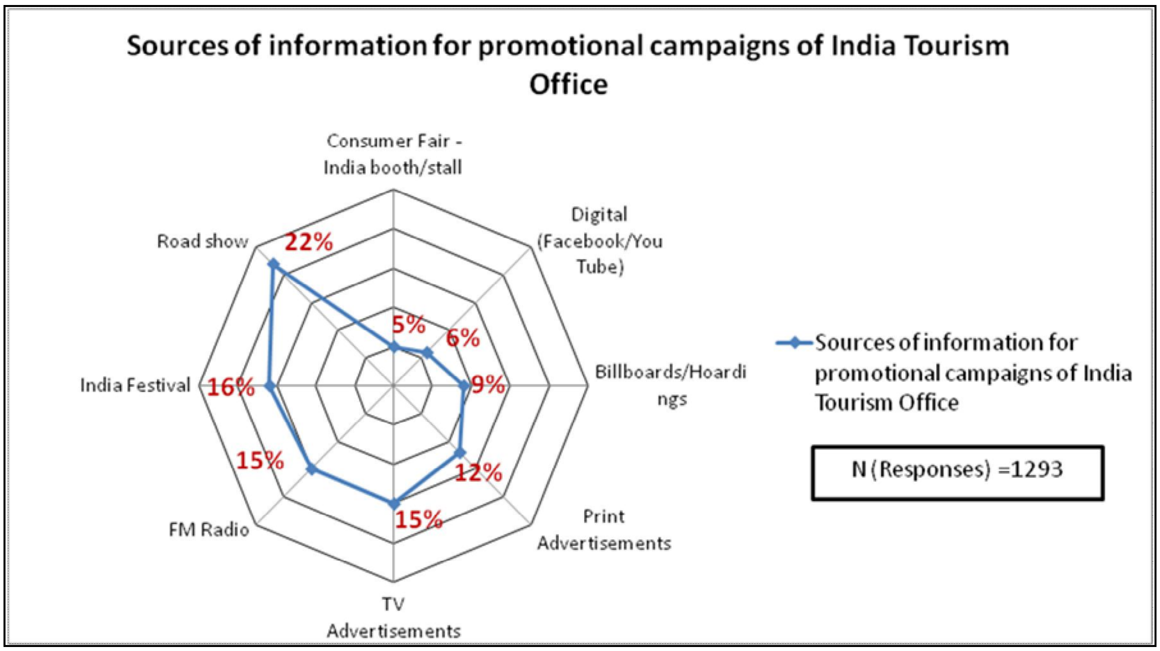
6.1 *India Tourism Activity Response of Past Travellers*

The survey had specific focus on the impact of the promotional activities of India Tourism Offices in the UAE. Past travellers to India were asked to share their opinions on various aspects of the India Tourism Office.

6.1.1 Awareness of India tourism office promotions and advertisements

37% or 281 of the 756 travellers who had been to India in the last three years were aware of the existence of an India Tourism Office in their country. 56% were aware of India Tourism promotional activity. They had learnt of India Tourism Offices from promotional campaigns disseminated through Road shows, TV advertisements, Print media, and India Festivals (80% of 1293 responses received).

Figure 6.1 Source of information about India Tourism Office in the UAE



6.1.2 Effectiveness of promotions and activities

38% of 84 respondents felt that these promotional campaigns were impressive and communicative. However, the trade community largely were of the opinion that nothing was projecting new India, its new developments, new luxury properties. The promotional content lacked clarity and brochures were not projecting attractions in India beyond its culture and historical heritage.

Table 34 Effectiveness of promotions and activities

Effectiveness of Promotional Campaigns	No. of respondents	Percentage
Impressive and well communicative	32	38%
Duration of campaign is less	10	12%
Content lacking in clarity	39	46%
Visibility of campaign is less	3	4%
Total	84	100%

6.1.3 Influencing ability of promotional campaigns by India Tourism Office

30% of 281 respondents admitted that this did have some influence on their decision to visit India.

6.1.4 India tourism office as information source for all destinations in India

Overall, while it was found that the India Tourism Stall was present in various fairs, shows and exhibitions, there was no visible promotion in Arab magazines, newspapers and TV channels. Much of the publicity material was outdated which dwelt on its forts and monuments, hills and forests; there was not much emphasis on attractions offered by the new and urban India. A lot of the publicity material was not reaching the travel trade community in the way it should.

6.2 India Tourism Activity Response of Prospective Travellers

6.2.1 Awareness of India tourism office presence

Of the 148 prospective travellers who intended to visit India in the next visit, 68 per cent were not aware of an India Tourism Office in the UAE.

6.2.2 India Tourism Office approached or not

Of those who were aware, that is, 5 of the 47 had approached the office for assistance in planning the India trip.

6.2.3 Role of India tourism office in helping tourists plan a trip to India

Of the 5 persons who approached the India Tourism Office, all received adequate support and guidance.

6.2.4 Evaluation of role of India tourism office in promoting India as a tourist destination

Overall 84 per cent of the 148 respondents had no opinion to offer on the role that the India Tourism Offices in the UAE could play in promoting India as a tourist destination.

Chapter Seven
Segmentation, Conclusion, Suggestions and Recommendations

7.1 Introduction

A segmentation model is a tool that can be developed within a spreadsheet or database that provides calculations and rankings for identified critical elements that are necessary to meet business objectives within a particular segment. A segmentation model consists of those critical elements most important to the continued success of meeting business objectives. The more specific these elements are, more meaningful is the tool.

