

A woman with long dark hair, wearing a vibrant pink and teal sari with floral patterns, is smiling and looking towards the camera. She is adorned with traditional Indian jewelry, including a bindi, a nose ring, large ornate earrings, and multiple bangles. She stands in front of a highly detailed, light-colored stone building with arched doorways and intricate carvings. The scene is brightly lit, suggesting a sunny day.

The Future of Travel

Impulse and affluence: Understanding spend trends among India's young globetrotters

FINN
PARTNERS

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Executive Summary

This comprehensive report dives into the mindsets and spending habits of an emerging generation of young Indian travelers (under 35 years) as they explore the world through international travel. This cohort is not merely participating in the travel market; they are actively reshaping it with their distinctive preferences and proactive spending behaviors.

Young Indian travelers are not just dreaming about their once-in-a-lifetime trips; a significant number of them (42%) are willing to spend more to make them happen today rather than "someday". They are decisive and opportunistic in their travel choices and are particularly drawn to dynamic environments like the United Arab Emirates and the United States. When visiting destinations with diverse activities, they don't need to be persuaded to spend.

Despite being cost-conscious, young Indian travelers prioritize comfort and convenience, showing willingness to spend on services that minimize friction, such as expedited airport transfers or room service. They also prioritize memorable experiences and believe that sustainability should be a standard offering, not an optional premium.

Health and wellness are lesser priorities during travel, especially in destinations not perceived as wellness hubs – perhaps because they have such extensive wellness offerings at home. But even when they're not traveling specifically for health and wellness, young Indians will pay more for attractions that are positioned as offering mental and physical rejuvenation. They value authentic experiences and use influencers and celebrities to gain inspiration.

For these travelers, international travel is an integral part of their financial planning, with 95% prioritizing it alongside – or even above – other financial commitments. This indicates that travel is not merely a discretionary spend but a fundamental aspect of their budgeting and planning.

Destination Insights

In the Middle East and North Africa (MENA) region, the UAE stands out as one of the key destinations for young Indian travelers, alongside Saudi Arabia, favored for its vibrant environments and diverse offerings that naturally encourage increased spending. Here, our research shows that about 25% of their travel budget goes to accommodation, with 40% allocated to dining and shopping, which surpasses spending on cultural activities. Moreover, younger Indians are likelier to splurge on luxury experiences and adventure sports compared to older Indians. What triggers young Indians to spend? Unique and exclusive experiences (63%), luxury and indulgence (61%), and technology-driven experiences, such as VR historical tours (51%).

In the Americas, established travel spots like the United States and Canada continue to be popular, with the potential to boost spending through targeted experiences that resonate with this demographic. Meanwhile, Caribbean countries have a significant opportunity to attract this traveler segment by emphasizing unique local experiences and cultural immersions that can differentiate them from other destinations.

While travel intent is paramount to understanding the future trends and behaviors of young Indians, actual spending behaviors can better indicate priorities for a demographic that is highly receptive to international travel. The findings from this report give hotels, airlines, and tourism boards opportunities to build a lasting relationship with a nascent, yet rapidly growing travel cohort.



Indian travelers taking journeys leading to once-in-a-lifetime experiences

Shivani Gupta – Managing Partner, India

The aftermath of the pandemic brought about profound shifts in the way we live, work, and travel. Among the myriad changes, one trend that stands out is the surge of young Indian travelers (18-35 years) to international destinations. These travelers seek to explore once-in-a-lifetime experiences – from indulging in luxury to discovering varied cultures and landscapes – that have emerged as attractive options for them.

This emerging landscape of Indian travel, led by aspirational and adventurous individuals, is redefining travel itself. What is fueling this surge? Foremost among the reasons driving this trend is the quest for transcendent experiences. Indian travelers are a vibrant tapestry of diversity; their destination preferences vary across regions and are influenced by numerous factors. Moreover, social media and Bollywood influence play pivotal roles in shaping Indian tourists' decisions, allowing travelers to access a plethora of information, from destination reviews to travel tips, along with user-generated content that offers authentic insights.

Our latest report, *The Future of Travel*, seeks to dive deeper into these trends by offering an unprecedented, granular examination of the spending behaviors of the next generation of Indian travelers. This renewed mindset underscores a desire for enrichment, cultural immersion, and prioritization of unforgettable moments over budget constraints. Future trends also suggest a fusion of adventure, sustainability, and digital integration from solo trips or group adventures. These findings remind us that the true beauty of travel lies not just in the destinations, but in the moments we share and the unique experiences we garner along the way.





The future of Indian travel powered by the younger generation

Debbie Flynn – Managing Partner, Global Travel
Practice Leader

As the pandemic began to recede, Indian travelers entered a new era of exploration—one characterized by a hunger for luxury, adventure, and innovation. Nowhere is this paradigm shift more evident than in the surge of Indian tourists to the United States and Canada. What sets this wave of Indian tourism apart is not just the sheer numbers, but the unique blend of aspirations and priorities that shape their journeys. These travelers are rewriting the script of what it means to experience North America.

This report uncovers not just where and what young Indians are spending on, but also the nuances of the financial aspects of their journeys. It dives deep into the strategies that countries can deploy to attract Indian travelers, the anticipated surge in their numbers, and the underlying reasons driving this remarkable trend. And it presents a comprehensive analysis of the factors influencing Indian travelers' choices and behaviors.

Economic prosperity, coupled with a burgeoning middle class, has empowered a new generation of Indians with the means and the desire to explore the world. With increased disposable income and a penchant for experiential travel, Indian tourists are seeking immersive experiences. Moreover, changing demographics and evolving lifestyles have reshaped the preferences of Indian travelers, paving the way for new trends and patterns in international tourism. From culinary tours and wellness retreats to eco-friendly getaways and adventure sports, Indian travelers are open to explore and discover them all. This report will encourage global travel leaders across the entire spectrum to be confident in a substantial increase in the Indian traveler spend if they design and promote the authentic and cultural experiences this dynamic younger generation is seeking.



Introduction

The shift towards experiential and informed travel outlined in the forewords to this report prompted the need for a deeper understanding of the young Indian traveler's psyche and spending patterns – the genesis of *The Future of Travel* report. The report aims to equip stakeholders in the global travel industry—ranging from tourism boards and travel agencies to hospitality groups—with nuanced data to tailor their offerings to meet the sophisticated demands of this dynamic demographic.

Understanding these travelers' preferences and behaviors is crucial as they are set to redefine the contours of international tourism. They prioritize personalized experiences, value for money, and convenience, signaling a shift from the traditional price-sensitive traveler to one who is willing to invest in enriched, quality experiences.

