



Unlocking the Potential of India's Tourism Sector

The editorial, titled "[Tourism, the tariff-proof sector](#)," was published in Indian Express on 26/08/2025. It highlights tourism's potential to drive employment, foreign exchange, and national pride. It underscores the need for strategic planning, infrastructure investment, and global visibility to fully unlock the sector's growth potential.

For Prelims: [India's travel and tourism sector](#), [Swadesh Darshan](#), [PRASHAD](#), [Incredible India](#), [Eco-tourism](#), [SAATHI](#)

For Mains: India's Tourism Sector: Related Challenges and Way Forward

Tourism is one of the most resilient and dynamic sectors for economic growth, with significant potential to generate employment, foreign exchange, and national pride. Despite challenges such as **tariffs and global trade fluctuations**, India has a **unique opportunity to leverage its rich cultural heritage, diverse landscapes, and growing demand for tourism both domestically and internationally**. Recent developments in the tourism sector underscore India's potential to become a global tourism leader, aligning with its ambitious target of a **USD 3 trillion tourism economy by 2047**.

What Role does Tourism Play in India's Development Prospects?

- **Economic Growth and Job Creation:** Tourism is a key driver in India's service sector, contributing to income generation, [job creation](#), and [foreign exchange earnings](#).
 - Tourism has **strong linkages with sectors like hospitality, [transport](#), handicrafts, and [agriculture](#)**.
 - As a labor-intensive industry, it provides employment across a wide range of skills and **generates positive spillover effects**, benefiting related industries and local economies.
 - Additionally, tourism **fosters the growth of [MSMEs](#) and [startups](#)**, especially in tier-2 and tier-3 cities.
 - In 2024, India's total contribution of Travel & Tourism to [GDP](#) was USD 249.3 billion. By 2035, the sector is expected to **contribute an estimated 10.9% to the national GDP**.
 - Also, tourism supported **46.5 million jobs in 2024**. According to the WTTC, this number is expected to rise to nearly 64 million **by 2035**.
 - Moreover, in 2024, tourism generated **USD 28 billion in foreign exchange earnings** for India.
- **Impact on Regional Development and Social Inclusion:** Tourism promotes balanced regional development by channeling investment and infrastructure into remote, rural, and [tribal areas](#), thereby enhancing social inclusion.
 - It generates income **opportunities for marginalized communities** through homestays, local cuisine, and cultural crafts.

