

## A Study on Inbound Tourism in India

*Akash Balmiki*<sup>1\*</sup>, *Akansha Balmiki*<sup>2</sup>

<sup>1</sup> Assistant Professor, Department of Commerce, Vivekananda College (Thakurpukur), Kolkata, Email Id: akashbmk@gmail.com, ORCID ID: <https://orcid.org/0009-0007-7009-0362>

<sup>2</sup> Akansha Balmiki: Post Graduate student in Post Graduate & Research Department of Commerce, St. Xavier's College (Autonomous), Kolkata, Email Id: akanshabmk@gmail.com, ORCID ID: <https://orcid.org/0009-0003-4603-8936>

\* Corresponding Author

### Keywords

- International Tourism
- Inbound Tourism
- Foreign Exchange Earnings (FEEs)
- Foreign Tourist Arrivals (FTAs)
- Foreign Tourist Visitors (FTVs)

### Abstract

Tourism can be broadly divided into – international tourism and domestic tourism. International tourism has 02 categories – inbound tourism and outbound tourism. Tourism has been subdivided into cultural, heritage, business, leisure, medical, religious and adventure tourism. This paper deals with inbound tourism in India. Indian subcontinent provides a much diversified terrain and at the same time provides opportunity for every type of tourism (cultural, heritage, business, leisure, medical, religious and adventure). This study highlights the financial side of inbound tourism. Our research shall dig into the foreign exchange earnings (FEEs) received by India from 2005 to 2024 and calculate the compounded annual growth rate (CAGR) in FEEs. The growth in FEEs over the period of research, the paper shall also identify the countries from where India has the highest number of foreign tourist arrivals (FTAs) and also highlight the significant difference among them. The research shall highlight the most popular eastern states for tourism among the foreign tourist (inbound tourism) and check the significant difference among them.

## 1. Introduction

India is a country where people believe in “*Atithi Devo Bhava*” meaning “Guest is God”. Hence tourism should be understood as an emotion and experience not as a subject. The stakeholders of tourism value experience over money. Tourism developers and promoters should understand the emotion and importance of travellers and visitors as that will help in improving the services. Besides, an emotional side, tourism increases income opportunities and infrastructural facilities. This industry has the capability of attracting foreign currency, also helps in balance of payments. Proper promotion of tourism and development of tourist facilities will help the nation increase its foreign receipts and also help in witnessing infrastructural growth. Tourism development and promotion should always be considered as a responsibility and duty by will of the people involved in various service rendering activities. This paper shall discuss the growth in Foreign Exchange Earnings (FEEs) and analyse the significant difference in Foreign Tourist Arrivals (FTAs) from 15 top source countries. Additionally the paper will also highlight the state or union territory having highest number of Foreign Tourist Visitors (FTVs) in eastern India and also examine the significant difference. According to Manhas and Dogra (2019), the research for this study was based on identification of foreign tourists on the major places where their presence was expected in order to gather their responses for the study. Furthermore, Khristov, Gregoric and Roncevic (2020) stated the reason for relatively low numbers of international tourist arrivals in India due to hot and humid climate (except Himalayan region) from March till September, relatively low quality of services, poor tourist infrastructure in many places and many more.

## 2. Review of Existing Literature

Year	Author	Topic	Description
2018	Sofronov	The Development of The Travel and Tourism Industry in the World	<ul style="list-style-type: none"> <li>• Studied the development of travel and tourism in the world.</li> <li>• It demonstrated tourism industry as the fastest and largest growing sectors in the world.</li> </ul>

2019	Manhas and Dogra	Inbound Tourism Influenced by Social Media: An Indian Case Study	<ul style="list-style-type: none"> <li>• The objective of the study was to identify the extent to which social media used to collect information for visiting India.</li> <li>• It took into consideration the foreign tourist arrivals in India to different states and union territories.</li> </ul>
2020	Khristov, Gregoric and Roncevic	Inbound Tourism to India: Features and Perspectives Study	<ul style="list-style-type: none"> <li>• The study focussed on international tourist arrivals statistics for a period of 10 years (1997-2018).</li> <li>• The study also concentrated towards the tourist regionalization in India.</li> <li>• It focussed on factors that led to international tourists to India.</li> </ul>
2023	Arora	Forecasting Number of Inbound Tourists in India Adopting ARIMA Model	<ul style="list-style-type: none"> <li>• Studied to focus on the number of inbound tourists in India.</li> <li>• The research concluded the forecasting of the number of inbound tourists by utilizing the ARIMA model for accurately forecasting future needs.</li> </ul>
2025	Naik, Bhatia, Singh and Sharma	Modelling Travel Patterns and Predicting Spatial Temporal Movement of Inbound Tourists to India - A Markov Chain Approach	<ul style="list-style-type: none"> <li>• Conducted a research on modelling travel pattern and predicting spatial temporal movements; it focussed on how different tourism policies had helped India retain loyal; foreign tourist over the years.</li> <li>• The study used Markov technique that allowed to predict the futuristic approach taken by stakeholders to attract, retain and hold positions of various countries in total India.</li> </ul>

