

TOURISM AND LUXURY SHOPPING

Will India be the leading nation
of the future?

White Paper on Indian tourism trends in Italy



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Introduction

India, with nearly a billion voters, **is the world's largest democracy** and by now a key geopolitical player. It has just held the most participatory elections in history, which saw the confirmation of Prime Minister Narendra Modi, BJP Party.

Among the countries with youngest professionals, its foreign policy is aimed at consolidating trade with foreign countries, while developing the country.

India is now the world's most populous country and one of the fastest growing economies.

In 76 years of democracy, India reached incredible achievements:

- 100x increase in GDP to USD 3.75 trillion.
- 600x increase in overall exports, with the highest ever export of USD 776 Bn reached in FY 2022-23.

During the pandemic, India experienced a V-shaped recovery and just registered a **growth rate in the GDP equal to 8.2% in FY 2023-24**. Moreover, the annual growth rate of the high-end Indian market will be in double digits from now to 2030.

India ranks first in the Global Innovation Index in Central & Southern Asia, hosting major R&D centers for global companies and

180 innovation centers belonging to Fortune 500 companies.

The country also has the world's third-largest startup ecosystem, with 111 unicorns valued at over USD 350 billion.

By 2047, India aims to become a USD 32 trillion economy, significantly increasing per capita income, industrial sector share, and maintaining a young workforce.

India has embarked on an ambitious journey to revolutionize its infrastructure landscape. This includes modernizing transportation networks, upgrading urban amenities, and expanding digital infrastructure. The government has launched several initiatives to improve highways, railways, airports, waterways, and ropeways. Key achievements in the last decade include a 500% increase in road transport budget, construction of the world's longest highway tunnel, and a network of 111 national waterways.

Italy and India share a robust mutual partnership, fostering economic collaboration, technological innovation, and cultural exchange, enhancing bilateral trade and investment opportunities between the two nations.

Over the past year, the two countries have strengthened their mutual partnership through various agreements and meetings, the latest one on the 15th of June, during the G7 in Puglia. Significant developments include the Memorandum of Understanding on Cooperation in the field of Industrial

Property Rights, approved in December 2023.

All the above favorable statistics reflect in an increase in the tourism flows. Indians are more and more interested in exploring the world outside their sub-continent. The Indian middle class is around the total European population, and they are eager to eat, drink and buy.

Looking at data from 2017 and 2023, it is possible to notice a shift in how Indian tourists are visiting Italy. Back in 2017, it was mostly business folks and families with kids, with both groups making up about half the visitors. Senior tourists and couples without kids were a smaller share, and it was hardly possible to spot any young traveler or individual tourists flying solo.

Fast forward to 2023, personal trips gained of importance, surpassing business travels in

size. Most Indians coming to Italy are on vacation, usually sightseeing in art cities, and spending more money overall.

Data collected along the research shows that Indian tourists are increasing in importance, so it is duty of Italian stakeholders to intercept their interests so that they can accommodate a large share of them.

This White Paper is aimed to:

- Uncover new travel flows from India to Italy and its growth;
- Delve into trends on the stay preferences of Indian tourists in Italy;
- Understand the new buying behaviour of the Indian tourist, its profile and its contribution in terms of spending;
- Understand the needs of the Indian shopper once in the boutique and how to approach this customer;
- Discover some cultural characteristics of the Indian tourist, useful for intercepting them and improving their customer experience.

Italy in the choices of Indian Tourists

In recent years, the Indian tourist market in Italy has gained increasing interest from both industry operators and market analysts. This phenomenon reflects the growing number of Indian tourists who choose Italy as their vacation destination, attracted by the country's rich history, culture, and natural beauty.

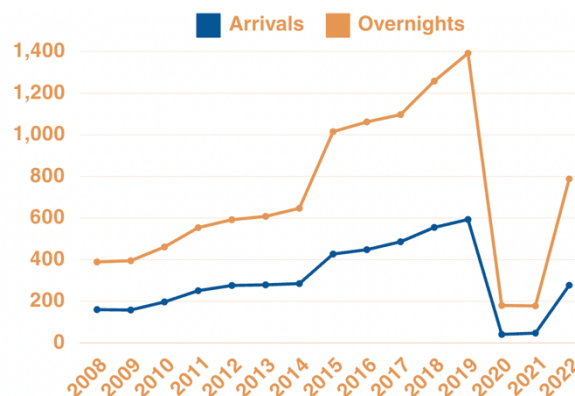
The analysis of the Indian tourist market in Italy highlights an expanding sector characterized by growing demand and sustained interest in Italian destinations. Over the past fifteen years, **the number of Indian tourists has increased significantly**, confirming India as an emerging market of great relevance to the Italian tourism sector.

Indian tourism as an emerging market

The long-term analysis conducted, which extends from 2008 to 2023, provides a detailed picture of the evolution of the Indian tourist market in Italy, confirming its status as an emerging market. This hypothesis is supported by official **Istat data showing significant growth in Indian tourist demand, slowed only by the impact of the Covid-19 pandemic.**

Long-term analysis: Arrivals and Overnight stays from Indian Tourists in Italian Accommodations.

