

Goa Tourism Master Plan :

Module -5

Submitted to the
Department of Tourism

June 2021



Disclaimer




1. This report has been prepared exclusively for the Department of Tourism ("Client") based on the terms of the Request for Proposal dated 7 June 2013 issued by the Department of Tourism, KPMG Advisory Service Ltd.'s ("KPMG" or "we") proposal for services dated 18 June 2013, the Work Order issued to KPMG dated 24 July 2014, and the consultancy contract dated 2 June 2015 (collectively 'Contract').
2. The performance of KPMG's services and the report issued to the Client are based on and subject to the terms of the Contract.
3. This report is confidential and for the use of management only. It is not to be distributed beyond the management nor is to be copied, circulated, referred to or quoted in correspondence, or discussed with any other party, in whole or in part, without our prior written consent.
4. This report is being submitted to the Department of Tourism, Govt. of Goa ('DoT') as part of the 'Final Presentation and report on Module 5: "Review and Recommend measures for strengthening institutional & economic linkages" for our engagement of assisting DoT in the "Preparation of the Tourism Master Plan and Policy for Goa." This report sets forth our views based on the completeness and accuracy of the facts stated to KPMG and any assumptions that were included. If any of the facts and assumptions is not complete or accurate, it is imperative that we be informed accordingly, as the inaccuracy or incompleteness thereof could have a material effect on our conclusions.
5. While performing the work, we assumed the genuineness of all signatures and the authenticity of all original documents. We have not independently verified the correctness or authenticity of the same.
6. We have not performed an audit and do not express an opinion or any other form of assurance. Further, comments in our report are not intended, nor should they be interpreted to be legal advice or opinion.
7. This report (or part thereof) is a draft version and may be revised, updated or reworked. This report should be understood as the final report only after suggested changes, if any, are incorporated into the report.
8. Collection of data has been limited to such information as can be collected from resources on the published public domain and meetings with market participants in each of the locations. Wherever information was not available in the public domain, suitable assumptions were made to extrapolate values for the same.
9. The report may contain KPMG's analysis of secondary sources of published information and incorporates the inputs gathered through meetings with industry sources. Where, for reasons of confidentiality, the industry sources cannot be quoted in this document, these are not attributed to the industry source. While information obtained from the public domain has not been verified for authenticity, we have obtained information, as far as possible, from sources generally considered to be reliable.
10. Our analysis is based on the prevailing market conditions and regulatory environment and any change may impact the outcome of our review
11. We have indicated in this report the source of the information presented. Unless otherwise indicated, we have undertaken no work to establish the reliability of those sources or to evidence independence of the relevant source.

Disclaimer



12. While information obtained from the public domain or external sources has not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information.
13. Our views are not binding on any person, entity, authority or Court, and hence, no assurance is given that a position contrary to the opinions expressed herein will not be asserted by any person, entity, authority and/or sustained by an appellate authority or a Court of law.
14. Performance of our work was based on information and explanations given to us by the Client. Neither KPMG nor any of its partners, directors or employees undertake responsibility in any way whatsoever to any person in respect of errors in this report, arising from incorrect information provided by the Client.
15. The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.
16. Our report may make reference to 'KPMG Analysis'; this indicates only that we have (where specified) undertaken certain analytical activities on the underlying data to arrive at the information presented; we do not accept responsibility for the veracity of the underlying data. Wherever information was not available in the public domain, suitable assumptions were made to extrapolate values for the same.
17. In accordance with its policy, KPMG advises that neither it nor any of its partner, director or employee undertakes any responsibility arising in any way whatsoever, to any person other than Client in respect of the matters dealt with in this report, including any errors or omissions therein, arising through negligence or otherwise, howsoever caused.
18. We must emphasize that the realization of the prospective data and financial information set out within our report (based on secondary sources, as well as our internal analysis), is dependent on the continuing validity of the assumptions on which it is based. The assumptions will need to be reviewed and revised to reflect such changes in business trends, cost structures or the direction of the business as further clarity emerges. We accept no responsibility for the realization of the prospective financial information. Our inferences therefore will not and cannot be directed to provide any assurance about the achievability of the projections. Since the projections relate to the future, actual results are likely to differ from those shown in the prospective financial information because events and circumstances frequently do not occur as expected, and differences may be material. Any advice, opinion and / or recommendation indicated in this document shall not amount to any form of guarantee that KPMG has determined and/ or predicted future events or circumstances.
19. In connection with our report or any part thereof, KPMG does not owe duty of care (whether in contract or in tort or under statute or otherwise) to any person or party to whom the report is circulated to and KPMG shall not be liable to any party who uses or relies on this report. KPMG thus disclaims all responsibility or liability for any costs, damages, losses, liabilities, expenses incurred by such third party arising out of or in connection with the report or any part thereof.

 By reading our report, the reader of the report shall be deemed to have accepted the terms mentioned hereinabove.

Recap

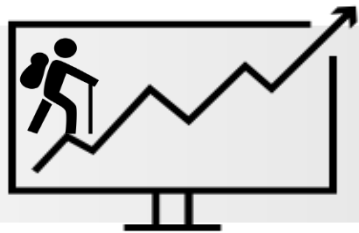
Phase-1: Preparation of Master Plan & Policy

Phase-2: Implementation of Master Plan & Policy

Phase-1 is divided into six modules.

Module 1-4 approved. Module 5 presented now.

Module-1



Current and projected tourism scenario in Goa and understanding key gaps

- Submitted on 17/07/2015
- Approved on 16/12/2015

Module-2



Tourism concepts to attract tourists to Goa

- Submitted on 10/02/2016
- Approved on 10/06/2016

Module-3



Development of Tourism Master Plan for Goa

- Submitted on 25/11/2016
- Approved on 29/12/2016

Module-4



Development of Tourism Policy for Goa

- Submitted on 19/01/2017
- Approved on 20/07/2020

Module-5



Review and Recommend measures for strengthening institutional & economic linkages

Aspects Covered : Module 5



GTB Incorporation & Functions

- Introduction of new “Goa regulation of Tourism Trade Act” for incorporation & setting up of the statutory board
- The act shall also define the roles & responsibilities of GTB according to which the board shall operate



GTB Organizational structure and Delineation of Roles & responsibilities between GTB, GTDC & DOT

- Re-aligned Board structure & selection of members
- Organization structure of the Board along with functional departments
- Formation of ECs & its proposed composition



Strengthening of GTDC & DOT

- Baseline study of the implementing agencies i.e., GTDC & DoT
- Current challenges / limitations of these agencies and suggestions for improvement



Economic leakages in the tourism industry

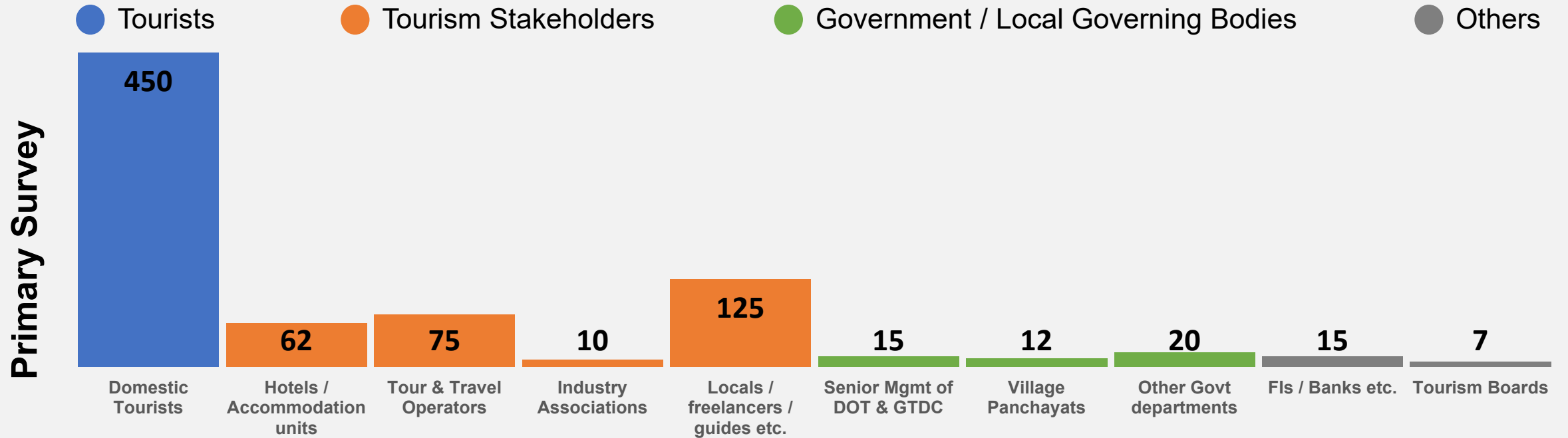
- Identifying the leakages in the current tourism industry.
- Promoting economic linkages to strengthen the tourism industry in Goa.

Approach for research & data collection



800+ primary surveys

covering wide spectrum of stakeholders for building these modules



Questionnaire based in-depth interviews, Airport / Railway station intercepts, online surveys

Secondary Research

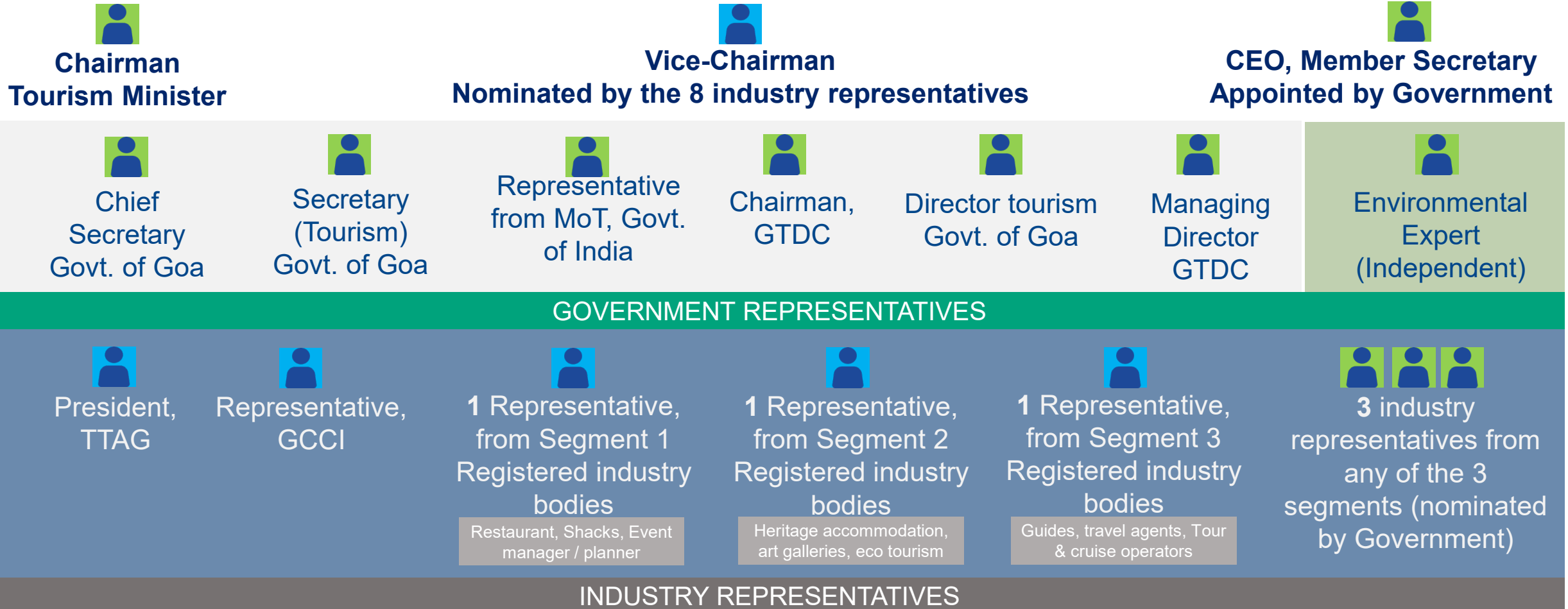
DOT database / statistics

Big data analytics of online sites -
TripAdvisor, MakeMyTrip and Yatra

Goa Tourism Board Institutional framework –organization structure as per module 4



Goa Tourism Board



Additional member(s) shall be nominated to GTB by the Government of Goa, in case two or more posts are occupied by the same person

Proposed Changes in the Structure*



Current Structure (As per Module 4)

1

Chairman of the Board
Hon. Tourism Minister

2

Representatives on the Board

- 8 members from Government
- 9 members from Industry
 - 3 people (3,4,5) from registered industry bodies from three segments
 - 3 people (6,7,8) from any three segments (nominated by Government)

3

CEO

Appointed by the Government for a period of 5 years

4

Expert Panels

Experts can be special invitees for GTB meetings

Industry Requests*

1

Chairman of the Board
Hon. Chief Minister

2

Representatives on the Board

- 9 members from Government incl. Leader of opposition.
- 7 members from Industry
 - CII to be made member
 - Four Industry nominees (5,6,7,8) to be selected by TTAG, GCCI & CII

