

THE NEW GLOBAL SOURCE MARKET: QUANTIFYING THE SCALE, DEMOGRAPHIC PROFILE, AND CORRIDOR SPECIALIZATION OF INDIAN OUTBOUND TOURISM

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Abstract

The Indian Outbound Tourism Market is rapidly becoming a major global force, driven by sustained economic expansion and a large, aspirational middle class. Quantitatively, the market reached 30.89 million departures in 2024, exhibiting a robust annual growth rate of 10.79 per cent and contributing to a significantly widening travel deficit against inbound traffic. Structurally, the market is characterized by several key metrics: it is dominated by the economically active 25-44 age group, shows a pronounced gender imbalance favouring males mainly due to employment-related travel, and features distinctly bimodal trip behaviour. This behaviour involves short leisure trips predominantly to the Asia-Pacific region, contrasted with long-term VFR (Visiting Friends and Relatives) or employment stays targeting the Americas and the Middle East. This analysis provides the essential empirical data needed by global destinations and domestic stakeholders to develop targeted products and policy interventions for effectively engaging this rapidly growing and complex global traveller base.

Keywords:- INDs, Travel Deficit, VFR, Bimodal Travel, Middle East Corridor.

Tourism, as defined by the United Nations World Tourism Organization (UNWTO), is a complex “social, cultural and economic phenomenon” rooted in the movement of people outside their usual environment for personal, business,

or professional reasons. This global activity, encompassing the actions and expenditure of both tourists and excursionists (visitors), has cemented its position as one of the world’s most vital and fastest-growing economic sectors.

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Recent UNWTO data confirms the remarkable recovery of international tourism, with global arrivals virtually reaching pre-pandemic levels in 2024, estimated at 1.4 billion, demonstrating the sector’s immense resilience and its role in driving socio-economic progress across diverse nations. (Table 1) The business volume generated by tourism now rivals or surpasses that of major global trade goods, making it a key engine for job creation, infrastructure development, cultural exchange, and a significant means of achieving the UN’s Sustainable Development Goals (SDGs).

This global dynamism is particularly visible in the evolution of the Indian travel market. Traditionally defined by the three core forms - domestic tourism (residents within the country), inbound tourism (non-residents into the country), and outbound tourism (residents outside the

country) - it is the exponential growth of the latter that is now capturing global attention.

Outbound tourism in India refers to the activities of Indian residents travelling outside the country of reference. Fuelled by robust Gross Domestic Product (GDP) growth, an expanding middle class with increasing disposable incomes, and a youthful, aspirational demographic, the Indian outbound traveller has emerged as a major global force. Recent data highlights this surge (Ministry of Tourism, Government of India. (2025). India Tourism Data Compendium 2024. New Delhi: Ministry of Tourism, Government of India.):

- The number of Indian Nationals’ Departures (INDs) from India reached 27.88 million in 2023, registering a significant growth rate.

Table 1
Foreign Tourist Arrivals (FTAs) and Tourism Earnings:
World and India Performance Metrics (2024)

Country	In absolute terms	Annual growth rate (percentage)
World		
No of FTAs	1460 (P) (in million)	12.17
International Tourism receipts	1731 (P) (in US \$ terms billion)	12.70
India		
No of FTAs	20.57 (in million)	8.89
Foreign Exchange Earnings from Tourism (PR)	35.02 (in US \$ terms billion)	8.79

Source: Ministry of Tourism, Government of India. (2025). India Tourism Data Compendium 2024. New Delhi: Ministry of Tourism, Government of India.

- International travel spending by Indians has seen an astonishing rise, with a reported 81 per cent growth through June 2024 compared to 2019 levels.
- The India outbound tourism market value stood at an estimated US\$ 21.6 billion in 2024 and is projected to reach US\$ 61.7 billion by 2033, with a Compound Annual Growth Rate (CAGR) of over 12 per cent.

The accessibility of international destinations, driven by streamlined visa processes, competitive airfares, and the pervasive influence of social media, has fundamentally reshaped Indian travel preferences. As destinations worldwide increasingly compete to attract this burgeoning source market, understanding the motivations, preferences, and economic impact of Outbound Tourism in India is critical for both public policy and commercial strategy. This paper, therefore, aims to analyze the current landscape and future trajectory of this transformative segment of the global tourism economy.

