



India's Luxury Travel Landscape, Opportunities And Expansion Plans Of Select Companies.

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ABSTRACT :

Hans Christian Andersen's is a well-known Danish author and his adage states, "To travel is to live," which sums up the relationship between life and travel quite well. A luxurious vacation would make for a genuinely royal and amazing encounter. The desire for luxury experiences among both domestic and foreign tourists has led to a significant shift of India's hospitality sector in recent years. The nation's thriving economy, varied landscapes, and rich cultural legacy have all contributed to the development of upscale hospitality. This secondary research study delves into the rich luxury landscape of India, explains the growth opportunities for players in luxury travel and their future expansion plans.

Keywords: Luxury travel, WTTC (World Travel and Tourism Council), MICE (Meetings, Incentives, Conventions, Exhibitions), IHCL (Indian Hotels Company Limited)

Introduction :

India is a sizable travel and tourist market. It provides a wide range of specialty travel goods, including cruises, outdoor activities, wellness, medical, sports, MICE, eco-tourism, films, rural, and religious travel. Both domestic and foreign travelers have acknowledged India as a spiritual tourism destination. As per WTTC, the Travel & Tourism GDP of India is projected to expand at a yearly average rate of 7.8% for the upcoming ten years. India's travel industry is expected to grow from an estimated US\$ 75 billion in FY20 to US\$ 125 billion by FY27.

Indians have been coming out in large numbers post pandemic, first for revenge shopping and then following it up with some major spending on opulent experiences and things. Unsurprisingly, several projections indicate that over the next few years, India's luxury sector would expand quickly as international brands swarm the country and its luxury labels seize the attention of consumers worldwide. (Majumdar Sourav; 2023).

Objectives of the Study:

1. To understand the luxury landscape of India.
2. To know the growth opportunities for luxury travel in India
3. To explore the expansion plans of few companies operating in luxury travel.

Research Design:

Type of Research: Secondary research.

Data sources. Company website and sector reports.

1.2 India- Luxury Travel Landscape

India is a sizable travel and tourist market. It provides a wide range of speciality travel goods, including cruises, outdoor activities, wellness, medical, sports, MICE, eco-tourism, films, rural, and religious travel. Both domestic and foreign travellers have acknowledged India as a spiritual tourism destination. India has always had a deep passion for luxury. India has historically been a wealthy nation; thus luxury is not unusual there. The nation is well-known for its regal and magnificent era, when sultans, nizams, nawabs, and maharajas possessed the riches and authority to lead unmatched sumptuous lives.

Converting old palaces and mansions into luxurious hotels is one of the most fascinating features of luxury hospitality in India. A growing amount of visitors who seek a taste of royal life are drawn to the idea of heritage luxury. These palaces, which were formerly the residences of nawabs and maharajas, now embrace visitors and let them experience the opulence of a bygone period.

1.3 Opportunities for luxury travel

There are different opportunities that India offers for luxury travel which is mentioned below:

1. The number of millionaires in India is set to skyrocket by 105% by 2026, according to a report by Credit Suisse. The Bain & Company report further highlights the potential for India's luxury market to expand to three and a half times its current size, reaching the coveted \$200 billion mark by 2030.
2. The Medical Tourism sector is expected to increase at a CAGR of 21.1% from 2020-27.
3. The travel market in India is projected to reach US\$ 125 billion by FY27 from an estimated US\$ 75 billion in FY20.
4. In December 2019, e-visa facility was offered to around 170 countries. the cruise passenger arrivals at the seaports.

1.4 Few Players in Luxury Travel and their Expansion Plans

The brands chosen for this study include Marriott International, Abercrombie & Kent, Banyan Tree, Indian Hotels Company Limited (a division of the Taj group), and Hilton which are among the high-end travel brands.

1.3.1 Marriot International

With 160 active properties under 17 different brands spread over five countries, Marriott International is ideally positioned in South Asia to offer unique travel experiences to a variety of visitor demographics. Currently, South Asia is home to the following brands: Courtyard by Marriott, Four Points by Sheraton, Fairfield by Marriott, and Aloft Hotels in the select service segment; Marriott Hotels, Sheraton, Westin, Moxy, Tribute Portfolio, Le Meriden, Renaissance, and the Marriott Executive Apartments in the luxury segment.

Marriott Expansion Plans in India

Relying on changing guest preferences for superior service and engaging experiences, the Luxury and Premium portfolio comprises 77% of signed rooms in 2023 as opposed to 48% in 2022. Marriott International intends to expand its luxury offering in vacation spots by launching the renowned Ritz-Carlton brand with The Ritz-Carlton, Amila Hills in Shimla, which is scheduled to open in May 2029. Additionally, the JW Marriott intends to increase the size of its luxurious footprint by opening the JW Marriott Sohna Resort and Spa in Delhi NCR and the JW Marriott Surat Resort & Spa and also plans to expand Westin portfolio.

