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Heritage tourism as a tool for sustainable tourism

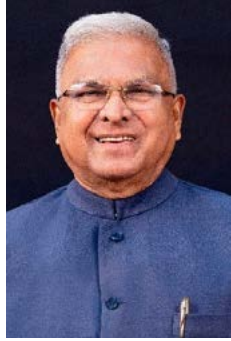
Preservation for development




July 2024

KPMG. Make the Difference.

Foreword by Hon'ble Governor of M.P.



Shri Mangubhai Patel,
Hon'ble Governor of
Madhya Pradesh



राज्यपाल, मध्यप्रदेश
GOVERNOR OF MADHYA PRADESH

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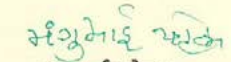
संदेश

हर्ष का विषय है कि पी.एच.डी. चेंबर ऑफ़ कॉमर्स एंड इंडस्ट्री द्वारा 12 जुलाई 2024 को इंटरनेशनल हेरिटेज ट्रिजम् कॉन्क्लेव का "खयाल विरासत का" थीम पर इंदौर में आयोजन किया जा रहा है। 13वें संस्करण का आयोजन सराहनीय है।

मध्यप्रदेश पर्यटन की अपार संभावनाओं वाला प्रदेश है। विश्व धरोहर खजुराहो, साँची और भीमबेटका विश्व पर्यटन के नक्शे पर है। राज्य न केवल ऐतिहासिक स्मारकों से समृद्ध है बल्कि संस्कृति, परंपराओं और त्यौहारों से परिपूर्ण भी है। विरासत पर्यटन अतीत के गौरव और संघर्ष को समझने और महसूस करने का अवसर देता है। ऐतिहासिक महलों, प्राचीन तकनीकों, परम्पराओं और जीवन के हर पहलू का परिचायक है। यह शक्तिशाली आर्थिक उपकरण भी है। स्थानीय अर्थव्यवस्था की मजबूती में इसके विभिन्न आयामों पर चिंतन समय की मांग है। भावी पीढ़ी को देश की प्राचीन समृद्ध और गौरवशाली संस्कृति से जोड़ने और प्रेरित करने आयोजन अनुकरणीय पहल है।

आशा है, अंतर्राष्ट्रीय विरासत पर्यटन कॉन्क्लेव प्रदेश की विरासतों के समग्र पक्षों और संभावना को विस्तारित करेगा। पर्यटन संभावनाओं के नए द्वार खोलेंगा और प्रदेश के विकास में सहभागी बनेगा।

शुभकामनाएं,



(मंगुभाई पटेल)

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Foreword by Minister of Tourism, GoI



Shri Gajendra Singh Shekhawat,
Hon'ble Minister of Tourism,
Government of India

गजेन्द्र सिंह शेखावत
Gajendra Singh Shekhawat



पर्यटन मंत्री
भारत सरकार
Minister of Tourism
Government of India

MESSAGE

I am happy to know that PHDCCI is organizing the 13th International Heritage Tourism Conclave on the theme **खयाल विरासत का** on 12 July 2024 in Indore, Madhya Pradesh.

India, with its vast array of historical monuments, diverse cultural traditions and breathtaking landscapes, is a treasure trove of heritage destinations. Our nation's heritage is not just a testament to our glorious past, but also a cornerstone of our cultural identity. By showcasing these invaluable assets, we can offer unique and enriching experiences to both domestic and international tourists.

The Ministry of Tourism, in collaboration with state tourism boards and other stakeholders, has launched several initiatives to promote heritage tourism. We have focused on the preservation and restoration of historical sites, improving infrastructure around heritage destinations and facilitating community participation in these efforts.

I congratulate PHDCCI for this remarkable initiative and look forward to the insightful discussions and outcomes that will undoubtedly emerge from this conclave.

I wish the programme a big success.

(Gajendra Singh Shekhawat)

June, 2024

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Foreword by PHDCCI



Mr. Sanjeev Agrawal,
President,
PHDCCI



Sanjeev Agrawal
President

MESSAGE

The tourism sector in India is a major driver of economic growth and development. Contributing **9.2% to the national GDP** and generating employment for over 42 million people, the sector's potential is immense. Heritage tourism, in particular, offers a unique opportunity to showcase our rich cultural and historical legacy to the world. India is home to **40 UNESCO World Heritage Sites** and numerous other monuments that narrate the tale of our glorious past.

Over the past 12 years, PHDCCI's International Heritage Tourism Conclaves have made a substantial impact. We have seen increased participation from communities in preserving our architectural marvels and our collective efforts have led to significant policy changes that enhance the accessibility and inclusivity of our monuments. These achievements underscore the importance of our collaborative efforts and the shared vision for a thriving heritage tourism sector.

The 13th International Heritage Tourism Conclave promises to be an enriching platform for dialogue, innovation and partnerships. As we gather to discuss and deliberate on the theme **खयाल विरासत का**, we reaffirm our commitment to promoting heritage tourism and ensuring that our cultural treasures are preserved and celebrated for generations to come.

This report by PHDCCI and KPMG provides valuable insights and recommendations on how we can leverage our heritage assets for sustainable tourism, thereby driving growth and development in line with our vision of **Viksit Bharat**.

I extend my heartfelt gratitude to all our partners, participants and stakeholders for their unwavering support and look forward to the valuable insights and outcomes that will emerge from this conclave.

(Sanjeev Agrawal)

"Voice of Industry & Trade"

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Foreword by PHDCCI



Dr. Ranjeet Mehta,
Executive Director,
PHDCCI



Dr. Ranjeet Mehta
Executive Director

MESSAGE

The tourism sector is a cornerstone of India's economic growth, providing significant employment opportunities and contributing to the socio-economic upliftment of communities. Within this sector, heritage tourism plays a crucial role, offering a window into our glorious past and fostering a deeper appreciation of our diverse cultural landscapes.

PHDCCI's International Heritage Tourism Conclaves have, over the past 12 years, made a notable impact in this realm. Our initiatives have not only popularized heritage destinations, but have also empowered local communities to take an active role in the preservation of their historical assets. Moreover, our advocacy efforts have led to meaningful policy changes, making our heritage sites more accessible and inclusive for all.

