

“China Travel” Goes Viral: Opportunities and Challenges of Inbound Tourism in the Context of Globalization

Jin Zhibo

School of Resources, Environment and Tourism, Capital Normal University, Beijing, 100089, China

Keywords: Inbound tourism; China Travel; Globalization; Sustainable development

Abstract: Since the pandemic, China’s inbound tourism market has been heating up, particularly with "China Travel" going viral and becoming a global tourism trend. This phenomenon not only reflects China's growing international influence but also presents new development opportunities for China's inbound tourism industry. Driven by globalization, international tourism has been flourishing. As the world's second-largest economy and a country with a rich historical and cultural heritage, China is playing an increasingly important role in the international tourism market. However, alongside rapid development, China's inbound tourism also faces many challenges. How to seize opportunities in the context of globalization has become a pressing issue for China's tourism industry. This paper aims to analyze the current status of China’s inbound tourism market in depth and propose corresponding development strategies to contribute to the sustainable development of inbound tourism in China.

1. Current Status of China’s Inbound Tourism Market

China’s inbound tourism market has been experiencing steady growth. According to data from the National Tourism Administration, in 2024, the number of inbound tourists reached 131.9 million, marking a 60.8% year-on-year increase. The total expenditure of inbound tourists amounted to \$94.2 billion, reflecting a 77.8% increase. The number of visa-free inbound foreign visitors also saw significant growth, reaching 20.12 million, a 112.3% rise. [1]

Despite the short-term impact of the COVID-19 pandemic, China’s inbound tourism market is rapidly recovering, mainly due to the relaxation of visa-free policies and the introduction of facilitative measures. China has fully optimized its visa-free policies, achieving mutual visa exemption with 26 countries and offering unilateral visa-free access to 38 countries. Additionally, new policies such as the 240-hour transit visa exemption and visa-free entry for foreign cruise tour groups have greatly improved the convenience of foreign travelers visiting China. These measures have made “spontaneous travel” to China a reality.

China’s inbound tourism market is becoming increasingly diversified. The Asian region remains China’s largest source market, accounting for over 60% of inbound tourists, with South Korea, Japan, and Southeast Asian countries as the primary sources. The European and North American markets are steadily growing, becoming key long-haul source markets. Moreover, with the advancement of the Belt and Road Initiative, the number of tourists from participating countries has

significantly increased, injecting new vitality into China's inbound tourism.

As a country with a rich historical and cultural heritage, China's unique and diverse tourism resources make it a sought-after destination for global travelers. Metropolitan cities like Beijing, Shanghai, and Guangzhou offer modern landscapes, while natural attractions such as Huangshan, Guilin, and Zhangjiajie are favored by international tourists. Historical landmarks such as the Great Wall, the Forbidden City, and the Terracotta Warriors attract history and culture enthusiasts. Furthermore, China's long history, unique folk traditions, and increasingly diverse entertainment options further enhance its tourism appeal.

2. Opportunities for China's Inbound Tourism in the Context of Globalization

2.1 Visa-Free Policies

Since early 2023, China has successively introduced various visa-free policies, extending visa-free access to nearly 30 countries. Visa-free entry has become a "traffic password" for foreign tourists visiting China, enabling them to embark on a "spur-of-the-moment" trip. Visa-free entry is the most favorable policy for inbound tourism, reflecting the country's confidence and determination in boosting the industry.

According to data from the National Immigration Administration, in the third quarter of 2024, the number of foreign visitors entering China through various ports increased by 48.8% year-on-year, with visa-free entries rising by 78.6%. Beijing saw 580,000 visa-free entries in the first three quarters, a sixfold increase year-on-year, while Jiangsu province recorded a 15-fold increase compared to 2023. [2]

Visa-free policies have significantly improved the retention rate of inbound tourists. Given China's vast territory and diverse tourism resources, extending tourists' stay duration and increasing overnight visits are crucial for stimulating inbound tourism consumption and promoting high-quality development. Further relaxation and expansion of visa-free policies, including extended visa-free stays, are anticipated.