Data collected from 2008 to 2022. Values expressed in absolute value (in thousands)



Source: Lybra Tech elaborations on Istat data

From 2008 to 2019, Indian tourist demand increased steadily, with a growth rate of +4.3% for arrivals and +12.0% for stays. This period was marked by a substantial increase in the number of tourist arrivals from India, rising from 160,000 per year to 593,000. However, the period of greatest growth was concentrated between 2015 and 2019, with an average annual variation of +16-18%. In 2019, although the Indian tourist market still represented a relatively low percentage of the total, its performance promised steady growth over time.

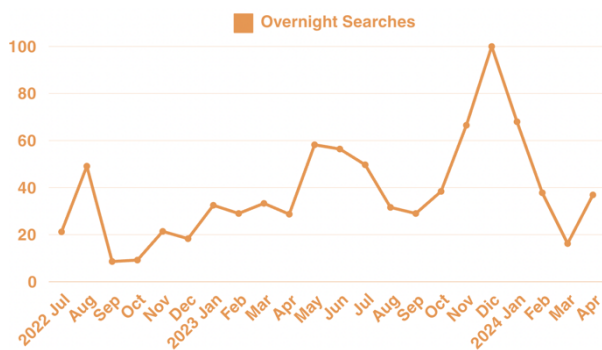
The arrival of the Covid-19 pandemic radically altered this trend. In 2020, the impact was devastating, with a 93.0% drop in the number of Indian tourists in Italy. Although the market struggled to recover in 2021, 2022 saw renewed interest from Indian tourists, with a demand recovery rate reaching 53.3% of pre-pandemic values, albeit data stops at 2022.

For a deeper understanding of recent trends, data from the Zucchetti Group's Travel Data Lake showed that in 2023, Indian tourist demand continued to show an upward trend, despite some fluctuations.

The average demand growth rate in 2023 was +22.3%. Notably, the summer of 2023 saw a significant increase in demand, with a peak in searches during the winter months, between December and January 2024.

Short-term analysis: Booking window: overnight searches made by Indian tourists for stays.

Searches made from 1/06/2022 to 20/05/2024 for stays from 1/07/2022 to 30/09/2024. Values expressed in Index number



Source: Lybra Tech elaborations on Travel Data Lake

A promising start for the year 2024

Real-time analysis requires careful data investigation and a thorough understanding of the surrounding context to accurately assess the recovery and growth of the Indian tourist market in Italy. While it is undeniable

that the Covid-19 pandemic significantly impacted Indian tourist demand, it is equally important to consider other factors that may influence the results.

War events in countries along the route between India and Italy, together with economic and bureaucratic challenges characterizing the Italian context, are just a few of the variables to consider. Italy, while being an attractive destination for Indian tourists, has faced challenges such as rising prices and complex entry procedures, which may have influenced Indians' travel decisions.

During the first months of 2024, Indian tourist demand declined compared to the peak reached in the winter of 2023, also taking into consideration the months during which Indians usually travels. Moreover, it is positive to note that despite this decrease, the results were better than the previous year. Overnight stay searches conducted between January and April 2024 increased by 29% compared to the same period the previous year.

In fact, it is necessary to explain that a similar figure was expected, considering that with the start of the new year, the climate in India becomes more favorable and several holidays are present. Therefore, tourists are more inclined to book their periods in Italy during the summer, when the climate in India is characterized by monsoon activity, leading to the rainy season and when schools are closed.

This trend indicates a positive response of Indian tourist demand to recent developments, despite the challenges and factors influencing the market. As mentioned above,

there is significant growth in overall demand volume, which has increased by about a third compared to the previous year.

Indian tourists choose art cities

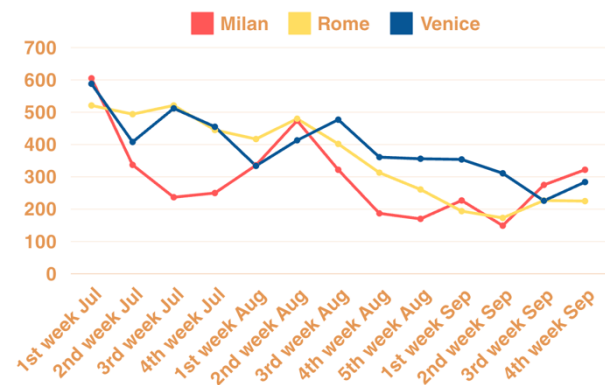
Identifying India as an emerging market outline some typical characteristics of those exploring a new country. In the case of emerging nationalities, one can usually expect small volumes and very high growth rates, but it is also important to consider the limited diversification in chosen destinations. In other words, tourists from emerging markets often visit the most famous and renowned destinations in the country, focusing on must-see cities or landmarks.

It is therefore not surprising to see that the most searched destinations by Indian tourists are precisely the most famous and iconic locations in Italy. Rome, Venice, Capri,

and a few others represent the minimum targets to claim to have visited Italy. Currently, Indian preferences are limited to these few well-known destinations.

However, this trend should not be viewed negatively. It is common for the range of visited destinations to gradually expand over the years as the emerging market evolves. An example of this process is represented by Americans, who only in recent years, partly due to the Covid-19 pandemic, have begun exploring previously less considered destinations, such as Salento or the Veneto art cities. Therefore, although Indian tourists currently concentrate on a few well-known destinations, it is possible to predict an expansion and diversification in the long term, as seen with other emerging markets.