- Initiatives like **PRASHAD** and **Swadesh Darshan** play a vital role in integrating underdeveloped regions into the broader national development framework.
 - Under the **Swadesh Darshan 2.0 and PRASHAD schemes**, 52 projects and 54 religious sites in the country have been sanctioned by the government.
 - For example, **projects at the Kamakhya Temple in Assam** under the PRASHAD scheme improved infrastructure, which boosted the local economy.
- **Driving Innovation and Entrepreneurship:** Tourism has unlocked a surge in tech-driven startups offering curated experiences, **AI**-based travel planning, and digital booking platforms.
 - It **fosters grassroots innovation in areas like eco-tourism**, rural stays, and experiential travel. Youth, especially in tier-2 and tier-3 cities, are entering the sector through government-supported incubators and accelerators.
 - The Ministry of Tourism, through its **“Dekho Apna Desh” webinars**, has started to offer virtual tourism.
 - **Startups like Aerial** are revolutionizing the travel industry by leveraging AI to create personalized itineraries.
 - Moreover, the **Tadoba Andhari Tiger Reserve (TATR)** in Maharashtra launched the **Vanyajivan Skill Academy**, empowering youth from forest-fringe villages to pursue entrepreneurship and eco-tourism opportunities.
- **Soft Power and Cultural Diplomacy:** Tourism is a vital tool of **soft power**, enhancing India's image globally by showcasing its cultural depth, spiritual diversity, and civilizational ethos. It fosters **people-to-people contact** and builds goodwill with other countries.
 - Events, **cultural festivals, and film tourism** strengthen India's diplomatic engagements. The diaspora and religious circuits act as cultural bridges.
 - The **Mahakumbh 2025** drew over 600 million pilgrims, including a large number of international visitors.
 - Between 2020 and 2024, US, Bangladesh, United Kingdom, Australia, Canada, Malaysia, Sri Lanka, Germany, and France **emerged as the top source countries** for India's foreign tourist arrivals.
 - Also, the **G20 Tourism Working Group meetings in 2023**, hosted in various Indian cities, have served as a platform to **showcase India's rich cultural diversity on a global stage**, reinforcing this role.
- **Promoting Traditional Arts, Crafts, and Culinary Heritage:** India's rich cultural heritage, including its diverse arts, crafts, and culinary traditions, has become a key focus of tourism promotion.
 - For example, **Mumbai's Khau Gallis** offer tourists an authentic taste of local street food, showcasing the city's vibrant culinary culture. Similarly, the **South Indian "Filter Coffee" Trail** promotes the region's iconic coffee culture.
 - Such initiatives not only preserve India's cultural traditions but also **create opportunities for local artisans and culinary experts** to gain recognition on the global stage, enhancing the tourism experience.
- **Rise Medical and Wellness Tourism:** India's affordable and advanced healthcare system has made it a sought-after destination for global medical tourists, contributing significantly to the growth of the wellness tourism sector.
 - The **Heal in India initiative**, which integrates modern medicine with traditional practices like **Ayurveda, Yoga, and wellness therapies**, further strengthens India's position as a global healthcare hub.
 - Additionally, the **simplification of medical visa processes**, including the introduction of the **e-visa and Ayush visa**, has made it easier for international patients to access medical treatment and wellness services in India, thereby fueling the sector's growth.
 - India's **wellness tourism** industry is experiencing significant growth, valued at USD 19.4 billion and **projected to reach USD 29.8 billion by 2031**.
- **Accelerator of Sustainable Development Goals:** Tourism intersects with multiple **SDGs—poverty alleviation, gender equality**, sustainable communities, and environmental conservation.
 - It **enables economic growth with a low ecological footprint** when planned sustainably. Conscious luxury, eco-resorts, and community-based tourism are on the rise. The **National Strategy for Sustainable Tourism** and schemes like **SAATHI** promote eco-certification and hygiene compliance.

- For instance, in **Himachal Pradesh's Jibhi Valley**, community-based tourism has enabled locals, once primarily farmers, to **earn through homestays, guided tours, handicrafts, and traditional cuisine**. This model boosts income while preserving local culture.



What are the Main Challenges Hindering the Growth of Tourism in India?

- **Lack of Adequate Infrastructure:** Many tourist destinations, **particularly in rural or remote areas**, suffer from poor roads, unreliable public transportation, and a shortage of hotels or guesthouses.
 - While cities like Delhi and Mumbai have better infrastructure, **states like Odisha and North-East, which could be popular tourist attractions, are often hard to reach and lack basic facilities** like clean water, proper sanitation, and consistent electricity.
 - As per the **Union Ministry of Tourism Assessment, 2023**, 41% of stakeholders consider the lack of infrastructure a significant barrier to enhancing tourist footfall in India.
 - Despite government efforts to improve tourism infrastructure, progress has been slow, and many areas remain underdeveloped.
 - Regions like the **Himalayan religious circuits remain underdeveloped** in terms of roads, airports, and accommodations.
- **Over-tourism and Environmental Degradation:** The rapid growth of tourism in certain regions has led to **significant challenges, particularly in areas already facing limited resources**.
 - Popular destinations like **Coorg and Wayanad** experience significant strain due to excessive tourist inflow, which puts **immense pressure on local resources** such as water, land, and ecosystems.
 - Over-tourism in these regions also disrupts the balance of natural beauty and resources, **putting local communities at risk of resource depletion**.
 - **Manali, Shimla, and Joshimath** experienced significant strain due to the surge in tourists. While the **National Strategy for Sustainable Tourism** has been established, its implementation has been inconsistent.