3

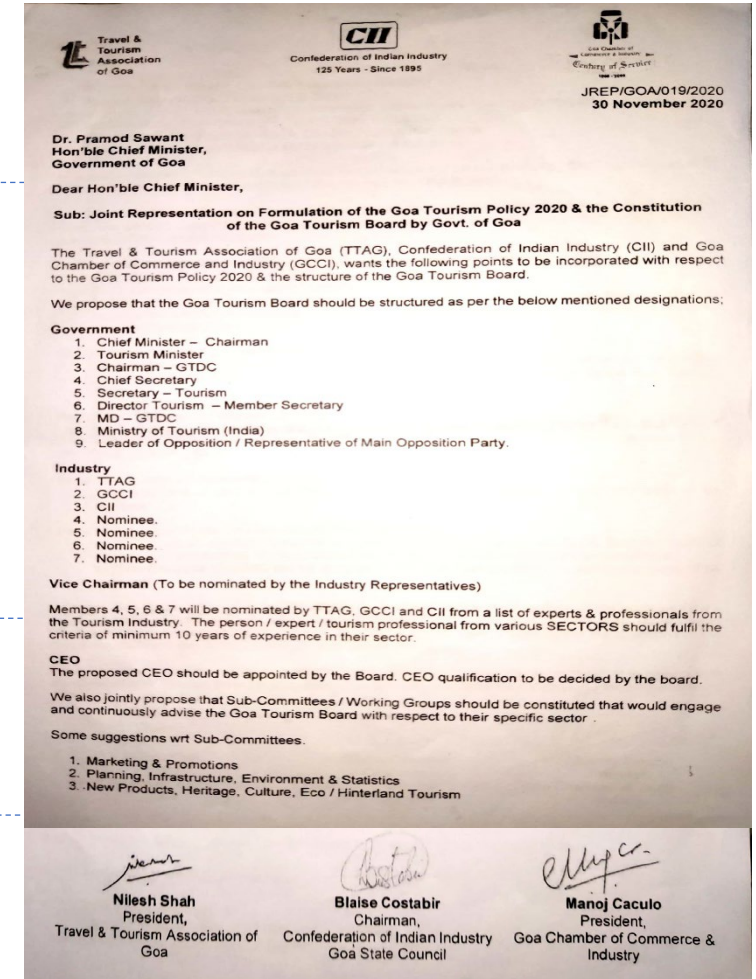
CEO

Qualification & appointment to be decided by the Board

4

Expert Panels

Sub- committees/ Working groups should be constituted



*As suggested by TTAG, GCCCI, and CII

Proposed representation from reputed industry associations



1

International / National level



125 YEARS
INDUSTRY MANAGED ORGANIZATION



68
Offices Across the world

394
Partnerships with organization

133
Countries



9100 Private & public sector members
~200 members across all sector in Goa

Australia – Egypt – Germany – Indonesia – Singapore – UAE – UK - USA

2

International Level



Global business leader's forum

Members are Chief Executives of the world's foremost Travel & Tourism private sector organizations



Aug - Sep

WTTC recognized Goa Tourism as "Safe Travels" destination



+ 1200* tourism establishments in Goa received WTTC "Safe Travels stamp"

*As on 1st February 2021

Goa Tourism to start 'Safe Travels' certification process of stakeholders soon

What COVID-19 pandemic? Goa sees 74% jump in bookings from last month

Several people from the hospitality sector said that hotels and villas are doing brisk business amid the increase in tourists' footfall in Goa

BusinessToday.In | November 6, 2020 | Updated 16:43 IST

Revised Goa Tourism Board Institutional framework

(Inclusive of recommendations by the Industry)



Goa Tourism Board



In absence of the Chairman of GTB (i.e., Hon'ble Chief Minister), the Co-Chairman (i.e., Hon'ble Tourism Minister) shall chair the meeting and have the authority to take decisions



GOVERNMENT REPRESENTATIVES



INDUSTRY REPRESENTATIVES

The 4 industry representatives should have minimum 10 years of relevant experience in the tourism Industry prior to selection

★ : **Members of the selection panel to select the 4 industry representatives from the eligible applications received**
(Selected 4 industry representatives shall have a tenure period of 2 years, however the Selection Panel may allow extension for additional 1 term OR pre-mature termination)

COVID, the Game Changer: Impact on Goa's Tourism industry



GLOBAL SCENARIO



100 to 120 MILLION

direct tourism **jobs at risk**

(UNWTO)



loss of

US\$ 910 Billion to US\$ 1.2 Trillion

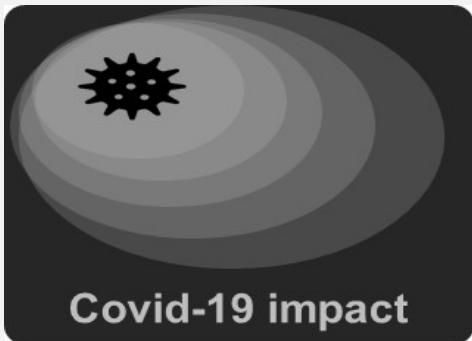
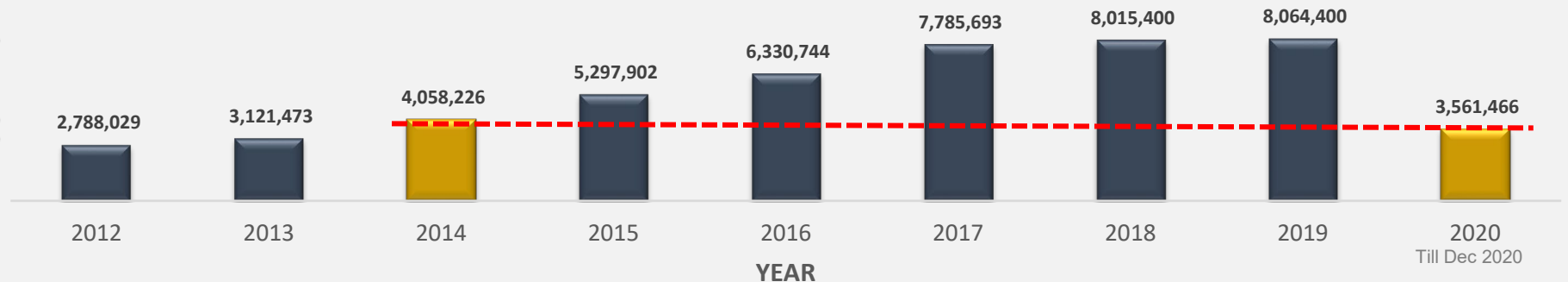
in export from tourism - international visitors' spending

(UNWTO)

The Pandemic has taken Goa Tourism

~ 6 Years Back!

FOOTFALLS



Covid-19 impact



Losses during Lockdown

INR 20.62 Billion



Projected revenue losses for 2020-21

INR 72.39 Billion



Projected Job losses for 2020-21

0.12 Million

Change in context due to COVID-19: Realigning the Vision



VISION AS PER MODULE - 4

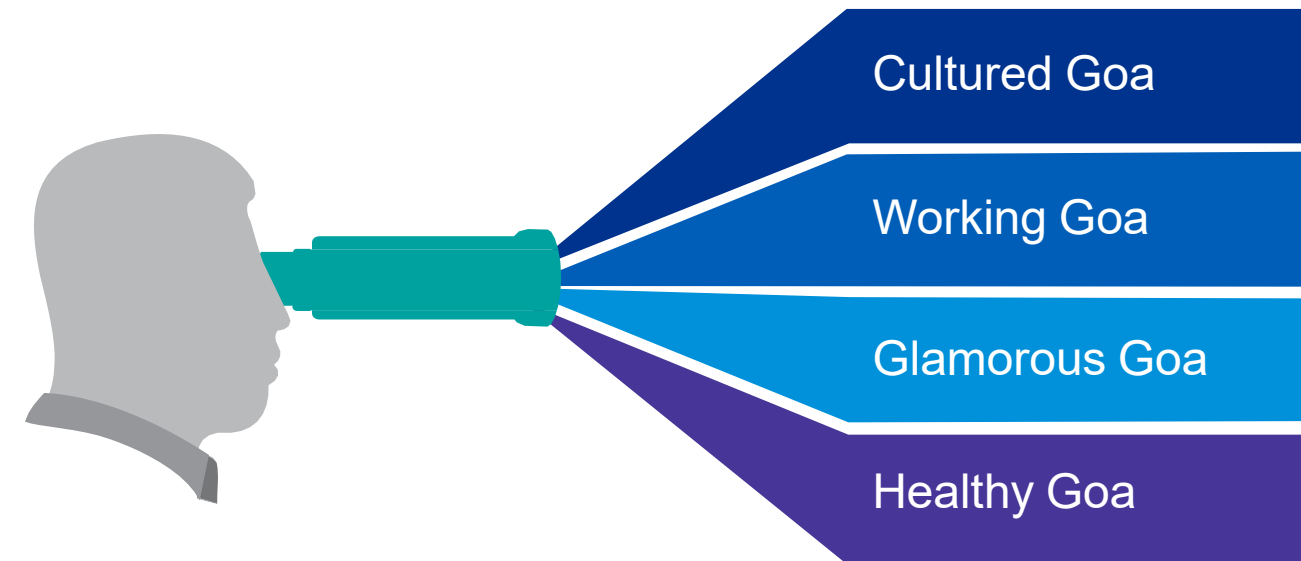
“**Make Goa the Most Preferred Destination for High-spending Tourists in India by 2022, and a World-class International Tourism Destination by 2030**”



REALIGNED VISION

“To transform Goa into an **innovative** and **Responsible** tourism destination, while **preserving Goa's attractions, unique historical and cultural heritage** and its **natural assets** and providing **ample opportunities for economic prosperity** for all”

The “Susegaad lifestyle” shall be considered as part of the marketing & promotions of the state instead of being included as part of the Vision statement

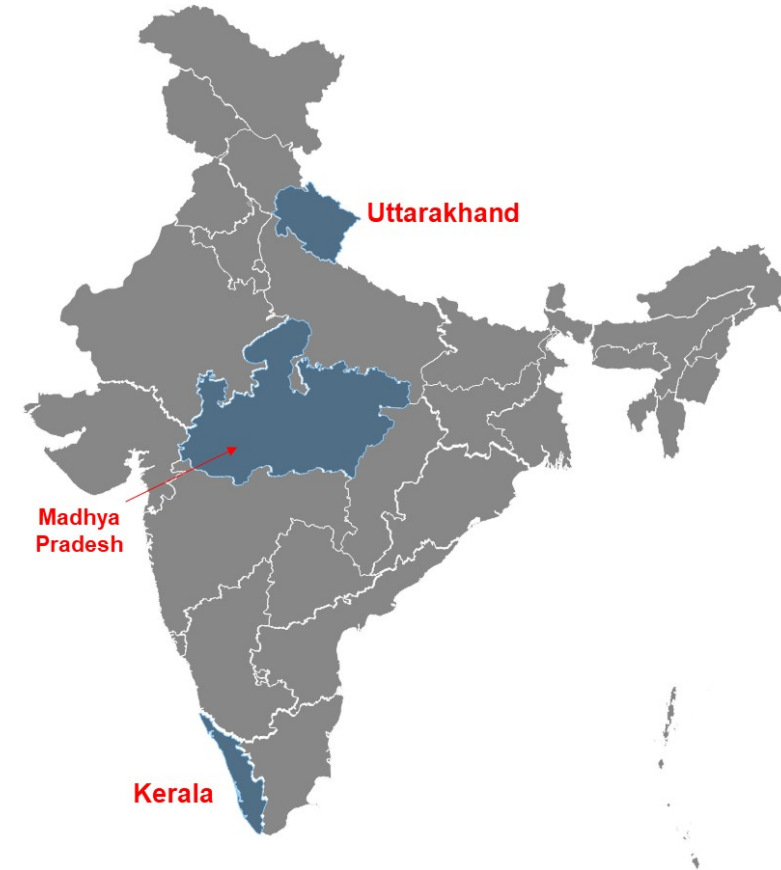


To ensure the efforts of GTB, DOT & GTDC are aligned with overall strategy & realigned vision of Goa Tourism