Stay window: most tourists' selected check-in dates for stays in the city of Milan; Rome and Venice. Searches made from 1/01/2024 to 20/05/2024 for stays from 1/07/2024 to 30/09/2024. Values expressed in Index Number



Source: Lybra Tech elaboration on Travel Data Lake

Consumer choices show that the preferred periods to travel to Italy are spring and autumn, although there are peaks in demand towards the end of the year and in other specific periods. In 2024, stays in April and May were highly requested, and strong demand is already noted for the summer.

This is confirmed also by the trends in air traffic.

Regarding the summer months, trends show growing demand, but with differences depending on the destinations. Demand for art cities such as Rome, Milan, Venice, and Florence is concentrated in the first weeks of August, showing a significant peak in this period. Conversely, destinations like Capri, Lake Garda, and Chianti see strong interest in August and September, but most tourists seem to prefer traveling in July.

The characteristics of Indian tourists

Indian tourism is growing, and thanks to Big Data collected in real-time, the most popular travel periods have been identified, predicting the trend for the upcoming summer, and outlining the evolution of this market. It is equally important to analyze the characteristics of Indian tourists to delineate the profile of the average visitor wishing to explore Italy.

The main characteristic of Indian tourists is that their accommodation demand is predominantly made up of couples. This segment is the most represented in overnight stay searches, while families and especially groups are much less present. This trend is constant both in art cities and seaside destinations.

A positive aspect is that couples tend to stay longer than families and groups. Indian tourist couples typically stay between 3.6 and

4.3 days at a particular accommodation. This suggests that many of these trips include multi-destination itineraries, which may involve multiple stops, not necessarily all in Italy.

Another fundamental aspect to understand this market is the "Booking Window," which indicates the interval between trip planning and departure. This value is crucial to understanding tourists' booking processes and provides important indicators of market health. During the pandemic, the Booking Window had significantly reduced due to uncertainty and health risks. However, with the post-Covid recovery, a "relaxation" of demand has been observed, with tourists now planning their trips further in advance.

For Indian tourists, the Booking Window for summer 2024 is currently around 120-130 days. This means that an Indian tourist wishing to visit Italy plans the trip on average four months in advance. This data is in line with the characteristics of a long-haul emerging market, showing strong interest in discovering Italy in the post-pandemic period.

Despite the interruption caused by the Covid-19 pandemic, the recovery is undoubtedly promising

The data collected and analyzed show that, despite the interruption caused by the Covid-19 pandemic, the recovery is undoubtedly promising. The steady growth recorded between 2008 and 2019, followed by a

significant recovery in 2022 and 2023, indicates a dynamic market.

Forecasts for 2024 suggest a continued increase in demand, with Indian tourists planning their trips well in advance, reflecting greater confidence in current travel conditions.

The characteristics of Indian tourists, with a prevalence of couples preferring longer stays and multi-destination itineraries, provide important insights for tourism operators. The concentration of demand on iconic

destinations like Rome, Milan, Venice, and Capri, although limited, may extend over time to new locations, following the natural evolution of an emerging market.

Finally, the importance of the Booking Window as a market health indicator underscores the need for continuous monitoring and a flexible strategy to adapt to the needs and trends of Indian tourists. With careful data analysis and a deep understanding of this market's dynamics, Italy can continue to be an attractive destination for Indian travelers, contributing to the growth and diversification of the national tourism sector.

Flight habits of Indian tourists

Trends on air traffic from India to Italy confirms data seen since now. Post pandemic recovery is promising with a steady increase in Indian passengers to Italy. This is also confirmed by the rising interest of airlines companies planning to open more air routes to and from Italy.

2019 Number of direct flights		
Air India	Delhi-Rome	156
Air India	Delhi-Milan	208
ITA Airways	Delhi-Rome	364
Air Italy	Mumbai-Milan	20
Air Italy	Delhi-Milan	37
TOTAL		785

Source: Cirium through SEA

Direct flights trend

According to data collects on air traffic, the number of direct flights available in 2023 from India to Italian destinations dropped compared to pre-pandemic data (2019). This is because for months the borders between the two nations have been closed to prevent the virus from spreading and affecting more fragile nations, plus Indian tourism visas to Italy have been abruptly slowed down by this situation.

2023 Number of direct flights		
Air India	Delhi-Milan	188
ITA Airways	Delhi-Rome	235
Neos	Amritsar-Milan	98
TOTAL		521

Source: Cirium through SEA

The difference in the number of available flights should also be highlighted. To date, direct airport connections from India to Italy and vice versa take place daily through Air India and ITA Airways, while Neos flies the Milan-Amritsar route 2 times a week, including 1 combined with Rome.

It is notable that, with the Summer 24 operation, consisting of Air India 7/7 and Neos, Milan Malpensa Airport (MXP) will become the main gateway for Indian traffic into Italy.

Furthermore, according to some inside sources, some companies are planning to reinstate numerous routes for the years 2024 and 2025, which have yet to be announced officially.

This will result in an increase in direct flights in the near future that will hopefully reach pre-pandemic levels.

Indian overnight stays are above the Western average

Foreign tourists who land at Malpensa by direct and indirect flight spend an average of 4.9 nights in total, including 3.6 nights in their main destination. As ex, tourists from European nations close to Italy such as France, Germany, Spain and Britain stay less time in Italy than Indian tourists, who travel a more demanding journey to reach the Belpaese.

It may come as a surprise how Indian tourists also outnumber travelers from the United States, spending an average of 6 nights in Italy, including 4.5 in their main destination, compared to 4.8 for American tourists (including 3 in their main destination).