As we convene for the 13th edition of this conclave, we aim to build on these successes. The theme **खयाल विरासत का** encourages us to reflect on our cultural heritage and explore innovative ways to safeguard and promote it. This conclave will serve as a platform for sharing knowledge, forging new partnerships and setting the agenda for the future of heritage tourism in India.

This report by PHDCCI, in collaboration with KPMG, offers valuable insights into how we can leverage our heritage assets to promote sustainable tourism, contributing to the socio-economic development of our nation.

I extend my deepest appreciation to all our collaborators, participants and partners for their contributions. Together, we can ensure that our heritage continues to thrive and inspire future generations.

(Dr. Ranjeet Mehta)

"Voice of Industry & Trade"

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Foreword by KPMG in India

This insightful report on 'Heritage tourism as a tool for sustainable development', explores the promising niche segment of the tourism industry. The intersection of heritage and sustainable tourism presents an opportunity to enrich cultural understanding, while fostering environmental and economic stewardship. In an era where the preservation of natural and cultural resources is important, heritage tourism offers a dual promise: it safeguards our collective past, while ensuring that future generations can enjoy and learn from it and the local economy is boosted.

India, with its rich tapestry of history, culture, and traditions, stands at the threshold of a transformative opportunity in the tourism market. Developing heritage tourism sustainably can unlock India's vast and diverse tourism market, creating avenues for growth and development. India's ancient monuments, historical sites, and vibrant traditions, fairs and festivals offer a unique proposition to global tourists seeking authentic, immersive experiences.

Cultural tourism in India can drive economic benefits by attracting tourists willing to spend more for unique experiences. This influx of tourists can lead to the development of local businesses, from hospitality to crafts, generating employment and fostering community development. Moreover, preserving and promoting India's cultural heritage can instill a sense of pride and ownership among local communities, encouraging them to actively participate in conservation efforts.

In addressing the intricacies of modern tourism, it is imperative to recognise the advantages of the heritage sector and to strategically plan to overcome the challenges inherent in developing this niche as a specialised segment. This attempt to evaluate the sector underlines the belief that sustainable tourism is not just an objective but a collective responsibility, and heritage tourism can be a pathway towards achieving it.



Vivek Agarwal
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KPMG in India

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Executive Summary

Heritage tourism focused on cultural, historical, and architectural significance of destinations can enable sustainable tourism by fostering a symbiotic relationship between preservation and development. This approach emphasises the protection and promotion of heritage sites to ensure cultural values are maintained for future generations, simultaneously driving economic growth through tourism. By attracting visitors to heritage and cultural sites, communities can generate revenue to reinvest in conservational efforts, infrastructure improvements, and local economic development. Additionally, heritage tourism encourages the use of traditional practices and materials in site maintenance, promoting sustainability. It also fosters community engagement raising awareness about the importance of heritage preservation. Heritage tourism promotes safeguarding cultural assets to repurpose for sustainable development, ensuring a balance between economic benefits, and cultural and environmental stewardship.

This report examines the intricate relationship between tourism and cultural heritage assets, highlighting the emergence and significance of niche tourism, particularly heritage tourism, and the importance of sustainability within this sector.

The report conducts an in-depth analysis of the heritage tourism sector by focusing on three key areas to build strategy to develop this niche sector in India.

- **Heritage tourism and its relationship with sustainability:** This section explores how heritage tourism contributes to sustainable practices by maintaining cultural heritage assets and value, while promoting economic growth.
- **Heritage tourism market analysis:** This section comprehensively examines the heritage tourism market, analysing heritage products, their demand and supply, and identifies the factors driving the heritage market within the tourism industry.
- **Challenges in heritage tourism:** This section examines and delineates the challenges encountered by the heritage tourism sector, further categorising these as either exogenous or endogenous.

The report identifies specific attributes of heritage products that may present obstacles for the larger tourism industry, and reciprocally, the tourism industry's (by its innate nature of profit-making). The report, thereby, underscores the susceptibility of heritage sites to degradation under intensive tourism development, often resulting in the deterioration of these sites due to excessive tourist activity.

The report identifies the following seven key pillars of heritage tourism development.

- **Effective government initiatives**
- **Public participation and community development**
- **Sustainable use of technology**
- **Strategic marketing and promotion**
- **Sustainability as a core principle**
- **National and international recognition**
- **Regulation of the heritage tourism market.**

Further, to provide an extensive analysis of the heritage tourism subsector, this report includes a case study, and examines the sector's development in India. It concludes with an assessment of the COVID-19 pandemic's impact on global tourism and offers strategic recommendations for enhancing heritage tourism in India, a reputed hotspot of cultural assets. Recognising India's abundant historical and cultural resources, the report emphasises leveraging these for sustainable tourism development and economic advantages. The conclusion stresses the need for integrating sustainability into heritage tourism, highlighting its potential to drive economic growth while preserving India's cultural heritage. It calls for coordinated efforts from policymakers, stakeholders, and communities to establish a resilient and sustainable heritage tourism sector.

1. Introduction

“ The UN World Tourism Organisation (UNWTO) defines cultural tourism as a **type of tourism activity in which the visitor’s essential motivation is to learn, discover, experience, and consume the tangible and intangible cultural attractions/products in a tourism destination. These attractions/products relate to a set of distinctive material, intellectual, spiritual, and emotional features of a society that encompasses arts and architecture, historical and cultural heritage, culinary heritage, literature, music, creative industries and the living cultures with their lifestyles, value systems, beliefs, and traditions** ”

(Tourism and Culture Synergies, 2018).²

1.1.

Tourism and cultural heritage symbiosis

‘Culture and heritage’, often used interchangeably, is rapidly growing as a key product in the tourism market, worldwide. The term “cultural tourism” was coined in 1980s¹ to describe the rising migration of international tourists to historical sites, cultural sites, or sites of natural significance, while involving an interaction with the physical space and experiencing the intangible aspects of the host community vis-à-vis vacationing.