Study of International & National Tourism Boards



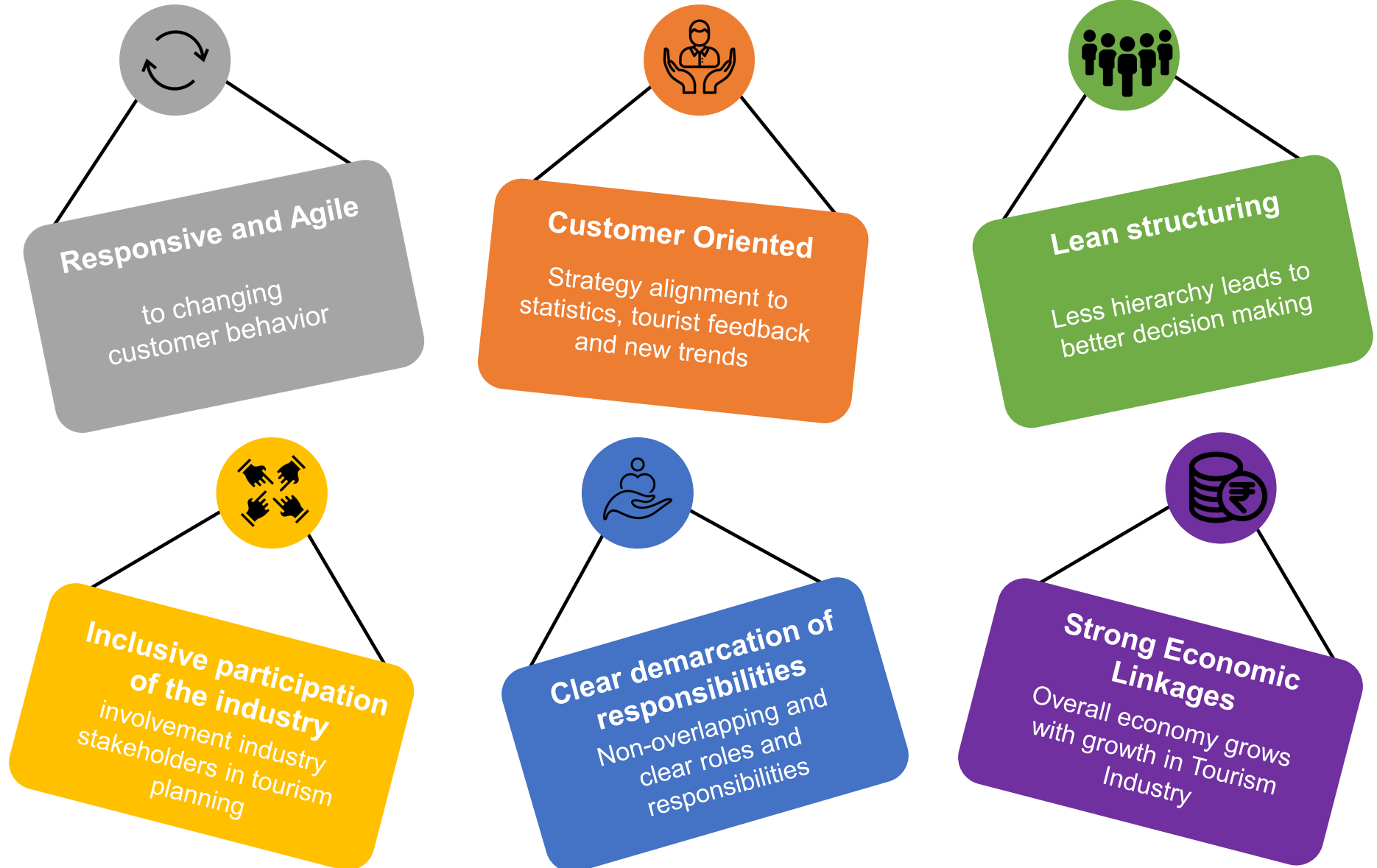
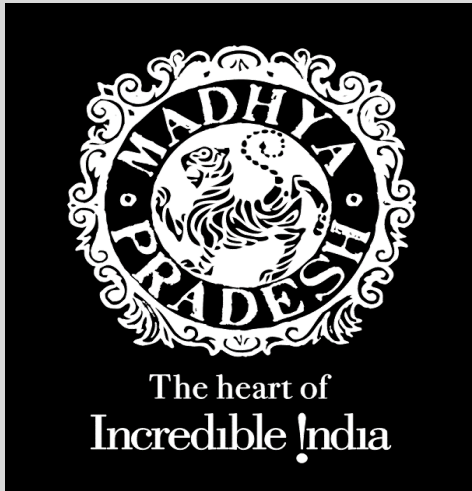
International Tourism Boards reviewed



National Tourism Boards reviewed

Takeaways from the Study

Relevance for GTB formation drawn from:



Setting of Objectives for achieving the Vision

The Objectives of Goa Tourism were aligned with Key Takeaways from study of various Tourism Boards



OBJECTIVES AS PER MODULE - 4

- Attract a mix of domestic and international tourists.
- Augment quality of core and support infrastructure and services
- Give tourists a world-class experience characterized by distinct Goan hospitality, identity, diversity and local heritage
- Sustainable tourism destination, with balanced territorial development across Goa.
- Increased opportunities for MSME's and employment generation



ADDITIONAL OBJECTIVES



MEDIUM TERM

LONG TERM

SHORT TERM

- 1 A responsible tourism destination that is **customer-oriented** and encourages **industry participation**.
- 2 Become **responsive** and **agile** that focuses on **continuously improving our processes** to make Goa a smooth place to invest and a problem-free holiday destination.
- 3 Make **innovation and growth** as integral elements of our decision-making process thereby stepping up the standards of the tourism industry
- 4 Maintain tourism as a key economic pillar for the state by ensuring **strong economic linkages** to maximize job generation and foster entrepreneurship.

Comparative of similar national & International locations



Particulars	Singapore	Maldives	Sri Lanka	Kerala	Goa
I. ALOS	3.4	6	10.4	8	3
II. Area (sq Km)	728.3	300	65,612	38,863	3,702
III. Tourism revenue (in Bn \$)	14.88	1.58	3.61	7.6	1.75
IV. Local Population (in Mn)	5.7	0.53	21.80	33.41	1.53
V. Annual Footfall 2019 (in Mn)	19.12	1.70	1.91	19.57	8.06
VI. Month of peak footfall	July	Dec	Feb	Dec	Dec
VII. Peak footfall during the month (in Mn)	1.8	0.17	0.25	2.11	1.09
VIII. Peak footfall in a day	1,97,748	33,164	93,612	6,02,219	1,05,485
IX. Availability of Luxury Accommodations	25%	72%	34%	14% + (wellness centers & houseboats)	3%

Goa needs to develop more high-spending avenues & luxury accommodations to increase value over volume

Locals / Peak tourist footfall in a day	28.82	16.01	232.91	55.47	14.50
---	-------	--------------	--------	-------	--------------

Socio Economic impact is higher as compared to similar destinations. However, within globally accepted norm of ≥ 2.5

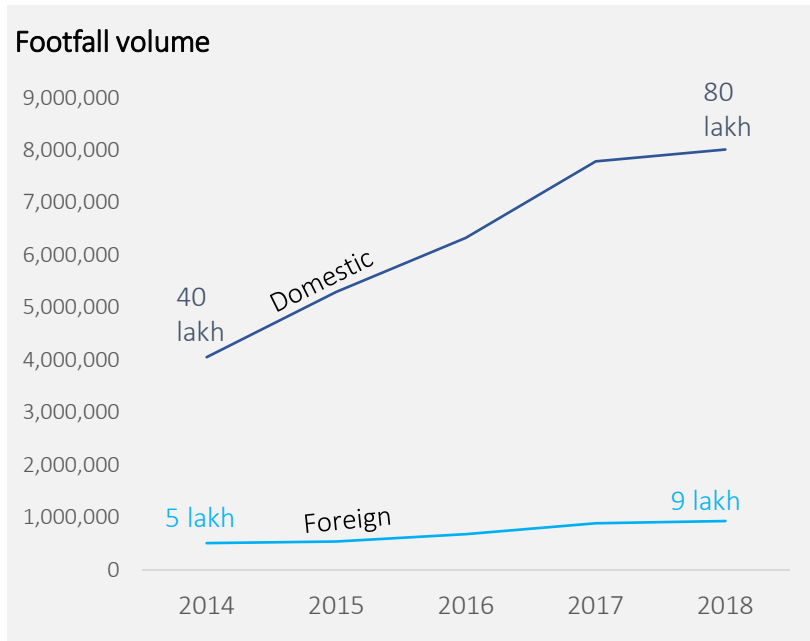
Spent / tourist (in US \$)	778	928	1886	388	217
----------------------------	-----	-----	------	-----	------------

Goa needs to increase Spent / tourist as it is less as compared to other similar tourism destinations

Growth in value rather than volume required



Growth?



Official data shows a **constant growth** of tourism in terms of volume since 2014

Decline?

- 2019 **TOI** "Terminal Decline of Goa Tourism"
- 2018 **the pioneer** "Poor planning dampens Goa's New Year party"
- 2016 **Business Standard** "Five year drop in charter flights to Goa"
- 2015 **The National** "Empty beaches, empty pockets"
- 2014 **THE ECONOMIC TIMES** "Goa faces prospect of falling tourist arrivals"

Yet, industry stakeholders and medias perceive a **decline in footfall**

Over-growth?



On the opposite, some citizens talk about **over-tourism**

Growth or decline? All the stakeholders are actually **right**

More tourists but harsher competition
Prevalence of illegal activities

More volume but lesser quality
Prevalence of "cheap tourism"

The Goa paradox
Tourism is growing YET Goa benefits less and less from it

How to increase value over volume



Issues

Remedies



Restricted tourism brand

- Goa is known for its beaches, parties, “carefree” spirit
- This narrow reputation leads to wrong tourism behaviors: “**irresponsible**” tourists tarnishing the reputation of Goa
- Keeps responsible high value tourists and families at bay

Change the image of Goa



Lack of avenues for spending

- **Goa is *not* cheap as compared to other tourism destinations : but the quality of services and infrastructure does not match**
- Goa needs better infrastructure and better services,

Develop tourism infrastructure



Systematic issues

- Difficulty to commute (challenges with taxi), illegal activities, difficulty to invest, lack of land availability etc.
- The **lack of standardization** is hampering investments and high-value tourist footfall.

Standardize the tourism industry

Modes of increasing spend per tourist



To increase spend per tourists, **Goa needs to develop its own model** with **both premium Infrastructure & high-end tourism avenues** for the tourists, to increase itinerary and **Average Length Of Stay (ALOS)**

Singapore Model

➡ To focus on **developing premium tourism infrastructure**.



Kerala Model

➡ To develop high-end tourism avenues such as wellness centers to **increase the ALOS for a tourist**



Past attempts for large PPP tourism projects



Concept



Suitable Location



Challenges

1

Amusement Park

Theme Park Based on Heritage & Culture of Goa
OR
AR/VR theme park

Mayem, Bicholim
1.7 sq meter

[Close proximity to Mopa airport & NH 17(66)]

- Average operational days: ~230 days / year
- Lack of assured footfall in Goa
- Best brands are facing losses across India
- Tendered 6 times, small unreliable investors

2

International Cruise Terminal

Cruise Terminal Building with Ancillary developments like marina, immigration, custom, repair, accommodations, etc.

Mormugao

[Close proximity to Dabolim airport & NH 17(66)]

- Kerala marina nearest to the busy International maritime route (Indian Ocean)
- High charges by Taxi operators at port

3

Cortalim as tourism spot

Themed River cruises on Zuari river by developing jetty infrastructure like Santa Monica Jetty

Konkan Railways land at Cortalim
[Close proximity to Dabolim airport & NH 17(66)]

- Delayed finalization of CZMP
- Protests from locals / activists
- Availability of suitable land
- Jetty to be developed



Futuroscope, France



Puy du Fou, France



Kai Tak, Hong Kong



Ocean kingdom, Macau



Santa Monica jetty, Goa

Need to address challenges related to infrastructure projects



- 01 Unavailability of Land
- 02 Difficult to get NOCs / approvals
- 03 CZMP plan to be implemented
- 04 Forest development NOCs
- 05 Lack of digital meters (taxi)
- 06 Land conversion issues (Sanad)
- 07 Strong presence of civil society
- 08 Economic impact of Covid-19

Citizens joins forces at Tiracol to oppose golf course project

TNN | Jun 8, 2015, 02:48 IST

LegalDocs Apply for any Type of FSSAI License at Best Price with Multiple Payment Option

OPEN

Times of India, Jun 8, 2015

Protest against draft CRZ notification held at Miramar

13 Jul 2018 08:27 PM



Goa365, Jul 13, 2018

The Goan cab dilemma leaving tourists and locals caught in the middle

Mark Rocha · June 8, 2019

1,381 4 minutes read

Share Facebook Twitter LinkedIn Tumblr RSS YouTube Email Print

ItsGoa, June 8, 2019

SEZs in Goa face landing trouble

Goa wants to develop special economic zones (SEZs), but does not know how to acquire land for them.

By Smitha Venkateswaran, TNN | Last Updated: Aug 11, 2007, 03:21 AM IST

1 Comments

Dell Precision Workstations - For performance & productivity
Ad Dell India

The Economics Times, Aug 11, 2007

Doing business in Goa not easy, says Industry

The Indian economy is not in the pink of health. Goa too is showing signs of a slowdown. For Goa, accentuated as the State is ranked a mediocre 19th in India as far as 'Ease of Doing Business' is concerned, SAHAY spoke to industry soon after the resignation of the CEO of Investment Promotion Board, a supposed to have a direct interface with the investors and industry, to gauge their reaction

Heraldo, Sep 16, 2019

'Tourists avoiding Goa due to police harassment'



Times of India, Jan 16, 2019



Home Reports News Environment Peoples Enterprises Women & Children

Locals rise up against Chapora river project

Alternative Tourism · June 7, 2016

PRI

Center for Responsible Tourism, Jun 7, 2016

With proposals pending for a year, Goa's ease of doing business only on paper

Newton Sequeira | TNN | Oct 17, 2019, 09:22 IST

1,381 4 minutes read

Times of India, Oct 17, 2019

Need to increase investor confidence in Goa



6,277
Cr.

