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PROMOTE ICELAND

INDIA OUTBOUND TRAVEL TRENDS 2018

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India – An Emerging Power

- Population 1.33 Billion
(2 out of every 10 people in the World are Indian)
- Average Age is 30
(65% of the population is under 35 years old)
- 6th Highest ranked economy globally
(India's nominal GDP of USD 2.45 Trillion grew by 7% in 2017)
- Middle class of 55 Million
(This is more than the populations of Canada, Australia and New Zealand combined)



The Money Boom

112 Billionaires – Global Rank #3

263,000 Millionaires – Global Rank #11

In 2017, **India's Millionaires grew by 20.4%**, the fastest growth for any country in the world

A massive **domestic consumer market** means more opportunities for wealth creation for entrepreneurs and industrialists



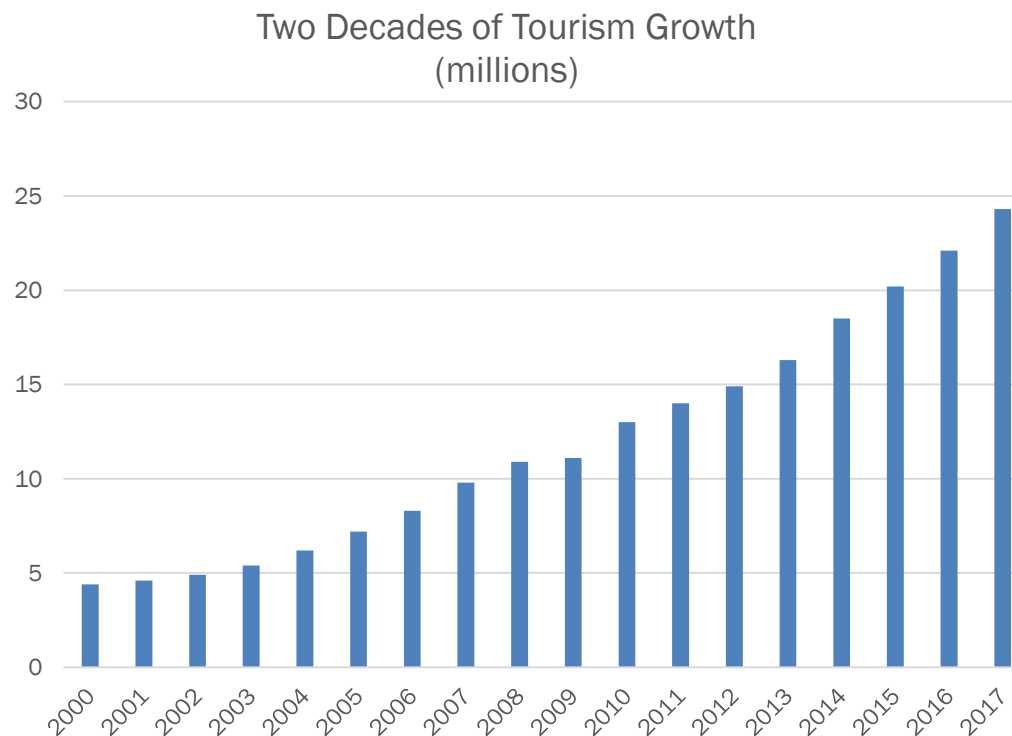
Adopting Technology

- Almost all Indian travelers speak fluent English and are adapting to new technologies at a rapid pace
- India already has the 2nd largest Internet Population in the World more than USA, Russia & Japan
- We are also the fastest growing Smart phone Market globally with 285 Million users in 2016
- Largest market for Facebook in the world, greater than USA with 250 million users



Two Decades of Tourism Growth

In 2013, Indians took an international trip once in 21 months. Today, its once in 11 months, By 20120, Indians will cross the 30 Million mark in terms of outbound visitors