Ensuing the 2019 Covid pandemic, cultural heritage has become an essential element of the growing tourism industry with an increasing supremacy at destination promotion thus, drawing an inter-dependent symbiotic relation. However, analysing the traditional meaning of “tourism”, culture, and heritage, have always remained an integral part of the industry and an unconscious consumption in every touristic activity. To address the global tourism market while aiming for sectoral development, assessing the role of heritage is vital, such that heritage tourism can be appropriately used to sustainable tourism.

The phrase is currently used to refer to not only physical landmarks and monuments, but also to lifestyle, local traditions, creativity, customs, and rituals related to local communities.

The importance of allied phrases such as heritage tourism, culture-based tourism and experiential tourism are emphasised as a niche sector in the current times and more so, in the post-pandemic period. The relationship between tourism and culture is undergoing a rapid transformation due to evolving lifestyles, emerging forms of culture and creativity, and advancements in modern technologies and conscious decisions.

¹ Researchgate, Munster W, Richards G, May 2021

² Tourism & Culture synergies, UNWTO, 2018

1.2. Emergence of niche tourism and relevance of heritage tourism

According to the World Economic Forum, the COVID-19 pandemic devastatingly impacted the global travel and tourism sector, resulting in USD 4.5 trillion revenue loss and 62 million jobs worldwide³. With widespread lockdowns and travel restrictions international travel almost ceased. Subsequently, as restrictions eased, the sector began its recovery, and by the third quarter of 2023, international tourist arrivals reached 91 per cent of pre-pandemic levels, with overall tourism activity recovering to 87 per cent by January-September 2023 (UNWTO,2023)⁴.

Consequently, the pandemic heightened global awareness of the environmental impact of travel, making tourists increasingly conscious of their carbon footprint with a growing preference for sustainable travel options. This shift is influencing the industry to adopt sustainable practices and promote eco-friendly destinations.

Heritage tourism represents a niche segment, with the potential to impact a traveller’s subconscious by facilitating multifaceted experiential engagement with history, spirituality, human and cultural diversity, and natural diversity. Experience-based cultural tourism attracts visitors with an interest in historical engagement and significantly supports local economies, preserves cultural heritage, fosters community resilience, and promotes sustainable practices.

Emerging niche sectors post-pandemic

Experiential Tourism

Spiritual and Religious Tourism

Heritage Tourism

Ecotourism

MICE Tourism

Adventure Tourism



³ Weforum, Capuano A, Katanozaka S, et.al., May 2022

⁴ International Tourism to End 2023 Close to 90% of Pre-Pandemic Levels, UNWTO, 30 Nov. 2023,

1.3. Sustainability in culture and heritage tourism

Balancing between preservation and development, cultural heritage tourism plays a pivotal role in integrating economic growth, social equity, and environmental protection, thus, driving and enabling the sustainable development paradigm. Nevertheless, challenges such as overcrowding, cultural appropriation, and loss of authenticity must be managed to maintain the longevity and integrity of heritage and culture.

Heritage tourism and sustainable development

The 2030 Agenda for Sustainable Development, with its 17 Sustainable Development Goals (SDGs), highlights the significance of tourism in global,

national, and regional development, particularly reflected in Goals 8, 11, 12, and 14, and heritage tourism forms a strategic component of the sustainability agenda.

Heritage tourism epitomises the economisation of heritage, creating a mutually beneficial dynamic. It incentivises the restoration, preservation, and management of cultural heritage sites, thereby extending their longevity, simultaneously generates revenue from tourism. This dual impact enhances both economic growth and cultural conservation. The impact of heritage tourism development are as follows:

Impact of heritage tourism development

Contribution to local economy

Economic stimulation

- Injects new money into local economies.
- Generates income for local businesses such as hotels, restaurants, and shops.
- Induces job creation and economic diversification.

Contribution to cultural conservation

Supports

- Preservation of tangible and intangible heritage.
- Community involvement and pride.
- Building social capital.

Building a resilient society

Heritage tourism fosters economic diversification and brings stability through alternative income sources, reducing reliance on single industries, and aiding economically vulnerable regions.

Development of sustainable infrastructure

Heritage tourism drives infrastructure development, including roads, public transportation, and public spaces, to ensure site accessibility and preservation.

Fragile, historic structures require sustainable infrastructure. Controlled access points and visitor centres manage tourist flow and minimise damage.

Community participation

Developing heritage tourism strengthens a sense of belonging by creating awareness and identity.

Fosters a sense of pride and ownership among local communities.

Promoting sustainable tourism

Heritage tourism promotes environmental conservation and the revitalisation of cultural practices and sites.

Sustainable heritage tourism practices include using local, eco-friendly materials for conservation efforts.

With conservation as the motto, areas of natural beauty within cultural landscapes are protected.

2. Heritage tourism market

Heritage tourism has emerged as a sector in the tourism market in recent years. This expansion is driven by increased global travel, heightened appreciation for cultural diversity, and a growing demand for meaningful and educational experiences. These include visits to historical sites, cultural and architectural landmarks, museums, historical re-enactments, and cultural festivals, providing insights into the traditions, lifestyles, and histories of various communities. Heritage tourism offers authentic experiences that educate visitors about the cultural heritage of a destination.

2.1.

Market overview: key features of the heritage tourism market

- **Cultural dominance:** Cultural tourism, driven by heritage products, dominates the global tourism market
- **Visitor experience:** The overall experience at heritage destinations plays a significant role in motivating repeat visits, thus, assessing the tourism potential of a place
- **Economic contribution and impact:** Heritage tourism contributes significantly to the creative economy' integrating intangible legacy and contemporary culture into the tourism industry. It boosts the GDP, directly or indirectly and through tangible and intangible services. Heritage tourists favour local economies and foster local pride, thereby, improve living standards.
- **Market leaders:** United States, China, and France lead the global heritage tourism market. The sector's growth rate (CAGR) from 2018 to **2022 is** estimated at 5.2 per cent, with a projected rise of 7.2 per cent (CAGR) through 2033⁵.
- **Market projections:** According to the IMARC Group, the global heritage tourism market size reached USD 587.1 billion in 2023 and is estimated to reach USD 813.5 billion by 2032, with a CAGR of 3.69 per cent from 2024 to 2032⁶.