2.2 Enhanced Payment Convenience for Foreign Tourists

To facilitate spending for foreign visitors, China has implemented multiple measures to optimize payment services. The country has promoted a payment system integrating "large transactions via bank cards, small transactions via QR codes, and cash as a backup." [3] Under the guidance of the People's Bank of China, Alipay and WeChat Pay, in collaboration with commercial banks and card networks, have enabled foreign visitors to bind overseas bank cards for payments in China. Foreign mobile wallets can now be used for domestic transactions.

In the first half of the year, inbound tourist spending via Alipay increased eightfold, and the number of Chinese merchants serving international customers tripled. Since November 6, foreign visitors have been able to download Alipay or WeChat Pay and link their overseas-issued UnionPay cards for seamless transactions in China.

Inbound tourism thrives on consumption. In 2023, inbound tourists totaled 82.03 million, with a total expenditure of \$53 billion, indicating immense growth potential. [4]As payment convenience improves, inbound tourism enterprises should focus on leveraging these payment platforms to enhance local travel product offerings and integrate with surrounding consumption scenarios to provide comprehensive services for international visitors.

3. Challenges Facing China's Inbound Tourism

3.1 Shifts in Inbound Tourism Business Models

Twenty years ago, inbound tourism was primarily operated by state-owned travel agencies such as CITS, CTS, CYTS, Kanghui, and China Merchants, with overseas clients mainly consisting of large travel wholesalers. With the rise of online travel agencies (OTAs), platforms like Ctrip dominate the Chinese market, while Booking and TripAdvisor lead internationally.

For Chinese inbound tourism enterprises to compete, they must integrate internal resources, strengthen external collaborations, and partner with international OTA giants to become specialized destination service providers. By focusing on local resources, improving product development, and enhancing reception capabilities, these enterprises can achieve a win-win outcome with global OTAs.

3.2 Changes in Travel Preferences and Service Expectations

Inbound travelers are shifting away from traditional package tours towards independent and customized travel. The proportion of individual travelers has increased, posing challenges to reception services, especially the availability and quality of foreign-language guides. The industry must innovate by developing specialized products and flexible service models.

3.3 Digital Transformation in Tourism Services

The tourism industry is undergoing digital transformation, yet inbound tourism enterprises often lag in technology adoption. Embracing IT and AI technologies can streamline operations, optimize pricing, improve customer service, and enhance user experience. AI-powered data analytics can also help businesses better understand customer preferences and design targeted marketing strategies.

4. Strategies for the Development of China's Inbound Tourism

Considering the current changes in the inbound tourism market in terms of business entities, operational models, industry professionals' capabilities, and product forms, I believe that the future development of China's inbound tourism will exhibit the following six major trends:

4.1 Disintermediation

In 2023, China recorded a total of 82.03 million inbound tourist arrivals, including 13.78 million foreign visitors and 68.24 million travelers from Hong Kong(China), Macau(China), and Taiwan(China). Meanwhile, 87.63 million mainland residents traveled abroad. According to the Ministry of Culture and Tourism, the number of inbound tourists organized by travel agencies nationwide was 946,000, with 2.6052 million received by travel agencies and 5.3264 million using single-service offerings. Collectively, only 10.8% of inbound tourists traveled through agencies. In contrast, the proportion of domestic tourists booking through travel agencies was even lower, at around 2%.[5]

Although travel agencies still hold a certain share of the inbound tourism market, changes in tourist consumption habits post-pandemic, along with the rapid rise of online travel agencies (OTAs), have made consumers more rational in choosing travel methods, favoring direct bookings. Looking ahead, as information channels diversify and digital transformation in tourism services progresses, this trend will further accelerate, potentially diminishing the role of traditional travel

agencies.

To adapt to the wave of disintermediation in the tourism industry, inbound tourism enterprises must embrace innovation and transformation. Firstly, they should develop novel tourism products and itineraries to maintain and enhance cooperation with traditional wholesalers while improving product competitiveness and visitor experience. Secondly, they should actively integrate information technology and artificial intelligence to build convenient booking platforms for independent travelers, increasing their travel convenience and satisfaction while stimulating repeat visits to China. Additionally, businesses should leverage their language and professional resources to add value to their products, ensuring a competitive position in the future inbound tourism market.