The Future of Travel report provides a comprehensive examination of the evolving landscape of Indian travel, particularly focusing on the under-35 cohort. This research involved an online survey targeting a sample of 1,000 Indian travelers, comprising 700 individuals under the age of 35 and 300 individuals aged 35 and above for comparative analysis. The survey was designed to capture granular details on travel spending behaviors and financial decision-making.

To ensure robust and representative data, the survey incorporates a diverse sample based on gender and age, with specific quotas assigned to different age groups. The respondents were recruited based on their experience of international leisure travel, as well as their intent to travel internationally in the near future. The screening questions ensured that participants had traveled internationally for leisure in the past 12 months or intended to do so in the next 12 months, excluding those whose travel was solely for business. The survey also filtered participants based on their involvement in making travel and accommodation decisions and their role in paying for their trips.

The survey explores a range of topics, including preferences for luxury and branded accommodations, willingness to invest in premium air travel, and evolving payment methods. By examining these areas, the report provides invaluable insights into the travel priorities and expenditures of young Indian travelers, forecasting emerging trends and identifying opportunities for businesses in the travel, tourism and hospitality sectors.

The research was conducted by FINN Partners' Global Intelligence team, supported by FINN Partners' India office and global travel team.

Key findings on spend trends and motivations

KEY INSIGHTS INTO INDIAN TRAVELERS' MINDSETS

1) Adventure and opportunity drives the desire to travel

One of the most striking findings of the survey indicates that young Indian globetrotters have emerged as proactive and adventurous travelers. This shift in mindset and behavior is evident in their approach to travel planning, budget allocation, and destination preferences. Furthermore, young Indian travelers are increasingly drawn to destinations that offer a diverse range of activities and experiences. Whether it is the bustling metropolises of the UAE, the rich cultural

heritage of Saudi Arabia, or the endless possibilities of the United States, the availability of varied activities plays a pivotal role in influencing their travel decisions. Interestingly, the mere presence of diverse activities is often sufficient to persuade travelers to expand their travel budgets. Forty-two percent will pay more for once-in-a-lifetime experiences, and 37% will increase spending on activities recommended by travel experts.



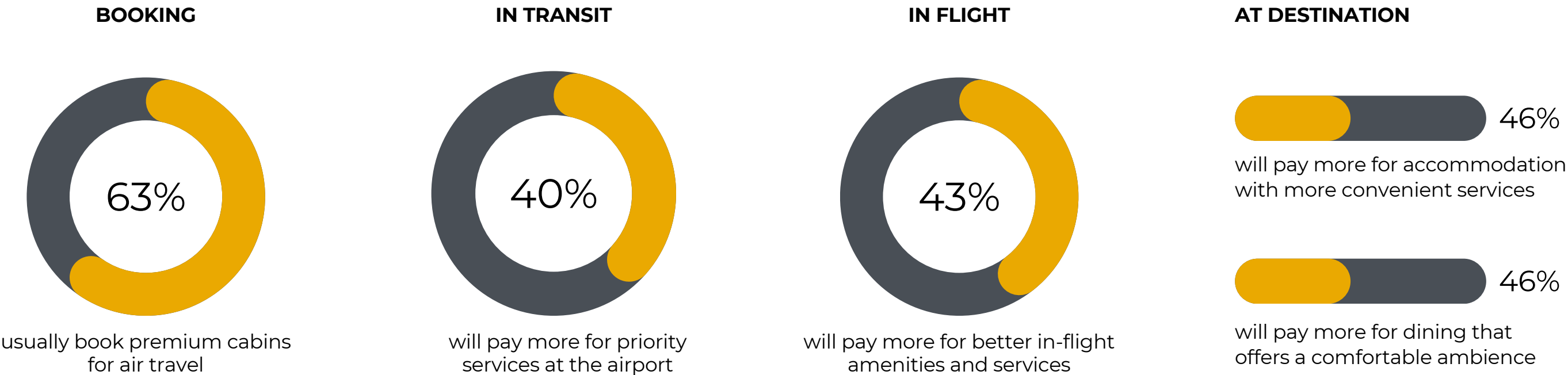
When traveling internationally, Indians value unforgettable experiences most and are willing to pay more for them

2) Prioritizing comfort and convenience

Comfort and convenience reign supreme for Indian travelers. Despite being cost-conscious, they value services that eliminate friction and inconvenience, such as waiting in line for boarding or navigating crowded airport terminals. As such, they are willing to invest in premium services that make travel easier, with 40% willing to pay more for expedited airline check-in and priority boarding, and 43% willing to pay to enhance their flights with Wi-Fi, better food and beverage options, and extra legroom. These findings, coupled with the fact that 63% of respondents typically fly premium economy, business or first class on international trips, indicate

that air travel is seen as part of the overall travel experience, not just a means to an end.

This mindset continues at the destination, with 46% of young Indian respondents willing to pay more for accommodation that offers convenient services, such as airport transfers or itinerary booking and planning support, and 38% willing to upgrade to increased comfort or luxury. Even when it comes to dining, 46% of respondents will pay more for restaurants that specifically offer a comfortable ambience or vibe.