Cultural heritage tourism is emerging as a rapidly growing high-yield sector. The following are factors impacting its growth.

1. **Increased international travel:** According to the UNWTO, international tourist arrivals reached 1.5 billion in 2019, a 4 per cent increase from the previous year.
2. **Cultural awareness:** A growing appreciation for cultural diversity and heritage preservation is underway with tourists increasingly interested in appreciating the locations and cultures visited.
3. **Educational value:** For historians, archeologists, social scientists, and research-travellers, heritage tourism provides an opportunity to travel, explore, and learn.
4. **Governmental and organisational support:** Countries realising the economic potential are increasing cultural heritage preservation and promotional efforts. Organisations like UNESCO play a significant role when designating World Heritage Sites, which often become major tourist attractions.

⁵ Future Market Insights Inc, Saha S, Feb 2023
⁶ Future Market Insights Inc, Saha S, Feb 2023

2.2. Emerging trends in the heritage tourism market

- 1. Sustainable tourism:** Emphasis on sustainability with a focus on protecting cultural sites from over-tourism and ensuring economic benefits for local communities.
- 2. Storytelling:** The use of light and sound shows for storytelling compounds visitor experience and improves the heritage tourism market.
- 3. Technology integration:** Technological advancements, such as virtual reality (VR) and augmented reality (AR) create immersive experiences, enriching visitor experience.
- 4. Customised experiences:** A demand for personalised experiences is leading heritage tour operators to offer customised, tailored tours to individual interests and preferences.
- 5. Community involvement:** Community engagement in tourism activities ensures authentic cultural heritage presentations and equitable economic benefit distribution.
- 6. Integrating culture with economics:** Combines cultural heritage with economic activities that enhance tourism offerings.



“Tourism, as defined by UNWTO, is a combination of tangible and intangible elements, such as natural, cultural and man-made resources, attractions, facilities, services and activities around a specific centre of interest which represents the core of the destination marketing mix and creates an overall visitor experience including emotional aspects for the potential customers. A tourism product is priced and sold through distribution channels, and it has a life cycle⁷”

2.3. Heritage as a tourism product

Heritage tourism involves leveraging historical resources to create economically valuable tourism experiences, often forming the backbone of local economies. Attempts had been made to define and classify heritage as a product for years. The meaning and definition of the product evolved over time through key documents like the European Charter of Architectural Heritage (1975), the Burra Charter (1981), and the Grenada Convention (1985) that emphasised on preserving buildings' historical and social significance. The 1999 ICOMOS Charter underscored the built vernacular heritage. Heritage now encompasses both tangible and intangible elements, as recognised by UNESCO. The 1997 Proclamation and 2003 Convention expands the definition of heritage to include living traditions, customs, and arts, highlighting the importance of intangible cultural heritage in defining societal identity, providing unique value.

Heritage conservation is necessary for retaining cultural significance, and evaluating location value^{8,9}, a factor increasingly recognised in the economic evaluation of cultural heritage, particularly within the tourism industry.

Thus, consumption of any tangible and intangible product, with a unique historical, archaeological, cultural, or spiritual value, by a tourist/visitor may be considered as heritage tourism.

Following is a list of the key heritage assets important for tourism-

1. Religious sites
2. Landmark monuments
3. Historical and archaeological sites
4. Museums, art galleries, archives, et cetera.
5. Traditional fairs and festivals, cuisines, performances, and more
6. Location with communities practicing specific handicrafts
7. Destinations rich in vernacular architecture (showcasing culture, local housing, et cetera.).