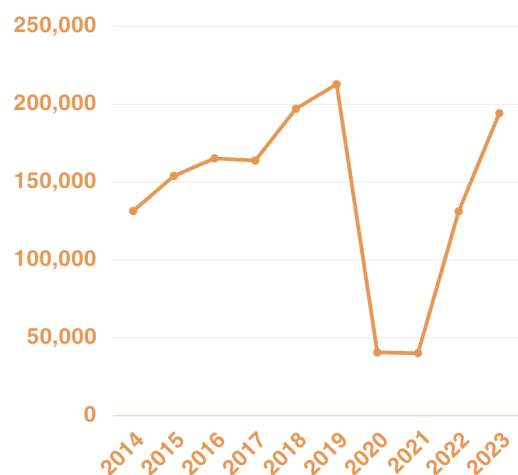
Foreigners arriving at Malpensa by direct flight have a longer stay than the combination of direct and indirect flights, that is, 5.6 nights in total and 4.1 nights in their main destination. According to data provided by Motion Analytica, 42% of tourists use either Malpensa or Linate airport and concurrently produce 46% of total nights. 28.2% of nights are spent in Milan, while 28.7% are spent in Rome. This figure indicates how it is easier for Indian tourists to land at airports near Milan and points to Milan itself or the capital as their preferred destinations.

A steady increase in Indian passengers to Italy

Over the past decade, the number of passengers from India has steadily increased from 2014 to 2019, reaching nearly 213 thousand visitors in 2019. The pandemic abruptly slowed down this growth, in fact only 40 thousand passengers were recorded in 2020 and 2021, when restrictions were maximum.

After 2021 passengers tripled the following year and in 2023 returned to 2018 levels, registering 194 thousand passengers. It is therefore to be hoped that the upward parabola will continue to numbers yet to be discovered.

Evolution of number of passengers from India last 10 years (Italy)

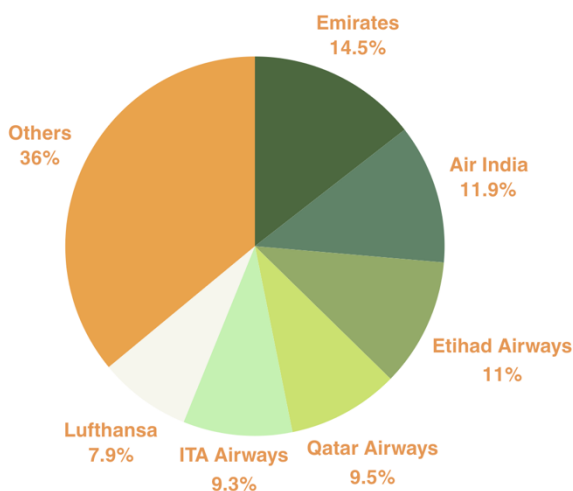


Source: Cirium through SEA

It is also of particular interest to understand which airlines Indian passengers come from, including airlines that operate stopover flights. In this case, data recorded between January and December 2023 will be

analyzed. As visible in the graph below, the airlines carrying the most Indian passengers landing on Italian soil are Emirates, Air India and Etihad Airways, with more than 20 thousand passengers each. Then below this threshold are additional major airlines such as Qatar Airways, ITA Airways and Lufthansa, which settle at 15-18 thousand. All other airlines in 2023 recorded a figure of less than 10 thousand Indian passengers landed in Italy.

Airline comparison (incoming Indian passengers, including airlines with stopovers)



Source: Cirium

Evolution of the segmentation of Indian tourists coming to Italy (2017-2023)

Thanks to data collected, it was conducted a study regarding the evolution of the segmentation of Indian tourists coming to Italy. In 2017, as many as 77% of tourists were businessmen or families with children, equally divided. Senior tourists (14%) and childless couples (5%) represented

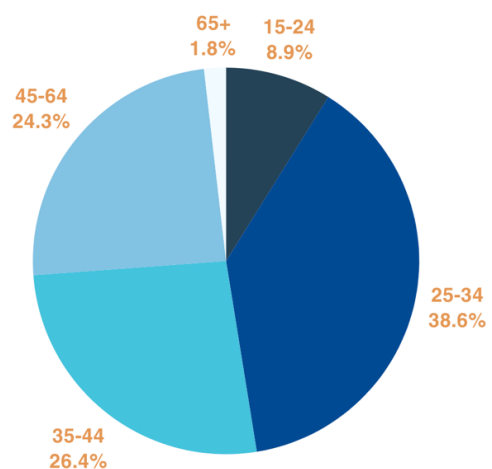
minorities within the total figure, while there were almost no arrivals of youth and students and unaccompanied individuals.

According to data recorded in 2023, Indians visit Italy mainly for personal rather than business reasons.

The share of total travelers is 75.6% (compared to 24.4% for work), with 62.5% for nights and 68.6% for spending. Vacation involves 37.1% of visitors from India traveling to Italy in 2023 and is mainly cultural as 90.5% of tourists visit art cities. Among other personal reasons, 23.7% of travelers come to Italy for transit purposes, 7.6% to visit family and relatives, and 4.1% to study and take courses.

Overall, the 25-34 age group is to date the most interested in traveling to Italy, in fact accounting for 38.6% of the total number of travelers in 2023. Next are the 35-44 and 45-64 age groups with a respective share of 26.4% and 24.3%.