On the basis of the data collected during the research survey an attempt has been made to meaningfully segment the outbound tourists from UAE.

7.2 Segmentation process followed

With live and current data, instead of using existing segmentation models, it was decided that a more relevant primary tourism consumer segmentation model would be developed on the basis of the markets studied. To segment the outbound tourists, underlying consumption habits were studied for emerging patterns from the collected data. From the outcomes, cross-tabulation and patterns, key variables that may be used in segmentation were identified. Their correlation was understood to avoid any statistical oversight.

The two fundamentally robust variables that were found to stand scrutiny on all the above counts are discretionary spending per head per vacation and travel time allocated per holiday. The cross-tabulation revealed a normal distribution about the centrally located nests. The qualitative inputs were broadly checked against the nests thus derived.

However, the emerging cross-tabulation threw up many fragmented nests across various holiday spending groups and holiday duration groups. Hence, on the basis of qualitative and secondary inputs from personal interaction these various fragments were consolidated into cohesive groups with similar behaviour. Holiday spending groups were consolidated on the basis of monthly household patterns. Finally, with respect to tourism behaviour 10 tourism consumer segments were arrived at. The same are presented below.

7.3 Outbound Tourist Segments from the UAE

Table 35 Outbound Tourist Segments from the UAE

<table>
<tr><th colspan="2" rowspan="2">Outbound Tourist Segments from the UAE</th><th colspan="3">Travel Time Allocated (per holiday)</th></tr>
<tr><th>Short
(< 1 week)</th><th>Medium
(1-4 weeks)</th><th>Long
(> 4 weeks)</th></tr>
<tr><td rowspan="4">Discretionary Spending on Vacation (per head per holiday)</td><td>Low
(< 5000 AED)</td><td>Sight Seers
(63, 4.1%)</td><td>Backpackers
(189, 12.3%)</td><td>Hitch Hikers
(58, 3.8%)</td></tr>
<tr><td>Low Middle
(5000 – 10000 AED)</td><td rowspan="2">Event Attendees
(146, 9.5%)</td><td>Family-Leisure Classical Budget Travellers
(356, 23.1%)</td><td>Globe Trotters
(111, 7.2%)</td></tr>
<tr><td>High Middle
(10000 – 20000 AED)</td><td>Family-Leisure Classical Comfort Travellers
(310, 20.1%)</td><td rowspan="2">Rich & Creamy Travellers
(195, 12.6%)</td></tr>
<tr><td>High
(> 20000 AED)</td><td>Jet Setters
(4, 0.3%)</td><td>Work-Pleasure Mixers
(110, 7.1%)</td></tr>
</table>

Note 1: Past 3-year data was found to be robust and hence used in the segmentation. It is assumed that similar behaviour will continue in the future and hence past data which is on actual behaviour instead of proposed/intended behaviour serves the purpose of segmentation.

Note 2: Rows indicate different spending (money) categories per holiday.

Note 3: Columns indicate different time durations spent per holiday.

Note 4: Money and time are two fundamental parameters which any holidaymaker would decide upon while choosing between trip options. Money spent versus time spent has been selected as the key parameters for segmentation as these two have the maximum significance on anyone's travel behaviour when holidaying in a distant land where they may or may not visit again. Visitors are likely to be optimising their world-view of comfort and experience by manipulating these two variables.

Note 5: The various segments have been given different names on the basis of broad behaviour (qualitative response) of those falling within that cell and these names are only representative. It is possible that one segment overlaps another or certain attributes of a segment are not applicable to a significant number of respondents from within the same segment. It may also be possible that certain attributes of a certain segment are visible in other segments. However, the segmentation derived from the two parameters is fundamentally useful in categorizing which segment to target.

Note 6: For the purpose of segmentation each holiday has been counted as an independent response even if multiple holiday descriptions have been included from the same individual. Hence, the results may be marginally skewed. However, the assumption is that since this skew was random enough, its impact would also be randomly distributed across all segments thus nullifying any serious impact.

Note 7: The numbers in parenthesis across the various segments are the sum total of all responses while the percentages are the share amongst all responses.

Note 8: The overall skew towards higher-ticket, longer-duration holidaymakers from the UAE could be closely linked to large expatriate populations (over 80%) residing in the UAE on a long-term basis from other South Asian countries like India, Pakistan, Bangladesh, etc. who do go home for one month or more, which are also occasions for them to go on short trips within the home country or near shore and attend to family functions. This corroborates with the 87% of the spending that UAE residents had done on an average on VFR trips back home compared to remaining 13% split between business (9%) and other activities like study, medical tourism, etc. (4%).

7.4 Description of Segments

7.4.1 Broad Classification

1. Short duration holidays: Short duration holidays are largely taken by people,
    a. Who are short on time
    b. Who are short on money
    c. Who are close to the location
    d. Who are attending a specific event
2. Long duration holidays: Long duration holidays are largely taken by people,
    a. Who are living away from the country of their roots and go home periodically
    b. Who are passionate about experiencing places
    c. Who travel beyond the well known sight-seeing locations
    d. Who have an academic interest in places like archaeologist, historian, etc.
    e. Who spend disproportionately on holidays compared to their household expenditure
3. The peak towards the middle between very long holidays and short holidays is the classical traveller who likes to take family holidays with a mix of activities that suit different needs of different members of the family. However, this segment may be divided in to two clear categories,
    a. An affluent traveller who stays in starred accommodation and spends substantially on comfort and experience
    b. A more economical traveller who stays in mid-range hotels and spends mostly on experience and cuts down on comfort to extend experience
4. At the extreme high end of both variables of time and money are those luxury travellers who travel in style and belong to the exclusive club.