1.2 Statement of the Problem

The Indian outbound tourism market has rapidly emerged as one of the most vital and fastest-growing source markets globally, driven by sustained economic growth, rising disposable incomes, and an expanding, aspiration-driven middle class. With projections suggesting the market will continue its robust double-digit growth, the need for deep, actionable intelligence is paramount for both domestic and international stakeholders.

While the sheer volume of Indian travellers is well-documented, comprehensive, and segmented data on the psychographic and demographic profiles of these tourists remains scattered or generalized. This study is fundamentally justified by the critical need to move beyond simple volume metrics to establish a nuanced understanding of the modern Indian traveller. Specifically, information concerning gender and age distribution is essential for market segmentation, allowing destinations and operators to customize products - from adventure tours favoured by younger demographics to multi-generational family packages.

Furthermore, analyzing purpose of visit (e.g, leisure, Meetings, Incentives, Conferencing, and Exhibitions (or Events) (MICE), Visiting Friends and Relatives (VFR) and average duration of stay is crucial for strategic resource planning (e.g, flight connectivity, hotel capacity, visa policy). Data on direction of visits and most preferred destination regions and countries directly informs marketing efforts, enabling foreign tourism boards to allocate resources efficiently and tailor cultural offerings (such as cuisine or language support) to align with existing travel corridors. In an increasingly competitive global tourism landscape, this detailed, multi-dimensional analysis is not merely descriptive; it provides the empirical foundation necessary for targeted product development, policy intervention, and effective capital investment, ensuring maximum capture of this high-potential market segment.

1.3 Scope of the Study

Building upon the established scale of 30.89 million departures in 2024 and the structural findings, the scope of this study will pivot from descriptive analysis to strategic actionability. It first involves a refined segmentation by expenditure to identify high-value traveller profiles and analyze their average trip spend across the bimodal destination corridors. Crucially, the study then assesses the market growth and the widening travel deficit against inbound traffic.

1.4 Objectives of the Study

The primary objective of this study is to deliver a comprehensive, segmented understanding of the Indian Outbound Tourism Market. To achieve this, the research is specifically structured around five key goals: quantifying the market's overall scale in terms of total traveller numbers; analyzing the demographic profile of these tourists; assessing key behavioural metrics; determining the primary motivations and purpose of and finally, identifying the dominant travel corridors, detailing the most preferred destination regions and specific countries.

1.5 Methodology

The study employs a Descriptive and Exploratory Research Design focused exclusively on secondary data analysis to profile the Indian outbound market. Data were systematically collected from highly credible sources, including Official Government of India Publications (e.g., Ministry of Tourism, RBI), International Organizations (e.g., UNWTO, WTTC), and peer-reviewed literature. The collected data underwent rigorous quantitative

analysis, including Trend Analysis (growth rates, CAGR), Descriptive Statistics (frequencies, percentages to characterize population), and Market Share Analysis (proportional distribution across global destinations).

1.6 Results and Discussions

The Indian outbound tourism sector has emerged as a leading global source market, driven by robust economic fundamentals and a demographic dividend that is reshaping international travel flows. The detailed discussion that follows will elaborate on the findings, examining the nuances of each demographic and behavioural metric.

1.6.1 Quantifying the Scale of the Indian Outbound Tourism Market

The overall volume of INDs firmly establishes the nation as a leading global source market. In 2024, the total number of departures reached an impressive 30.89 million (Table 2). This scale is growing rapidly at an annual rate of 10.79 per cent, significantly outpacing the growth of FTAs into India (8.89 per cent), creating a clear and growing travel deficit.

This exponential growth is the result of strong, long-term structural tailwinds rooted in India's economic liberalization. The market volume has expanded from just over 4.4 million departures in 2000 to nearly 30.9 million today, reflecting an underlying CAGR of approximately 8.58 per cent (Table 3). Following the severe disruption of the COVID-19 pandemic, the market demonstrated extraordinary resilience, posting a remarkable 152.62 per cent rebound in 2022. By 2024, the volume not only recovered but surpassed

Table 2

Inbound vs. Outbound Tourism Volume and Growth Rate in India (2024)

Particulars	In absolute terms	Annual growth rate (per cent)
No of FTAs	20.57 (in million)	8.89
No of IND's from India	30.89 (in million)	10.79

Source: Ministry of Tourism, Government of India. (2025). India Tourism Data Compendium 2024. New Delhi: Ministry of Tourism, Government of India.

its pre-pandemic peaks, cementing the outbound sector's status as a critical indicator of India's rising middle-class affluence and global integration.