Travelers in thousands by age group - % share of total 2023



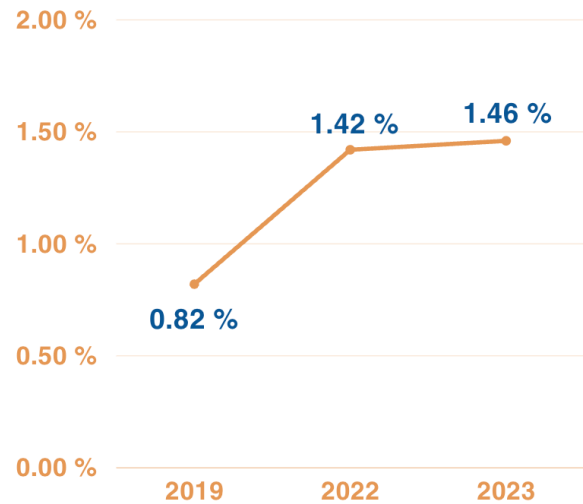
Source: Enit through SEA

Indian tourists' Tax Free shopping in Italy

After the analysis of major data over the Indian tourist, its vacation choices, preference and flying habits, it is interesting to dig even more on the profile of the Indian tourist in Italy by analyzing his spending on Tax Free shopping, a fundamental component of the journey experience.

Currently, India still represents a niche market for Tax Free shopping, **contributing only 1.46% to the total spending** (2023 data). However, this represents a peak within a continuously growing trend: Indian shoppers accounted for 0.82% in 2019 and 1.42% in 2022. With over 1.4 billion inhabitants, India is now the world's most populous country and one of the fastest-growing economies, with a GDP increase of 8.2% in FY 2023/2024 according to the Indian Central Statistics Office. Moreover, according to a Barclays study, the annual growth rate of the high-end Indian market will be in double digits from now to 2030, with luxury spending expected to triple. For these reasons, the Indian shopper shows extraordinary potential, which will be crucial for the future development of shopping tourism and the luxury sector in Italy: a success frontier to be closely monitored in the coming years.

Evolution of India's contribution to total TFS (% SIS)



Source: Global Blue

2023, a new record year for Tax Free Shopping. India is growing strongly among emerging nationalities.

Data show that 2023 marks a turning point for Tax Free shopping, exceeding pre-pandemic levels and setting new records.

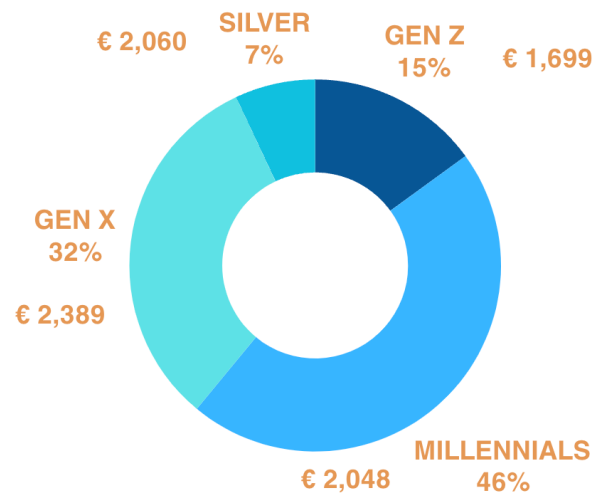
The recovery of Tax Free spending in Italy reached 119% compared to 2019, better than the 117% recorded globally. The average spending increased to 981 euros (+19%). The growth was driven by USA and GCC shoppers, respectively with 25% and 10% of contribution to total spending and recovery reached peaks over 240% compared to 2019. In this context, nearly a third of Tax Free spending was carried out by "Other" nationalities: emerging nationalities that individually have a limited contribution to total spending, but collectively have a significant weight on total volumes. Among

these nationalities, the Top 10 definitely includes Indians, who accounted for 0.95% of **Tax Free spending in Italy in Q1 2024, with a 223% recovery rate compared to the same period in 2019**, when they counted for only 0.51% of volumes. This figure continues to grow: the rate was 213% in 2023 and 137% in 2022. It's not stopping, considering the results of Milan Design Week 2024, where Indian shoppers accounted for 2% of total volumes with an average spending of 889 euros (+5% compared to the previous edition).

Indian Shoppers: predominantly young, but Over 45 y.o. spend more

The data collected allow for an accurate profile of Indian shoppers. In 2023, **64% were up to 44 years old**, with Millennials representing the largest segment (46%). The most interesting aspect, however, is the progressive increase in Gen Z contribution to total spend, which from 8% in 2019 rose to 18% last year, reaching 24% in the Q1 2024. Nonetheless, in terms of spending contribution, Gen Z and Millennials just represented 60% of total volumes. Unsurprisingly, **the over 45s registered the highest average spending per shopper: 2,389 euros for 45-59 y.o. shoppers and 2,060 euros for over 60 (2023 data).**

Shopper age profile contribution and average spend per shopper (2023)



Source: Global Blue

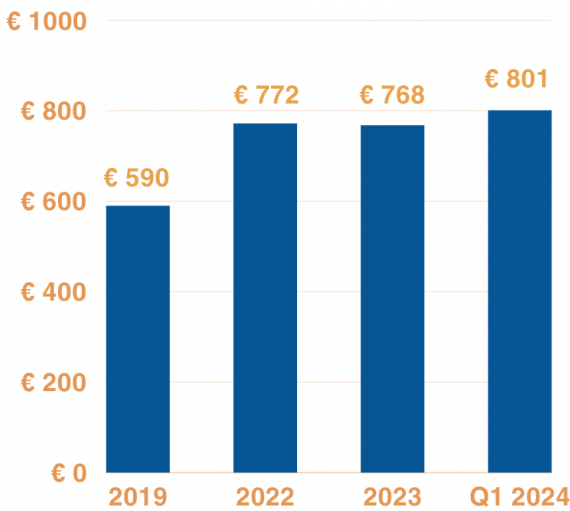
A gradually increasing in average receipt

After the end of the Covid-19 emergency, shopping by Indians in Italy has significantly increased.