7.4.2 Segments

1. Sight Seers
    a. This class of travellers are likely to visit well known tourist spots in a country.

   b. They would be taking short vacations due to paucity of time or limitation of resources.
   c. This segment is likely to limit his or her holiday to near-shore destinations.
   d. Going to Europe from the UK, while categorised as "going abroad", in terms of time and resources are more of short trips. Similarly, going to Australia from New Zealand or vice-versa, while technically qualifies as "going abroad" is quite different in many ways, including pre-planning, budget and duration for the trip.

2. Backpackers
   a. Tourists with limited resources largely consist of back-packers.
   b. This segment typically consists of single travellers or a couple (travellers with their spouse or partner or friend).
   c. These may also include researchers who are on short visits on a shoe-string grant for their academic pursuit.
   d. Air travel to a distant land is the biggest cost that these explorers incur.
   e. They almost always stay in budget hotels, motels, lodges (like Pahar Gunj and Karol Bagh in Delhi) or even hire out small rooms in suburbs.
   f. Within the country they will mostly travel by train, at times in non-AC coaches.
   g. This segment of tourists may also visit other Asian destinations like Nepal or Thailand in the same trip.
3. Hitch Hikers
   a. Tourists with limited resources also include this segment which travels with even lesser means than Back Packers.
   b. As the name suggests, they hitch and hike a lot during their holiday.
   c. This segment typically consists of single travellers who are young and are willing to experiment and experience.
   d. Air travel to a distant land (if at all) is the biggest cost that these explorers incur.
   e. They always stay in small seedy non-descript places.
   f. Within the country they will mostly travel by train or road.
   g. Occasionally, one or more of their friends or known individual belongs to the country visited, thus their visit is partially VFR.
   h. This segment of tourists may also visit other Asian destinations like Nepal or Thailand in the same trip.

4. Event Attendees
    a. MICE travellers and business travellers who come for a pre-defined purpose for a pre-defined period. They may club their main visit with some local sightseeing. (see category Work Pleasure Mixers below)
    b. Else these could be persons of different origin than country of residence who return to visit their relatives, families and friends.
    c. This segment may also include close friends of Indian citizens and PIOs.
    d. The occasions may vary from,
        i. Annual or biennial home visits,
        ii. Marriage in the family,
        iii. Other celebrations,
        iv. Instances of bereavement,
        v. Family settlements, etc.
    e. These visitors are likely to stay with family and friends during most of their stays.
    f. They may undertake short vacations. However, since they are mostly PIOs, these vacations internally are mixed with domestic travellers.
    g. These visitors are unlikely to use travel agents or tour operators as they know India very well.
    h. They may not even be travelling with foreign currency to spend in India as they have funds parked through remittances with relatives in India.
5. Family-Leisure Classical Budget Travellers
    a. These mainly include those who are well versed with India or have done enough research about India or the nature of their visit is such that they require staying for long duration but their budgets are not extraordinarily high.
    b. This segment may include PIOs, medical tourists or even those outbound travellers of foreign origin who would like to visit multiple destinations on a limited budget.
    c. They may be travelling with their families but many costs are shared or on the economical side and hence look for mid-range hotels.
    d. They usually would not stay in starred hotels, heritage or resorts nor would they be taking luxury trains or tours.
    e. They tend to visit not just major tourist attractions but also add a few quaint or unusual experiences.

f. This segment also subsumes VFRs as they usually visit for a duration of 2-3 weeks or more in each of their home visits with once in a year or lower frequency.

6. Globe Trotters
   a. This segment takes long holidays.
   b. Their resources may or may not support a very luxurious trip.
   c. They plan and educate themselves about their trip and the country they are planning to visit well in advance.
7. Family-Leisure Classical Comfort Travellers
   a. These mainly include those who are well versed with India or have done enough research about India or the nature of their visit is such that they require staying for long duration but their budgets are on the higher side.
   b. This segment may include PIOs, medical tourists or even those outbound travellers of foreign origin who would like to visit multiple destinations.
   c. They may be travelling with their families and stay in starred hotels, heritage resorts and resorts.
   d. They tend to visit not just major tourist attractions but also add a few quaint or unusual experiences.
   e. This segment also subsumes VFRs as they usually visit for duration of 2-3 weeks or more in each of their home visits with once in a year or lower frequency.
8. Rich & Creamy Travellers
   a. This is the segment of upper class tourist.
   b. They prefer everything exclusive and therefore either stay in starred accommodation or in heritage or luxury resorts.
   c. They take super-luxury heritage trains to travel within the country or fly business and first class or even take a private jet.
   d. They do take a lot of time off for their vacation often with the help of travel agents plans and books for them.
   e. They have a love for doing the most exquisite experiences like spending time in a luxury spa or swimming with sharks or eating Fugu.
   f. They are likely to be retired high net-worth individuals or business persons on private visit.
   g. They prefer balmy season to visit any country or locale.

   h. This segment is quite a rare breed though.