4.2 Individualization

Over time, the structure of inbound tourism has undergone significant changes. Previously, group travel dominated, accounting for up to 80% of inbound visitors. However, this trend has reversed, with independent travelers becoming the mainstream. Most of them travel as families, in small groups of friends, or as individual tourists joining temporary group tours. This shift places higher demands on our service capabilities, particularly in the provision of foreign-language tour guides and their professional expertise.

To adapt to this trend, we must continuously innovate and introduce distinctive, personalized travel options and single-service offerings. It is crucial to respond swiftly to market needs, providing refined and high-quality services. Tailored pricing strategies should be developed to accommodate diverse needs, and standardized operational procedures should be established. Whether offering private car tours for business travelers or bus tours led by English-speaking guides, we must focus on service details, accumulate experience, explore market patterns, and expand business scale to achieve better efficiency.

4.3 Fragmentation

In recent years, the inbound tourism market has been shifting towards fragmented services, a trend that has become increasingly apparent in product development. Fragmented products come in various forms, ranging from one-way airport transfers to half-day city walks, from exquisite afternoon teas to evening Peking opera performances.

China boasts abundant tourism resources that can support a wide array of single-service offerings. The key lies in accurately designing fragmented products or combination packages based on different customer needs to cater to diverse travel preferences.

4.4 Standardization

For inbound tourism products to achieve large-scale development, enhancing standardization is essential to meet the expectations of overseas online travel platform customers. Standardized customization not only optimizes resource allocation and cost management but also facilitates bulk procurement.

Standardized products require pre-determined costs and key resources, necessitating long-term planning and advance purchasing to ensure inventory stability. Moreover, operational models must increasingly rely on internet technology and AI-driven big data algorithms to align with evolving tourist booking behaviors in the future.

4.5 Personalization

Tourism is not only a way for people to seek higher levels of spiritual fulfillment but also a domain where each traveler's needs vary significantly. Even within the same family, members may have differing preferences for travel activities.

Looking ahead, the inbound tourism market should develop products based on the characteristics of different consumer groups, considering factors such as age, gender, identity, interests, and spending capacity. This will allow for the creation of diverse and precisely targeted travel routes and service solutions. Furthermore, personalized product design is not limited to regular tourists but can also cater to corporate incentive groups and high-end business teams. By incorporating unique experiences and unexpected delights into traditional itineraries, we can provide tourists with a more comprehensive and satisfying travel experience.

4.6 Digitalization

With continuous advancements in technology, industries worldwide are embracing digital transformation, and inbound tourism must break free from outdated operational models and mindsets.

Both management and front-line staff should proactively adopt digital tools and explore AI-related technologies. These innovations not only attract more visitors and enhance service efficiency but also optimize business processes in resource integration, external pricing, financial settlements, 24/7 customer support, and big data analysis. By doing so, companies can inject new vitality into their operations, paving the way for a more competitive and modernized inbound tourism industry.

5. Conclusion

In the context of globalization, China's inbound tourism faces unprecedented opportunities and challenges. By strengthening international marketing, improving service quality, and advancing digital transformation, China can elevate its inbound tourism industry. These efforts will not only support economic growth but also enhance cultural exchange and national soft power, ensuring China's long-term success in the global tourism market.

References

- [1] Wang, H. (2025). *Continuously unleashing the benefits of visa-free policies to further boost inbound tourism*. *China Tourism News*, (003).
- [2] Zhang, Y., & Wang, W. (2025). *The "China Travel" craze continues: "Chinese New Year" becomes the "World Year"*. *China Tourism News*, (001).
- [3] Chen, A., Yang, N., Meng, Y., & Hu, X. (May 24, 2024). *Improvement in payment convenience for foreign visitors in China*. *Xinhua Daily Telegraph*, (005).
- [4] Fan, C. (March 1, 2024). *2023 national economic and social development statistical bulletin: 82.03 million inbound tourists with a total expenditure of 53 billion USD*. *China Tourism News*, (001).
- [5] Sun, Y. (April 12, 2024). *One mobile phone, foreigners can "swipe" across Shanghai*. *IT Times*, (003).