The average receipt was 590 euros in 2019, a figure that progressively rose to around 770 euros in both 2022 and 2023, reaching 801 euros in the Q1 2024 (+27% compared to Q1 2019) and 889 euros during Milan Desing Week.

Although these values are lower than the average receipt recorded in Italy in 2023 (981 euros), the growth rate is similar to that of the nationalities with the highest contributions (China +28%; USA +31%).

Evolution of average receipt of Indian tourists

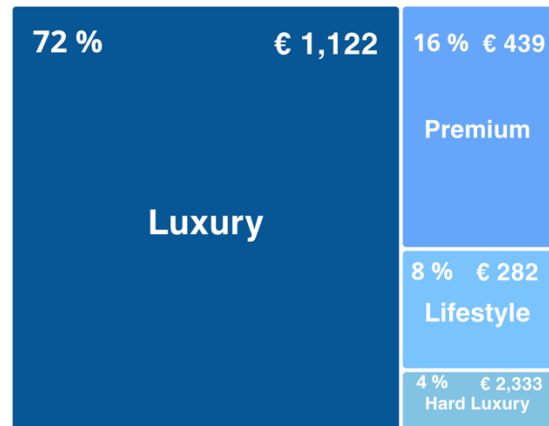


Source: Global Blue

Fashion dominates among Indian tourists' purchases

Indian tourist as the next luxury player: a concrete possibility, given the last trends in shopping behavior in Italy. In 2023, **76% of Indians' purchases were directed towards luxury/extra-luxury products**, compared to 69% in 2019. If the average spending on luxury recorded a +37% (1,122 euros in 2023) compared to 2019, the extra-luxury one reached +59% (2,333 euros). Moreover, Indians prefer items in the Fashion & Clothing category: 83% of total Tax Free spending in 2023, steadily increasing from 81% in 2022 and 77% in 2019. These results exceed the 70% of Tax Free spending that international tourist on average direct towards Fashion and Clothing.

Average spend per shopper by product cluster (2023) and % contribution



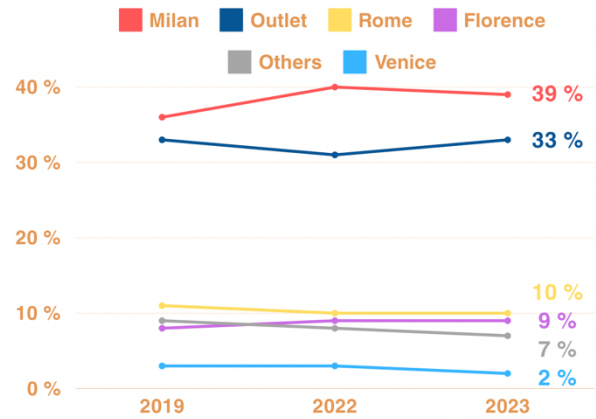
Source: Global Blue

Three out of four Indian purchases made between Milan and Outlets

Indian shoppers prefer Milan for their purchases, an increasing trend from 2019 to date. Before the pandemic, the Fashion capital attracted 36% of Indian tourists' Tax Free spending: a percentage risen to 39% in 2023 and up to 43% in Q1 2024, in line with other nationalities (41%). **In second place are the Outlets**, firmly established in the tourist itineraries of Indians, with a 33% contribution to total Tax Free spending, much higher than the average 13% calculated across all different nationalities. This significant data highlights a unique shopping behavior and provides outlets with an important indication of who to target. With a notable gap, **the major cities of Rome and Florence follow**, respectively with 9% and 8% of the volumes moved by Indians. In terms of average receipt, Milan confirms its leadership: 1,054 euros in 2023, +41% compared to 2019.

Rome ranks second with 917 euros (+38%). These figures are still lower than the overall average for all nationalities: this indicates that the shopping power of Indian tourists is still limited. The preference for outlets, where luxury and convenience can be more easily combined, reinforces this fact.

Top Italian destinations by TFS contribution (India, in %)



Source: Global Blue

The behavior of Indian customers in shopping villages: the case study of Fidenza Village

From data seen, the high-level conclusion is: Indians are travelling more and more outside their subcontinent, desirous of visiting art cities and shopping around quality Italian products. Here below, tourism data that emerged in present white paper reflects in a real case study: Fidenza Village, a luxury shopping destination close to Milan.

Data from Fidenza Village reveals a notable rise in interest from Indian visitors in recent years, fueled by the burgeoning Indian middle class. Over half of these visitors are Millennials (57%), with 82% being first-time visitors. This surge is also accompanied by an increase in their purchasing power.