### 3. Objectives

- To check the CAGR of Foreign Exchange Earnings (FEEs) from inbound tourism in India;
- To analyse the significant difference in Foreign Tourist Arrivals (FTAs) to India;
- To analyse the significant difference in Foreign Tourist Visits (FTVs) to eastern states and union territory of India.

### 4. Research Methodology

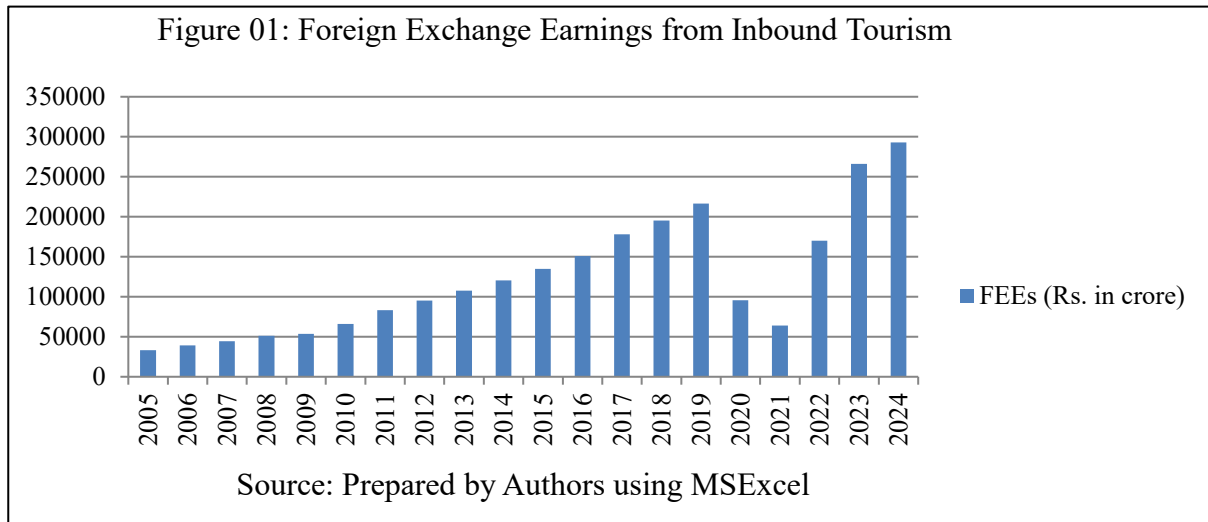
The research paper considered data from India Tourism Data Compendium 2025 published by Ministry of Tourism, Government of India. The study focuses on inbound tourism, hence, annual data was collected related to the FEEs in India for a period of 20 years i.e. 2005 to 2024. The study also considered annual data of FTAs from top source countries from 2005 to 2024, the research analysed the significant difference between in FTAs to India from top source nations through Kruskal Wallis Test. Further, the study highlighted the most popular inbound tourism destination in eastern India (year wise) and analysed the significant difference in FTVs in eastern states and union territory of India for the same time frame through ANOVA.

### 5. Results and Discussion

This section highlights the collection and analysis of data and discusses the various objectives fixed above. Table 01 shows the foreign exchange earnings of last 20 years. The researchers calculate the compounded annual growth rate (CAGR).