Investment Proposals

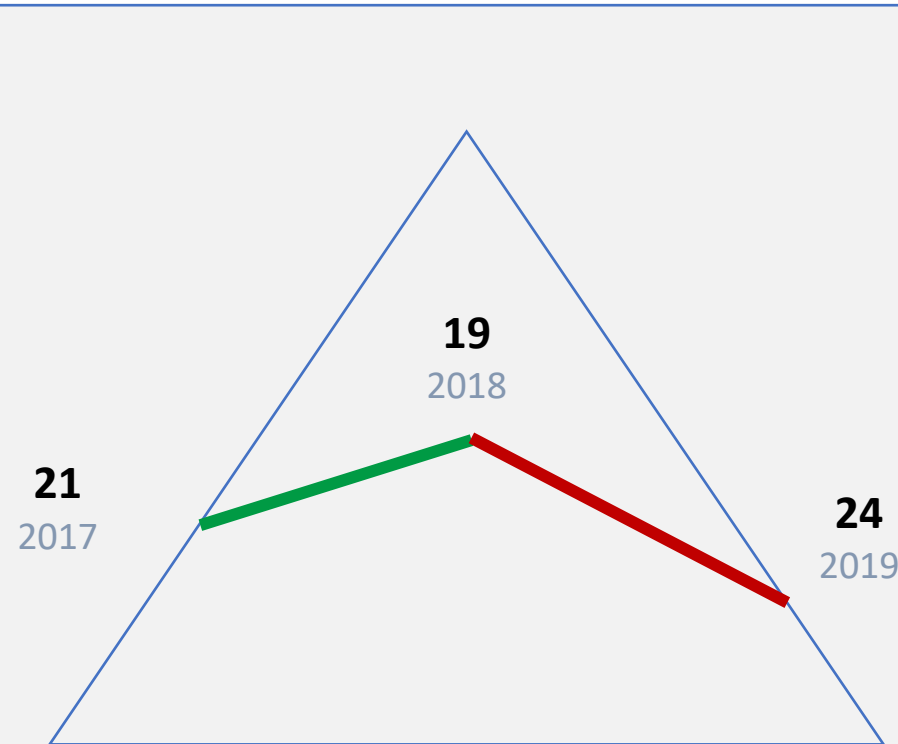
4,522
Cr.

Approved Proposals

505
Cr.

Actual
Implementation

SECTOR	Investment (in INR Cr.)	Potential Jobs
Hotel	4251	8564
Eco-Tourism / Wellness	1326	5838
Marina	700	450



ROADBLOCKS in Goa for Private Investment

- Cumbersome process of obtaining multiple NOCs and permissions
- IPB's role has to be strengthened in providing Single Window Clearances
- Lack of unified GIS platform leading to unclear land use pattern
- Strong presence of civil society
- CZMP to be implemented
- Low Investor confidence
- Requirement of supporting tourism infrastructure

Initiatives required from the State government



1

Development of trunk infrastructure such as lounges, public conveniences, beach infrastructure, Jetties and wayside amenities, CCTV, signages etc.

2

Formation of tourism board for ease of doing business and attract large investors / brands – **IMPLEMENTATION OF MASTERPLAN and FORMATION OF GTB**

3

Elevate beach infrastructure equivalent to blue-flag certification standards

4

Land parcel identification for large infrastructure projects to be developed on PPP mode

5

Sustainable development policy adhering to highest level of social & environmental protection standards



Government should change the focus on facilitating development via private investment rather than utilizing own resources

Module-5

Goa Tourism Board

-

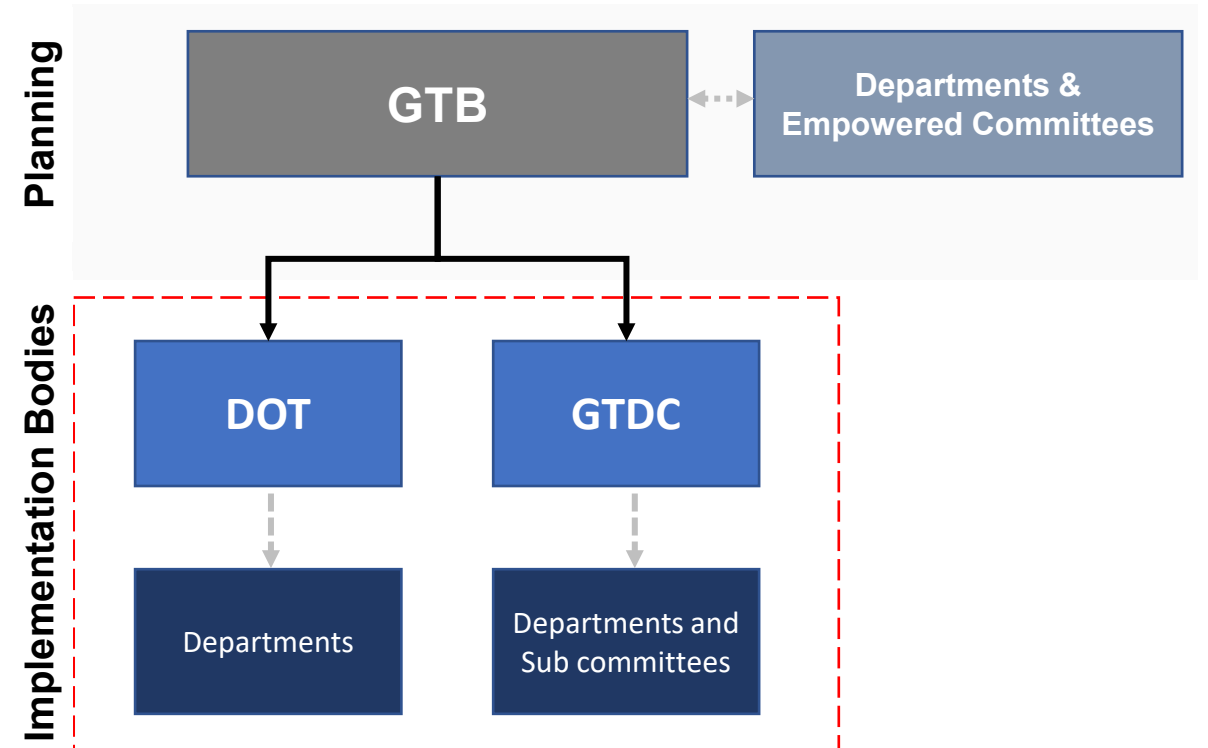
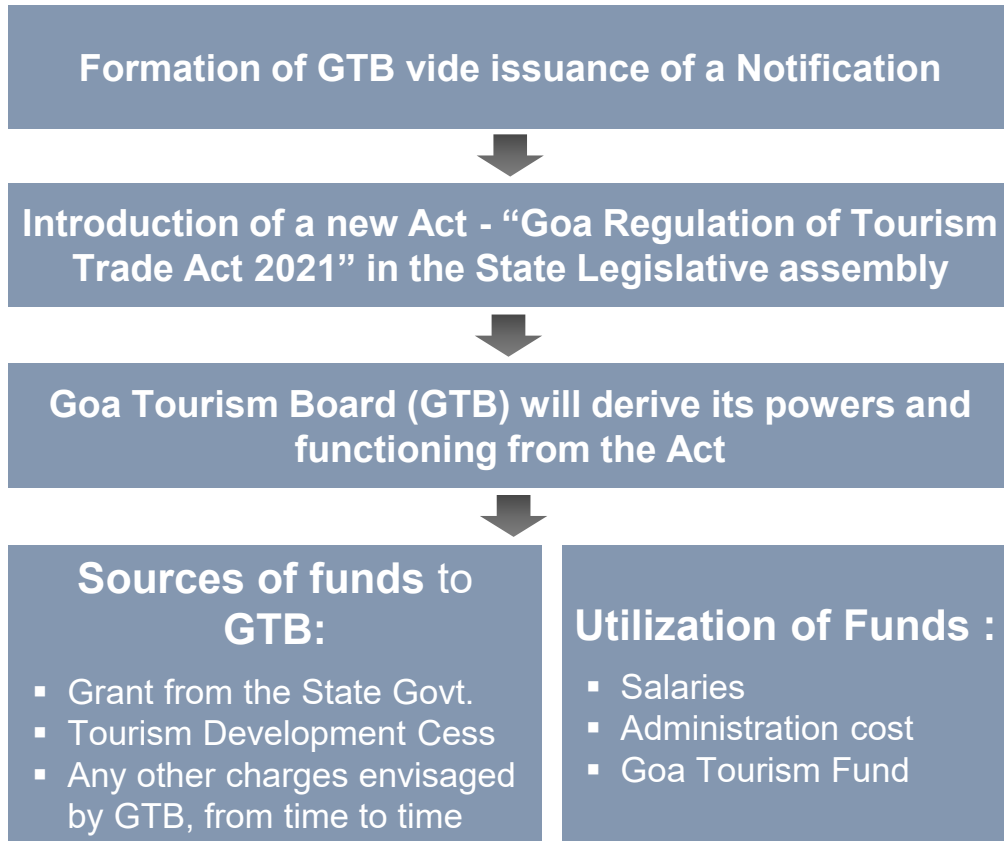
Incorporation & Functions



Goa Tourism Board Institutional framework –Setting up of the Board as per module 4



GTB  → **Incorporation Type:** Statutory body



- The **State Level Marketing & Promotion Committee (SLMPC)** and the **State Level Permissions Committee (SLPC)** shall be **dissolved**.
- **High Powered Monitoring Commission (HPMC)** for Tourism to be dissolved & its roles & functions to be taken over by GTB

Role of Planning body GTB: as per module 4



BROAD ROLES of GTB

- ❖ **Evaluate and prioritize development initiatives** from GTMP
- ❖ Develop **broad guidelines and action plan** for GTMP implementation
- ❖ Advise on **sector-specific policies and amendments to regulatory framework**
- ❖ Recommend specific actions and direct implementation agencies for **infrastructure development, marketing and promotion initiatives**
- ❖ Assess **budgets and advise on financing plan** for implementation of identified development initiatives
- ❖ **Monitor progress of schemes, projects and programs** including usage of funds
- ❖ Define **guidelines** and recommend approval of **tourism related events** in the State.
- ❖ **Address issues and challenges faced by implementation agencies**
- ❖ Recommend **specific actions addressing stakeholder grievances**
- ❖ Issue **Annual Reports** of GTB to highlight initiatives, activities planned and **key statistics**

Accordingly, the role of GTB can be broadly categorized into following areas:

