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MARKET REPORT

HVS Monday Musings: Is it Time to Cautiously Resume Inbound Tourism in India?

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Most countries have reopened their borders to fully vaccinated international tourists. This article highlights some best practices followed by tourism-dependent destinations such as Maldives, Dubai, and Croatia, which are now hailed as leading examples of destinations getting their inbound tourism back on track post-COVID.

India has prolonged the suspension of scheduled international commercial passenger flights till the end of October 2021 due to the ongoing pandemic. Only flights under bilateral air bubbles, special flights, and cargo flights are permitted to operate. However, the central government is planning to welcome international travelers back to the country soon, albeit with several strict guidelines and protocols in place as the prospect of a third wave still looms large. The Indian government also recently announced its plans to provide free visas to the first 500,000 tourists once scheduled international commercial travel resumes in the country.

Several other countries, meanwhile, have reopened their borders to fully vaccinated international tourists. In this article, we have highlighted some best practices followed by tourism-dependent destinations such as Maldives, Dubai, and Croatia, which are now hailed as leading examples of destinations getting their inbound tourism on track post-COVID.



To revive inbound travel, these countries have focused on vaccinating most of their population, especially tourism employees. Both the UAE and Maldives, for instance, have high vaccination rates, with over 84% and 63% of their respective populations fully vaccinated as of September 27, 2021. In the meanwhile, Croatia, where nearly 42% of the population is fully vaccinated, has emphasized COVID vaccination for tourism employees to jumpstart the industry and protect the workforce.

Besides the high vaccination rate, Dubai has earned a reputation as a 'safe' travel destination thanks to effective testing, relaxed quarantine rules reserved only for people who tested positive or came into contact with COVID patients, effective government-private sector cooperation, and a zero-tolerance policy for non-compliance of COVID-related safety guidelines. As a result, Dubai tourism has recovered significantly since reopening in July 2020, attracting 3.7 million leisure and business visitors between July 2020 and May 2021 period. The city is currently preparing to host the Dubai Expo, which is expected to draw 25 million visitors over six months.



The Maldives, as one of the first few countries to reopen inbound tourism in 2020, benefitted from a first-mover advantage and made full use of its geographical advantages to attract international travelers. The country's distinctive 'one island, one resort' concept, in which most resorts are built on their private islands made isolation and social distancing for guests much simpler. Moreover, fairly relaxed quarantine norms compared to other parts of the world and long-stay resort packages helped entice guests. The Maldives is also the first country to introduce a loyalty program, through which travelers can earn points based on the length of their stay and number of trips to the country, which can be redeemed later.

Meanwhile, Croatia pursued a regional strategy by opening its borders to travelers from the European Union first, since they followed similar COVID-related protocols. The country also became the first in the world to impose a maximum validity period for the COVID-19 vaccination passport. Travelers need to present a negative COVID-19 PCR or rapid antigen test if more than 210 days have passed since they took the second dose of any approved vaccine.

The central government in collaboration with state governments and other key industry stakeholders can evaluate some of these best practices while charting out the steps to revive inbound tourism in the country. For instance, India could first resume commercial passenger flights to the nations with which it has air bubble agreements. Moreover, a uniform

national travel guideline should also be implemented to ease travel within the country. While domestic tourists are helping rebuild the Indian tourism industry, resuming inbound tourism in a phased manner is crucial for a faster recovery.