Year	Amount in Rs. crore	Year	Amount in Rs. crore
2005	33123	2015	1,34,843
2006	39025	2016	1,50,750
2007	44362	2017	1,78,189
2008	51294	2018	1,95,312
2009	53754	2019	2,16,467
2010	66172	2020	95,738
2011	83,037	2021	63,978
2012	95,060	2022	1,69,917

2013	1,07,563	2023	2,66,045
2014	1,20,366	2024	2,93,033
Source: Ministry of Tourism, Government of India (India Tourism Data Compendium 2025)			



The first objective concentrated only on CAGR calculation and the CAGR is being reported as 11.51655%. Figure 01 and the CAGR result clearly depicts that over the years earning from inbound tourism has steadily increased. However, the years 2020 and 2021 has witnessed massive fall in that steady growth which was picked up 2022 onwards. The fall of FEEs in 2020 and 2021 may be explained as an impact of the covid-19 pandemic, however, detailed study can be conducted to explore such massive fall.

Objective No. 02 is to analyse the significant difference in FTAs to India. Table 02 represents year-wise FTAs to India from top 15 source countries for last 20 years (2005 to 2024). Based on Table 02, we identify the countries from where we have highest and lowest foreign tourist arrivals in India over the time period of study (refer to Table 03). The lowest foreign tourist arrivals were from Thailand and Italy in last 20 years and the highest foreign tourist arrivals were from US, UK and Bangladesh. The normality results for FTAs as presented in Table 04 which document that some countries show normal distribution of data, however, other countries counter it with unequal distribution of data. Considering such dilemma, the researchers opt for non-parametric alternative of ANOVA – Kruskal-Wallis.

Table 05 represents the Kruskal-Wallis test results which were performed to analyse the significant difference in FTAs to India from top 15 source countries. It is evident from Table 05 that the distribution of FTAs from top 15 source countries is not same across the categories. The significance

value (0.00) is less than p-value (0.05), hence, we reject null hypothesis and conclude that, distribution of FTA is not same across categories of country.

Researchers now focus on eastern region of India and analyse the FTVs in eastern Indian states and union territory – Andaman & Nicobar Islands, Bihar, Jharkhand, Odisha and West Bengal. The Shapiro-Wilk test of normality for FTVs to eastern India highlights that the data is normally distributed (refer Table 07), the p-value is not more than the significant value (0.05) for all eastern India states and union territory. Hence, researchers opt for parametric test – ANOVA to analyse the significant difference in FTVs to eastern India.

The null hypothesis of ANOVA (refer Table 08) for FTVs in eastern India has been rejected as the p-value (0.00) is not more than the significant value (0.05). Hence, we reject null hypothesis and conclude that there exists a difference in FTVs in states and union territory of eastern India.

Figure 02 highlights an interesting fact that in the year 2022 the state of West Bengal has the highest foreign tourist visit in eastern India. Further, West Bengal also recorded the highest number of foreign tourist visit in last 20 years (2005 to 2024). It is important to note that the iconic Durga Puja in Kolkata was officially inscribed as an Intangible Cultural Heritage of Humanity by UNESCO in December 2021 during the 16<sup>th</sup> session of the Intergovernmental Committee for the Safeguarding of the Intangible Cultural Heritage.

Table 02 : Year-wise Foreign Tourist Arrivals (FTAs) to India from Top Source Countries in 2024