**Tourism product
development**

**Destination
marketing**

**Statistics and
research**

**Tourism
Infrastructure**

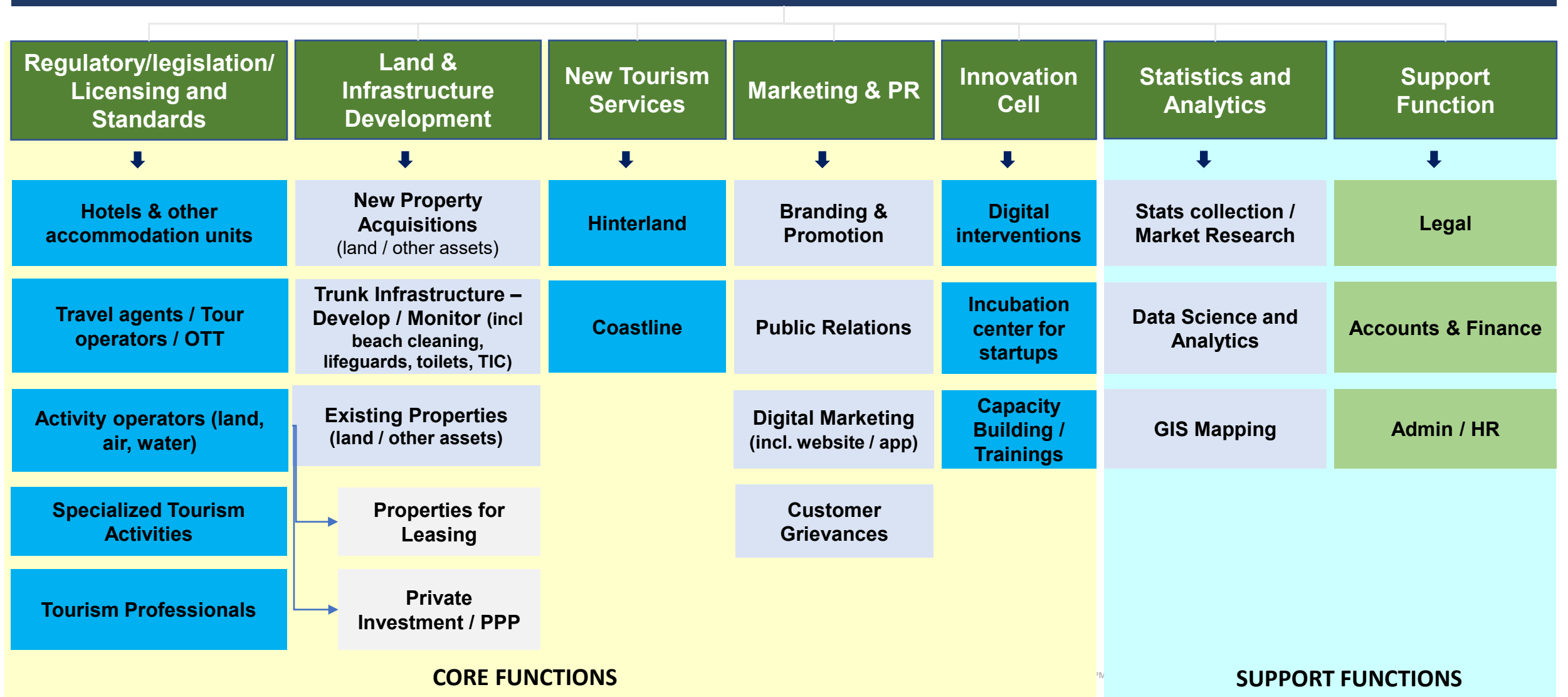
**Policy, Regulations
& safety**

**New tourism
concepts**

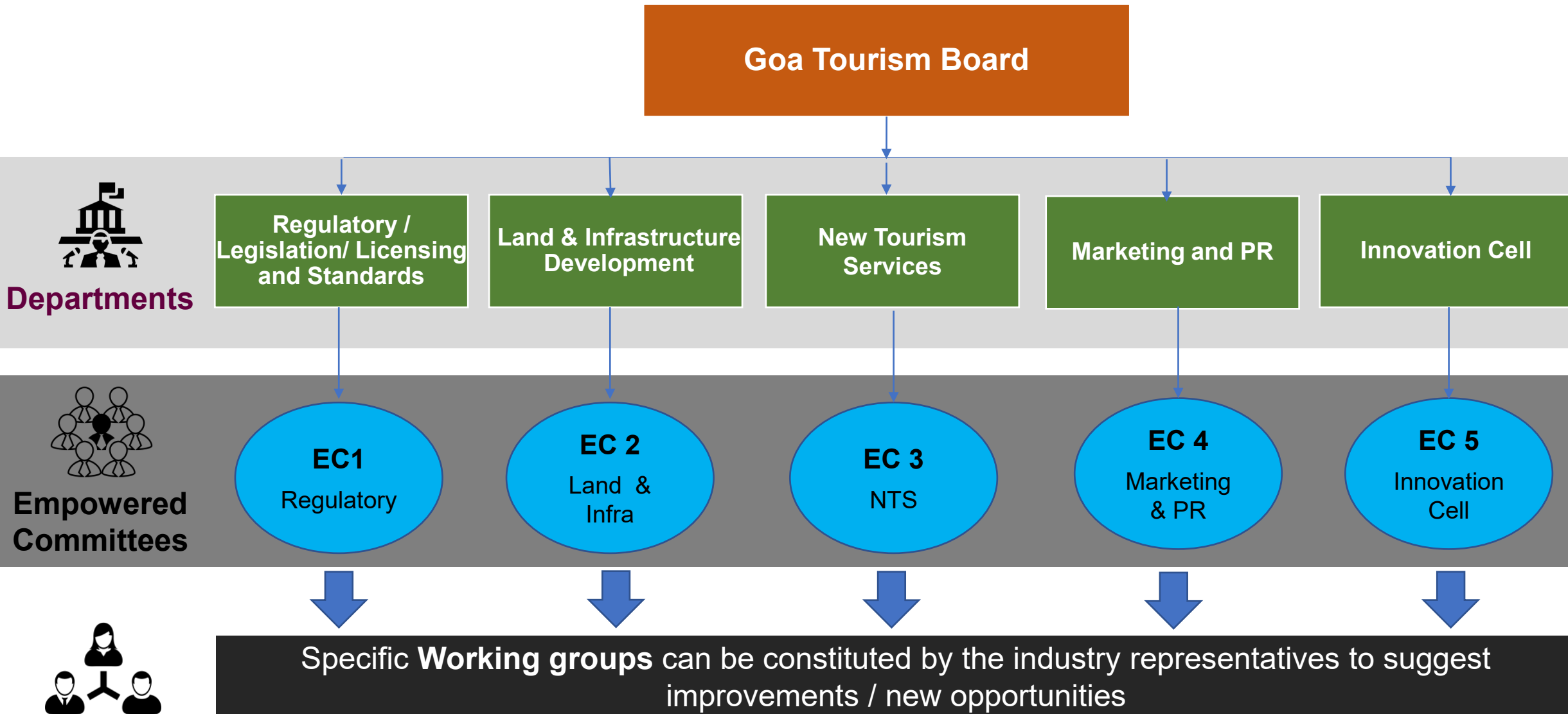
Proposed Departments of GTB



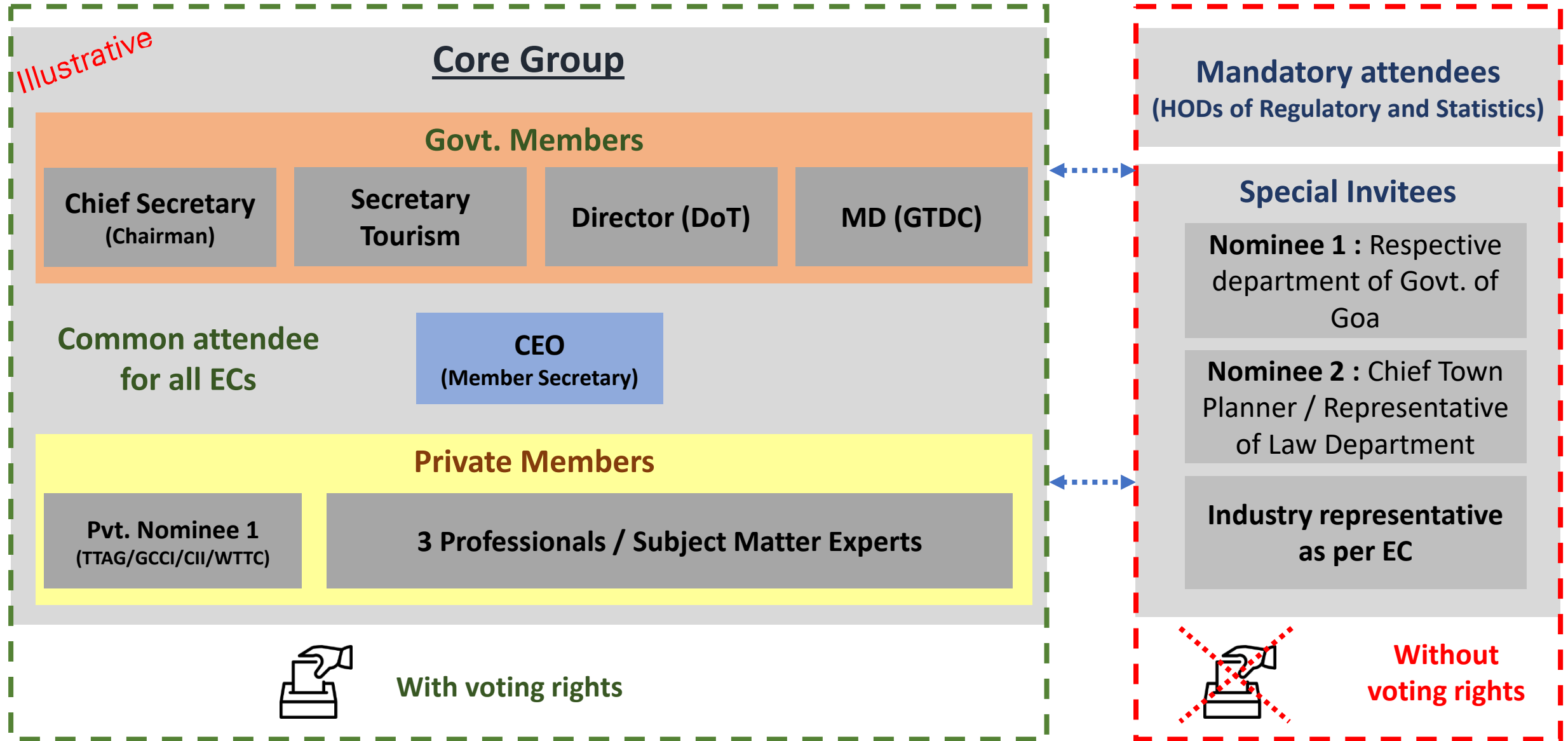
Goa Tourism Board



Empowered Committee & Working Groups



Illustrative composition of Empowered Committees



Module-5

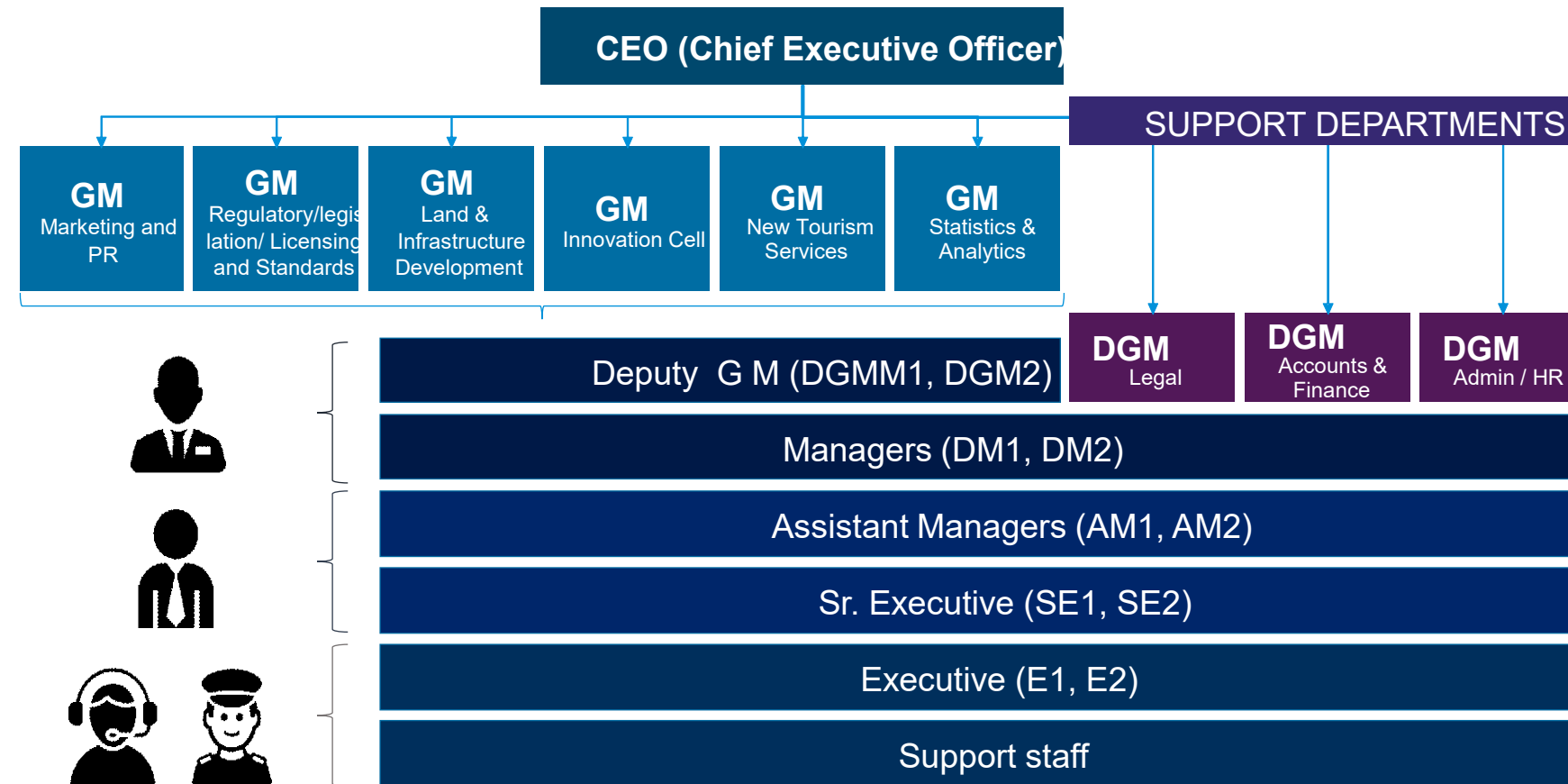
Goa Tourism
Board

-

Organization
Structure



Hierarchy Chart for GTB



Designations of GTB	Comparative Designations of DoT
CEO	Director
GM	Dy. Director
D G M	<ul style="list-style-type: none"> Asst. Director Asst. Accounts Officer
Manager	<ul style="list-style-type: none"> Asst. Tourist Officer Head Clerk Accountant
Asst. Manager	<ul style="list-style-type: none"> Information Assistant Statistical Assistant
Sr. Executive	<ul style="list-style-type: none"> UDC / Jr. Steno
Executive	<ul style="list-style-type: none"> LDC / Guest Operator

Lean Hierarchy maintained in GTB.
Designations (and pay scale as per VIIth pay commission) mapped with existing hierarchy of DoT

Manpower deployment of various Tourism Boards



	Tourism Board	Personnel Deployed	Area (in Sq KM)	Annual Tourist Footfall, 2019 (in Lakhs)	Tourism Footfall / Area	Tourism Density / No. of Personnel deployed
Foreign	Bali Tourism Board	21	5780	63	1090	51.9
	Maldives tourism	27	300	17	5676	210.2
	Croatia National Tourist Board	82	56594	196	346	4.2
	Seychelles Tourism Board	127	458.4	3.84	838	6.6
	Singapore Tourism Board	352	728	191.2	26,264	74.6
	AVERAGE					69.5
Domestic	Uttarakhand Tourism Board	80	53483	392	733	9.2
	MP Tourism Board	100	308245	883	287	2.9
	AVERAGE (Domestic & Global)					51.4
→	Goa Tourism Board	47	3702	120	2,178	

The number of personnel deployed by various foreign & domestic tourism boards range from **21 to 352** and is not dependent on area, tourist footfall, etc.