1.6.2 Demographic Profile by Gender and Age Group

Table 4 corroborates that the typical Indian outbound traveller is a male professional in their early working years, reflecting economic capabilities and specific travel drivers. There is a notable gender imbalance, with males accounting for 65.85 per cent of all departures compared to only 34.15 per cent for females, a disparity strongly correlated with the high volume of male-dominated, employment-related travel, particularly to the Middle East. Furthermore, the traveller population shows a significant age concentration in the 25 - 44 age bracket, which collectively represents 52.03 per cent of all departures. The largest single segment is the 25 - 34 age group (27.46 per cent), closely followed by the 35 - 44 age group (24.57 per cent), underscoring that the market's growth is predominantly fuelled by young, working, and financially empowered adults undertaking both personal leisure and essential professional/family travel.

1.6.3 Behavioural Metrics: Average Duration of Stay

Table 5 reveals distinctly bimodal trip behaviour in the Indian outbound market, split primarily by duration and purpose. Short-term leisure dominates travel to the accessible Asia and the Pacific region, where the largest segment of travellers stays for 4-7 days (35.75 per cent), confirming its role as the destination for quick holiday breaks. Conversely, extended, long-term stays characterize markets driven by VFR, education, or employment. The Americas shows the highest concentration in the 1 month or more category (34.08 per cent), reflecting the logistical requirements of long-haul, purpose-driven visits. The Middle East follows closely with 30.59 per cent staying 1 month or more, confirming the functional nature of these movements, while Europe also records a significant 22.06 per cent in the longest stay category, indicating complex, extended itineraries. This sharp contrast highlights a fundamental market split between frequent, short leisure trips and less frequent, highly extended purpose-driven journeys.

Table 3

Time Series Analysis of INDs: Volume and Annual Growth Rate (2000–2024)

Year	Number of INDs from India	per cent Change over the previous year
2000	4415513	7.3
2001	4564477	3.4
2002	4940244	8.2
2003	5350896	8.3
2004	6212809	16.1
2005	7184501	15.6
2006	8339614	16.1
2007	9783232	17.3
2008	10867999	11.1
2009	11066072	1.8
2010	12988001	17.4
2011	13994002	7.7
2012	14924755	6.7
2013	16626316	11.4
2014	18332319	10.3
2015	20376037	11.1
2016	21871995	7.3
2017	23942957	9.5
2018	26296484	9.8
2019	26915034	2.4
2020	72,94,566	-72.90
2021	85,51,315	17.23
2022	2,16,02,734	152.62
2023	2,78,77,640	29.05
2024	3,08,85,048	10.79
CAGR (per cent)	8.58	

Source: Ministry of Tourism, Government of India. (2025). *India Tourism Data Compendium 2024*. New Delhi: Ministry of Tourism, Government of India.

1.6.4 Primary Motivations and Purpose of Visit

Table 6 states that, the global motivations for Indian outbound travel were led by Leisure, Holiday, and

Recreational purposes (42.52 per cent), closely followed by VFR at 34.69 per cent, with Business and Professional trips accounting for 14.92 per cent. Crucially, the data reveals an extreme specialization by destination: the Middle East is

Table 4
Key Demographic Metrics for INDs (2024)

Gender	Percentage (per cent)
Male	65.85
Female	34.15
Total	100
Age Group	Percentage (per cent)
0-14	8.31
15-24	10.85
25-34	27.46
35-44	24.57
45-54	14.70
55-64	8.94
65 and above	5.17
Total	100

Source: Ministry of Tourism, Government of India. (2025). India Tourism Data Compendium 2024. New Delhi: Ministry of Tourism, Government of India.