YEAR	US	BANGLADESH	UK	AUSTRALIA	CANADA	MALAYSIA	SRILANKA	GERMANY	FRANCE	SINGAPORE	NEPAL	JAPAN	RUSSIA	INDIA	ITALY	THAILAND
2005	6,11,165	4,56,371	<b>6,51,803</b>	96,258	1,57,643	96,276	1,36,400	1,20,243	1,52,258	68,666	77,024	1,03,082	56,446	67,642	<b>42,245</b>	
2006	6,96,739	4,84,401	<b>7,34,240</b>	1,09,867	1,76,567	1,07,286	1,54,813	1,56,808	1,75,345	82,574	91,552	1,19,292	62,203	79,978	<b>46,623</b>	
2007	<b>7,99,062</b>	4,80,240	7,96,191	1,35,925	2,08,214	1,12,741	2,04,084	1,84,195	2,04,827	92,908	83,037	1,45,538	75,543	93,540	<b>57,049</b>	
2008	<b>8,04,933</b>	5,41,884	7,76,530	1,46,209	2,22,364	1,15,794	2,18,805	2,04,344	2,07,802	97,851	78,133	1,45,352	91,095	85,766	<b>58,065</b>	
2009	<b>8,27,140</b>	4,68,899	7,69,251	1,49,074	2,24,069	1,35,343	2,39,995	1,91,616	1,96,462	95,238	88,785	1,24,756	94,945	77,873	<b>67,309</b>	
2010	<b>9,31,292</b>	4,31,962	7,59,494	1,69,647	2,42,372	1,79,077	2,66,515	2,27,720	2,25,232	1,07,487	1,04,374	1,68,019	1,22,048	94,100	<b>76,617</b>	
2011	<b>9,80,688</b>	4,63,543	7,98,249	1,92,592	2,59,017	2,08,196	3,05,853	2,40,235	2,31,423	1,19,022	1,19,131	1,93,525	1,44,312	1,00,889	<b>92,404</b>	
2012	<b>10,39,947</b>	4,87,397	7,88,170	2,02,105	2,56,021	1,95,853	2,96,983	2,54,783	2,40,674	1,31,452	1,25,375	2,20,015	1,77,526	<b>98,743</b>	1,05,141	
2013	<b>10,85,309</b>	5,24,923	8,09,444	2,18,967	2,55,222	2,42,649	2,62,345	2,52,003	2,48,379	1,43,025	1,13,790	2,20,283	2,59,120	<b>93,951</b>	1,17,136	
2014	<b>11,18,983</b>	9,42,562	8,38,860	2,39,762	2,68,485	2,62,026	3,01,601	2,39,106	2,46,101	1,50,731	1,26,416	2,19,516	2,69,832	<b>91,589</b>	1,21,362	
2015	<b>12,13,624</b>	11,33,879	8,67,601	2,63,101	2,81,306	2,72,941	2,99,513	2,48,314	2,30,854	1,52,238	1,54,720	2,07,415	1,72,419	<b>88,091</b>	1,15,860	
2016	12,96,939	<b>13,80,409</b>	9,41,883	2,93,625	3,17,239	3,01,961	2,97,418	2,65,928	2,38,707	1,63,688	1,61,097	2,08,847	2,27,749	<b>95,417</b>	1,19,663	
2017	13,76,919	<b>21,56,557</b>	9,86,296	3,24,243	3,35,439	3,22,126	3,03,590	2,69,380	2,49,620	1,75,852	1,64,018	2,22,527	2,78,904	<b>1,11,915</b>	1,40,087	

2018	14,56,678	<b>22,56,675</b>	10,29,757	3,46,486	3,51,040	3,19,172	3,53,684	2,74,087	2,61,653	1,83,581	1,74,096	2,36,236	2,62,309	<b>1,26,931</b>	1,66,293
2019	15,12,032	<b>25,77,727</b>	10,00,292	3,67,241	3,51,859	3,34,579	3,30,861	2,64,973	2,47,238	1,90,089	1,64,040	2,38,903	2,51,319	<b>1,28,572</b>	1,69,956
2020	3,94,092	<b>5,49,273</b>	2,91,874	86,758	1,22,868	69,897	68,646	72,558	74,243	33,747	40,822	48,191	1,02,166	<b>31,186</b>	52,626
2021	<b>4,29,860</b>	2,40,554	1,64,143	33,864	80,437	6,628	25,989	33,772	30,374	13,407	52,544	15,358	17,567	13,659	<b>4,668</b>
2022	<b>14,03,399</b>	12,77,557	6,41,051	3,76,898	2,89,259	1,26,192	1,83,459	1,41,425	1,20,282	1,32,668	1,38,203	64,196	97,911	62,226	<b>54,367</b>
2023	16,91,498	<b>21,19,826</b>	9,20,591	4,56,167	3,85,938	2,62,458	2,80,327	2,23,575	1,88,981	1,83,772	1,95,445	1,50,521	1,64,125	<b>1,16,031</b>	1,16,060
2024	<b>18,04,586</b>	17,50,165	10,22,587	5,18,205	4,76,273	3,07,526	2,81,827	2,56,348	2,06,855	2,05,383	2,02,501	1,94,875	1,60,188	<b>1,42,239</b>	1,40,489
Source: Ministry of Tourism, Government of India (India Tourism Data Compendium 2025)															