- **Shortage of Skilled Workforce and Tourism-Focused Training:** A skilled workforce is essential for providing high-quality tourism experiences. However, India's tourism and **hospitality sectors face a significant shortage of skilled labor**, especially in rural and semi-urban areas where tourism is expanding.
 - The Indian hospitality industry **employs nearly 37 million people, yet only 1% of them receive proper training** and possess the necessary skills.
 - The absence of formal training programs and low wages in the sector have led to inconsistent service quality, ultimately affecting the tourist experience.
 - Even though government initiatives like the **Hunar Se Rozgar Tak scheme** aim to bridge skill gaps through vocational training, **challenges such as fragmented implementation** and limited alignment with industry requirements often reduce their overall effectiveness.
- **Low Global Visibility and Ineffective Branding:** India's efforts in promoting tourism have not kept up with global competitors who invest heavily in aggressive marketing and **destination branding**.
 - Although the **'Incredible India' campaign** remains iconic, its impact has diminished over time.
 - The absence of consistent digital and event-driven marketing hinders India's image as a modern, safe, and vibrant destination.
 - Also, **branding is often fragmented**, with different states and agencies promoting their own unique, but isolated, campaigns, which dilutes the overall national message.
 - Nations like **Saudi Arabia, Georgia, Azerbaijan, and Kazakhstan** have surged in popularity by using digital campaigns, easing visas, and hosting events, while India's global marketing spend remains modest.
- **Regulatory Hurdles and Lack of Ease of Doing Tourism:** Bureaucratic delays in approvals, licensing, and tax policies create obstacles for tourism startups, hotel chains, and foreign investors.
 - The **complex permit systems and inter-state travel regulations** frustrate both **operators and travelers**, hindering India's potential as a smooth and efficient travel destination.
 - According to the **WTTC 2024-25 report**, India only accounts for **1.5% of international tourist arrivals**.
 - Also, despite ample tourism startups, many cite compliance issues and the **poor ease of doing business** in the sector.
- **Cultural Dilution and Community Displacement:** The commercialization of tourism often leads to the commodification of culture, where local traditions, art forms, and festivals are altered to appeal to a foreign audience.
 - Furthermore, over-tourism in popular areas like **Goa and the Himalayas has led to a significant increase in real estate prices**, often displacing local communities and disrupting their traditional way of life.
 - The **benefits of tourism often don't trickle down to the local population**, with a large share of the profits going to large, out-of-town corporations.
- **Safety and Security Concerns:** While the government has made significant progress in strengthening the tourism sector through improved infrastructure and promotional initiatives, **safety and security concerns continue to pose a challenge**.
 - For instance, the recent **Pahalgam incident** highlighted the vulnerabilities in popular tourist destinations, undermining the progress made in ensuring a safe environment for visitors.
 - Such incidents not only impact the safety of tourists but also tarnish the reputation of the region as a safe travel destination.

What Measures can India Adopt to Strengthen and Sustain its Tourism Sector?

- **Improving Connectivity and Infrastructure Development:** Improving transportation links and ensuring safety in remote tourist destinations is essential to encourage the **exploration of lesser-known areas**.
 - For example, **Gokarna in Karnataka**, now promoted as an alternative to the crowded beaches of Goa, illustrates how improved infrastructure and connectivity

are **transforming once-remote destinations into popular tourist hotspots**.