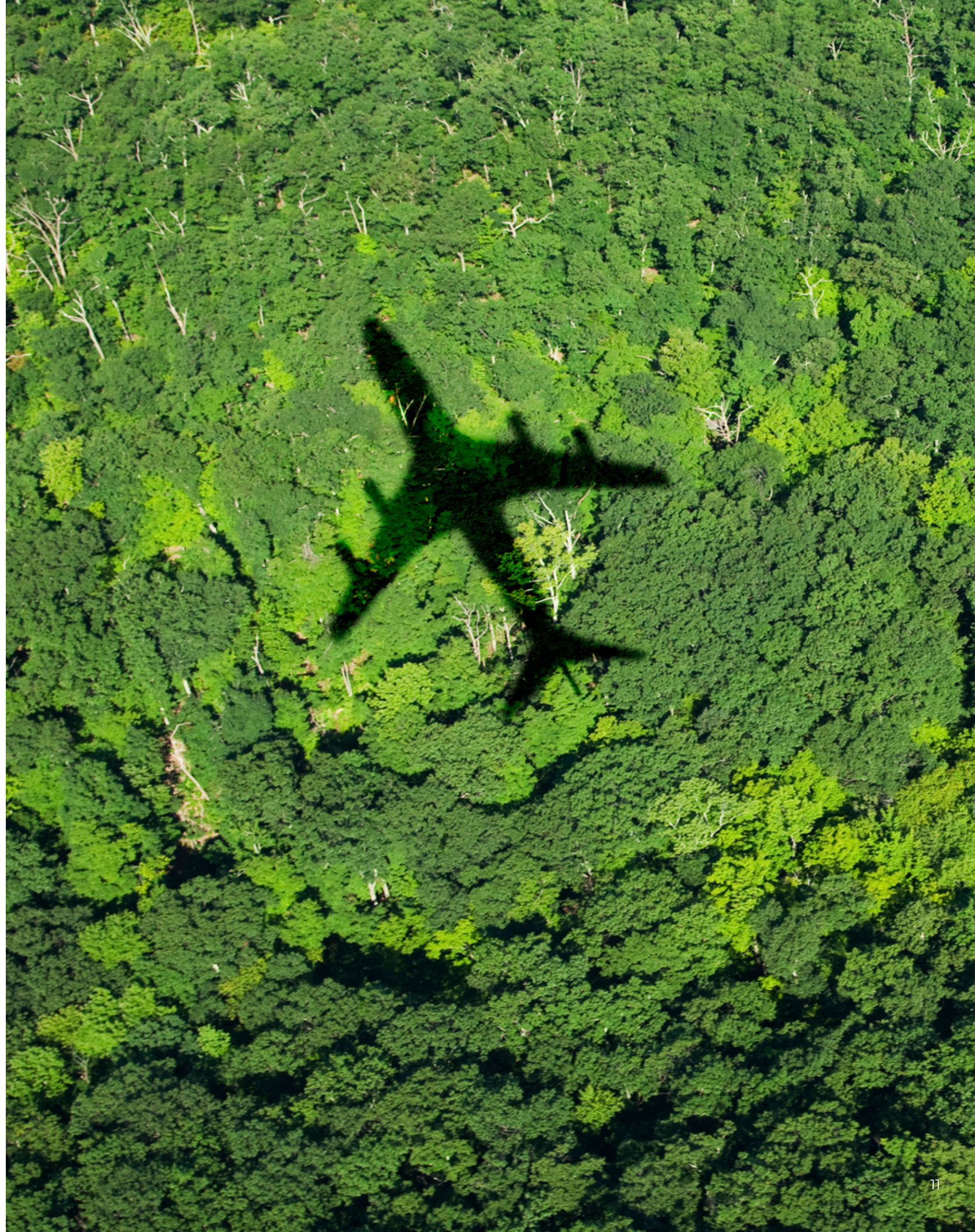
Indians value comfort along every step of their travel journey

3) Balancing sustainability and experiential travel

In an era where sustainability is increasingly at the forefront of global consciousness, Indian travelers are navigating a delicate balance between environmental responsibility and the pursuit of memorable experiences. Our findings suggest that sustainability is important to this demographic, but its role as a spend driver varies depending on the context, with sustainability mattering less when it comes to shopping (37%, rank 4th), dining (33%, rank 4th), and flying (24%, rank 7th).

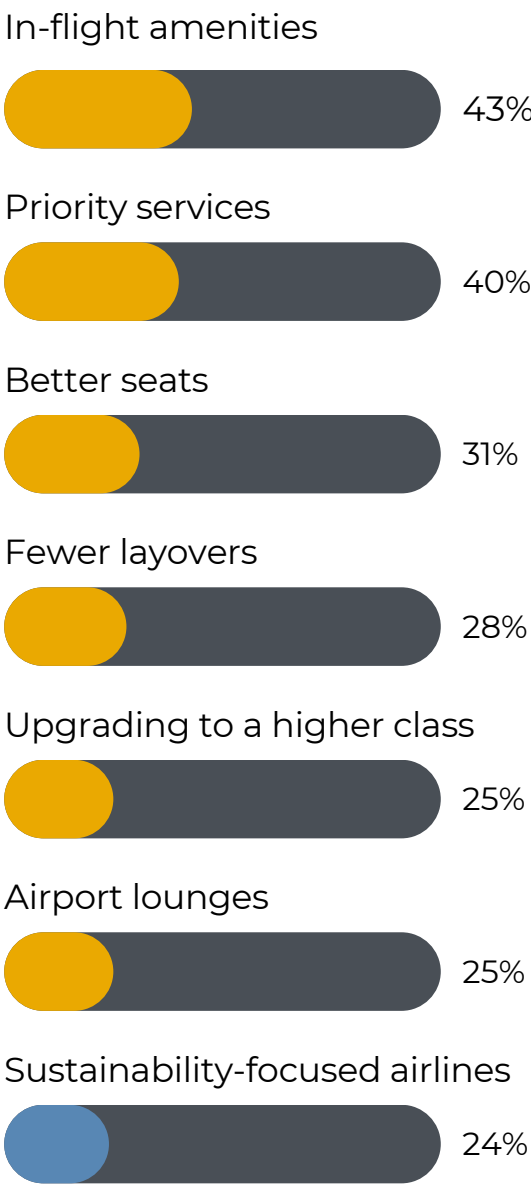
However, sustainability and eco-friendliness are more important as a spend driver when it complements or enhances the perceived value of their travel experience, as seen with health and wellness experiences (48%, rank 2nd).

This indicates that travelers express a preference for sustainability to be seamlessly integrated into their journey, rather than needing to pay more for it as a standalone feature. While young travelers care about sustainability, it is part of a broader set of criteria when deciding how to spend their travel budgets.

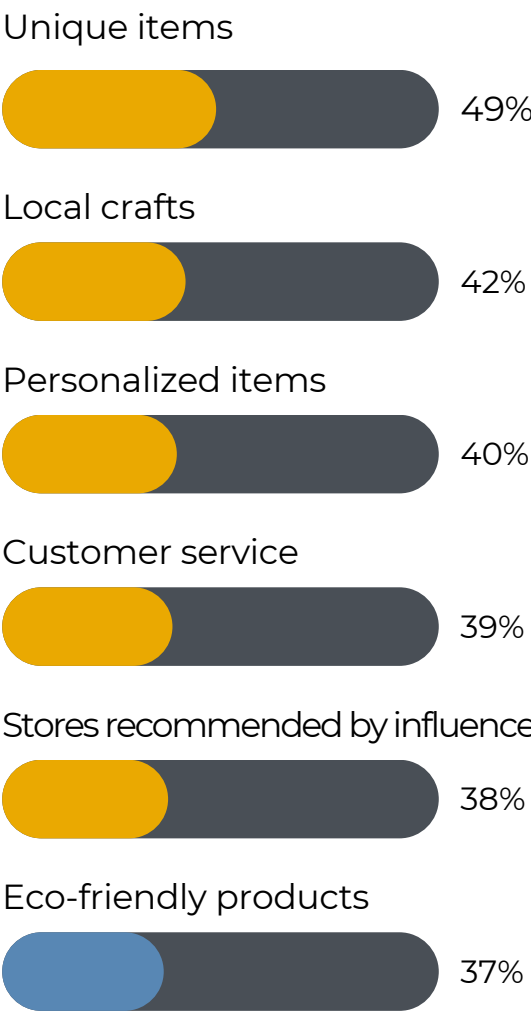


Sustainability only rises up the priority list for spending if it enhances the overall travel experience