YEAR	HIGHEST	LOWEST	YEAR	HIGHEST	LOWEST
2005	UK	THAILAND	2015	US	ITALY
2006	UK	THAILAND	2016	BANGLADESH	ITALY
2007	US	THAILAND	2017	BANGLADESH	ITALY
2008	US	THAILAND	2018	BANGLADESH	ITALY
2009	US	THAILAND	2019	BANGLADESH	ITALY
2010	US	THAILAND	2020	BANGLADESH	ITALY
2011	US	THAILAND	2021	US	THAILAND
2012	US	ITALY	2022	US	THAILAND
2013	US	ITALY	2023	BANGLADESH	ITALY
2014	US	ITALY	2024	US	ITALY

Source: Prepared by Authors using MS Excel

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
US	.083	20	.200*	.981	20	.945
BANGLADESH	.292	20	.000	.820	20	.002
UK	.219	20	.013	.832	20	.003
AUSTRALIA	.104	20	.200*	.964	20	.620
CANADA	.089	20	.200*	.988	20	.993
MALAYSIA	.142	20	.200*	.937	20	.215
SRILANKA	.198	20	.039	.885	20	.022
GERMANY	.201	20	.034	.852	20	.006
FRANCE	.188	20	.061	.823	20	.002
SINGAPORE	.090	20	.200*	.964	20	.636
NEPAL	.106	20	.200*	.973	20	.810
JAPAN	.182	20	.083	.905	20	.052
RUSSIAN FED	.140	20	.200*	.935	20	.191
ITALY	.146	20	.200*	.937	20	.214
THAILAND	.143	20	.200*	.959	20	.533