9. Jet Setters
   a. These travellers are usually well to do out on short family trips twice or more in a year.
   b. They have money but not more than one week at a time to spare on holidaying.
   c. Their vacation plans are also made not too far ahead of the travel date.
   d. Their trips may include the core family unit, instead of the joint or extended family.
   e. They rarely visit one country more than once in a lifetime, unless it is their country of origin, citizenship or place of work.
   f. They are used to staying in starred accommodation.
   g. Occasionally, they also stay in exclusive resorts or heritage accommodations.
   h. They are most likely to take a flight, wherever available or convenient.
   i. Convenience and comfort are key characteristics of their travel itinerary.
   j. In India such tourists are likely to visit the Golden Triangle for certain.
   k. Some of them may even visit Mumbai, Goa and/or Kerala backwaters.
10. Work-Pleasure Mixers
   a. These are typical business plus pleasure visitors.
   b. They could be in a country for business or meetings or short assignments on behalf of their organization and have invited their family to join them in the country.
   c. During their stay, they do take a break or two to go out to some of the well known places in the country.
   d. MICE visits may also be clubbed under this, even though such visits bring together a mixed bunch of people whose socio-cultural backgrounds may be diverse.

7.5 Conclusion

For the Government of India to target the tourist segments, the segment should be large and economically beneficial. Hence the smaller segments or segments with small budgets may not be meaningfully attractive. Keeping this in view the following segments from the UAE should be focused upon,

1. **Family-Leisure Classical Travellers (43.1%):** With 23.1% in the budget category and another 20.1% in the comfort category, this combined total amongst the past travellers forms the largest single group that travels from UAE to foreign destinations. This traveller is typically looking for a family holiday with a mix of experiences with something for every age group. One sub-segment typically stays in budget to mid-range hotels and looks for clean and convenient stay and sight-seeing and also travels economy class. The other sub-segment looks for higher levels of comfort and stays in starred accommodation and travels by air or luxury coaches. Since the Emirati usually travels with the extended family, their requirements are also large sized, including multiple rooms or suites and a mini-bus or voyager to travel in comfort.
2. **Rich & Creamy Travellers (12.6%):** With 12.6% belonging to this category that tends to spend a lot per person and stay on for long durations, it is another attractive segment to target. They would like to travel in style and need amenities and all comfort during their stay. They would not only sight-see the top tourist spots but also spend their time across multiple locations with a mix of experiences. They are likely to travel by air.
3. **Event Attendees (9.5%):** At 9.5%, this is perhaps the most lucrative segment of tourists as they spend a lot within a short span of time and are also not miniscule. They could be busy executives or travellers who are attending any family, religious, cultural, social or corporate event and hence their agenda for the visit is largely driven by the event. The event may be a business meeting or a MICE visit or even a family visit. These travellers are likely to shop from tour operators to get greater options.
4. **Backpackers (12.3%):** While the typical backpacker may not belong to UAE, this is constituted by the many workers who go out on economical trips. This large

segment is not very attractive as the economic value added to the visiting economy is marginal.

7.6 Comparison of Preferred Destinations- India Vis-à-Vis Other Competing Countries

India has for long been known for its rich culture and heritage, beautiful and artistic historical monuments, cuisine with traditional Indian spices and herbs, pocket friendly rates, breathtaking natural beauty and a wide range of tropical beaches.

UAE and India for long have enjoyed close and friendly ties based on historic and cultural ties. Today UAE and India share political, economical and cultural links. A large Indian expatriate community resides in UAE. All these factors make India a well known country for the residents of UAE

The distance between India and UAE is very less, which makes travelling for residents of UAE to India very convenient.
These travellers are willing to spend for the purpose of exploring new destinations, for medical tourism and for a good experience.

The following table sites the prefered destinations of Arab travellers and the top reasons to visit these destinations:

Malaysia	France	UK	Thailand	India
				
Top Reasons to Visit				
•Rain Forest •Beaches •Food •Petronas Towers •Cheap	•Architecture •Shopping •Gourmet Food •Wine •Museums	•Historical Sites •Culture •Food •Shopping •Nature	•Affordable •Beaches •Food •Shopping •Nightlife	• *Culture* •*Historical Monuments* •*Food* •*Affordable* •*Nature* •*Beaches*

A brief explanation of the above figure can be seen as follows.

Malaysia

- The Arab has particular interest in the Malaysian Rain Forests and visit the forest for its natural beauty.
- Malaysia has expansive coral beaches which have crystal blue waters teamed with an exotic marine life. The UAE residents find great interest in these beautiful beaches.
- Malaysian food is very palatable for the Arab's. Malaysia being a country of mixed culture provides a wide variety of food for the travellers to chose from.
- Petronas Towers being the tallest building in the world attracts a huge number of Arab travellers.
- Most Importantly Malaysia is very cheap and hence the Arab's get luxurious facilities at reasonable prices.

France:

- France is well known for its architectural beauty and a mix of modern and traditional architecture which attracts many travellers from UAE. The Eiffel Tower is a major tourist attraction.

- France is well known as the fashion capital of the world and hence attracts a number of Arab travellers for the purpose of shopping.
- France also attracts travellers for the gourmet food offered by them and also for the exotic French Wine. The Museums in France also are a great attraction for the Arab travellers.

UK:

- Arab travellers are influenced by the British culture and Heritage and hence like to travel to UK to get an experience their rich culture.
- UK is blessed with an exceptional range of historical sites, the best known of which is the World Heritage site of Stonehenge and Avebury which becomes a huge attraction for residents of UAE. UK with its diverse flora and fauna, is blessed with natural beauty making it a good relaxation destination for these travellers.
- UK has a wide array of shops to offer to the travellers, form the boutiques, independent shops to shopping malls, attracting the Arab travellers for the purpose of shopping.