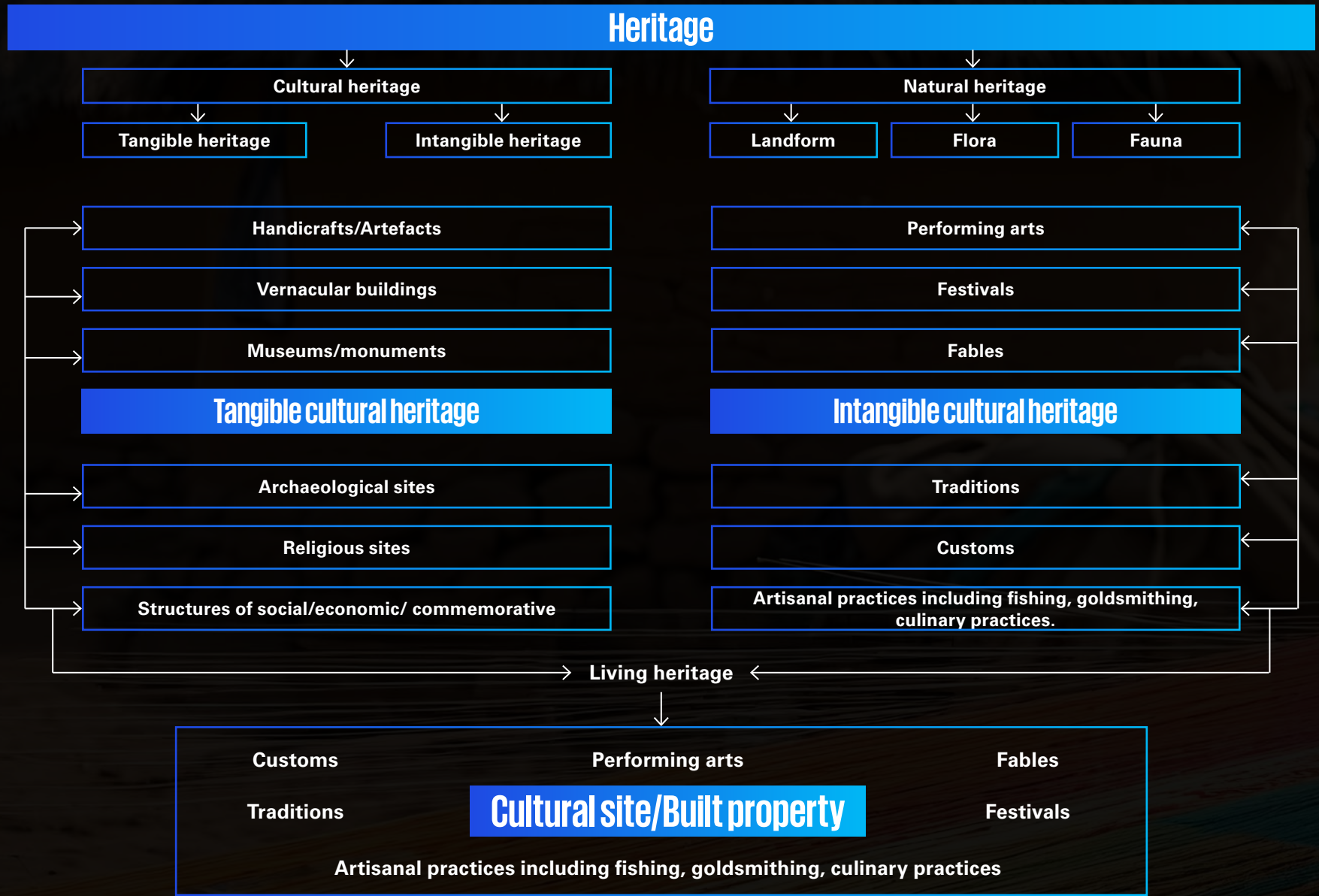
⁷ Product Development, UNWTO, July 2024

⁸ Burra Charter, 1999

⁹ J. Jokilehto, 2005, Definition of Cultural Heritage, originally prepared for ICCROM later revised for CIF, ICCROM Working Group Heritage and Society

The following chart classifies various heritage assets that work as heritage tourism products.

Classification of heritage as a product



Tourism destinations as per heritage type¹⁰

Heritage product types	India	World
1. Religious sites / spiritual sites	<ul style="list-style-type: none"> Vaishno Devi Temple (Jammu & Kashmir) Sabarimala (Kerala) Varanasi (Uttar Pradesh) Ajmer (Rajasthan) 	<ul style="list-style-type: none"> The Vatican (Rome) Mecca (Saudi Arabia) The Western Wall (Jerusalem) Shrine of Bahá'u'lláh (Israel)
2. Sites hosting landmark monuments	<ul style="list-style-type: none"> Agra Fort (Uttar Pradesh) Taj Mahal (Uttar Pradesh) Khajuraho (Madhya Pradesh) Mahabalipuram (Tamil Nadu) Konark Sun Temple (Odisha) Rani ki Vav (Gujarat) 	<ul style="list-style-type: none"> Angkor Wat (Cambodia) Pompeii (Italy) The Great Wall (China) The Colosseum (Rome) Stonehenge (England) Pyramids of Giza (Egypt)
3. Archaeological sites	<ul style="list-style-type: none"> Khajuraho Temples (Madhya Pradesh) Kumbhalgarh Fort (Rajasthan) Nalanda University (Bihar) Hampi Village (Karnataka) 	<ul style="list-style-type: none"> Historic Cairo (Egypt) Petra (Jordan) Machu Picchu (Peru) Chichen Itza (Mexico)
4. Museums, art galleries, archives, et cetera.	<ul style="list-style-type: none"> Indian Museum (Kolkata) National Gallery of Modern Art (Delhi) Calico Museum Textiles (Ahmedabad) Victoria Memorial (Kolkata) The Archer Art Gallery (Ahmedabad) 	<ul style="list-style-type: none"> The Louvre Museum (Paris) The British Museum (London) The Metropolitan Museum of Art (New York) The National Gallery (London)
5. Historic sites with tangible heritage such as caves and inscriptions, historic gardens, stepwells, palaces, rock sculptures, et cetera.	<ul style="list-style-type: none"> Ajanta & Ellora (Maharashtra) Bhimbetka Caves (Madhya Pradesh) Badami Caves (Karnataka) Trichi Caves (Madurai) Sittanavasal Caves, (Tamil Nadu) Adalaj Vav, (Ahmedabad) Deogarh Mahal (Rajasthan) Mysore Palace (Mysore) 	<ul style="list-style-type: none"> The Blue Grotto (Italy) The Cave of the Crystals (Mexico) Kruber Cave (Georgia) Gardens of Versailles (France) Garden of Sigiriya (Sri Lanka) Blenheim Palace and Gardens (England) Palace of Versailles (France)
6. Destination for specific fairs and festivals, cuisines, performances, et cetera.	<ul style="list-style-type: none"> Kumbh Mela: Prayagraj, Haridwar, Nashik, Ujjain Makar Sankranti: Jaipur, Haridwar, Ahmedabad Pongal Festival: Madurai, Pollachi, Salem, Coimbatore Rann Utsav Festival: Gujarat Durga Puja: Kolkata 	<ul style="list-style-type: none"> Carnival (Rio de Janeiro, Brazil) Glastonbury Music Festival (England) La Tomatina Festival (Spain) Oktoberfest (Germany) Festival of the Sun (Peru) White Night Festival/Scarlet Sails (St. Petersburg, Russia)

¹⁰ KPMG in India's research 2024**7. Cuisine**

- Uttar Pradesh: Tunde kababs, Lucknow Biryani, kulcha nahari, et cetera.
- Punjab: Sarson da saag and makki di roti
- Bengal: Ilish paturi, ghee bhat, kosha and sweet dishes includes rosogolla, mishti doi et cetera.
- Goa: Goan fish curry
- Gujarat: Dhokla, undhiyu, ganthiya, khandvi, et cetera.
- Telangana: Hyderabad biryani, royyala vepudu, pulihora
- Andhra: Coconut rice, mamidikaya pappu, karam chuttalu
- Madhya Pradesh: Bhopali Korma, Poha Jalebi, Mawa Bati, et cetera.
- Izmir, Turkey: mix of traditions and modernity
- Tuscany, Italy: Classic Italian Food
- Tokoyo Japan: traditional Japanese cuisine, or "washoku"
- Bangkok, Thailand: Pad Thai noodles and fragrant Thai curries.
- Lima, Peru: Famous for its fresh ceviche (a seafood dish)
- Barcelona, Spain: Tapas, paella, and Catalan cuisine