\*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

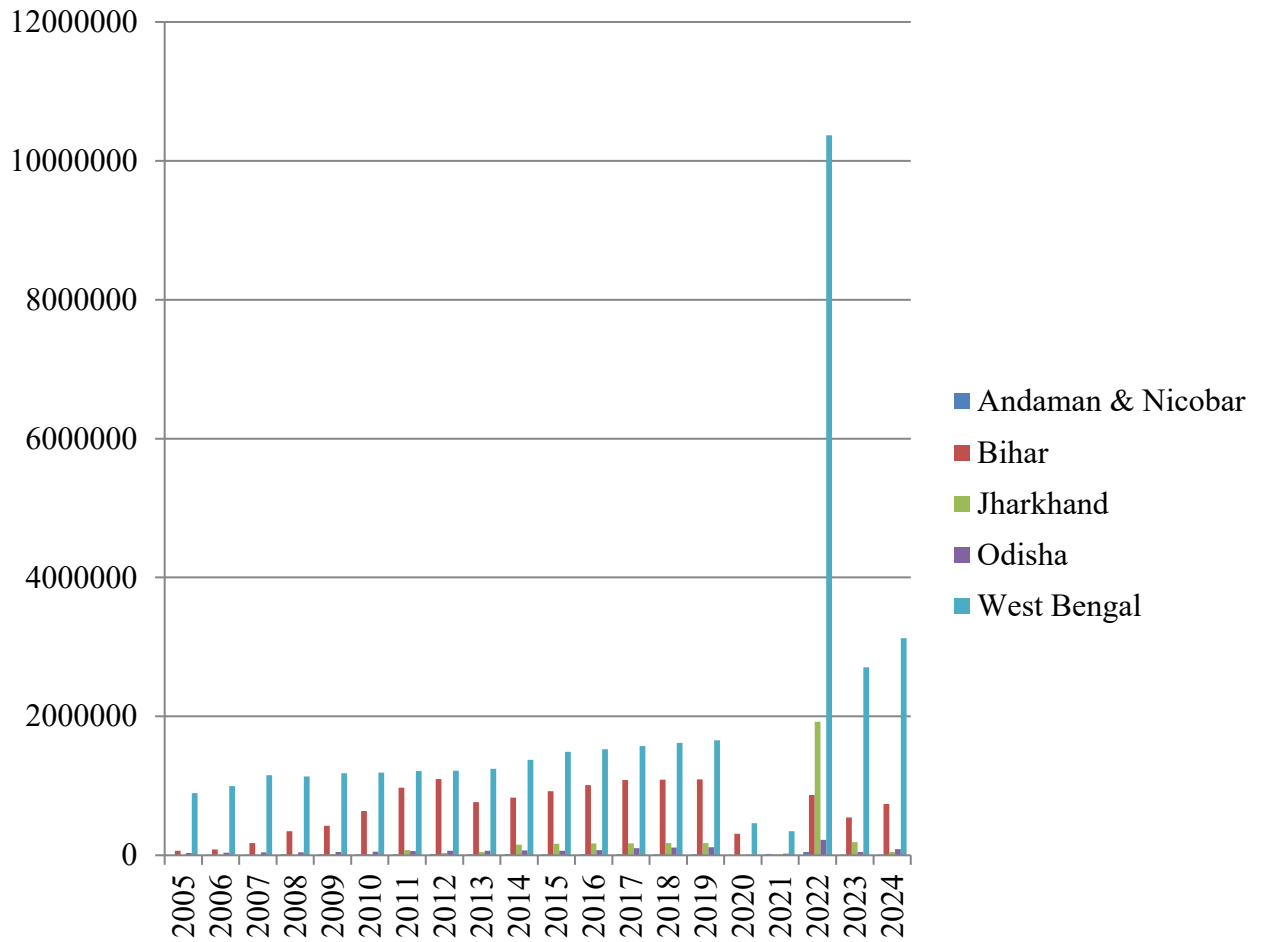
Source: Computed by Authors using SPSS

Null Hypothesis	Test	Sig.	Decision
-----------------	------	------	----------

1	The distribution of FTA is the same across categories of COUNTRY	Independent Samples Kruskal-Wallis Test	.000	Reject the null hypothesis
Asymptotic significances are displayed. The significance level is .05				
Source: Computed by Authors using SPSS				

	ANDAMAN & NICOBAR ISLANDS	Bihar	Jharkhand	Odisha	West Bengal
2005	2147	63321	6035	33310	895639
2006	9045	84942	3180	39141	998029
2007	10975	177362	4004	41880	1154770
2008	12512	345572	5803	43966	1133671
2009	13684	423042	13872	45684	1180418
2010	14615	635722	15695	50432	1192187
2011	15814	972487	72467	60722	1213270
2012	17538	1096933	31909	64719	1219610
2013	14742	765835	45995	66675	1245230
2014	17235	829508	154731	71426	1375740
2015	14674	923737	167785	66971	1489500
2016	15466	1010531	169442	76361	1528700
2017	15313	1082705	170987	100014	1574915
2018	15242	1087971	175801	110818	1617105
2019	16206	1093141	176043	115128	1656145
2020	5412	308080	490	10206	463285
2021	17000	10000	16000	23000	348000
2022	45000	868000	1923000	221000	10370000
2023	9000	547000	189000	45200	2707000
2024	11000	737000	45000	87900	3124000
Source: Ministry of Tourism, Government of India					

Figure 02: Foreign Tourist Visits (FTVs) in eastern India



Source: Prepared by Authors using MS-Excel

Table 07: Tests of Normality

	Kolmogorov-Smirnova			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
ANDAMAN NICOBAR	.312	20	.000	.697	20	.000
BIHAR	.137	20	.200*	.901	20	.044
JHARKHAND	.431	20	.000	.379	20	.000
ODISHA	.183	20	.077	.821	20	.002
WEST BENGAL	.382	20	.000	.485	20	.000

\*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Source: Computed by Authors using SPSS

Table 08: ANOVA

FTV

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	45953682664420.100	4	11488420666105.000	12.052	.000
Within Groups	90558536474674.600	95	953247752364.996		
Total	136512219139095.000	99			
Source: Computed by Authors using SPSS					

## 6. Conclusion

Indian subcontinent is a land of cultural mosaic, religion, spiritualism, heritage, adventure and diversity, lately the land has also evolved as a party destination as well. Indian landscape has versatility due to its geographical location. The land consists of the great Himalayas as the crown of the subcontinent, Aravallis, Vindhyas & Satpurus, Gharo & Khasi and Jayantia Hills, Western and Eastern Ghats as the mountains and hills of the nation which are plenty with their scenic beauty across several states. The country is also blessed with huge coastline which attracts the beach lovers and the coastline is spread across multiple states opening up opportunities for tourism development and promotion in multiple states. Thar Desert, national Parks, sanctuaries, trekking, rafting, water sports, Lakshadweep and Andaman Nicobar islands also adds up to the diversified terrain.

Tourism, as expressed earlier is an emotion, feeling or experience. Stakeholders on the service rendering side should empathise with the stakeholders on the service receiving side of this industry to provide memorable experience which is value for money.