Thailand:

- Like India, Thailand is relatively cheap and affordable for all type of travellers. Hence Arab travellers of all different income levels are attracted to the cheap rates. Arab travellers hence like to plan budget and leisure trips to these countries. They can hence get luxurious experiences at relatively affordable rates.
- Thailand has a wide variety of beaches, “Phuket” being the largest and most popular island of Thailand. Apart from the regular sun and sand which is an attraction for the travellers, these beaches are famous for the nightlife offered and make a hotspot for the Arab travellers.
- Thai food is famous for its balance of spicy, sour, sweet, salty, and bitter. This different food attracts a lot of Arab foodies.
- Thailand has long been known as a bargain hunter's paradise. Arab’s are attracted to the cheap rates of Thailand markets. These type of travellers make shopping trips to Thailand for availing the benefits of the affordable rates that the country has to offer.

India:

- The culture of India is an amalgamation of diverse sub-cultures, which appeals to people worldwide. Indian and UAE share strong cultural ties and hence the Arab travellers come to India as they feel comfortable when similar culture is concerned.
- The Arab travellers come to India for the purpose of Indian food, as they find the Indian spices very palatable.
- India has a collection of one of the finest historical monuments. India also has monuments. The Arab's as well as the expats are enamoured by the beauty of these monuments.
- India is rich with natural beauty which includes waterfalls, Western Ghats, hill stations, wildlife reserves and desserts. India also has a large number of tropical beaches (Goa, the Konkan coast etc.) which can be great to attract travellers from UAE who intend to explore the different beaches the world has to offer. Tourists also find great interest in the coral beaches of Lakshadweep which are one of its kinds.

7.7 Promotional activities by Other Tourism Boards in UAE

Thailand:

From Dubai Itself, 60,000 tourists visit Thailand. Thailand launched “Business & Tourism Guide to Thailand” in English and Arabic featuring products and services popular among and required by the Arab Visitors like availability of Halal Food, Mosques, Spas, Medical and Health Centers as well as eco tourism activities.

UAE citizens get a ‘30 day Visa free’ at ‘Bangkok Airport’ and major international checkpoints.

Seminar on Health Tourism by was conducted by Thai Doctors in Dubai.

Thailand Invited TV Chef Osama Atyab to visit Thailand in order to further strengthen the cultural bridges between the people of UAE and Thailand.

Malaysia

Malaysia conducted familiarization trips for journalists and travel agents from the Middle East.

Malaysia is promoting tourism at major trade fairs and exhibitions in the ‘Middle East’ like the ‘Arabian Travel Market’.

A Delegation from the ‘Association of Private Hospitals of Malaysia’ (APHM) went for a promotional trip to the Gulf Countries.

Malaysia’s new Tourism Strategy for UAE is ‘Malaysian Food and Culture’

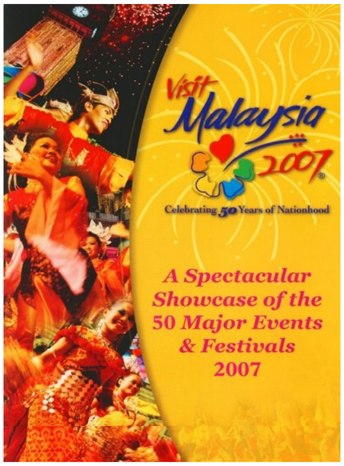
7.8 *Advertisements by other Tourism Boards to attract foreign tourists*

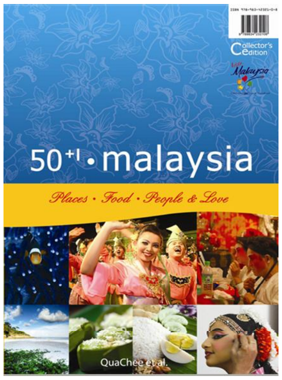
The Tourism Boards of various countries have taken the help of print, web and media advertisements for promoting their country as a tourist destination. These advertisements are unique, informative and have helped in attracting many a travellers.

A glimpse of some of the innovative and attractive advertisements can be seen as follows.

Malaysia

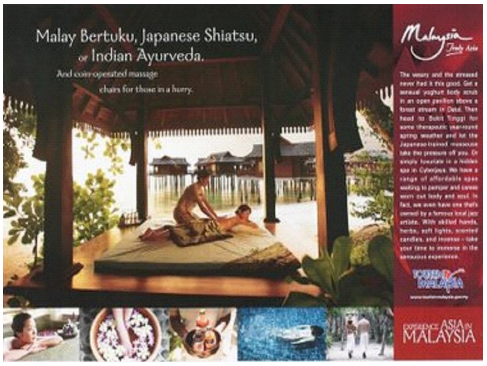
In this print advertisement, Malaysia is promoting its 50 major events and festivals. The theme here is 'Visit Malaysia'. Malaysia like India has a very diverse culture. The Malaysian tourism board hence has used this diversity in culture and numerous festivals as a medium to connect with the rest of the world. Through this advertisement they are trying to attract the various travellers who are interested in the traditions, festivals and events of Malaysia. This is also a very nice way to promote the various activities that people can expect to see when they visit malaysia.





Malaysia tourism promoting the various products offered by them i.e various places to visit, the different cuisines offered and the diverse people and culture present. This advertisement is very informative and helps people know what they should expect when they visit Malaysia.