Table 5
Behavioural Metrics: Average Duration of Stay by Destination Region for INDs (2024)

Region	INDs from India	0-1 days	2-3 days	4-7 days	1-2 weeks	2-4 weeks	1 month	Not Known
Africa	6,20,740	0.76	1.92	14.54	14.24	6.72	29.40	32.43
Americas	31,79,012	0.12	1.50	2.58	5.54	7.51	34.08	48.67
Asia and the Pacific	83,84,372	5.38	8.49	35.75	18.48	5.49	13.82	12.581
Europe	38,83,311	0.40	3.31	12.58	19.06	8.06	22.06	34.53
Middle East	1,46,81,057	2.24	2.47	8.45	9.02	8.55	30.59	38.68
Others Not classified elsewhere	1,36,556	15.58	3.83	6.98	9.58	12.10	31.44	20.49
Total	3,08,85,048	2.67	4.11	15.89	12.60	7.53	25.30	31.89

Source: Ministry of Tourism, Government of India. (2025). India Tourism Data Compendium 2024. New Delhi: Ministry of Tourism, Government of India.

dominated by non-discretionary VFR, with over half of travellers (51.76 per cent) visiting family, confirming its link to the diaspora. Conversely, the Asia-Pacific is the primary leisure market, attracting

70.84 per cent of visitors for holidays. For long-haul destinations, the Americas stands out for educational travel (10.72 per cent), while both the Americas and Europe sustain high rates of VFR (Europe at

32.35 per cent) due to their established Indian communities, highlighting a global market segmented by a mix of functional (VFR/Education) and discretionary (Leisure) motivations.

1.6.5 Preferred Destinations, Mode of Transport and Travel Corridors

The distribution of the 30.89 million (Table 7) INDs is heavily concentrated, with the Top 15 destination countries capturing 80.59 per cent of the total volume. This travel is almost entirely dependent on-air transport, which accounts for an overwhelming 98.00 per cent of all departures (Table 8). This near-monopoly on transport is a structural necessity given the nature of the primary travel corridors (Table 9).

The Middle East dominates the landscape, with the UAE alone capturing 25.21 per cent of all outbound volume.

This is less a pure tourism corridor and more a high-frequency route for the vast Indian expatriate workforce and a critical transit point for global travel.

The Asia and the Pacific region serve as the preferred hub for short-haul holidays, capitalizing on geographical proximity and cost-effectiveness. Meanwhile, destinations like the USA (6.94 per cent share, ranking third overall), the UK, and Canada represent long-haul, high-value corridors primarily driven by the need to VFR, pursue higher education, and engage in high-level business travel.

1.7 Major Findings

The analysis reveals five critical characteristics of the Indian outbound market: dominance by volume, high structural resilience, clear demographic segmentation, bimodal travel behaviour, and corridor specialization.

**Table 6
Primary Motivations of INDs Across Global Regions (2024)**

Region	INDs from India	Business & Professional	Leisure, Holiday and Recreational	Family or Residential Visit	Pilgrimage	Educational	Others
Africa	6,20,740	21.64	51.70	22.50	0.23	0.85	3.08
Americas	31,79,012	18.33	42.21	26.28	0.01	10.72	2.46
Asia and the Pacific	83,84,372	14.97	70.84	10.45	0.25	1.74	1.75
Europe	38,83,311	12.87	46.02	32.35	0.03	6.53	2.19
Middle East	1,46,81,057	13.85	25.43	51.76	8.22	0.06	0.67
Others Not classified elsewhere	1,36,556	75.28	6.87	6.18	0.78	0.82	10.07
Total	3,08,85,048	14.92	42.52	34.69	3.99	2.45	1.43

Source: Ministry of Tourism, Government of India. (2025). India Tourism Data Compendium 2024. New Delhi: Ministry of Tourism, Government of India.

Table 7
Key Travel Corridors: Indian Outbound Volume and Percentage Share by Destination Country (2024)

Destination Country	Departures (in numbers)	Per cent share in 2024
UAE	77,87,496	25.21
Saudi Arabia	34,23,711	11.09
USA	21,43,909	6.94
Thailand	19,08,520	6.18
Singapore	15,34,984	4.97
Qatar	13,22,848	4.28
Kuwait	11,40,407	3.69
Oman	9,45,652	3.06
UK	9,06,965	2.94
Malaysia	8,64,251	2.80
Canada	7,65,344	2.48
Australia	6,61,405	2.14
Bangladesh	5,55,680	1.80
Srilanka	4,98,675	1.61
Bahrain	4,30,492	1.39
Top 15 countries	2,48,90,339	80.59
Others	59,94,709	19.41
Total	3,08,85,048	100

Source: Ministry of Tourism, Government of India. (2025). India Tourism Data Compendium 2024. New Delhi: Ministry of Tourism, Government of India.