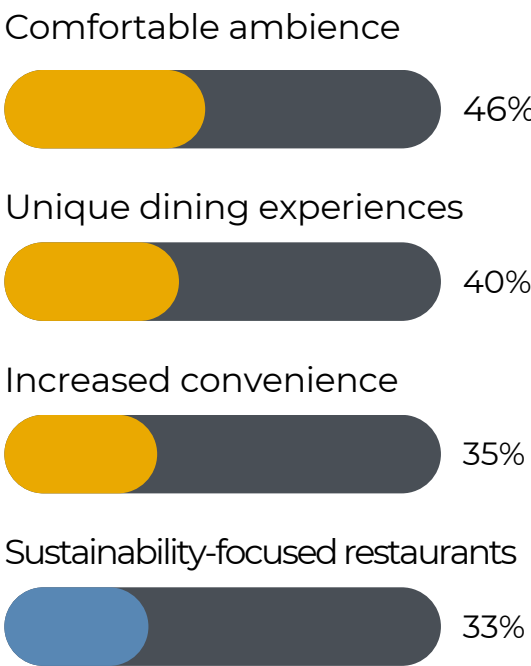
Flying



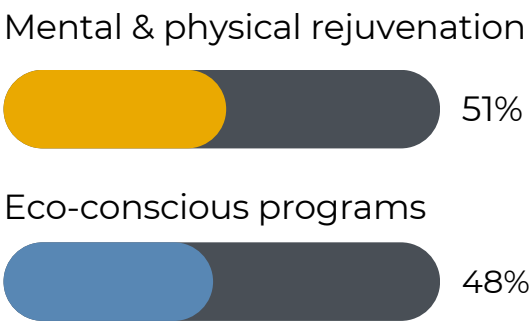
Shopping



Dining



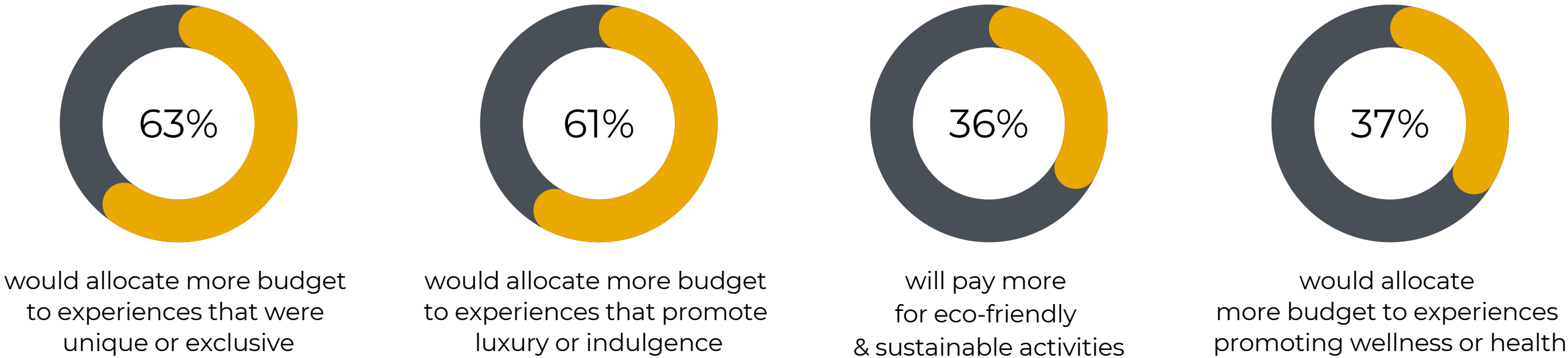
Health and wellness



4) Health and wellness are not a primary consideration

Immersive experiences takes precedence over health and wellness for the majority of young Indian travelers. While there are certainly some segments interested in health-focused travel, it remains a secondary consideration for the broader demographic. Furthermore, they are generally unwilling to pay a premium for health and wellness services, particularly in destinations where such offerings are not branded or recognized as wellness markets, such as Saudi Arabia or the UAE, where 63% of respondents would spend more on experiences that are unique or exclusive, compared to only 37% willing to spend on experiences that emphasize health and wellness.

While over half (51%) would be willing to pay more for mental and physical rejuvenation, a mere 23% show interest in elite health clubs, indicating a lower priority on high-end wellness facilities. However, 38% of respondents are willing to make quick travel decisions to escape from daily life and get a break from their routine, indicating that travel itself is a form of rejuvenation and self-care.



Immersive experiences and budget allocation for new experiences

5) Rise of impulsive travel

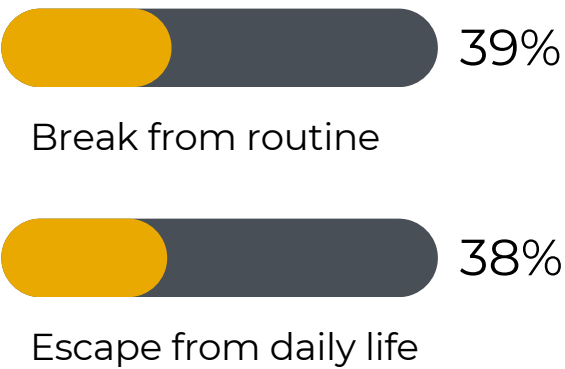
Impulsive travel has emerged as a predominant trend among young Indian travelers, with nearly 90% of respondents indicating that they have embarked on spontaneous journeys. Their decisions are largely driven by “pull factors” of unique destinations (59%) and adventure opportunities (55%), followed by “push factors” that include a break from their routine (39%) or escape from daily life (38%).

This trend suggests that young Indian travelers are embracing international “microadventures”—short trips abroad that offer a quick but intense break from daily routines—and that they are ready and eager to seize travel opportunities when the time is right.