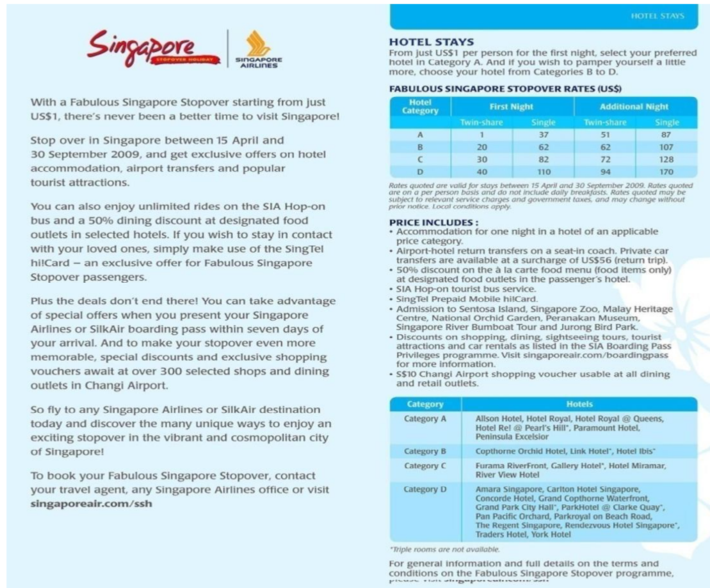
The advertisement is clear and discrete. Indian advertisements are innovative but can be more clear and discrete for the travelers to understand what they can expect from India.



Malaysia in a very innovative way using this advertisement promotes itself as "Truly Asia". It portrays itself as possessing the specialty of Asian countries like "Malay Bertuku, Japanese Shiatsu and Indian Ayurveda". This is a very innovative and effective advertisement for travellers in search of a variety of products.

Singapore

Singapore Airlines, helps in promoting Singapore. The airlines provides information on the different category of hotels present and and price range offered by each category of hotel. It also provides exclusive offers on hotel accomodation, airport transfers and popular tourist attractions.



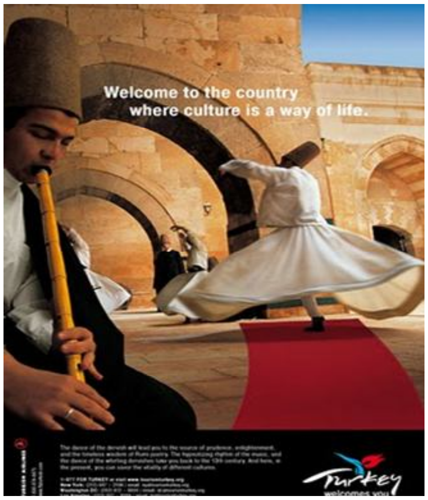
A promotion in this manner can be very useful for the tourists as it helps save their time of searching for hotels and travel options. It also reaches to travellers with different budgets.

The Government promoting its uniqueness through this advertisement. As seen in the advertisement the website address is clearly visible and the tourists can easily know where to get their information about singapore. Indian website similarly is very extensive and has a lot of information available for the travellers. The website needs to be promoted more upfront so that the travellers are aware about where they should go to, to search for more information about India.

England

Northeast England in its advertisement promotes 'passionate places for passionate people'. They also provide proper contact details so that the tourist know where to go to for obtaining information to plan their holiday.

Turkey



Turkey through this advertisement is promoting its rich culture.

The culture of Turkey is largely diverse and alike India combines clear efforts to be "Modern" and “Western”, with a desire to maintain traditional religious and historical values.

This is a great way to attract the different culture that the country has and also to attract many a abroad travellers who like to visit different countries to get a taste of their culture.

Australia

Australia Showcasing the different products offered in the advertisements. Every advertisement has a new and unique product to offer. These advertisements give tourists a clear idea of the different products that they should expect from Australia and how can they plan their trip to Australia.

New Zealand

This Film was awarded First Place in the Travel Category by the US International Film and Video Festival. This DVD explores New Zealand like never before. This film on New Zealand proves to be a very informative and entertaining way to promote the country and to make the people worldwide aware about New Zealand and what are the various places that they can go to and products that they can expect when they visit the country.

New Zealand promoting itself by a book on 1001 things that can be done ni New Zealand. This book like the movie above is very informative and provided in brief a description of what can be done in New Zealand. The book gives 1001 experices for people to chose from. The people with different likes and dislikes can easily caategorise what they would like to do in New Zealand with the help of this book.

New Zealand promoting 100% pure New Zealand through its website.

This advertisement was also shown on television portraying New Zealand pure and a country full of natural beauty.

The website of New Zealand is clearly mentioned and visible in this advertisement.

7.9 Road Map to Improve Promotional Activities in India

Looking minutely into the promotional activities of different countries, the following points call for attention for the purpose of making India more forthcoming and prominent in its promotional campaigns and advertisements.

- Travellers are aware about India and also about the promotional /publicity material available at various forums but, these are not helping the travellers to plan their travel. The information provided needs to be more comprehensive and clear. Travellers feel the need of a travel ternary.

- All the required information is available on the website of Incredible India, but the website needs to be more focussed, product driven and clear so that travellers can decide their destination and can compare India vis-à-vis other competitive countries. The Campaign should be focused more to lure the intending travellers to “Visit India “rather than simply describing India.

- Travellers only aware of Golden Triangle, Kerala & Goa. So, more destination specific visuals/ campaigns defining the products and its unique features need to be devised and promoted. Rather than marketing India or just one state to the trade, focus should be on marketing a product /activity/ event. Under the umbrella of brand India new tourist circuits need to be created to attract different type of travellers. Segment specific products i.e different products and packages for adventure tourists, family travellers, business travellers, medical tourist’s etc. need to be offered. Thus there is need to focus separately for the 3 different stakeholders;

- <u>Trade/ Tour Operator:</u>

  Tour Operators help travellers in planning foreign trips to countries that they are not aware of. Focussing on trade and making them fully aware of the products that India has to offer will create a gateway for foreign tourists to India. It is also suggested to improve the number of tour operators and motivate them to work for ‘India Tourism Office’. There is a need for an integrated approach by India Tourism Office and tour operators. India Tourism Office must participate in important fairs and festivals where they can sponsor any event which will finally send a message to "*Visit India*" and not just educate travellers about India.