Government initiatives play an important role in promotion and development of tourism. However, only government initiatives are not enough for development and promotion of tourism neither it is a time bound process rather it is a continuous and reciprocal process. The first baby step in this continuous process is ensuring cleanliness drive and civic sense awareness among the citizen of the nation. The central, state and local administrative bodies should ensure this at their local levels.

The next important step to be adopted is to understand the desires, needs and expectations of the foreign tourists. The perception of these foreign tourists should be well analysed as pre and post visit. One important step could be extending visa on arrival or visa free access, proper airline, port access and transport facility to inbound tourists.

Government has already stepped in and build a mobile application “Incredible India”. The app should be further developed into multi lingual tourist friendly mobile application to guide the tourists and make it easy to travel within the nation. These mobile application can be further extended to make tourist service providers into an organised syndicate, which will help in fixing rates of various tourist bound services to improve transparency and eliminate steep pricing. The mobile application should be promoted as one stop solution to tourists.

India can globally establish its picture as “Incredible India” with its initiatives to promote inbound tourism.

### **Major findings**

- The FEEs from inbound tourism for India has shown a steady rise. However, the years 2020 and 2021 have witnessed a drastic fall in the FEEs. This primarily might be because of the pandemic (refer Table 01 and Figure 01).
- UK, US and Bangladesh are the top source countries for inbound tourism FTAs and on the other side Thailand and Italy are the countries from which India has the lowest inbound tourism FTAs among the top 15 source countries (refer Table 02 and Table 03).
- The Kruskal Wallis test results conclude that the FTAs are significantly different among the top 15 source countries (refer Table 05).
- West Bengal has the highest FTVs among the eastern states and union territory of India throughout the period of study (2005 to 2024). This might be because of the terrain variety and rich cultural and heritage of the state. The state offers, sea beaches, mountains, plain land, temples etc. (refer Table 06 and Figure 02).
- Another, important finding stands that 2022 was the highest ever inbound tourism FTVs witnessed by West Bengal and in 2021 the Durga puja of the state was inscribed as Intangible Cultural Heritage of Humanity by UNESCO.
- The ANOVA test results conclude that the FTVs are significantly different among the eastern union territory and states of India (refer Table 08).

### **Scope of further research**

As researchers, we feel, more extensive research should be carried out in this field. The topics in this area that attracts research scopes:

- i. Examining interrelationship between economic variables of India and Foreign Exchange Earnings (FEEs).
- ii. Impact of Foreign Exchange Earnings (FEEs) on the economic variables.
- iii. Pre and post visit analysis of the tourist
- iv. Perception of foreign tourists
- v. Perception of domestic tourists
- vi. Most popular tourist destination within the country and reason behind it.

## References

Sofronov (2018) The Development of The Travel and Tourism Industry in the World. *Annals of Spiru Haret University*, Issue: 04/2018, pp: 123-137, ISSN: 2393-1795, ISSN-L: 2068-6900.

<https://doi.org/10.26458/1848>

Manhas and Dogra (2019) Inbound Tourism Influenced by Social Media: An Indian Case Study. *Journal of Tourism Theory and Research*, vol: 5(1), pp: 01-16, ISSN: 2548-7583.

<http://dergipark.gov.tr/jttr>.

Khristov, Gregoric and Roncevic (2020) Inbound Tourism to India: Features and Perspectives Study. *50th International Scientific Conference on Economic and Social Development*, pp: 557-563, ISSN: 1849-7535.

Arora (2023) Forecasting Number of Inbound Tourists in India Adopting ARIMA Model. *MATRIX Academic International Online Journal of Engineering and Technology*, Issue: I, vol: VI, pp: 09-17, ISSN: 2348-3326. <https://www.maiujet.com/index.php/matrix/article/view/68>

Naik, Bhatia, Singh and Sharma (2025) Modelling Travel Patterns and Predicting Spatial Temporal Movement of Inbound Tourists to India - A Markov Chain Approach. *International Journal of Hospitality and Tourism Systems*, Issue: 3 2025, vol: 18 pp: 91-103, ISSN: 2393-1795, ISSN: 0974-6250. <https://doi.org/10.21863/ijhts/2025.18.3.008>

India Tourism Data Compendium 2025 published by Research and Analytics Division, Ministry of Tourism, Government of India