

IATO Convention 2017

'Time to Reinvent Ourselves'

With 'Indian Tourism: Time to Reinvent Ourselves' as its theme, IATO will hold its 33rd Annual Convention on September 7th-10th, 2017 in Bhubaneswar, the Capital of Odisha. Choice of 'Time-to-reinvent-ourselves' as the theme for the convention recognizes stagnation in the tourism industry and the need to reinvent.

By PREM KUMAR

IATO has aptly chosen 'Indian Tourism – Time to reinvent ourselves' as its theme for its 33rd annual convention after due deliberation. Pronab Sarkar, President, IATO said that the theme of year's convention, 'Indian Tourism – Time to reinvent ourselves', is very timely considering the present changing scenario in tourism. Our focus is to revitalize the efforts for diversification of tourism products and weave it in the tourism narrative taking all new initiatives, said Sarkar.

The tourism scene in India is faced with tremendous stress; increasing taxation and policy changes, changing distribution systems and competition from online operators and the neighboring countries have negatively impacted tourism growth and tour operators' business operations. "These have kept tour operators under stress and how to remain in business is prime consideration. Stakeholders are reassessing the needs and how to invest in a new future. The brands need updating to stay alive and vibrant and periodically reinvent as now the whole market scene has changed," said Sarkar, adding that the industry needs to think out of the box and beyond the Golden Triangle and start investing in the new areas. Tour Operators have to reinvent themselves with digital use to reach target audience effectively. Thrust must be on experience-led tourism. "Now the time



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India's Tourism industry is facing many challenges such as an aged destination brand, low demand from key source markets, bad infrastructure, unfavorable taxation and changing distribution systems. "In such a situation, sustaining is not only hard but sometimes almost impossible. The theme of this year's convention is in-



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Sr VP, IATO

spired by such challenges. It is a fact that Indian Tourism is under enormous pressure," said Rajeev Kohli, Senior Vice President, IATO, adding "We cannot keep on doing the same things we have been doing in the past and expect different results. So it is time to think afresh, come up with new ideas and reinvent ourselves. That is where this year's theme comes from."

This year's convention will have a little bit different format. Business sessions will be more interactive. The Association aims to make deliberations to be dynamic and two way. Each ses-

sion will have a panel to set-up the discussion followed by dedicated discussion time with the audience on the topic. IATO wants its members to be involved in the discussion on how to take the industry out of its doldrums. "We want our delegates to get more involved. We want them to actively participate in deliberation and in decision making process. When things are bad, it's the best time to reinvent yourself. Your power to choose your direction of your life allows you to reinvent yourself, to change your future, and to powerfully influence the rest of creation," said Kohli. "I think unless the industry wants change, unless industry wants do something different, nothing will change. The government cannot order us to do something different; we cannot order the government to do something different. The idea is that everyone collectively discuss and decide what is it that we can do to make a change," Kohli said.

Criticizing theme of this year's convention, Arun Anand, MD, Midtown Travels, said that he really didn't understand the theme and that how the industry can reinvent in view of the current scenario. "My suggestion would have been to make the impact of GST on inbound as theme of the Convention where we could have raised the problems being faced by everyone. Issues like the prices of hotels, meals, transport and guide charges (RCM) should have been highlighted to the Government. IATO's Convention are a forum to highlight our problems and this would have been an excellent opportunity to raise the GST issues," said Anand.

Reinvention: a continuous process

Anil Parashar, President and CEO, ITQ said that reinvention is a continu-



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ous process as each era brings with it a new set of trends. Only flexible and adaptive businesses can survive through decades and even centuries. The trends right now points at the fast evolving landscape of technology and digitalization and reimagining or re-analyzing the consumer demand. In the technological front, adoption of mobile is the most important shift happening. Be it a travel agent or a traveler, the hand held device has created ground breaking shift in how travel is being promoted and embraced.

"Reinvention of Indian Tourism has already begun and it is quite relevant in the current scenario. A series of policy changes and notable rules have given much needed impetus to the slow moving pace of the industry," said Karan Anand, Head- Relationship, Cox & Kings, adding that from the tax regime that has helped the organized players and leveled the field to improving tourism infrastructure, all have



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Head, Relationships, Cox & Kings Ltd

been an integral part of the reinvention process.

According to Parashar, India is the second largest nation in terms of mobile phone users and among them a huge majority belongs to the category of Smartphone users. This means that the consumer is educated and need all information handy. To match the demand, travel industry needs to adopt the latest technology and move towards Artificial Intelligence. Also important is the analyzing the thought process and preference of the traveler, who is becoming increasingly demanding – this new generation seeks more choices, personalization, flexibility and connectivity than ever before, which can be addressed by only a Travel Expert having best tools and access to wide range content or options available on travel selling platform, which is exactly ITQ is working towards reinvention and innovation.

Parashar says that introduction of

IATO Convention

Bhubaneswar, Odisha
7th to 10th Sept, 2017



Odisha Tourism



Scenic | Serene | Sublime
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Regional connectivity scheme and UDAN in 2017 budget has set the foundation stones for one of the largest and most dynamic sectors globally. In order to reinvent itself, the industry needs to tap the immense market potential in the tier-2 and tier-3 cities and this will help unlock further demand. It is also important to connect the nation through robust transport mediums. Diversifying Indian tourism through introduction of newer tourism verticals is imperative for the success of tourism.

The Challenges

Today the industry is facing multiple challenges. "The taxation is out of sync. The new GST system unfortunately has not been very fare to us. We have no credit system. Many elements that were never taxed before have all of sudden been put into tax bracket under GST. Consequently the entire product cost has gone up," said Kohli, adding, "We were already over-taxed and uncompetitive compared to other parts of the world, and today we have been made even more uncompetitive. It is very sad statement for us that despite all our efforts, despite speaking to so many people in

the government, the Government of India considers tourism a luxury, a non-essential part of the economy. Unfortunately this generation of politicians will not live to see the damage that will happen down the line when India becomes even more inconsequential tourism destination."

Conservation of the country's cultural and historical resources is a big challenge. "We must all focus on preservation and enhancement of our cultural and historical resources," said Karan Anand, adding, "there are different Indian states with each possessing its own unique attribute. Encompassing different experiences by creating newer circuits will help exhibit India in unique ways that will enable Industry's growth both domestic and inbound." Infrastructure and safety are other key challenges. Physical infrastructure has to be improved that will facilitate tourist movement.

India is one bright spot in the South Asia that has immense potential to draw a considerable portion of tourists subject to further innovations. "We need to broad base our product offerings and tour operators should innovate and introduce new products and



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services. They should take onus on themselves and not depend on the government's initiatives," added Karan Anand.

According to Parashar, as the government is moving from one problem solving tactic to the next, there are still certain issues that are affecting the health of tourism such as: tourist safety, especially for women travellers. It is imperative to create a better and safer India which welcomes all its guests.

Arun Anand rues that there is not much publicity about our country in the source markets. He said that India has not been able to create a demand in the last 70 years where the customer goes to the tour operator in his/her country and asks for tour package for India. He added "We are just dependent on a few tour operators in overseas countries who are promoting India. Our advertisements should target the consumer through the local media in the respective countries."