- Media:

  Media is a medium that can be used to make people aware about India. Media reaches the masses and hence is a very important tool of promotion. The media advertisements need to focus on the various products that India has to offer assuring that India is a safe and secure country to visit and can also showcase the unique blend of modern and traditional experiences that India has to offer. Media can help remove the myth of people that India is not a safe country and that India is still backward in its approach. The fact being that India is safe and has a huge variety of modern products to offer and that India is developing at a very fast pace as far as technology and modern amenities are concerned, which needs to be highlighted. Media can also take the help of Arab celebrities and famous personalities to promote the pleasant experiences that they had encountered during their stay in India.

- Traveller

  More efforts need to be put in creating promotional campaigns which will increase footfalls of travellers to India. In order to attract intending travellers as well as past travellers (for repeat visit) - a comprehensive travel guide or plan with lots of stimulus is essential. Thus it is imperative to categorise the travellers from any particular country on the basis of their travel pattern and habit/ behaviour. After a thorough analysis of available qualitative and quantitative data, it is proposed to follow the following segmentation / categorisation of travellers to enhance the traffic flow from UAE to India.

Travelers Segment	Purpose	Budget (INR)	Duration	Accommodation	Attraction
Arab Travellers 	•Leisure and Recreation •Escape from the summer months	More than 1,22,000 (partially dependent on the size of the family)	1-4 weeks	•Resorts •Star Category Hotels •Apartment hotels	•Exotic Destinations •Relaxation Activities (Spas) •Night Life •Beaches , hills & waterfalls •Religious Places •Luxurious hotels & resorts
Medical Tourists 	•Medical Treatment •Medical treatment along with sight seeing	More than 1,22,000	Around 4weeks or more	•Star Category Hotels •Resorts •Apartment hotels	•Superior and affordable medical facilities •Variety of medical treatments •Apartment hotels for long stay
Expats 	•Visiting Friends and Relatives •Leisure and Recreation	61,000-1,22,000	1-4 weeks	•Friends and Relatives •Mid Ranged Hotels	•Places of historic importance •Ancestral Property (people of Indian Origin) •Culture and Festivals •Natural Beauty

- *Arab Travellers* travel abroad for leisure and recreation and to escape from the scorching heat during summers. These travellers can be attracted by showcasing India's exotic destinations, relaxation Activities (Spas), night life, India's beaches, hills & waterfalls, religious places in India and luxurious hotels & resorts.

- *Medical Tourists* come to India for the purpose of medical treatments which they club with sightseeing. These travellers need to be provided Superior and affordable medical facilities, a variety of medical treatments and 'Apartment Hotels' for long stay.

- *Expats* come to India to meet their Friends & Relatives, and for leisure and recreation. These travellers can be attracted by showcasing India's historical monuments, culture, festivals and places with natural beauty.

❖ ***Last but not the least,***
- The *"Incredible India"* website needs to be upgraded regularly.
- The content of the website also needs to be reviewed periodically and new destinations/ products/ circuits need to be brought to the knowledge of the travellers.
- Promotional campaigns need to highlight the Incredible India web-address more prominently,
- There is also a need to increase the visibility of the website.

7.10 Suggestions for specific measures to promote Indian Tourism

1. **Target Population:** UAE, consisting of large populations from South Asia, is a unique economy where those belonging to the gulf country itself are a minority. It may be said that UAE sources manpower from elsewhere to run the country and its economy. Large proportion of the workers and managers of various industries and services belong to other countries. Of the 80% expatriate population residing in the UAE an estimated 1.75 million plus are of Indian origin. This is both an opportunity as well as a challenge for Indian tourism. The population may be divided into 3 categories with specific pointers for each one,
    a. **Emiratis:** Emiratis are mostly super-rich with extended families that travel together. They are born and brought up in an environment of plenty. They look for exclusivity, luxury and style in their vacation and trip plans. They need to be targeted with the highest-end offerings of destinations travel options and comfort. Budget is not a constraint for the Emiratis and other Arabs who have shown propensity to spend twice a year on a three week holiday with family and domestic help, provided that luxury & comfort is available. They would usually book separate rooms for self, children and maids, need their own kitchen to cook, secure entertainment zones and theme parks for children who can go there and enjoy their holiday without disturbing the adults. Holiday products, the Arabs are not interested in our culture, heritage, beaches, etc. On the other hand food, comfort, hills, resorts, entertainment, etc. interest them a lot.
    b. **Expatriates other than Indian Origin:** They are of two sub-categories—one, that is a worker and is earning for his family back home in other South Asian countries like Pakistan and Bangladesh and hence not a very attractive segment to target for tourism. The other is the manager and high-end achiever who has a large discretionary spend and is not restricted in their origin to South Asian countries. They would mostly fall in the comfort seeking family leisure holidaymakers and event attendees (business trips, MICE, etc.). This is a good target. They would also be seeking relatively high end services in the form of starred hotels and luxury travel. However, they may not be looking at exclusivity and super-luxury with large sized families like the Emiratis.

c. **Persons of Indian Origin:** Since most of these people are aware of India, selling to them will be of little value. Instead, they could be targeted with a repositioning communication about India which should help them see India as comparable to other destinations in the world. As Indians are bargain hunters by nature, inform them about special schemes that the ministry, ITDC and state tourism development corporations are running and leverage their holiday season when they are planning to return home.