Table 8
Structural Reliance on Air Transport: Indian Outbound Travellers (2024)

Mode of transport	Departures (Nos. in million)	Percentages (per cent)
Air	30.27	98.00
Land	0.45	1.46
Water	.17	0.54
Total	30.89	100

Source: Ministry of Tourism, Government of India. (2025). India Tourism Data Compendium 2024. New Delhi: Ministry of Tourism, Government of India.

1.7.1. Market Scale and Deficit

- **Dominant Growth:** Indian National Departures are growing at a rapid pace, significantly outpacing FTAs growth.

- **Clear Deficit:** The sheer volume of outbound travel substantially exceeds inbound traffic, highlighting a growing travel deficit and India’s rising affluence.

Table 9
Principal corridors (2024)

Corridor Type	Example Destinations	Key Driver
Middle East (47.53 per cent Share)	UAE, Saudi Arabia, Qatar	Expatriate Employment & Global Transit
Asia & Pacific (27.15 per cent Share)	Thailand, Singapore, Malaysia	Short-Haul Leisure & Affordability
Americas & Europe	USA, UK, Canada	Diaspora (VFR), Education, and Business

Source: Ministry of Tourism, Government of India. (2025). India Tourism Data Compendium 2024. New Delhi: Ministry of Tourism, Government of India.

- **Exceptional Resilience:** The market demonstrated extraordinary post-pandemic strength, in 2022 quickly surpassing pre-pandemic levels.

1.7.2. Demographic and Gender Skew

- **Youth Concentration:** The market is overwhelmingly driven by the young, economically active population, with the 25-44 age bracket accounting for more than half of all travellers.
- **Gender Imbalance:** There is a significant disparity, with males accounting for major chunk of all departures, primarily influenced by employment-related travel to the Middle East.

1.7.3. Purpose and Regional Specialization

- **Personal Trips Dominate:** The market is fundamentally driven by Leisure and Family/VFR, which together constitute over three-quarters of all trips.
- **VFR-Driven Middle East:** The Middle East corridor is defined by

VFR, confirming its functional purpose related to the diaspora and expatriate workforce.

- **Leisure-Driven Asia-Pacific:** The Asia-Pacific region is the clear mass-market leisure hub, with majority of visitors travelling for recreational purposes.
- **Purpose-Driven Long-Haul:** The Americas is the primary destination for Educational travel, along with VFR.

1.7.4. Behavioural Metrics (Duration and Mode)

- **Bimodal Duration:** Travel exhibits a clear split: Short-term stays (4-7 days) are concentrated in the Asia-Pacific (leisure), while Long-term stays (1 month or more) dominate long-haul corridors like the Americas and the Middle East due to VFR/employment needs.
- **Air Dependence:** Travel is almost entirely dependent on-air transport, underscoring the necessity of high-capacity international air connectivity.
- **Concentrated Corridors:** Travel is highly focused, with the Middle East

capturing the largest share of traffic, primarily serving as an employment and global transit hub.

1.8 Suggestions

The findings necessitate a multi-pronged strategic approach focused on capturing domestic wealth, optimizing marketing and addressing demographic nuances. To mitigate the widening travel deficit, India must invest heavily in developing high-value niche domestic products like luxury hospitality, medical tourism, and adventure circuits to compete with short-haul international leisure, while simultaneously working with Gulf carriers to optimize stopover tourism by offering attractive, easy-visa packages to convert transit traffic. Marketing efforts must be tailored to the core demographic of the digital-savvy 25–44 age group using professional and social media with aspirational, experience-based content, and also include the development of specialized VFR and

education packages offering flexible tickets and enhanced baggage allowances for long-term stays in the Americas and Europe.

To address the observed structural characteristics, stakeholders must focus on the gender imbalance and bimodal stay lengths. To increase female participation beyond VFR, destinations must promote safety-centric travel by actively marketing secure accommodation, trusted local guides, and female-centric tour packages for solo or small-group travel. Furthermore, product optimization requires a dual focus: creating convenient and value-driven 4–7 day packages (direct flights, fast visas) for the Asia-Pacific segment, and enhancing long-term services for VFR/Employment segments (Middle East, Americas) by providing assistance with long-stay visas, local remittance services, and integration with diaspora communities, treating these travellers as temporary residents.

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