Pull factors



Push factors

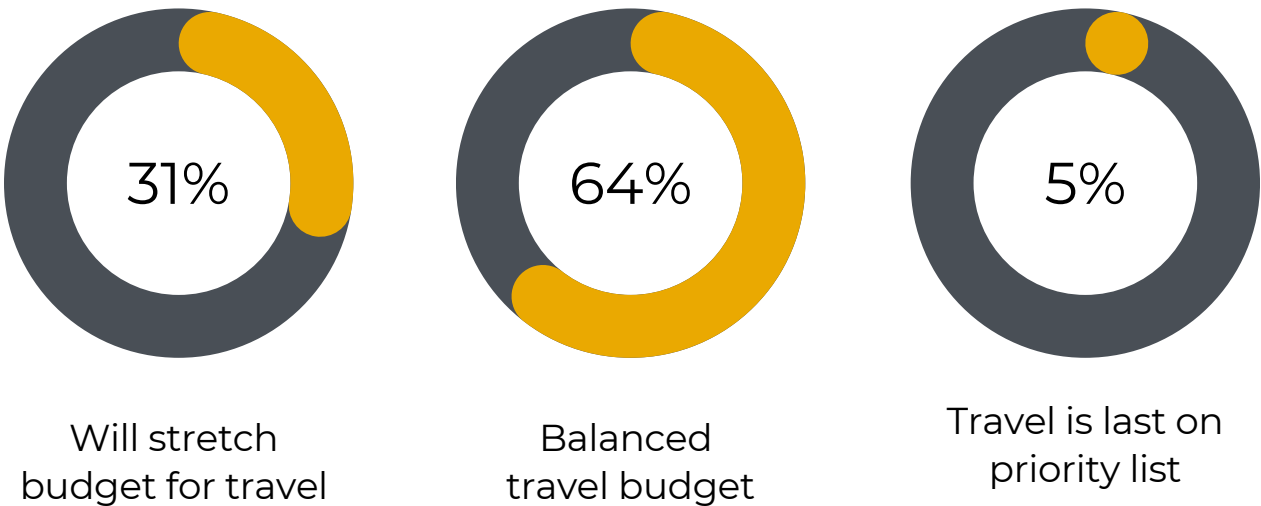


Impulsiveness factors for young Indian travelers

6) Travel is a non-negotiable budget item

Young Indians recognize the profound impact of travel on their overall well-being and quality of life: a staggering 95% of respondents indicated that their yearly finance planning include provisions for travel—a reflection of its non-negotiable status. Most young Indian travelers (65%) aim to manage their finances carefully by balancing travel with other financial responsibilities, indicating a market for value-for-money travel options that do not compromise on quality. Yet, 31% are willing to stretch their budget for travel, potentially making them receptive to upselling premium experiences or accommodations. Only 5% place travel last on their priority list.

In fact, should any part of travel (e.g. flights, accommodation, etc.) cost less than budgeted, 63% of respondents would prefer to spend the unexpected “excess” on something else instead of saving it, highlighting their desire to maximize each travel opportunity.



Travel spend priority trends for young Indian travelers

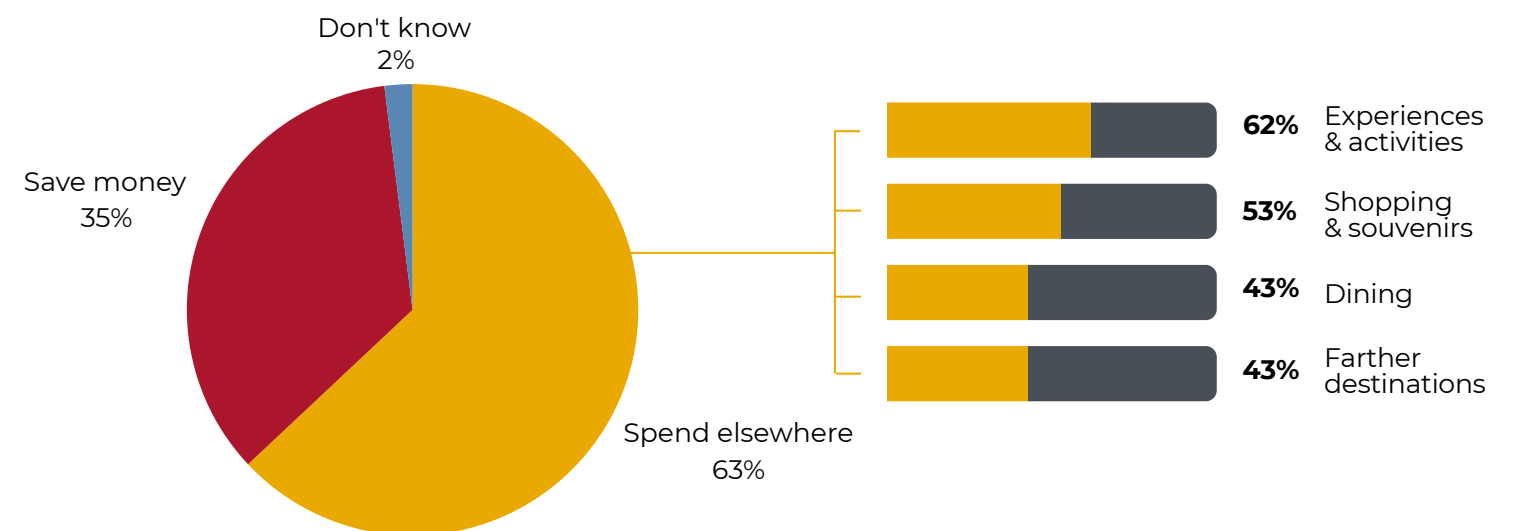
Future Spend Areas

NAVIGATING FUTURE SPENDING TRENDS

As young Indian travelers plan their future trips, there is a growing emphasis on experiences, activities, shopping and souvenirs. The survey dives into key aspects of future spending, from airlines to attractions, shedding light on strategies to upsell, influence decisions, and provide value-added experiences that resonate with this dynamic demographic.

Specifically, these young travelers show a pronounced preference for enhancing their travel experiences with 62% indicating that they would spend more on experiences and activities if travel costs were reduced, while 53% would allocate additional funds to shopping and souvenirs, underscoring the importance of tangible memories from their travels. Furthermore, 43% of respondents express interest in using potential savings from cheaper airfares to explore more distant or exotic destinations, indicating a penchant for adventure and exploration. This budget elasticity in spending habits among young Indian travelers indicates that they see travel as an encompassing experience that includes transport, dining, accommodations, activities, and shopping. They are driven more by a desire to enhance their travel experiences than by the goal of saving money.

A nuanced understanding of their evolving spending habits and preferences is essential for stakeholders in the travel industry. By aligning with these emerging trends, the industry can pave the way for a more sustainable, fulfilling, and enriching future of travel.