The number of personnel to be deployed is **highly dependent on :**



- 1 Organization structure of the board
- 2 Operating procedures & policies

↓ Lack of digitization / automated process

↑ Increase in no. of Personnel

Manpower Phasing Plan for GTB - Contractual

47

Professionals needed in GTB –
to be recruited in the next 3 years.

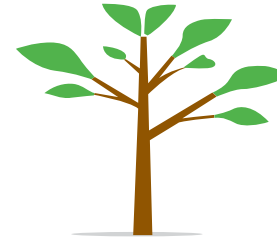


2021-22

Staff Count

07

Est. Annual Salary Cost:
INR 86.36 Lakh

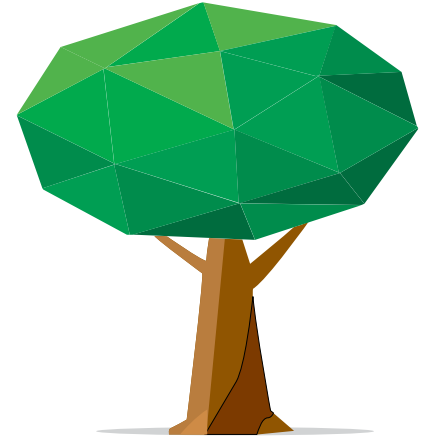


2022-23

Staff Count

22

Est. Annual Salary Cost:
INR 220.79 Lakh



2023-24

Staff Count

47

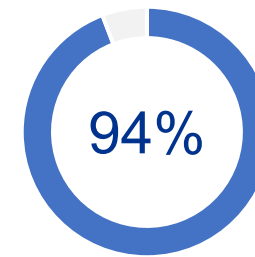
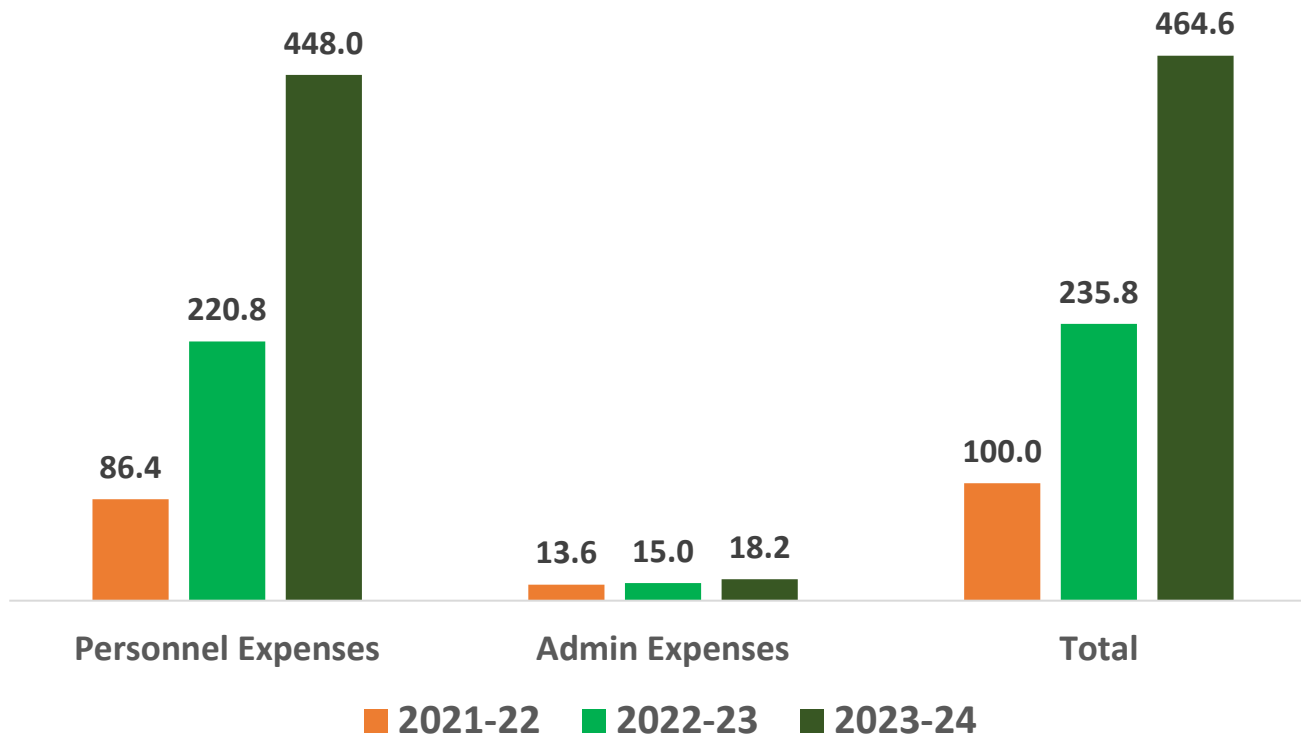
Est. Annual Salary Cost:
INR 448.03 Lakh

	2021-22	2022-23	2023-24
CEO	1	1	1
GM	2	4	6
DGM	2	5	10
Manager	1	3	7
Asst. Manager	1	3	7
Sr. Executive	-	4	10
Executive	-	2	6

Budget Requirements for GTB formation



For the formation and functioning of the board the funds required shall be availed from the state budgetary provisions.

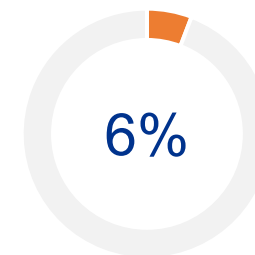


Personnel Expenses

Number of incremental staff required in GTB; with escalation of 5% in salaries

[Click for:](#)

[Recruitment & Promotion system for GTB](#)



Admin Expenses

Includes rent, utility charges, and other general administrative expenses in GTB

GTB requires an investment of INR 1 Crore in the first year (2021-22), in the form of grant from the Government.

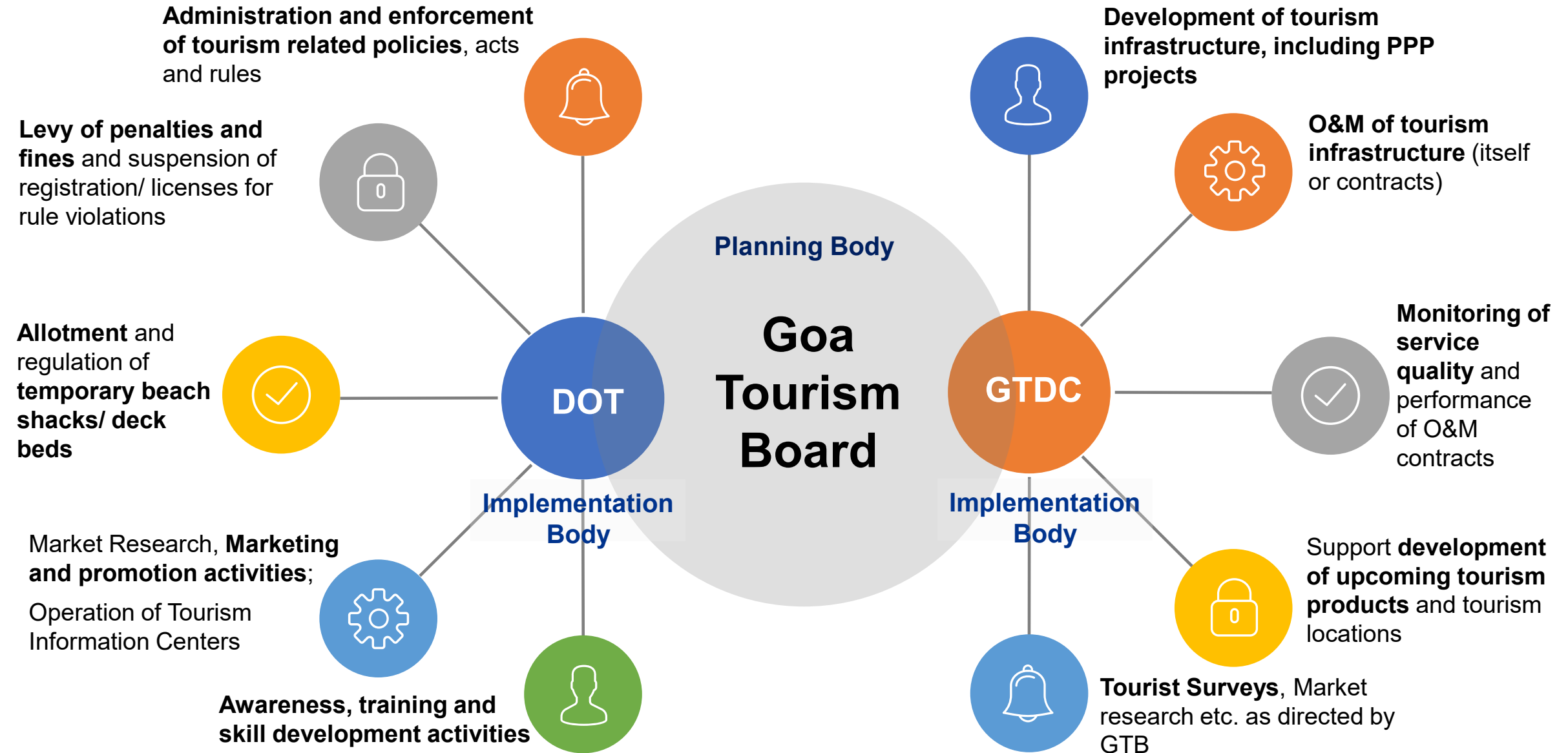
Module-5

Strengthening

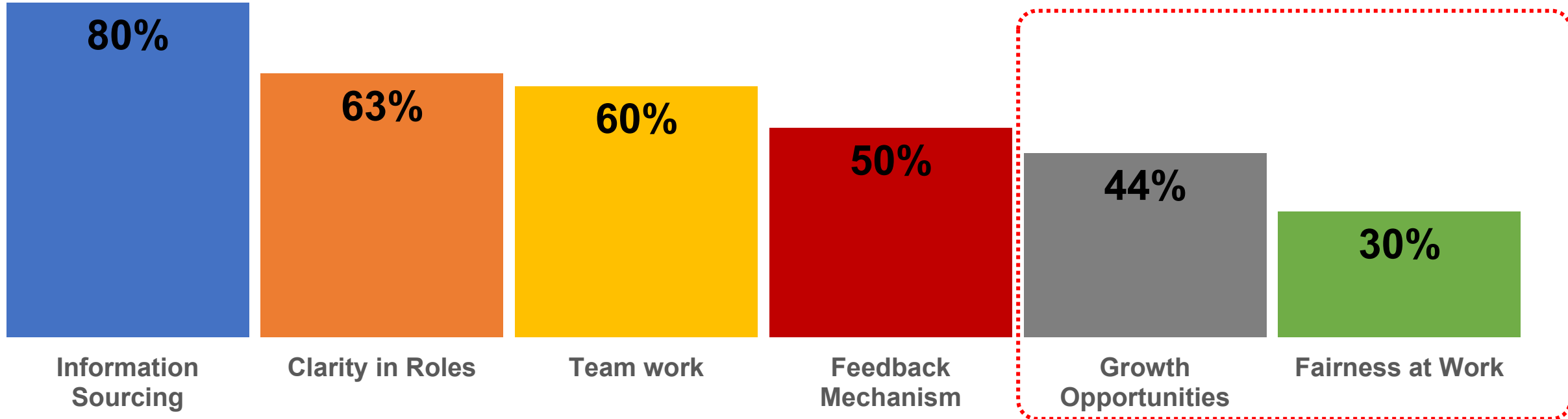
- DoT &
- GTDC



Role of Implementation Agencies– Functions as per module 4



DOT Staff Survey: Observations



- Members of DOT have reasonable clarity of their roles & responsibilities.
- In case of any Special works assigned to them, they fairly know where to seek the information from.