8. Destinations for specific handicrafts

- Pashmina shawls (Srinagar, Kashmir)
- Kanchipuram handwoven silk sarees (Tamil Nadu)
- Traditional wooden toys (Channapatna, Karnataka)
- Mirror work with traditional embroidery (Kutch, Gujarat)
- Madhubani, painting (Bihar)
- Brassware artwork (Moradabad, Uttar Pradesh)
- Traditional leather footwear (Kolhapur, Maharashtra)
- Chanderi handweaves (Madhya Pradesh)
- Zellige tiling in Morocco,
- Arabic calligraphy in the UAE
- Kalinga tattooing in the Philippines
- Suzanis Embroidery Uzbekistan
- Mandoos, Oman
- Chiprovtsi carpets, Bulgaria
- Pottery, Socotra
- Woodcarving Taiwan
- Ceramics, Italy

9. Heritage destinations rich in vernacular architecture (showcasing culture, local housing, et cetera)

- Leh Palace (Ladakh)
- Toda Tribal Hut (Nilgiris)
- Bhimakali Temple (Himachal)
- Bamboo Thatch Houseboat (Kerala)
- Chettinad Houses (Tamil Nadu)
- The Boulevard Town (Pondicherry)
- Ocas Brazil,
- Timbukutu Mali
- Wind Catcher Iran
- M'Zab Algeria

2.4. Heritage tourism market – the supply and demand

In the context of the tourism industry, the demand and supply for heritage products are governed by specific key components that are essential for maintaining the market dynamics, thus, the heritage tourism market, too, is influenced by factors as elaborated below.

The following key factors regulate the demand side of the heritage tourism market.

1. Effective marketing
2. Community participation
3. Accessibility
4. Good infrastructure
5. Competitive rates and affordability of a destination
6. Effective use of AI and innovative storytelling techniques to increase the distinctiveness of a destination and increase demand.

Similarly, the following key factors regulate the supply side of the heritage tourism market.

1. Well conserved heritage assets at well-maintained destinations
2. Effective government policies and guidelines that support sustainability
 - a. bring out the heritage reserve for public
 - b. ensure responsible tourism to increase the shelf-life of a destination
 - c. encourage public–private partnerships
3. Local authorities to encourage intercultural dialogue amongst local communities. Increased community participation enriches heritage reserve as communities willingly welcome tourism
4. With right policies in action, giving heritage management and maintenance responsibilities to local communities is beneficial for heritage tourism.



2.5. Key drivers of the heritage tourism market

The rise in demand for heritage tourism is both due to exogenous and endogenous causes.

Endogenous causes include the following.

1. The outlook for an anthropological perspective about other regions and cultures.
2. Conventional values and lifestyles, interest in history, coupled with the need for authentic travel experiences.

Exogenous causes include the following.

1. Preservation and restoration efforts of heritage sites contributes to the growing cultural explorative tourism market
2. A shift in government focus and support to effectively promote cultural heritage tourism
3. The growing popularity of UNESCO World Heritage Sites support marketing and promotion of heritage destinations, furthering market avenues
4. A rise in disposable incomes for leisure travel and the offered heritage-themed travel packages are influencing the market
5. Sites that offer differentiated products, amenities, facilities, such as availability of luxury heritage hotels, budget options, rural homestays, et cetera.
6. Education, such as research/educational programmes and workshops on architectural conservation, archaeology, linguistics, ornithology, ethology, etcetera
7. Online raves and reviews, word of mouth, credible recommendations
8. The entertainment industry boom, with films, series, and streaming platforms, showcasing historical, known and new locations with heritage value
9. Integration of technology in heritage tourism experiences is propelling the market.

3. Cultural and heritage tourism:

Case studies



3.1. Heritage tourism – global scenario

Heritage tourism, a longstanding and widespread form of tourism, leverages regional diversity across continents. Within the European Union, cultural tourism plays a particularly vital role. Its rich cultural heritage includes natural, built, and archaeological sites, museums, monuments, artworks, historic cities, literary, musical, and audiovisual works, and the traditions of its citizens (Rosenfeld, R, 2008)¹¹. Notable historical sites in Europe include the caves of Lascaux, Acropolis, Pompeii, Roman Forum, Stonehenge, Tower of London, Palace of Versailles, and Anne Frank House. Major cities like Paris, London, and Rome attract millions of tourists annually. Likewise, Asia boasts a wealth of cultural heritage, with countries like China, India, and Japan offering unique historical and cultural experiences. The Great Wall of China, the Taj Mahal, the innumerable religious and pilgrimage sites in India, the temples of Kyoto in Japan, are few examples. The Middle East, with its ancient civilisations and historical significance, is a key region for heritage tourism with landmarks like Petra in Jordan, the Pyramids of Giza in Egypt, and the historical cities of Jerusalem and Istanbul. In the Americas, heritage tourism includes visits to ancient indigenous sites like Machu Picchu in Peru, as well as colonial-era landmarks in cities like Mexico and Cusco. The United States also offers heritage tourism opportunities, from the historical sites of Washington, D.C., to the cultural heritage of Native American tribes.

According to the WTTC, prior to the 2019 covid pandemic, travel, and tourism (including its direct, indirect, and induced impacts) accounted for 10.5 per cent of all jobs

(334 million) and 10.4 per cent of global GDP (USD 10.3 trillion). Meanwhile, international visitor spending amounted to USD 1.91 trillion in 2019. Post-pandemic, in 2023, the travel and tourism sector contributed 9.1 per cent to the global GDP; an increase of 23.2 per cent from 2022 and only 4.1 per cent below the 2019 level¹².

- In 2023, there were 27 million new jobs, representing a 9.1 per cent increase compared to 2022, and only 1.4 per cent below the 2019 level
- Domestic visitor spending rose by 18.1 per cent in 2023, surpassing the 2019 level
- International visitor spending registered a 33.1 per cent jump in 2023 but remained 14.4 per cent below the 2019 total¹³.