Compared to 2019, Fidenza Village has recorded an **increase of 123% in visits and an increase of over 23% in average spending per visit from Indian consumers.**

After analyzing the main data on average spending, service preferences, and habits, Fidenza Village has outlined the profile of the Indian tourist in Italy, driven by luxury shopping as a fundamental component of the travel experience.

Indian shoppers: a consumer attentive to craftsmanship and creativity

Currently, Indian travelers demonstrate an appreciation for Italian luxury fashion brands valuing their heritage, artisanal craftsmanship, and contemporary design trends.

Fidenza Village's data provides an accurate profile of Indian guests and their shopping behavior. They are very **demanding and fashion-forward**. Moreover, they are interested in the latest fashion and lifestyle collections and seek a wide range of exclusive products, particularly outerwear, embroidered accessories, and cotton and linen clothing. Additionally, having different sizes available is a key point for Indian customers. **Value for money plays a crucial role in their choices, blending convenience with a touch of luxury.**

Their shopping habits also show a preference for purchasing candles, beauty gift sets, and elegant tableware, which are popular items during Diwali celebrations.

For Indians, the shopping experience at Fidenza Village is guided by the search for the best Italian Maisons, as well as the presence of young and creative brands. This

is demonstrated by their interest in the pop-up, The Creative Spot, located within the Village, which features limited-edition collections and exclusive collaborations.

Exclusive services are crucial for the ultimate shopping experience

The Indian clientele appreciate warm hospitality, comfort and personalization. According to Fidenza Village, **bespoke styling sessions are one of the most frequent requests. 70% of Indian customers ask for a personal shopper** to discover the best of what the boutiques have to offer, in line with the latest trends.

Indian guests need to feel welcomed and valued, seeking personalized services along with options for Indian cuisine and family-friendly dining areas at selected restaurants. These are recognized as specific needs and preferences of Indian shoppers. The most popular requests are for **advice and suggestions on dining, entertainment, and activities** within the Village. Indian shoppers expect to find a **dedicated concierge team** trained to offer a high level of service.

Fidenza Village has also recorded an increase in visits to “The Apartment” lounge, an intimate and curated space designed for relaxation and private gatherings. This data demonstrates how much Indian visitors appreciate personalized attention, such as one-on-one appointments with expert stylists, and Indian hospitality touches

tailored to their preferences, like offering Indian Masala Chai or a whisky after a day of shopping.

Indian tourists increasingly give importance to cultural and entertainment experiences

Indian tourists have a deep reverence for Italian art, history and culture. They adore immersing themselves in Italy's artistic treasures, museums and historical sites.

Access to Fidenza Village's Concierge and the Tourist Information Centre by Indian customers have significantly increased. Requests range from **booking tailor-made itineraries** and suggestions from **cultural visits to exclusive experiences**. Indian visitors appreciate mostly private guided tours, to discover the artisanal crafts, historical sites, gastronomic treasures and cultural landmarks of Emilia-Romagna. Whether it's a guided tour through the historic centers of Parma and Piacenza, or a visit to the workshops of local craftsmen, these experiences - offered with unparalleled comfort and hospitality - meet the preferences of Indian visitors.

Among the attractions that captivate Indian tourists is the **Ferrari Experience**, which includes a guided tour of the Ferrari Museum in Maranello, the opportunity to try a pit-stop simulator, and a photo shoot. The allure of the Italian lifestyle once again plays a key role in attracting Indian travelers.

Also, Fidenza Village itself is designed as an open-air museum that showcases a mix of contemporary art - featuring installations by renowned artists. **This hallmark of Fidenza Village - together with the dynamic artistic scene, through live performances, art exhibitions and gastronomic festivals - meets the cultural tastes of Indian customers who are fascinated and strongly engaged in strolling around the Village.**

Sustainability plays a key role in the shopping experience

India ranks first in sustainability interest among all APAC travelers. At Fidenza

Village there is a significant turnout for The Creative Spot, a temporary boutique hosting emerging and sustainable designers. This demonstrates how Indian shoppers are increasingly seeking sustainable items and are eager to discover the latest trends in sustainable fashion.

Milan is confirming itself as a top destination, as seen in the White Paper

Milan serves as a crucial hub for Indian visitors. According to Fidenza Village data, **80% of Indian guests arrive directly from the Lombardy capital.**

Conclusions

India has emerged as the world's most populous country and the fifth global economy (GDP growth equal to 8.2% in FY 2023-24). Foreign travel from India is expanding at a faster rate than from any other nation and has positioned **Indian travelers to become the industry's most influential global force in the coming years.**

Indians are always more and more interested in exploring the world outside their sub-continent.