Travelers' priorities if air travel were cheaper

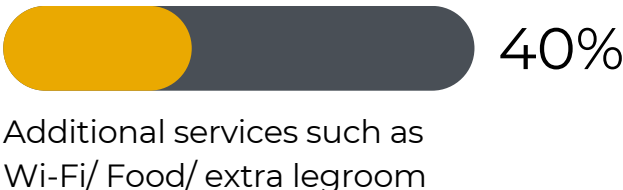
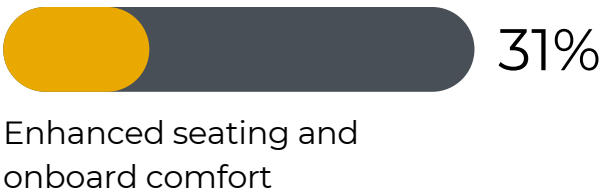


1) Airlines: Enhance comfort and experience

For today’s young Indian traveler, flights are not just a means of transportation but an integral part of the travel experience. While travelers may begrudgingly pay for additional baggage or seat upgrades, there is an opportunity for airlines to upsell value-added services that enhance comfort and the overall travel experience. According to our research, 40% of travelers under 35 opt for premium economy, appreciating the balanced blend of comfort and affordability. This preference shifts as travelers age, with those between 25-34 increasingly treating themselves to better classes of flight, indicating a trend where young adults begin to prioritize comfort as they grow older and presumably, as their disposable income increases.

This demographic shift presents a substantial opportunity for airlines to upsell value-added services that significantly improve passenger comfort and reduce travel friction. Indeed, 40% of respondents are willing to pay more for additional services such as Wi-Fi, upgraded food and beverage options, or extra legroom – minor costs for significantly improved experiences. Furthermore, 31% of travelers express a preference for enhanced seating and onboard comfort, underscoring the importance of physical comfort during flights.

Instead of aggressively pushing costly upgrades, airlines can more effectively attract this market segment by offering tiered enhancements that cater to the desire for a more enjoyable flight experience. Amenities like high-quality meals, reliable Wi-Fi access, comfortable seating options, amenity kits, rental iPads, and premium headphones could be positioned as essential components of the travel pleasure. Such strategies not only improve the perceived value of a flight but also align with the evolving expectations of younger travelers who view flights as an integral part of their travel narrative, not just a means to an end.



Airline spend drivers

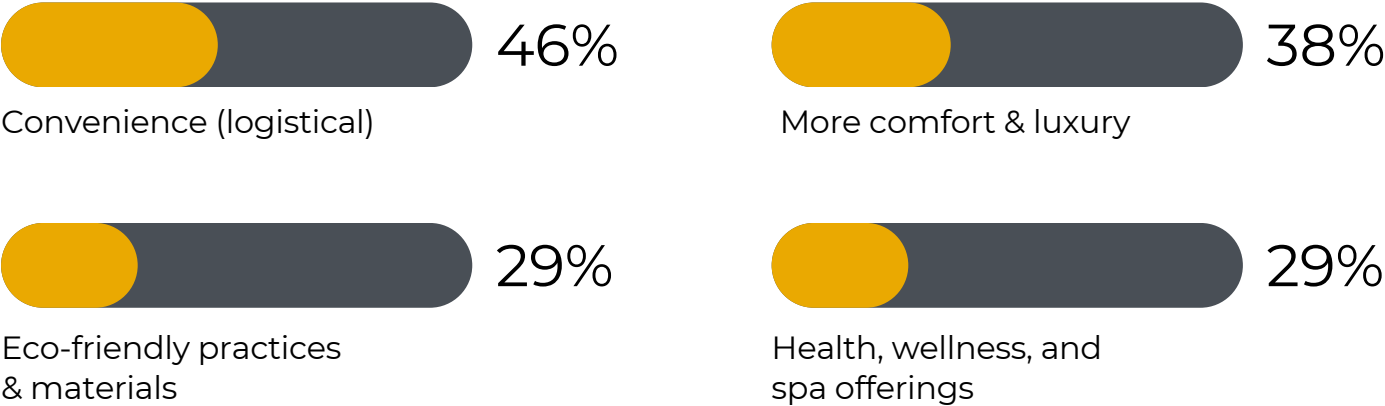
2) Hotels: Balance budget and experience

Accommodation remains a crucial element of travel planning, absorbing a significant portion of the budget, with 62% of young Indians allocating between a quarter to a half of their travel budget to lodging. This underscores the importance of where they choose to stay and the experiences associated with it. While outright luxury may not be the foremost priority, the focus leans heavily on convenience, local activities, and the integration of local cultural elements into their stay, reflecting a broader desire for authenticity and engagement with the destination.

Survey data indicates that 46% of respondents prioritize convenience in their accommodation choices, including room service, airport transfers, and planning assistance. Furthermore, 38% value more comfort and luxury, showing that while not the top priority, the quality of stay is still significant.

Interestingly, eco-friendly practices and materials are also a major consideration for 29% of travelers, and there is a stable interest across various demographics in health, wellness, and spa offerings, with another 29% of travelers looking for these features during their stay. While these amenities might not be the primary driver for choosing a hotel, they significantly contribute to the overall attractiveness of accommodations. Highlighting these attributes and showing that your property’s values align with guests’ (at no additional cost) can notably enhance a property’s appeal.

By strategically aligning with the values of young travelers and emphasizing the provision of authentic, immersive experiences, hotels can effectively differentiate themselves in a competitive market. This includes offering unique local experiences that can’t be found elsewhere, tapping into the cultural richness of the destination to enrich your guest’s stay further.



Accommodation spend drivers





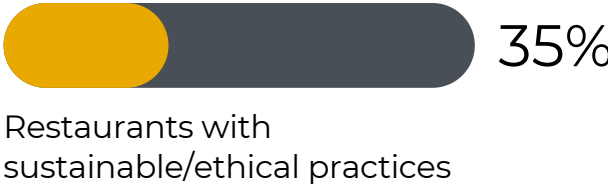
3) Dining: Provide diners with a space to create their own memories

In the realm of international travel, dining is not just about the quality and taste of the food; it is equally about the ambiance, the experience, and the opportunity to engage in the local culture. Our survey data shows that travelers under 35 prioritize dining environments that offer a comfortable ambiance or a great "vibe," with 44% of respondents willing to pay more for such experiences.

Unique dining experiences or locations are also highly valued, with 41% of younger travelers eager to dine in distinctive settings that promise an Instagrammable moment or a memorable encounter. This trend highlights the significant role of social media in shaping dining preferences, where the uniqueness and photogenic quality of a dining location can enhance its appeal.