HIGH GROWTH POTENTIAL

- The current number of outbound travelers are only the tip of the iceberg as this is **less than 2% of the population**
- Within a decade, Indians are set to be the **2nd highest spenders (28 Billion USD)** on tourism globally only behind China
- India has also the **world's largest diaspora** of citizens lying outside India, mainly in Europe, UK and North America which includes significant VFR travel
- Consistent growth is expected across all major segments- **FITS, MICE, Luxury Travel, Groups and destination Weddings**
- The UNWTO predicts that India will **account for 50 million outbound tourists by 2020**



Drivers of Growth

- **Rise of Middle Class:** The size of the Middle Class is set to double to cross 100 Million by 2022
- **Small towns Open Up-** With enhanced connectivity and airports opening up, the Tier 2 cities of India will show potential growth over 45%) in terms of international departures.
- **Bollywood & Influencers:** Greater exposure through pop culture & social media creates aspiration to explore the globe. The current internet penetration is only 31% and is growing at 8% annually
- **Direct Flight-** WOW Air between India and Iceland will further increase the tourist outflow from India



Splurge on Foreign Trips Despite of a Rising Dollars

- Between April to August 2018, the rupee's value fell sharply –from about Rs 64 to Rs 74 a dollar
- Interestingly, the money spent on overseas travel has seen one of the sharpest increases, vaulting by 24% - \$2.02 billion in April –August from \$1.63 billion in the same period last year
- In August, when the rupee fell to Rs 71 to a dollar, Indians spent \$ 1.42 billion overseas, nearly 30 % higher than \$1.02 billion spent in August last year



KEY TRAVEL CENTERS



Other Notable Cities

- Hyderabad
- Pune
- Chandigarh
- Jaipur
- Baroda
- Surat
- Lucknow

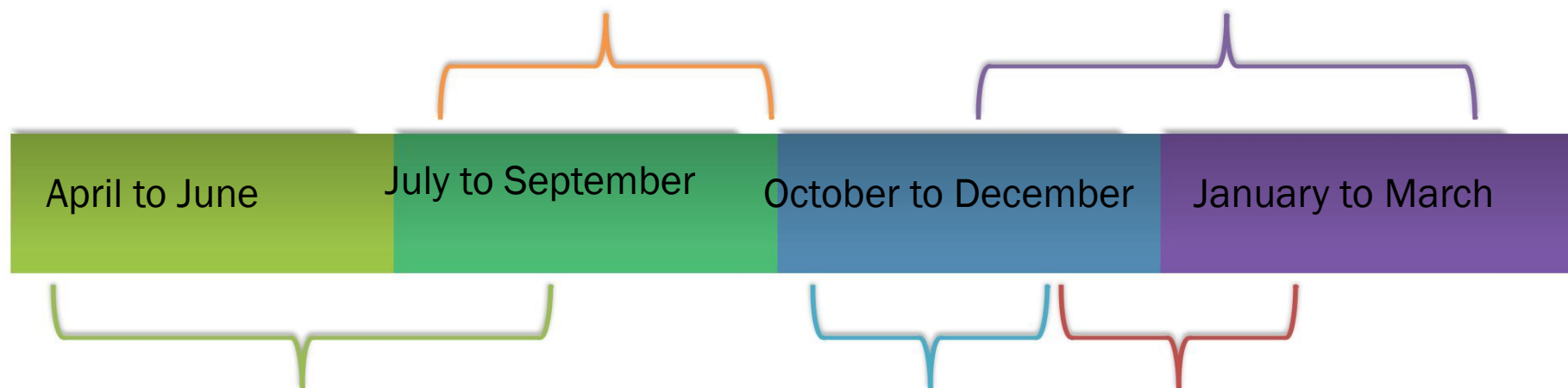
TYPICAL TRAVEL PERIODS

Summer Holidays

April to June are summer holidays in India and high volume of travel especially to Europe happens during this period

End of the Year Holidays

Diwali(Oct to Nov) is India's biggest religious holiday & also school vacation followed by Christmas & New Year holidays



MICE Travel

While Mice Travel is year round the larger movements happen during this quarter

Weddings & Honeymoon

The period between November & February is auspicious for weddings. Therefore typically January to March sees high honeymoon travel as well

THANK YOU