1

Limited Growth Opportunities, especially, lack of performance-based evaluation (of promotions and increments) and restricted involvement in decision making were cited as one of the key concerns.

2

Majority of the work is directed to few staff members, leading to unequal work distribution. Skill gaps were identified as prime reasons for the same.

Overall Budget FY 2019-20 and Proposed spending



■ Actual Spending in FY 2019-20

■ Proposed Expenditure

40% 40%



Marketing & Promotions



The spending of Marketing & Promotions Budget should be in line with global marketing and advertising trends

30%

25%

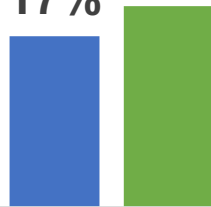


Creation of new assets



Private sector participation should be encouraged in the projects

17% 20%



Grants to GTDC



Infrastructure development should be routed through GTDC

8%

8%



Administration Cost

5%

5%



Repairs, O&M of Existing Assets

0%

2%



Training and Development

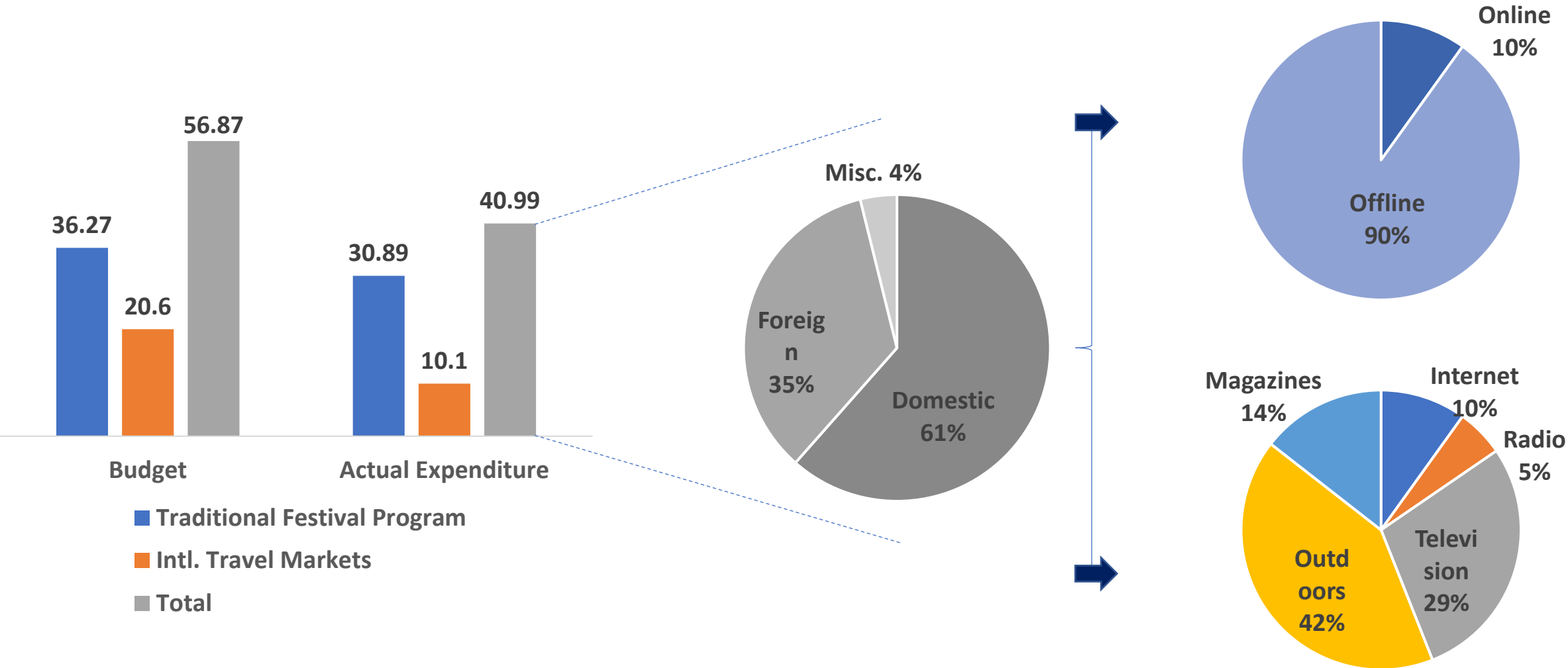


For continuous upskilling of the employees and making their skills relevant

Overview of previous Marketing Budget FY 2018-19



DOT had **spent INR 40.99 Crore** out of a **budget of INR 57.05 Crore** in the year 2018-19



Issues with previous Marketing Budget FY 2018-19



Marketing Medium	Budget spent (in %)
Internet	10%
Television	29%
Outdoor	42%
Radio	6%
Magazines & Newspapers	14%
TOTAL	100%

Impact of Mktg. Medium
52%
28%
7%
5%
10%
100%

Sources of Promotion	Budget spent (in %)
Traditional Festival Prog.	75%
International Travel Markets	25%
Blogs / Influencers	-
Sponsorships / endorsements	-

Spent on outdoor Advertisement was more than on internet

Lack of focus on effective & cheaper sources of promotion

GLOBAL TRENDS



Consumption on Connected devices has grown by **upto 3X**



There is an **87% increase** in the time spent on **digital platforms daily**



Increase in smartphone usage to **25 hours per week** from 23.6 hours

Proposed Budget plan for Marketing & Promotions



Marketing Budget considered for the year 2021-22 :
INR 50 Crore

Kerala Tourism estimates that short trips will be preferred once the pandemic crisis eases, and is going all out to attract domestic tourists.

Kerala Tourism to run campaigns on portals, social media, TV, radio, OTT platforms

Budget Heads	% share
1. Advertisements	55%
2. Events (Fairs/ Exhibitions / Road shows etc.)	15%
3. Blogs / Influencers	15%
Sponsorships / endorsements	15%
Total	100%



Advertisement Budget	
Mode of Adv.	% share
Internet	55.0%
Television	10.0%
Outdoor	22.5%
Radio	2.5%
Magazines	10.0%
Total	100.0%

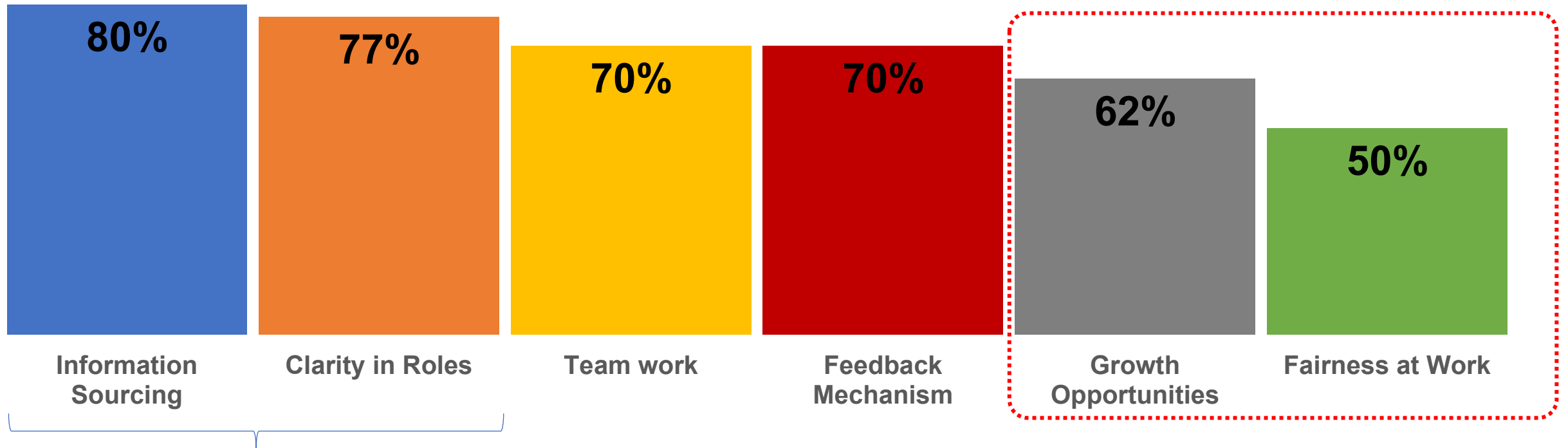


- ✓ Social Media Influencers & Travel Bloggers target specific audience and creates more impactful content
- ✓ Target National & international events in Goa for sponsorships & endorsements



- ✓ Increased Digital advertisements
- ✓ Digital advertisements: Less expensive than outdoor and has better reach.

GTDC Staff Survey: Observations



- The staff of GTDC take pride in being part of Goa tourism
- The staff members have good clarity of their roles & Responsibilities

1

Lack of performance-based evaluation (of promotions and increments) cited as one of the key concerns.

2

Unequal work distribution observed in few divisions i.e. leading to overburden on few staff members.

Observations made for GTDC



Appraisal System

Requirement of Performance linked appraisals system for increased job satisfaction & motivation



Introduce a **performance evaluation & feedback** mechanism for **appraisals & performances**

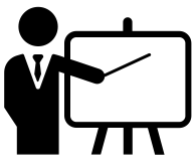


Upgradation of IT systems & software

The current IT systems & software require year on year updates.



Updating current IT systems and provision of **latest software** required **specific to the section**



Upskilling / Training programs for the staff

Periodic training & upskilling sessions required to enhance staff performance.



Upskilling training programs for the staff



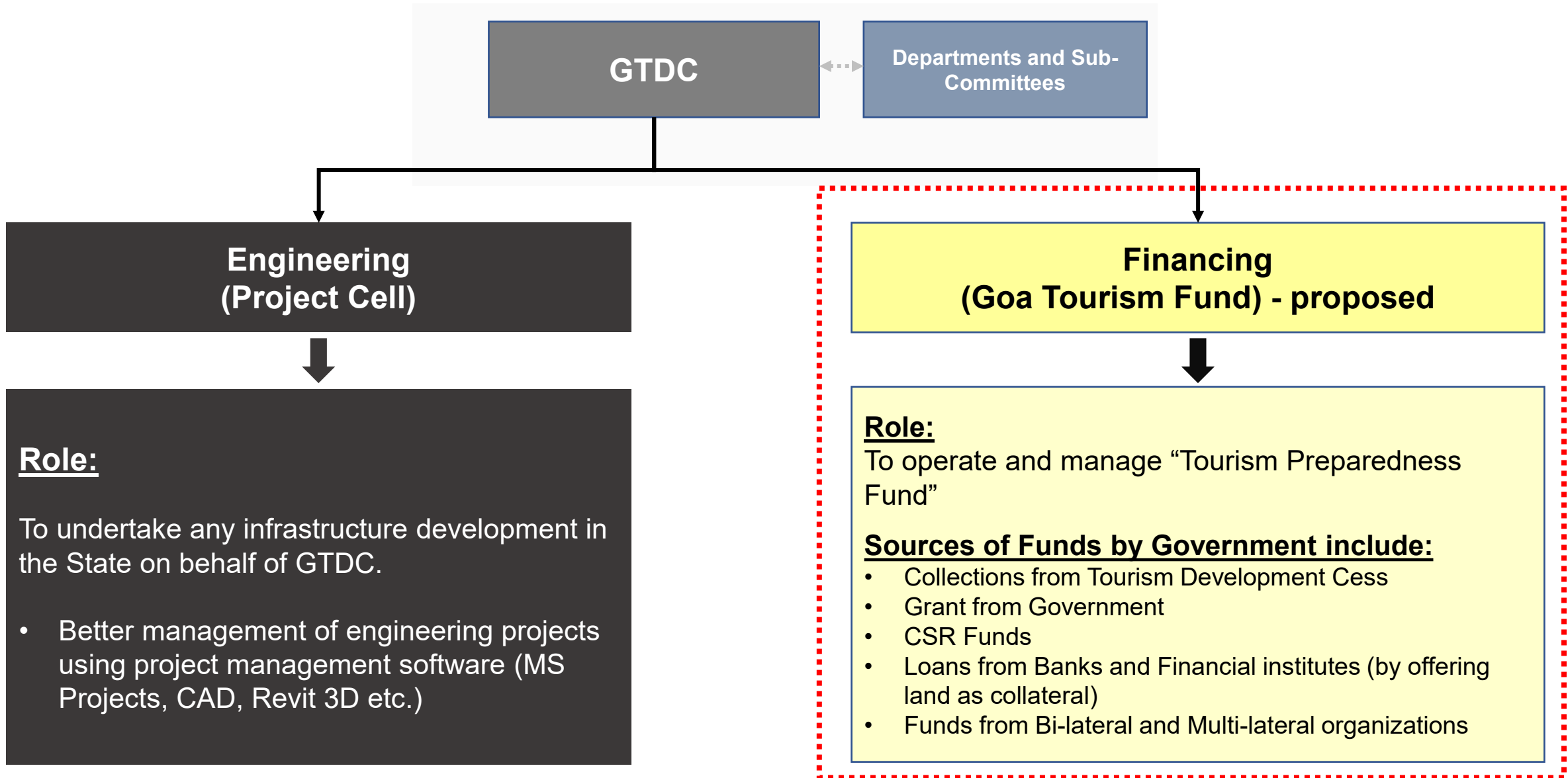
Contractual deployment of resources

Decision to augment manpower deployment by recruiting resources on contractual basis only



The practice should be encouraged to reduce man-power expenses

Suggestions made for GTDC



Sources of Goa Tourism Fund



Bilateral multinational agencies or financial institutions such as:

Domestic Financial Institutions:

- Nationalized or private MNC banks

International Financial Institutions:

- Asian Development Bank (ADB)
- World Bank (WB)
- International Bank for reconstruction and development (IBRD)
- KFW
- UNCTAD

OR

VC Funds / Fund of funds / Hedge funds Etc.



