

International Tourism: Can ‘Dekho Apna Desh’ Reduce Outbound Tourism Forex Outflow?

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Abstract

India has emerged as one of the fastest-growing outbound tourism markets in the world. Rising disposable income, affordable international travel, globalization, and digital tourism platforms have significantly increased overseas travel among Indian citizens. While outbound tourism reflects economic progress and global exposure, it also contributes to substantial foreign exchange outflow from the Indian economy. In response, the Government of India launched the “Dekho Apna Desh” initiative to encourage domestic tourism and strengthen economic retention within the country. This paper examines whether the initiative can effectively reduce outbound tourism-related forex outflow.

The study uses descriptive and analytical methodology based on secondary data collected from government reports, Reserve Bank of India publications, tourism surveys, and academic literature. The findings indicate that domestic tourism promotion can partially reduce forex leakage; however, awareness campaigns alone are insufficient unless accompanied by improvements in infrastructure, affordability, safety, transport connectivity, and hospitality standards.

Introduction

Tourism is one of the fastest-growing sectors of the global economy and contributes significantly to employment generation, infrastructure development, foreign exchange earnings, and cultural exchange. India’s tourism sector has undergone substantial transformation during the last two decades due to rising income levels, globalization, digitalization, and increased air connectivity.

Outbound tourism from India has expanded rapidly as international travel has become more affordable and aspirational. Countries such as Thailand, Singapore, Dubai, Maldives, and Switzerland have become major destinations for Indian tourists. However, increasing outbound tourism expenditure contributes to substantial forex outflow and affects the balance of payments.

Recognizing the importance of domestic tourism, the Government of India launched the “Dekho Apna Desh” initiative to encourage Indian citizens to explore domestic destinations and appreciate India’s cultural and geographical diversity.

Objectives of the Study

1. To analyze the growth of outbound tourism in India.
2. To examine the relationship between outbound tourism and forex outflow.
3. To study the objectives of the “Dekho Apna Desh” initiative.
4. To evaluate whether domestic tourism promotion can reduce forex leakage.
5. To suggest policy recommendations for strengthening domestic tourism competitiveness.

Research Methodology

The present study is descriptive and analytical in nature. It is based entirely on secondary data collected from Ministry of Tourism reports, RBI publications, tourism surveys, government policy documents, and academic journals.

Methods used include: - Trend analysis - Comparative analysis - Policy analysis - Descriptive statistical interpretation

Growth of Outbound Tourism in India

India has become one of the world's fastest-growing outbound tourism markets. Rising disposable income, low-cost airlines, simplified visa procedures, and digital booking systems have encouraged international travel among Indian citizens.

Several factors driving outbound tourism include: - Rising middle-class aspirations - Affordable international tour packages - Social media influence - Expansion of international aviation - Educational and medical tourism

Economic Impact of Forex Outflow

Outbound tourism contributes significantly to foreign exchange outflow. Indian tourists spend large amounts on foreign accommodation, transport, shopping, entertainment, and hospitality services.

Major economic implications include: - Pressure on balance of payments - Reduction in domestic multiplier effects

- Increased invisible imports - Opportunity cost for domestic tourism economy

When tourism expenditure occurs abroad, domestic industries lose opportunities for employment generation and income circulation.

The “Dekho Apna Desh” Initiative

The Government of India launched “Dekho Apna Desh” in 2020 to promote domestic tourism and encourage citizens to explore India's cultural and natural heritage.

Major objectives include: - Promotion of domestic tourism - Awareness regarding Indian heritage - Support for local economies - Promotion of lesser-known destinations - Revival of tourism after COVID-19

The campaign includes webinars, digital promotion, destination showcases, and tourism awareness activities.

Can the Initiative Reduce Forex Outflow?

The initiative has significant potential to reduce outbound tourism forex leakage through tourism substitution. If Indian tourists choose domestic destinations instead of foreign destinations, tourism expenditure remains within the Indian economy.

Benefits include: - Employment generation - Regional economic development - Increased local business income - Strengthening of tourism-related industries

However, several challenges limit effectiveness: - Infrastructure deficiencies - High domestic travel costs - Inconsistent service quality - Safety and sanitation concerns - Aspirational preference for foreign travel

Comparative Analysis

Domestic tourism retains money within the national economy and generates strong multiplier effects. International tourism, although beneficial for exposure and experience, results in economic leakage through forex outflow.

Domestic tourism can become competitive if India improves: - Transport connectivity - Tourism infrastructure - Hospitality standards - Digital tourism services - Destination branding

Findings of the Study

1. India's outbound tourism is growing rapidly.
2. Outbound tourism contributes significantly to forex outflow.
3. Domestic tourism promotion can help retain tourism expenditure.
4. "Dekho Apna Desh" has increased tourism awareness.
5. Awareness alone cannot substantially reduce outbound tourism.
6. Infrastructure and affordability are critical for success.

Suggestions and Recommendations

1. Improve tourism infrastructure and sanitation.
2. Strengthen destination management systems.
3. Enhance hospitality and service quality.
4. Rationalize pricing of domestic tourism packages.
5. Promote eco-tourism, rural tourism, and wellness tourism.
6. Expand digital tourism marketing campaigns.
7. Improve safety standards and tourist assistance systems.

Conclusion

The "Dekho Apna Desh" initiative represents an important effort by the Government of India to strengthen domestic tourism and reduce economic leakage associated with outbound travel. The initiative has successfully increased awareness regarding India's tourism potential and encouraged exploration of domestic destinations.

However, awareness campaigns alone cannot significantly reduce forex outflow unless accompanied by major structural improvements in tourism infrastructure, affordability, cleanliness, safety, and service quality.

Domestic tourism has the potential to become a major instrument for economic retention, employment generation, and regional development. With effective policy implementation and infrastructure modernization, India can strengthen domestic tourism competitiveness and reduce excessive outbound tourism expenditure.