The heritage tourism sector directly and indirectly impacts the economy and these produce tangible and intangible outcomes consumed in the market. The intangible consumption of cultural heritage tourism is not possible to quantify in the market and hence, the entire heritage impact and heritage consumption in the hospitality sector is difficult to capture. The sector is responsible for more than 50 million jobs in APEC countries and indirect benefits are estimated at USD 1 billion and account for further 75 million jobs across the region¹⁴.

Per studies conducted by the IMARC group, the global heritage tourism market size reached USD 587.1 billion in 2023, is expected to reach USD 813.5 billion by 2032, growing at a CAGR of 3.69 per cent during 2024-2032¹⁵.

¹¹ Researchgate, Rosenfeld A R, January 2008

¹² Economic Impact Research, WTTC, July 2024

¹³ Economic Impact Research, WTTC, July 2024

¹⁴ How Culture and Heritage Tourism Boosts More Than a Visitor Economy, My Travel Research, Childs, C, July 2024.

¹⁵ Heritage Tourism Market, Imarc Group, July 2024



3.2.

Case study 1 - Heritage tourism in the U.K.

Heritage tourism is a vital part of the U.K. economy, characterised by its rich history and numerous heritage sites. Key landmarks include the prehistoric monument of Stonehenge, at Wiltshire; the historic site at Canterbury's cathedral at Kent; the Roman Bath of Somerset, one of the most recognised heritage monuments in 1078; the Tower of London; the Durham Castle; the Cathedral of 12th century, and so on. Besides, U.K is also known for several cultural events such as the Glastonbury festival of Somerset, Glyndebourne Opera festival of Sussex, founded in 1934, the Hay Festival of Hay-on-Wye¹⁶ and so on.

Significance of heritage in the U.K. tourism sector

A study by Historic England highlights that heritage tourism is more prevalent in Britain than in other European nations, significantly impacting both national and local economies. In the U.K, the visitor economy is notably bolstered by heritage tourism, which supports thousands of jobs and contributes to economic growth. A study by the Department of Culture Media and Sport (DCMS) revealed that 63 per cent of people visited a heritage site in 2023, with parks and gardens with historic features being the most popular (40 per cent), followed by towns and cities with celebrated histories (39 per cent). Additionally, a study by Visit Britain indicated that 60 per cent of the most popular tourist attractions in England in 2022 were heritage sites¹⁷.

Visitor attraction (paid)	Visitor numbers, 2022
Tower of London	2,019,868
Royal Botanic Gardens, Kew Gardens	1,963,885
RHS Garden Wisley	1,494,709
Windermere Lake Cruises	1,303,609
St. Paul's Cathedral	1,193,888
Westminster Abbey	1,063,063
ZSL London Zoo	1,045,289
Adventure Island Southend	990,000
Stonehenge	977,316
Colchester Zoo	974,790



¹⁶ Top Cultural Events and Festivals to Visit in the U.K., Public Hub U.K., March 2023

¹⁷ The Contribution of the Heritage Sector to the Visitor Economy, Historic England, December 2023

Heritage-led tourism contribution to the U.K. economy

A study by Historic England (December 2023) showcases the following about the English heritage tourism sector in its pre-covid and post-covid phase¹⁸.

Pre-covid phase

1. In 2015, the U.K.'s cultural, historical, and natural heritage assets attracted 192 million domestic and international tourists
2. The heritage sector contributed GBP 20.2 billion in Gross Value Added (GVA) contribution to the U.K. GDP and supported 386,000 jobs¹⁹
3. London had the highest contribution, with the heritage sector generating GBP 5.7 billion in GVA
4. Historic Houses (2023) estimated the creation of 32,000 U.K. jobs and a contribution of GBP 1.3 billion to the economy²⁰
5. Historic England reported that UNESCO-designated heritage sites significantly enhanced marketing appeal, contributing GBP 151 million annually to the U.K. economy
6. Based on GVA estimates and employment data, heritage tourism generated GBP 5.3 billion in tax receipts in 2015, including GBP 2 billion in direct payments, GBP 2.1 billion in wage-related payments, and GBP 1.2 billion from sector purchases
7. Cinematic features of historic sites, such as in Harry Potter, Downton Abbey, and Broadchurch, contributed an additional GBP 140 million to the economy in 2014²¹
8. International tourists motivated by heritage contributed significantly to the economy, with 78 per cent of 22,840 surveyed visitors citing, exploring history and heritage' as a key factor when choosing U.K.²².

Post-covid phase

1. In 2021, domestic tourists spent GBP 3.8 billion on overnight heritage-related trips, surpassing the GBP 3.4 billion spent in 2019 and 2018
2. In 2021, international trips fell to 2.7 million, an 85 per cent drop compared to 2019, highlighting the severe impact of COVID-19 on international tourism
3. Heritage-related international tourism spending peaked at GBP 10.4 billion in 2019, a 35 per cent increase from 2012. In 2021, this spending dropped to GBP 2.4 billion, a 77 per cent decrease since 2019
4. Evidence from the 2022 Visitor Attraction Survey indicates a recovery, with admissions to historic attractions increasing by 35 per cent compared to 2021, although still below 2019 levels
5. All categories of historic attractions saw increased visitor numbers in 2022, with places of worship experiencing the highest increase, more than doubling in total visitors
6. Based on a sample of 182 historic visitor attractions, inbound international tourism saw a 572 per cent increase in 2022 compared to 2021
7. The Visitor Attraction Survey also shows revenue recovery in 2022
8. Revenues from historic attractions increased by 28 per cent in 2022 compared to 2021, aligning with a 29 per cent rise in the wider attractions market
9. Revenue increases varied by category: historic monuments saw a 48 per cent increase in visitors, while gardens by 8 per cent
10. The Association of Leading Visitor Attractions (ALVA) reported growing visitor numbers in 2022
 - Museums and galleries saw a 158 per cent increase in visits compared to 2021.
 - Visits to heritage and cathedral sites increased by 55 per cent
 - Visit Britain data indicates that indoor sites experienced the strongest growth with a 176 per cent increase in visitor numbers in 2022

¹⁸ The Contribution of the Heritage Sector to the Visitor Economy, Historic England, December 2023

¹⁹ The Impact of Heritage Tourism for the U.K. Economy, Oxford, Economics, August 2016

²⁰ The Impact of Heritage Tourism for the U.K. Economy, Oxford, Economics, August 2016

²¹ The Contribution of the Heritage Sector to the Visitor Economy, Historic England, December 2023

²² The Contribution of the Heritage Sector to the Visitor Economy, Historic England, December 2023

3.3.

