

# GLOBAL HOTEL GROUPS INVEST IN INDIA



India attracts growing number of tourists. In fact the number of foreign tourist arrivals rose to 4.43 million last year. In 2005 it was 3.92 million. The country is no more considered a low-budget destination suitable just for adventure-seeking, backpacking visitors.

Lincoln Harris, tour coordinator with India Unbound claims that round 80 per cent of travellers on the company's tours are 50-to-65 years of age. These tourists have already seen Europe, the USA. India has lots to offer to them. "They are enthusiastic, energetic, and best of all, genuinely interested in the full range of activities that India has to offer the visitor," Mr. Harris said. This development did not stay unnoticed by big tourism industry players. In fact, a number of global hotel chains plans to build their facilities in India. Among those chains are such known companies as the Hilton, Accor, Marriott International, Berggruen Hotels, Cabana Hotels, Premier Travel Inn (PTI) and InterContinental Hotels group. It has been announced that the global chains will set up over 350 five-star, four-star and budget hotels and 50 villas. This development should create approximately 65,000 additional hotel rooms. The biggest investor is the Hilton which entered into a joint venture with real estate major DLF Group last year to build 25,000 hotel rooms over the next five years. DLF will build a chain of hotels, including some 10-12 luxury resorts and 100 business hotels with an average capacity of 100-250 rooms. Another investor, Accor, introduced the Formule 1 budget hotels in the country and build 50 hotels with 5,000 rooms over five years.

Interesting fact is that more than half of foreign visitors to India are business travellers. Foreigners are nevertheless not the only engine of the tourism industry. There are approximately 300 million domestic travellers each year and this number is expected to grow by 10-15 per cent every year.

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