1.3.2 Abercrombie & Kent

Abercrombie & Kent is an international luxury travel firm that specialises in MICE and luxury travel in India. It offers customised solutions and immersive experiences all around the country. Since 1985, Abercrombie & Kent has conducted business in India. A comprehensive range of travel services, from itineraries to ground operations, including bespoke travel arrangements with airport representatives, drivers, professional multilingual guides and escorts, and a private fleet of contemporary luxury cars and coaches, are provided by their five offices and 250 associate agents for small groups and individuals. They provide wildlife safaris, nature walks, bird watching excursions, cultural trips, and hikes. Every programme is tailored based on user requests.

Abercrombie & Kent's Expansion plans in India:

Three new itineraries, six opulent small group travels, and fifteen custom trips are all part of Abercrombie & Kent's latest catalogue. Travellers can explore the rolling tea plantations of Sri Lanka, watch disciples set candles afloat on the holy River Ganges, witness timeless Buddhist rituals in ancient Bhutan, search for Bengal tigers in the jungles of Madhya Pradesh, watch the sun set over the peaks of Nepal, and relax on the pristine beaches of the Maldives.

Banyan Tree

Across the world, Banyan Tree Group oversees or owns interests in 33 hotels and resorts, more than 60 spas, 82 retail galleries, and three golf courses. Over 40 spas and over 10 resorts are owned and operated by Angsana Hotels and Resorts worldwide. Angsana Hotels & Resorts are more hip and dynamic than Banyan Tree Hotels and Resorts, which provide a rejuvenating getaway experience.

Banyan Tree Expansion Plans in India:

According to a top business official, Singapore-based Banyan Tree Holdings, which develops and operates upscale resorts, hotels, and spas, plans to acquire some 20 properties in the nation over the course of the next six years.

The group intends to build 15–20 facilities in India under the names Angsana Hotels & Resorts and Banyan Tree Hotels and Resorts, with the majority of the rooms being between 150 and 100 rooms each.

2.1.6 IHCL

Indian Hotels Company Limited is the parent company of the upscale hotel brand Taj Hotels. Each Taj hotel reimagines the heritage of hospitality in a refreshingly contemporary way to create one-of-a-kind experiences and enduring memories. These hotels are located amongst iconic landmarks, contemporary business hotels, luxury resorts, genuine heritage palaces, and rustic safari lodges. Taj Hotels offer a wide range of experiences, from world-famous landmarks, to modern business hotels, to luxury resorts, to authentic heritage palaces, and even to authentic safari lodges. Each Taj hotel takes the tradition of hospitality to the next level, reimagining it in a modern way to create unforgettable experiences and life-long memories.

2.1.7 IHCL Expansion Plans

India's Largest Hospitality Company (IHCL), marks another year of fast-paced portfolio growth for FY 2022-23 with an on-going pipeline of 73 hotels. With 8 new hotel signings in 2022-23, the luxury brand is on track to achieve the milestone of 100 hotels from its current 98 hotels.

2.1.8 Hilton

Hilton oversees 800 properties, 51 of which are owned or leased, and 6,679 of which are franchised to independent franchisees or businesses. Hilton boasts 22 brands that span various market segments: Conrad Hotels & Resorts, Hilton Grand Vacations Club, Hilton Vacation Club, Hilton Club, LXR Hotels and Resorts by Hilton, Curio, Hilton Hotels & Resorts, Double Tree by Hilton, Embassy Suites by Hilton, Hilton Garden Inn, Hampton by Hilton, Homewood Suites by Hilton, Home2 Suites by Hilton, Hilton Club, Hilton Club, Hilton Grand Vacations Club, Hilton Club, Tapestry Collection by Hilton, Tempo by Hilton, Hilton Club, and Spark by Hilton.

2.1.9 Hilton Expansion Plans in India:

The US-based global hospitality firm Hilton has 24 hotels in its portfolio spread across five brands in 16 Indian cities. It is targeting fast short-term expansion in India with over 20 openings in the next three years and eventually bringing all 19 of its various hotel brands to the Indian market by 2030.

Conclusion:

As India marches on, becoming one of the most exciting economies to watch out for, thanks to its demographic advantage and growth momentum, its luxury segment is proving to be one example of scorching growth. The different plans of expansion by different global and regional players in luxury industry will have a significant impact on the economy and will provide inputs for effective destination planning.

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