Furthermore, the interest in sustainability within dining continues to grow, with 35% of respondents indicating a preference for restaurants that adhere to sustainable and ethical practices. This reflects a broader shift towards responsible consumption, where travelers are increasingly attentive to the environmental impact of their dining choices. Restaurants that incorporate local, organic ingredients, minimize waste, and promote sustainability not only cater to this ethical preference but also position themselves as forward-thinking leaders in the culinary world. Additionally, there is a notable demand for convenience in dining, such as room service or bundled dining packages, particularly appreciated by over 35% of travelers.

To truly stand out, restaurants and hotels must aim to create memorable dining experiences that cater to these evolving preferences. By focusing on creating an inviting atmosphere, offering unique and culturally rich dining options, committing to sustainable practices, and providing convenient service options, establishments can attract a broad spectrum of international travelers and establish themselves as essential destinations.



Dining spend drivers

4) Attractions: Be unforgettable

Attractions have a unique opportunity to position themselves as pivotal components of a travel itinerary, transforming a simple trip into an unforgettable journey. By emphasizing their unique offerings and presenting themselves as essential experiences, attractions can effectively resonate with the sense of adventure and spontaneity that characterizes young Indian travelers. This demographic places a high premium on experiences that are not just enjoyable but also enriching and distinctive, as indicated by the 42% who are willing to pay more for once-in-a-lifetime experiences and the 33% looking for deep cultural engagement activities.

Furthermore, the survey data reveals that young travelers are not only impulsive but also willing to significantly adjust their budget based on the availability of unique cultural, musical, or sporting events. Exactly half of respondents under 35 said they are likely to significantly increase their spending for trips centered around major events.

Recognizing the impulsive nature of travel among this demographic, attractions can effectively leverage pull factors such as unique experiences, local culture immersion, and the chance to participate in something truly extraordinary. These factors serve to activate the underlying push factors, tapping into their desire to escape the ordinary and seek new, enriching experiences. Attractions that manage to capture this essence can effectively appeal to young travelers, making their offerings seem indispensable to a fulfilling travel experience.





5) Shopping and retail: A way of telling a story

Shopping on holiday is evolving into an activity that extends beyond mere acquisition of goods to becoming a vital part of the travel experience that reflects personal tastes and cultural engagement. Young Indian travelers are increasingly drawn to unique or hard-to-find items, with 49% of respondents willing to pay more for such products. Additionally, 42% show a keen interest in buying local crafts and products as a means of cultural engagement, indicating a desire to immerse themselves in the local culture through their purchasing choices. This interest is closely followed by a demand for personalized shopping experiences, with 40% of respondents looking to take home something unique and personal.

Interestingly, while there is still some interest in shopping at places known for their customer service and ease of access (39%), traditional drivers such as status symbols and purchases influenced by celebrity endorsements are less compelling to this demographic, with only 32% and 38% respectively seeing value in these options. This shift highlights a broader movement towards more authentic and personally meaningful shopping experiences over those dictated by external prestige factors.

The data clearly suggests that while eco-friendly and sustainable products are valued, only 37% of respondents are willing to spend more on these, indicating that while sustainability is important, it is not the predominant factor driving shopping decisions among young Indian travelers. Instead, there is a robust inclination towards items that offer a connection to the destination's culture or provide a unique storytelling element.

6) Health and wellness: The need to focus on rejuvenation

While experience beats wellness for the majority of young Indian travelers, a significant proportion (51%) would be willing to be offered mental and physical rejuvenation. This underscores a growing trend where travel is not only seen as an escape but also as an investment into personal well-being.

Eco-conscious health and wellness programs are also highly valued, with 48% of respondents prepared to invest in health initiatives that are mindful of environmental impact. Similarly, wellness practices that integrate local traditions are appealing to 45% of travelers.

Interestingly, the survey reveals a discernible disinterest in elite health clubs and wellness trends driven by celebrity endorsements, with only 23% and 26% respectively showing interest. This suggests that young Indian travelers are seeking unique and authentic experiences over those perceived as prestigious or popular in mainstream media.





Regional Insights



Regional focus: Middle East and North Africa

Future-gazing at the increasing impact of Indian travelers on MENA tourism

Thomas Morris, Senior Partner, FINN Partners UAE

From the vantage point of FINN Partners' UAE headquarters in the bustling Yas Creative Hub on Yas Island, we can observe first-hand the significant impact that international tourists, particularly those from India, have on the regional tourism market. Indian travelers, with their substantial economic influence and desire for unique experiences, are undoubtedly key contributors to the tourism economy here.

At FINN Partners, we understand the opportunities that this vibrant demographic presents. Our strategic presence in the UAE equips us to offer specialized support to destinations, hotels, and other tourism stakeholders throughout the Middle East and North Africa (MENA). Leveraging in-depth insights into both the Middle Eastern and Indian travel markets, we are perfectly positioned to foster growth and deepen engagement through culturally nuanced and strategically informed approaches.

Indeed, as our research shows, Indian travelers are drawn en masse to the dynamic environments of the UAE and Saudi Arabia, where the diversity of entertainment and activities prompts them to spend freely. Despite their lust for excitement, it's also interesting to see that these travelers prioritize comfort and convenience, often opting for enhancements that elevate their travel experiences, such as expedited airport services and luxury accommodations. Sustainability also plays a role in their travel choices, albeit in an unconventional manner; they expect it to be offered as standard.

Our insights into the behaviors and preferences of Indian tourists underscore the need for strategic adjustments in how tourism services are packaged and marketed in the region. By aligning offerings more closely with the expectations of Indian travelers, businesses can tap into this lucrative market segment and enhance overall tourist engagement. This strategy not only meets the immediate needs of Indian tourists but also sets the stage for long-term relationships and repeat visits, ensuring that offerings resonate deeply and foster lasting connections.



Analysis

The MENA region continues to captivate young Indian travelers with its blend of modern luxury and rich history, yet many of its destinations still hold untapped potential for the travel industry. As evident from recent studies, young Indians are not only frequent visitors to established hubs like the UAE and Saudi Arabia but also show growing interest in places like Qatar, Egypt, and Morocco for their unique cultural and historical offerings.

In the UAE and Saudi Arabia, young Indian travelers currently spend close to a quarter of their budget on accommodation, with 40% on dining and shopping. What is interesting is that spend on shopping (20%) beats that on cultural and recreational activities (15%), such as museums and amusement parks. As destinations recognized predominantly for their resort, dining and shopping facilities, there is significant scope to expand appeal into other areas to drive even more returnees. Of the 55% and 42% that have already visited the UAE and Saudi Arabia before respectively, over 92% would be likely or very likely to return and increase spending if there were more opportunities available for adventure sports, ecotourism or technology-driven experiences such as VR historical tours or AR city guides. Moreover, while the UAE and Saudi Arabia are not traditionally seen as wellness destinations, 86% of young Indians would increase spending in wellness and health retreats indicate a potential market for developing such offerings.

