

HVS Monday Musings: Caravan Tourism – Discovering the Roads Less Travelled

March 13, 2022 / By Mandeep S Lamba , Dipti Mohan



Caravan or travel trailer tourism has long been a popular niche segment within experiential tourism around the world, but its appeal has surged in the post-pandemic era. Vacations at motorable destinations and caravan tourism have grown in popularity since restrictions were eased and people began to travel again as it offers people affordability, flexibility, and freedom, as well as safety, privacy, and the possibility to completely isolate oneself, all of which have become important considerations for travelers in the COVID-world.

Caravan tourism is already well-established in countries like the US, Australia, New Zealand, and parts of North America and Europe and has been one of the quickest to recover after the pandemic. Caravan holidays, for instance, contribute GBP 9.3 billion to the British economy every year, employing over 130,000 people. Meanwhile, a recent study shows that the leisure vehicle tourism market contributed around EUR 14 billion to the German economy over the last two years, with overnight stays increasing by 50% to over 10 million in 2020. Similarly, Australia's camping and caravan industry which employed 53,000 people and generated 12 million trips pre-COVID, has been bouncing back faster compared to other travel segments, with one in three Australians undertaking a caravan or camping trip in the first quarter of 2021.



The concept of caravan trips is relatively new in India and is still at a nascent stage. Although initially pitched as an inbound traveler-friendly activity, the concept of camping and backpacking to explore offbeat destinations is catching on with Indian travelers as well, thanks to the country's improving road infrastructure. As the culture of road trips, slow travel, and experiential travel gain traction, demand for caravan tourism is also expected to pick up pace in India. Caravan tourism can become a viable option at remote tourism destinations that lack quality accommodation, or in places where hotel construction is not feasible.

Lack of camping sites, infrastructure, and basic amenities, absence of standard rules and compliances across states, non-uniform designs, and lack of homogenous price points are some of the challenges that have hampered the acceptance of this segment previously. The Ministry of Tourism has introduced a 'Caravan Tourism' policy to help address some of these concerns. Moreover, in the last two years, tourism boards of some states such as Karnataka, Maharashtra, and Kerala have also introduced policies and initiatives to promote sustainable caravan tourism in their respective states, having realized the potential of this niche segment, especially in

Summary

Caravan tourism, a well-established niche segment of experiential tourism globally, is still at a nascent stage in India. Collaborative efforts by government agencies and industry stakeholders can help this segment become a success.

[Comments](#)

FILED UNDER CATEGORIES

Travel & Tourism

COVID-19

India

United States

Australia

New Zealand

Germany

United Kingdom

North America

Europe

making unexplored locations into attractive tourist destinations. Some of the incentives on offer include the construction of caravan parks to park tourism campers and motor homes under public-private partnerships, the waiver of electricity charges and stamp duties, and GST refund for tour operators, etc. While these policies and initiatives are a step in the right direction, government agencies and industry stakeholders should collaborate to evaluate some of the global best practices while executing the next steps to make caravan tourism successful in the country.

*Additional Contributor to this article: **Kavya Jain**, Intern at HVS ANAROCK*

About **Mandeep S Lamba**



Mandeep S. Lamba, President – South Asia, oversees the HVS global hospitality practice for South Asia. He has spent over 30 years in the hospitality industry of which the last 19 have been in CEO positions. Having worked with leading International and domestic Hotel Companies such as IHG, Radisson & ITC Hotels, he also set up joint venture companies with Dawnay Day Group UK and Onyx Hospitality, Thailand to own and operate hotels in India giving him a broader exposure to the hospitality business.

An established industry leader, Mandeep has won several awards and recognitions in India and abroad for his accomplishments and contribution to the hospitality industry. He is a Certified Hospitality Administrator from the American Hotels Association (CHA), a member of the Royal Institute of Chartered Surveyors, UK (MRICS) and a member of the Tourism Council of CII (Northern India). His views are often solicited for television and print media as a spokesperson for the hospitality & tourism sector.

Prior to joining HVS in 2018, Mandeep was the Managing Director, Hotels & Hospitality Group for JLL.

Contact Mandeep at +91 981 1306 161 or [\[email protected\]](#)

About **Dipti Mohan**



Dipti Mohan, Vice President - Research with HVS South Asia, is a seasoned knowledge professional with extensive experience in research-based content creation. She has authored several 'point of view' documents such as thought leadership reports, expert opinion articles, white papers, and research reports across industries including hospitality, real estate, infrastructure, cement, and construction. Contact Dipti at [\[email protected\]](#).