Some important take-aways for tourism industry stakeholders:

- ◆ The Indian middle class is around the total population from Europe: approx. **500 million people**;
- ◆ From 2017 to date, **the profile of the Indian Tourist has changed**: from large families and groups to couples and youngsters (25-34 age group accounts for 38.6% of the total number of travelers in 2023);
- ◆ From 2015 to 2019, Indian tourist demand increased steadily, with an average annual variation of +16-18%; **The average demand growth rate in 2023 was +22.3%**;
- ◆ The most searched destinations by Indian tourists are the most famous and iconic locations in Italy during summer and autumn months;
- ◆ For Indian tourists, the Booking Window is around 120-130 days. **This means that an Indian tourist wishing to visit Italy plans the trip on average four months in advance**;
- ◆ Trends on air traffic from India to Italy confirms data seen so far: **number of passengers returned to 2018 levels**, registering 194,000 people. This explains the willingness of air companies to increase number of direct flights;
- ◆ A third of Tax Free spending in Italy is carried out by "Other" nationalities and **Indians are in the Top 10**: in Q1 2024, Indians tax free spending registered a 223% recovery rate compared to the same period in 2019;
- ◆ **The average receipt for Indian tourists increased as well**: was 590 euros in 2019, around 770 euros in both 2022 and 2023, 801 euros in the Q1 2024 (+27% compared to Q1 2019) and 889 euros during Milan Desing Week;
- ◆ **Fashion dominates** among Indian tourists' purchases (83%) and **three out of four Indian purchases are made between Milan and Outlets** as confirmed by Fidenza Village case study (increase of 123% compared to 2019 in visits and an increase of over 23% in average spending).

Who We Are

Indian Chamber of Commerce in Italy

Established in 1975 to create, stimulate and develop investment, trade and cultural exchanges between India and Italy, the Indian Chamber of Commerce in Italy was recognized to all intents and purposes as a Chamber of Commerce by the Ministero delle attività produttive and recorded in the register of Italian or foreign Chambers of Commerce in Italy by Unioncamere in 2003.

The ICCI's mission is to promote and facilitate business initiatives and trade relations between India and Italy. ICCI acts as an entity to support Indian and Italian companies that need support in management, intend to develop new exchanges or create business between the two countries. This is supported by a network of professionals dedicated to different aspects of internationalization. At the same time, the ICCI aims to establish a common platform for the Indian business community based in Italy.

For more information <https://www.icci.it/>

Lybra Tech

Lybra Tech is a company within the Zucchetti Group specializing in technology and data analysis and it is recognized in the tourism sector for its ability to provide advanced software solutions to hotels, businesses, and tourist destinations. Its mission is to optimize revenues and efficiently manage territorial resources through access to and analysis of predictive data. Lybra Tech's Destination platform allows for the collection, analysis, and management of millions of real-time data points from tourist demand, using the Zucchetti Group's Travel Data Lake. This predictive hub aggregates information from the booking engines of about twenty thousand Italian accommodations, offering a comprehensive overview of future tourist demand

SEA Group

The SEA Group manages the Malpensa and Linate airports under an agreement signed by SEA and the Italian Civil Aviation Authority in 2001 and valid until 2043.

The Milan airport system consists of: MILAN MALPENSA Milan's intercontinental airport, consisting of two terminals. Both terminals can be reached by train. MILAN MALPENSA CARGO is the nerve centre of inbound and outbound cargo distribution in Italy. MILAN LINATE primarily serves frequent-flyers travelling to destinations in Italy and Europe. Just 8 KM from Milan city centre (to which it has also been connected via the city's metro network since July 2023) Linate is truly a city airport, with structures and areas dedicated to business and shopping.

The Milan Airports are among the main airports in Europe on the basis of volume of passengers and cargo traffic. For the year ended 31 December 2023 Milan Airports served over 35.3 million passengers, up 22% on 2022 and in line with 2019, and 674 thousand tonnes of cargo, accounting for approximately 62% of all

cargo volumes in Italy. These results have been achieved thanks to the strong growth of carriers already operating in the airport- 85 carriers 188 destinations 78 countries served.

Global Blue

Global Blue is the business partner for the shopping journey, providing technology and services to enhance the experience and drive performance.

With over 40 years of expertise, today we connect thousands of retailers, acquirers, and hotels with nearly 80 million consumers across 53 countries, in three industries: Tax Free Shopping, Payments and Post-Purchase solutions.

With over 2,000 employees, Global Blue generated €20bn Sales in Store and €311M revenue in FY 2022/23. Global Blue is listed on the New York Stock Exchange.

For more information, please visit www.globalblue.com

Fidenza Village

Within an hour of Milan, the world-renowned fashion capital, lies Fidenza Village and its distinctive blend of luxury and cutting-edge brands. A destination that celebrates the region's rich cultural heritage and acclaimed cuisine, the Village is home to more than 120 boutiques of fashion and lifestyle brands, with year-round savings of up to 70% on the recommended retail price. Inspired by Parma's most famous son, Giuseppe Verdi, Fidenza Village invites guests to discover the finest in fashion, food and hospitality, complemented by a captivating curation of street art. Fidenza Village is part of The Bicester Collection, a family of 12 distinctive shopping destinations in Europe and China defined by extraordinary experiences while offering remarkable value. The Collection, created and operated by Value Retail, brings together the world's most discerning guests and the world's most renowned brands – often for the first time – on a journey of discovery. The Villages are located close to some of Europe and China's most celebrated cities: London, Paris, Milan, Barcelona, Madrid, Dublin, Brussels, Munich, Frankfurt, Shanghai and Suzhou. Collectively home to more than 1,300 boutiques, The Bicester Collection offers guests an ever-evolving curation of fashion and lifestyle brands, world-famous restaurants, exciting pop-ups, and imaginative art installations throughout the year.

Disclaimer

The Indian Chamber of Commerce in Italy, Global Blue Italy, SEA - Milan Airports, Lybra Tech and Fidenza Village, gather information from various sources such as face-to-face interviews, internal reports, paid databases, surveys, annual reports, public database and media releases. This information is collated in good faith and used on an as is and as available basis by us.

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