- **Public-private partnerships** or government investments can drive these improvements, ensuring better accessibility and promoting regional tourism.
 - **Kerala Tourism Infrastructure Limited (KTIL)** has played a key role in developing tourism infrastructure through PPPs.
 - By leveraging such collaborations, **other states can create sustainable tourism infrastructure** that supports both local communities and the overall tourism industry.
- The inclusion of tourism in the **Harmonised Master List of Infrastructure** will further catalyze investments in PPP projects, such as hotels.
- Moreover, measures such as **deploying tourism police, implementing strict security protocols** at attractions, and promoting safe travel practices will enhance tourists' confidence in travelling within India.
- **Enhancing Tourism Through World-Class Destinations:** There is a need to enhance India's tourism sector to make it more competitive on the global stage by improving infrastructure, diversifying offerings, and **providing unique experiences to visitors**.
 - The proposal for the development of **50 world-class tourist destinations** in collaboration with state governments is a step in the right direction.
 - By focusing on regional destinations, this plan seeks to transform India's tourism from just a **"place to see" into a "place to experience."**
 - It will highlight the country's rich cultural, historical, and natural diversity, ensuring these destinations **meet global standards of tourist experience and sustainability**.
- **Simplifying E-Visas and Immigration Processes:** To enhance India's attractiveness as a tourist destination, streamlining entry procedures is essential.
 - Simplifying the **e-visa process** and **reducing immigration queues** would greatly enhance the arrival experience, enabling tourists to start their journeys in India with ease.
 - **Faster visa processing** and a more efficient entry system would not only improve convenience but also boost tourism arrivals, making India a more accessible and attractive destination for travelers.
- **Develop Destination Management Plans with Carrying Capacity Norms:** India needs to shift from **site-based tourism** to **destination-focused planning**, taking into account environmental thresholds, local resource constraints, and seasonality.
 - Incorporating studies on **carrying capacity, zoning, and crowd control measures**, such as timed entry or ticket limitations, can help prevent over-tourism.
 - This strategy is particularly important for destinations like **hill stations, wildlife parks, and spiritual circuits**.
- **Leveraging Digital Technology:** To expand India's reach, the tourism sector must focus on digital storytelling and content-driven promotion.
 - **Collaborating with influencers** and leveraging the power of social media platforms will allow India's tourism offerings to be showcased to a global audience.
 - The rise of **AI-enabled curation and partnerships** with major global platforms will amplify India's visibility, attracting tourists who are seeking personalized experiences in the country.
 - Moreover, **real-time data analytics** should be used for decision-making and emergency preparedness.
 - The **Dekho Apna Desh campaign**, which promotes domestic tourism, can be evolved into a national movement.
- **Enhancing Tourism Workforce Skills:** Offering comprehensive training programs to the unskilled workforce, particularly those working in the tourism sector, will significantly improve service quality.
 - **Schemes like Hunar Se Rozgar Tak can be optimized** to foster both tourism and employment. These programs can cover areas such as customer service, cultural sensitivity, and language skills, ensuring that tourists enjoy a positive and welcoming experience.
 - Additionally, **providing cultural sensitivity training for both tourists and industry professionals** can help minimize misunderstandings and encourage respect for local traditions.
 - The **Ministry of Tourism should partner with institutes like IHMs** and private

platforms to build modules on responsible tourism, biodiversity ethics, and green practices.

- **Create Sustainable Coastal and Island Tourism Models:** India's long coastline and island ecosystems require fragile zone management with a focus on **coral reef protection, plastic-free zones**, and regulated cruise tourism.
 - Integrating policies under the **Blue Economy framework** with tourism planning will ensure marine ecosystem conservation.
 - Coastal states should **adopt eco-tourism codes of conduct**, community vigilance systems, and green transport options (like e-boats).
 - Island destinations like **Andaman & Lakshadweep** must prioritize **zero-waste tourism policies**.

Conclusion

Tourism offers a unique opportunity to build domestic resilience, creating demand that cannot be taxed at foreign borders and jobs that cannot be offshored. **Moving forward, India must embrace a bold and ambitious tourism strategy that prioritizes both inward development and outward benefits.** Though global challenges like tariffs remain, the warmth of India's welcome remains a key strength, one that can shape a prosperous and resilient future for the sector.

Drishti Mains Question

Discuss the key challenges facing India's tourism sector and suggest measures to enhance its growth while ensuring sustainability and regional development.

UPSC Civil Services Examination Previous Year Question (PYQ)

Mains

Q. The states of Jammu and Kashmir, Himachal Pradesh and Uttarakhand are reaching the limits of their ecological carrying capacity due to tourism. Critically evaluate. (2015)

Q. How can the mountain ecosystem be restored from the negative impact of development initiatives and tourism? **(2019)**