➤ All project proposals to be evaluated independently for:

- Commercial viability
- Benefit to the state tourism in terms of quality / footfalls
- Job creation
- Revenue to the state exchequer
- Measures taken to ensure responsible / sustainable tourism / Environmental impact

➤ The fund team shall comprise of

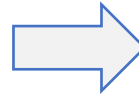
- Fund manager
- Finance Expert / liaison with financial institutions
- Subject Matter Experts Investment analysts
- Risk & Compliance Team

Proposed Uses of Goa Tourism Fund



Government funded projects

- ✓ Tourist centric Social Infrastructure Projects
(intended for enhancing the viability of commercial projects)
 - Public Conveniences
 - Parking lots
 - Wayside amenities
 - Transportation facilities



BENEFITS

- **Trunk infrastructure development** to make the project sites more attractive for the investors.
- **Alternate source of funding**, apart from central financial assistance and state funds

Private Funded tourism projects

- ✓ Commercially viable Tourism Projects
 - Independent private projects
 - JV between Government and private investor



- **Viability Gap funding**, in the form of equity / debt, for private projects
- **Additional source of funding** for viable Private projects with immense tourism potential

Module-5
Economic
Linkages



Overview of Economic Linkages

Development of State's Tourism Industry should benefit the entire Goan economy.

Economic Linkages can be defined as “**relation between the different stakeholders of the tourism value chain**”.



When the local **economic linkages** are weak, the revenue from **tourism receipts** leaks out.

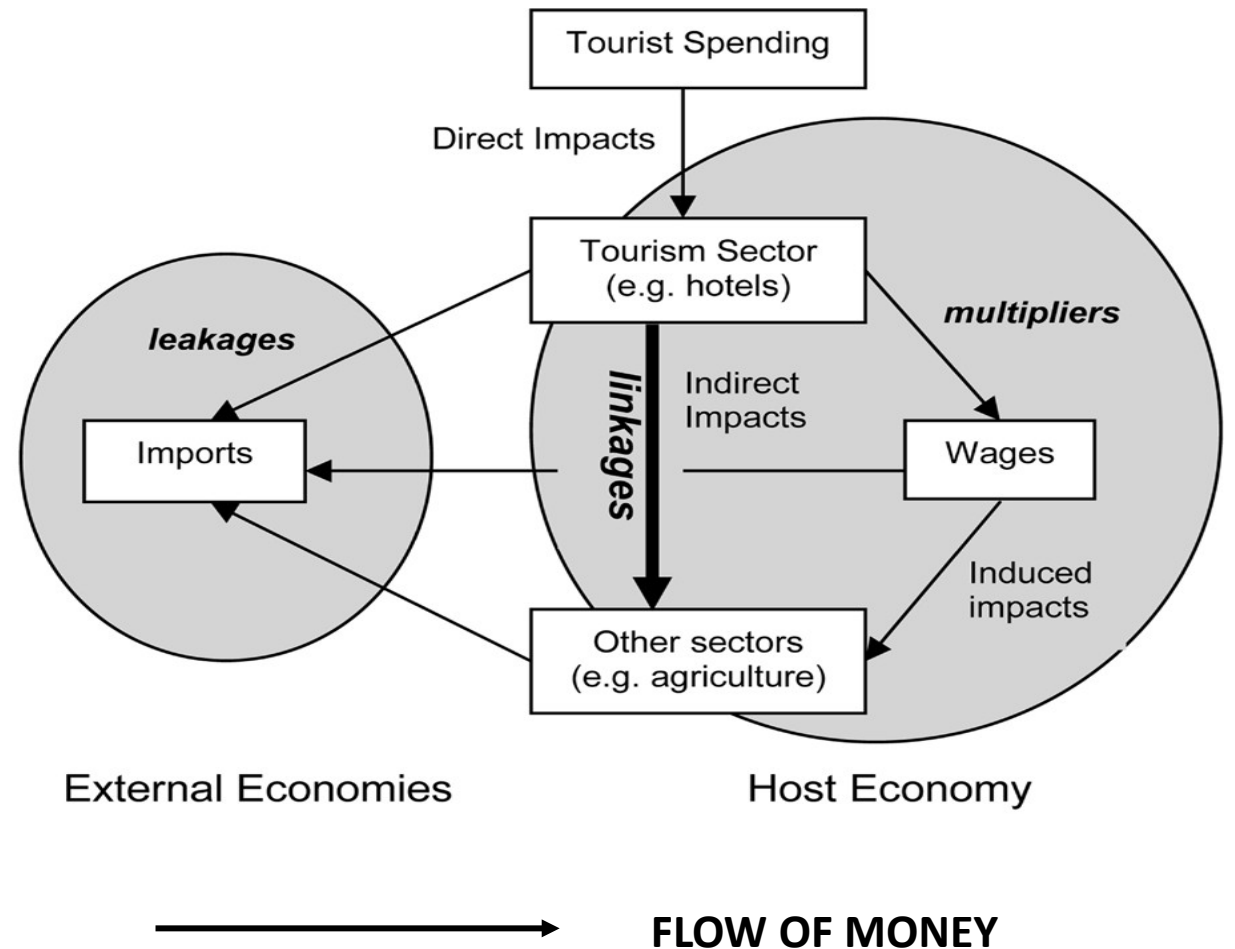


Leakage = % of the tourists' expenditures that leaves the tourist destination

(in terms of imports, expatriated profits or the expenditures never reach the tourist destination)



- Engaging with local suppliers
- Using local capital and resources
- Developing the skills necessary to deliver consistently at an appropriate quality and at a competitive price can reduce leakages.



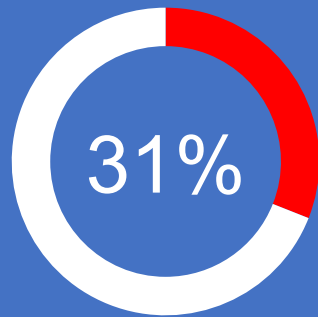
Estimated Leakages



Est. Revenue by all tourism stakeholders (in the year 2019-20): **INR 8745 Crore**

Pre-leakage

INR 2758 Crore

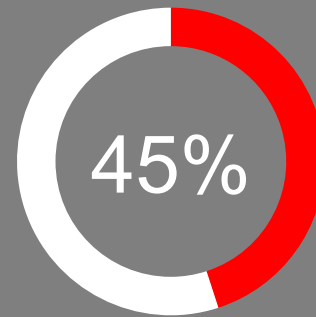


Sources of Leakage (also Industry trend):

- Commission to OTAs like MakeMyTrip, Yatra, Airbnb, OYO etc. and other state tour operators
- Pre-booking of entire itinerary at the point of origin (incl. AP / EP plans)

Parallel Economy

INR 4002 Crore

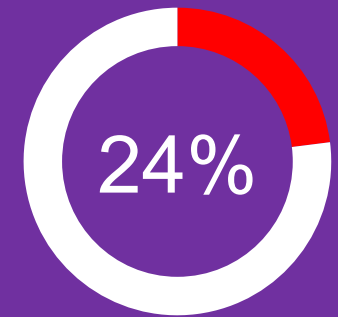


Sources of Leakage:

- Illegal / unregistered hotels / accommodation units and activities with Department of Tourism
- Cash sales
- Redirecting tourists for activities to nearby states like Malwan

Internal leakage

INR 2050 Crore



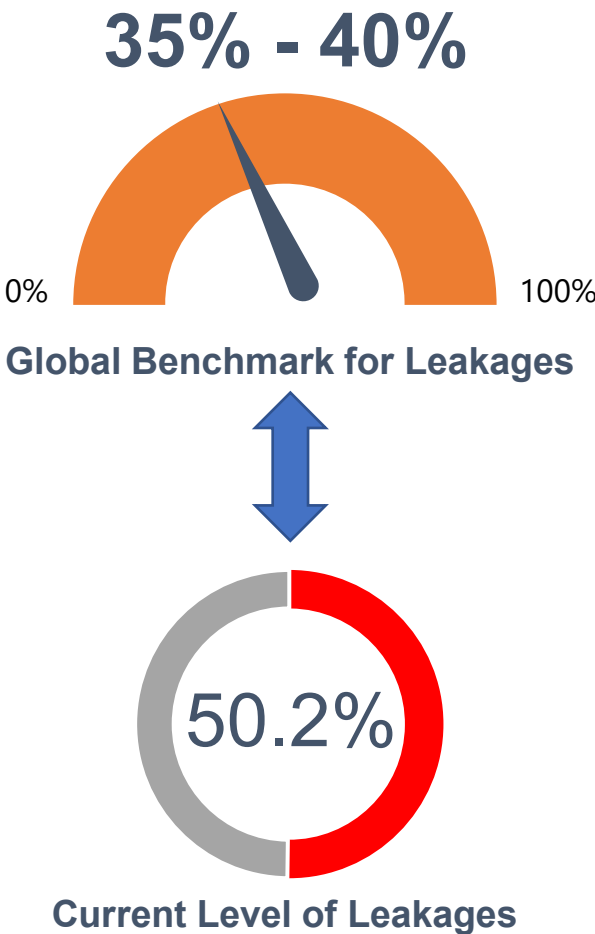
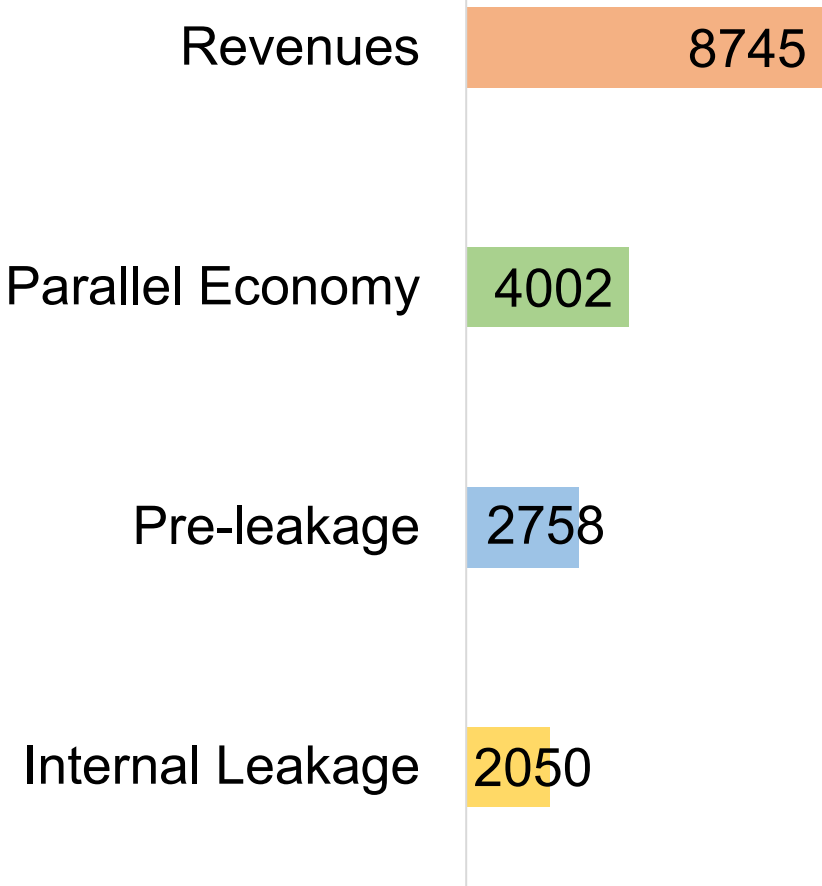
Sources of Leakage:

- Unauthorized rent-a-car / bikes
- Limited utilization of local produce
- Limited employment of Goans in various tourism businesses
- Import of Souvenirs

Overview of Economic Linkages



In INR Crore



INR 17555 Crore

Estimated size of Tourism Industry in the State (direct) in the year 2019-20 incl. parallel economy and leakages

1.56 Crore

Estimated Footfalls in the State (in the year 2019-20)

22.56%

Estimated tourism contribution to GDP (incl. parallel economy and leakages). % tourism contribution to GDP (incl only parallel economy) is 16.4%

There is scope for 10%-15% reduction in existing leakages through proper economic linkages.



Thank you

© 2021 KPMG Advisory Services Pvt. Ltd. legal member firm name, a jurisdiction legal structure and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative, a Swiss entity. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.