

Tourism industry poised for big leap: Expert

BANGALORE (UNI): The Indian tourism industry, which is still evolving, was poised to reach a greater height, thanks to the emergence of technology, said Mr Deep Kalra, Founder and CEO, MakeMyTrip.Com, India's top online travel company.

Speaking after opening company's Karnataka office here, he said Indian tourism industry, which had a potential of over USD 10 billion to 15 billion, was contributing about six per cent to the national GDP. With its robust growth of over six to seven per cent annually, the industry would be among top 10 in the world in the next 10 years.

He said except Kerala, Goa and Rajasthan, the potential value of hospitality was yet to be tapped elsewhere in the country due to constraints in infrastructure availability. The revolution made in the telecom industry and the emergence of mobile, broadband, credit cards and venture capital funds had made the industry in the country to achieve robust growth.

Taking advantage of the emerging technology,

MakeMyTrip.Com was launched in 2000 for the booming 'USA to India' travel market and hit early success and then launched India operations in 2005 with over six years of profitability in real time bookings of flights, hotels, holidays and car rentals in United States, he added.

Mr Kalra claimed that his company made one million trips recently and become country's top online travel company. To maintain its market leadership and reach further height, it had received USD 18 million venture capital form two firms including US-based Softbank Asia Infrastructure Fund (SAIF).

The fund would be utilised to expand operations and create infrastructure across the country, he added.

Replying to questions Mr Kalra said Karnataka was emerging as the biggest market for international and domestic travel after Maharashtra, Gujarat, Punjab, and New Delhi, growing at 25 per cent annually and was expected to be worth Rs 2,500 crore over the next three years.

Thailand, Malaysia,

Singapore and Bali were the favorite international travel destinations from Bangalore. Bangaloreans are also displaying an increasing interest in off beat destinations like Kenya, Vietnam, Cambodia, South Africa and Eastern Europe, he added.

MakeMyTrip.Com, a market leader in online travel domain, has several firsts to its credit including providing a lowest airfare guarantee, introduce online bookings for hotels, cash back offer for travel products ranging from air ticket to international holidays.

The site also maps hotel locations form reference points like city centre and major local attraction. While addressing the needs of the growing travel community in the country, it sells over 5,000 flight tickets, 1,000 hotel rooms and more than 50 holiday packages every day, he added.

Meanwhile, the growth of foreign tourists arrival has slipped to a single digit for the second consecutive month in May this year — a sharp decline from an average of 13-15 per cent in the last five years of tourism

boom UNI reports from Delhi.

The growth in tourist arrival was just five per cent in May this year.

This is said to be the lowest growth ever recorded since 2002 when the India Tourism launched the "Incredible India" campaign world wide to attract more tourists.

The decline in tourist arrival actually started in the month of April this year when the growth slipped to a single digit of eight per cent over the corresponding period last year.

In April 2006, tourist arrivals had jumped 24.7 per cent, one of the highest recorded in recent years. The month of May in 2006 also registered a growth of 14.7 per cent.

The tourism ministry is at a loss to explain the reason for the dip, except saying that this may be due to the advent of early summer and the resultant high temperature touching up to 43 degree celsius.

In fact, the growth in foreign tourist arrival in February and March this year were 13.6 per cent each as against 10.1 per cent and 11 per cent

respectively in the previous year.

However, the overall growth in the first five months of the current year was 12 per cent as against 14.5 per cent during the corresponding period last year.

Under the impact of the high-voltage "Incredible India" campaign, which was launched five years ago, India tourism has been recording an annual growth of 13 to 15 per cent in foreign tourist arrival.

The growth in foreign exchange earning also went down to 11 per cent in May this year as against 15.2 per cent in the same month last year.

The same was the case with April this year when foreign exchange earning registered a growth of just 10 per cent as against 28.9 per cent last year.

"We will study the reasons for the dip in the growth of tourist arrival in April and May and take corrective measures, including launch of vigorous campaign in foreign countries," a top tourism ministry official said, adding that: "Prima facie we don't think there is anything to worry."