For Qatar, Egypt, and Morocco, which are increasingly viewed as future destinations to travel to, there's a chance to deepen engagement: 23%, 27% and 32% are open to visiting each of these destinations respectively, with few showing no interest in visiting at all.

Conversely, Bahrain, Jordan, and Oman remain less recognized. Each holds the potential to redefine their tourism appeal by promoting their unique attributes, such as Jordan's historical sites and Oman's natural beauty, to young Indian travelers looking for new experiences.

Enhancing U.S. tourism: Welcoming Indian travelers with streamlined visa processes

Virginia Sheridan – Managing Partner, FINN Partners, New York

The United States is a long-favored destination for Indian travelers, with industry-wide expectations of significant market growth. Indian travelers spend more in the U.S. than other international travelers and number almost two million annual visitors, despite facing steep airfares and excessively long visa processing delays. Fortunately, the U.S. Embassy and Consulates have implemented initiatives to streamline the visa application process for Indian travelers, including the Interview Waiver Program and the Global Entry Program. These measures are creating a more welcoming and accessible impression of the U.S. on the Indian market, especially with the country's growing affluent and influential middle class and younger, intrepid Indians, both with the means and interest in exploring the U.S. landscape.

Indian visitors share common interests with other U.S. inbound visitors, such as iconic cities, attractions, shopping, and other leisure lifestyle pursuits, including a noticeably keen interest in live concerts and festivals. They are also receptive to visiting beyond major gateways for authentic and uniquely "U.S." cultural experiences. The potential for the Indian marketplace is recognized by the U.S. travel industry, with major U.S. DMOs such as Brand USA, New York, San Francisco, and Los Angeles expanding their marketing presence and investment in creating tourism sustainability in India for present and future generations of Indian visitors.

Analysis




Regional focus: Americas

While destinations like the United States and Canada have long been stalwarts on the travel itinerary of many, young Indian travelers under 35 are showing that there remains considerable untapped potential to elevate the appeal of these nations further. In the United States, for instance, a substantial 87% of young Indians have visited, and many are planning or are open to visit, revealing an opportunity for stakeholders to enhance spending through unique and curated experiences. This group's willingness to invest in premium offerings can be particularly seen in their interest in luxury and high-end lifestyle experiences, where 60% of respondents express their readiness to allocate more of their budget in this category. Elsewhere, a fascination with the United States' technological and innovation landscape and interest in the diverse cultural and historic aspects of the country would motivate 58% and 53% respectively to allocate more budget to experiences when traveling to the U.S. in the future.

In terms of spending, while visiting the U.S., young Indians distribute their budget fairly evenly across accommodation (23%), dining (20%), and shopping (20%), closely aligning with their global spending habits. However, they express a greater willingness to increase their expenditure on cultural and entertainment activities, suggesting that stakeholders should focus on enriching these areas to captivate this audience.

Caribbean islands like the Bahamas and Jamaica also present promising opportunities. Despite only 12% and 4% of young Indians respectively having visited, a significant percentage are planning or considering a visit, drawn by the potential for unique, culturally rich experiences that differ from the more familiar tourist paths. Conversely, destinations like the Dominican Republic and Trinidad & Tobago show lower interest and recognition among young Indian travelers. These destinations require targeted efforts to develop and brand their markets to enhance visibility.





By understanding and tapping into the evolving preferences of young Indian travelers, such as their attraction to luxury and unique experiences, stakeholders in the travel industry can strategically position the Americas—ranging from the bustling cities of the U.S. to the cultural richness of the Caribbean—to capture the hearts and wallets of this dynamic demographic. This strategy will not only enhance the visibility of these destinations but also ensure sustained interest and increased spending from one of the fastest-growing segments of global travelers.

Conclusion and strategic recommendations

Understanding the future trends and behaviors of young Indians hinges on grasping their desire to travel, but their actual spending habits and priorities reveal even more about their preferences. This report's insights offer hotels, airlines, and tourism boards the chance to forge enduring connections with this burgeoning demographic. We would suggest:

- **Build a relationship with this cohort now.** Even though this group's spending power is lower today, many travel habits are being formed now that will last for decades; besides, young Indians have shown that they're willing to spend more on what matters to them.
- **Capitalize on impulsiveness.** Offer and promote last-minute deals or limited-time offers to drive spontaneity and create a sense of urgency that taps into young Indians' comfort for impulsive travel decisions.
- **Make yourself unmissable.** Help young Indian travelers create their once-in-a-lifetime memories by highlighting your destination or attractions as must-visit and unique, tapping into their desire to seek out adventure.
- **Upsell with comfort and convenience.** Emphasize that value-adds increase convenience and comfort, making the overall travel journey more enjoyable.
- **Be sustainable by default.** Young Indians value sustainability, but they're not willing to pay more for it – make your brand or offering the default choice by highlighting how sustainability is already embedded.

Moreover, in the dynamic landscape of travel, catering to the preferences of Indian travelers requires a strategic approach that prioritizes diverse experiences, mobile accessibility, careful celebrity endorsements, cultural immersion, and the recognition of travel as a status symbol. To captivate their interest, travel providers should ensure that their website and social media platforms highlight a wide array of experiences, from cultural immersions to adventure activities. By showcasing the breadth and depth of offerings, travel providers can appeal to the diverse interests and preferences of Indian travelers.

In today's digital age, mobile accessibility is paramount. Travel providers should prioritize mobile-friendly platforms that make it easy for travelers to book add-on services and upgrades on the go. Additionally, leveraging last-minute social media targeting for upselling opportunities can capitalize on spontaneous decision-making and enhance the overall travel experience.

While celebrity endorsements can lend credibility and visibility to travel products, it's essential to carefully manage these associations to avoid giving the impression that the product is prohibitively expensive or inauthentic. Understanding these preferences and aspirations is crucial to enhance offerings and optimize engagement.

Acknowledgments

We extend our gratitude to everyone who contributed to the successful completion of this report. This project was made possible by the diligent efforts of a diverse group of individuals whose expertise, insights, and unwavering dedication have been invaluable. In particular we would like to thank:

Aman Gupta, Celia Jones, Daniel O'Donnell, Debbie Flynn, Divya Khurana, Drashti Borda, Jean-Michel Dumont, Joshua Wang, Kanika Gupta, Niraj Jani, Shivani Gupta, Sophie Morgan, Thomas Morris

Finally, a special thanks to our partners and stakeholders in the travel and tourism industry, whose ongoing support and collaboration make studies like this possible. Their perspectives and expertise continue to inspire and drive our work forward.

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