2. **Marketing Activities:** Tourism industry as a whole needs to have a cohesive, systematic and planned year-round presence with periodic promotional activities in the UAE, which offers vast potential for expansion of outbound travellers' footprint into India. The following pointers may be useful,
    a. **Word-of-mouth:** For the community of Emiratis as well as others from Asian countries, word-of-mouth is a very important decision making tool and someone's previous experience of the destination play a major role in the choice of the holiday destination. India tourism strategy should focus highlighting/ projecting good experiences of Arab's/ Non-Arab's as a marketing strategy to attract tourists from UAE.
    b. **Media:** Building a media presence before the local holiday season in Arab magazines, newspapers, television channels and website is an important step in building traction for tourism in India. It is also essential to substantially update Indian Tourism's presence in the World Wide Web with linkages to decision making and trip booking for travel to India as well as special offers available in India.
    c. **Publicity:** While sufficient publicity material is present, it somehow doesn't many from the trade community and the publicity materials are also expressed as outdated. The publicity material needs to be more up to date and concurrent with the development of India. New destinations, new properties/ luxury hotels/ resorts, tourism circuits etc are required to be included in the promotional campaign and publicity material for India, which will emphasise on a "NEW INDIA". Such material needs to be clearly demarcated for consumers and trade.
    d. **Trade Channel:** Trade community needs to be reached out to with publicity material and incentives. Charting out a strategy for India's vast tourism opportunities with UAE as a specific market should be developed in order to

leverage the outbound tourism potential for India from this region. Accreditation needs to be provided to the trade community for the development of specific tourism products which enhance outbound tourism from UAE to India.

3. **Medical Tourism and MICE:** Medical Tourism and MICE are two categories that India must seriously target UAE with. UAE does not have medical facilities in terms of quality and quantity which can cater to all the strata's of the society. Currently UAE residents are inclined to travel to Europe, Germany, USA or other Asian destinations for quality medical treatments. India does not seem to figure as a great destination for medical tourism activities, even after having supreme medical facilities which come with highly qualified doctors, premium facilities, all in an affordable price range. Other countries and tourism boards like those in Malaysia and Singapore have started promoting their medical tourism opportunities. India needs to focus on attracting medical tourists from UAE by repositioning India's premium medical facilities, services, affordability of treatment and provision of alternative treatments like ayurveda and yoga. Similarly there is a scope of development of MICE tourism in India due to the presence of premium and super luxurious hotels in major metros. Macau and Thailand are very prominent MICE destinations, which India needs to understand and reposition to gain from. For both medical tourism and MICE activities India has the potential to offer far better products and experiences with safer and more economical choices with comparable levels of comfort and luxury that need to be communicated to both consumers and the travel trade channel in the region.
4. **Focus Upon:** In summary, when developing the marketing strategy to gauge outbound tourists from UAE to India, the focus should be on,
   a. Arab community, especially the specific needs of the Arab Community. Emirati needs to be specifically targeted as the high end tourist.
   b. Projecting a new India with world-class experience and better-than-anywhere-else destination options.
   c. Luxury hotels, resorts and properties as well as cuisines of India should be promoted in greater measure.
   d. The campaign should focus substantially on selling holiday ideas that have activities for children of various age groups.
   e. Build trust about India as a holiday destination with greater information about India being a safe and secure destination.

f. Serious and focused working with the travel trade channel in the Arab world might build greater traction with those holidaymakers who seek information from the trade channel in the region before deciding upon their holiday trip. Awareness about India needs to be developed among the travel trade staff with special training to the staff / front office who are selling the packages.
g. Providing accreditation to the travel trade for specific products may be a good idea in promoting certain offerings.
h. Measures like conventions with the Arab media/ tour operators who come out with news articles or newsletters on tourism will help in stimulating awareness on different destinations / products that India has to offer.
i. Due to the presence of a significant population of Indian expatriates in UAE, the locals are aware about India but they only know about the 'Golden Triangle' and 'Kerela' as holiday destinations. India has a lot to offer in terms of tourism which are not present in UAE, like waterfalls, jungles, hill stations and soft adventure tourism. The marketing strategy should focus specifically on unique Indian offerings.

7.11 Way Forward – Long Term and Short Term Measures to promote Indian Tourism

Short Term Measures:

- Organize focused Familiarization tours for media persons and tour operators.
- Impart training to front office executives who are in direct contact with prospective travelers so as they can handle all types of queries.
- Though enough publicity material is there, but it is all out-dated, there is no mention about New India – new destinations, new products, new packages, new circuits and new luxury properties need to be promoted alongside well known destinations, so as to offer a large choice in front of prospective travellers.
- New methods of promotion need to be introduced, for example, promotion on search engines and social networking sites which have immense reach irrespective of the geography.
- Frequent interaction with tour operators – to remain connected.

Long Term Measures:

- More focus on product /destination campaigns required for different set of travelers. Products for specific countries should be designed based on the needs and requirements of travelers from that specific geography.
- Rather than sending brochures etc, fortnight updates on what is happening NEW in India –event, launch, festival etc.
- Design advertisements with celebrities of the target country to lend trust and credibility to the promotional advertisement.
- For UAE travelers focus on apartment hotels, luxurious properties and Entertainment zones for kids.

Source

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