

INDIA | TRAVEL ECONOMY SERIES

India is one of the most populous countries in the world, boasting the largest democracy and an important inbound tourism market for Canada. With one of the fastest-growing populations in the world and a sizeable Indo-Canadian diaspora, this edition of the Travel Economy Series focuses on one of Canada's key inbound markets.



\$1,437

The average spend per trip by Indian visitors in 2018¹



90 MILLION

The expected number of middle-class households by 2030²



14.9%

Total growth in Indian visitation to Canada in 2018³

INDIAN APPETITE FOR VISITING CANADA IS GROWING

While India has been a top market for Canada for some time, recent research indicates that the potential growth of this market for travel to Canada is more significant than ever. This growth is, in part, due to increasing immigration to Canada and consequent increases in the visiting friends and relatives (VFR) segment. However, India's quickly rising travel segment – aged 55+ baby boomers – is the fastest-growing leisure segment to Canada, often arriving in large self-created groups.⁴ Indian travellers now also travel directly to Canada more often, with direct air arrivals to Toronto increasing by 42% in 2017.⁵ With improvements to visa processing and increased airlift in the country, it is expected that this growing inbound market to Canada could thrive in the coming years.

DID YOU KNOW?

India is the fastest-growing economy in the world, out-pacing China in real GDP growth.⁶



Arrivals from India were up in April 2019 (27K, +27%) and year-to-date (70K, +18%), hitting new record peaks for both periods.⁷

May and June are the most popular travel months for Indian visitors to Canada.⁸

85% of all Indian travellers will consult travel agents before booking long-haul trips to places like Canada.⁹

¹Destination Canada Research estimates, using Statistics Canada preliminary 2018 Q1-Q3 VTS, 2017 ITS Q4, Frontier Counts, National Tourism Indicators, Bank of Canada and visitor forecasts from Destination Canada 2019 Forecast

²Euromonitor International blog, "Top 5 Emerging Markets with the Best Middle Class Potential" <https://blog.euromonitor.com/top-5-emerging-markets-with-the-best-middle-class-potential/>

³Statistics Canada, Table 24-10-0003-01 Non-resident travellers entering

Canada, by country of residence (excluding the United States)

⁴CAPA India & Expedia Group report, "The Inflection Point for Indian Outbound Travel, 2018". 2018, Pg. 23

⁵CAPA India report, "The India Outbound Leisure Opportunity", February 2018, Pg. 15

⁶CAPA-Expedia 2018, Pg. 15

⁷Destination Canada Market Background: India, Accessed August 8, 2019 <https://www.destinationcanada.com/en/markets/india>

⁸ibid.

⁹Destination Canada 2017 India Public Summary Report, Pg. 23 https://www.destinationcanada.com/sites/default/files/archive/740-Global%20Tourism%20Watch%20-%20India%20-%202017%2017%20GTW%20India%20Summary%20Report_Public_English.pdf