Case study 2 - Heritage tourism in India

India, one of the largest and most diverse countries, with over four thousand years of civilisation and history offers an abundant, diverse heritage reserve for the heritage tourism market.

India houses innumerable cultural monuments of religious and historical significance, from temples, mosques, gurdwaras, sites of religious significance to royal palaces and baths, iconic mausolea such as the Humayun Tomb, the Taj Mahal, and the Victoria Memorial. Ruled under various empires, India exemplifies vernacular heritage of typical significance that attracts visitors from across the globe. The Pols of Ahmedabad, Pondicherry Boulevard Town, old quarters cities such as Delhi, Lucknow, Cochin, Kolkata, Chennai, and Mumbai are few places known for traditional houses and neighbourhoods.

There are 42 world heritage properties in India out of which 34 are cultural properties, seven are natural properties and one is a mixed property²³. The Archaeological Survey of India (ASI) protects 3687 national monuments, out of which, 116 monuments across 19 states are ticketed monuments (NITI Ayog, 2019). Besides ASI, heritage management in India is supported by the National Monument Authority (NMA). At local levels, NGOs and local bodies play a role in heritage management, contributing to the nation's heritage tourism sector.

Moreover, India is a treasure house of intangible heritage with numerous art and craft forms originating from the remote corners of the vast country. India's intangible heritage includes diverse art and craft forms like Tanjore painting, Rogan art, Kutch mirror work, kantha stitch et cetera. The country's history of diverse rulers (Mughals, Danes, Portuguese, French, British) enriched its cultural and traditional heritage, creating a wide base of intangible heritage, including festivals, fairs, and traditional customs.

Despite the rich national reserve, the movement of visitors in India is determined by factors such as distribution of attractions and accessibility, strength of infrastructure, i.e., availability of accommodation, entertainment avenues, proximity to international entry points, road and railway networks connecting to attractions, condition of roads, and such. Within the country, states with key endowments are in an advantageous position to attract more visitors.



²³ World Heritage Convention, India, UNESCO, July 2024

Key trends of heritage tourism in India²⁴

Digital engagement and virtual tours

Utilisation of digital platforms for virtual tours and interactive experiences. The Archaeological Survey of India (ASI), for instance, developed virtual tours for sites such as the Taj Mahal and Qutub Minar.

Community involvement and inclusive tourism

Involvement of local communities in tourism activities can ensure inclusive growth. For instance, the Raghurajpur Village in Odisha, known for its Pattachitra painters, integrates local artists into the tourism experience, thereby encouraging direct involvement of the local community and boosting income. Similarly, the Bhujodi Craft Village is like an open craft museum where tourists can directly interact with artisans.

Conservation and restoration efforts

Focus on conservation and adaptive reuse of heritage buildings have gained importance over the years. The restoration of the Humayun’s Tomb in Delhi, by the Aga Khan Trust for Culture²⁵, has preserved the monument and revitalised the surrounding area.

Experiential and cultural tourism

Tourists increasingly seek immersive and authentic cultural experiences. Especially post-pandemic, experiential tourism has been more lucrative than ever. For instance, the Rajasthan International Folk Festival (RIFF) in Jodhpur offers an immersive cultural experience, attracting international tourists and promoting local culture.

Sustainable practices

The trend of integrating sustainable practices in tourism operations such as eco-friendly accommodations, solar-powered lighting, and use of locally sourced produce are increasing. For instance, the Gujarat Tourism Policy 2021-2025 offers financial incentives to promote sustainable practices such as e-vehicles, green buildings, and construction of Bhunga huts, which is a part of the state’s cultural heritage.

²⁴ KPMG India’s research work based on information provided in multiple sites such as Archaeological Survey of India, Ministry of Tourism, Aga Khan Trust, central nodal agency for rural tourism and rural homestay, and department of Gujarat tourism and Gujarat Tourism Policy

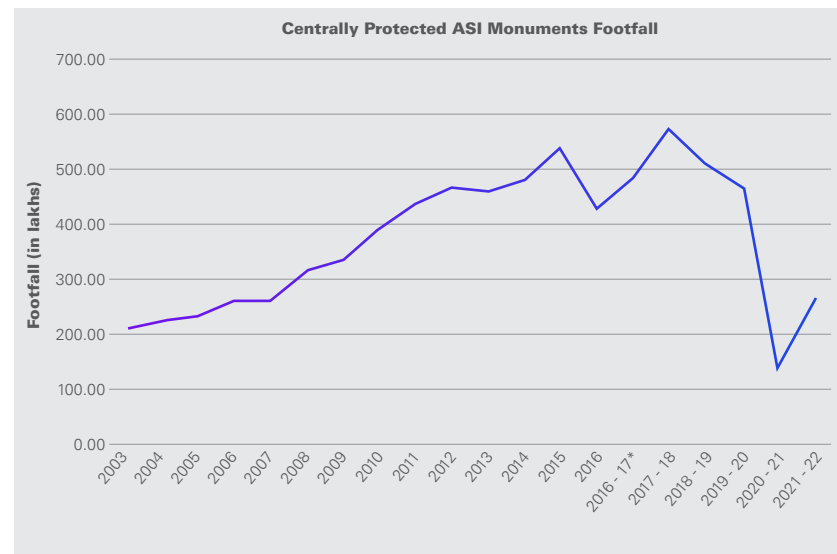
²⁵ International Journal of Policy Sciences and Law Volume 1, Issue 4, 2021



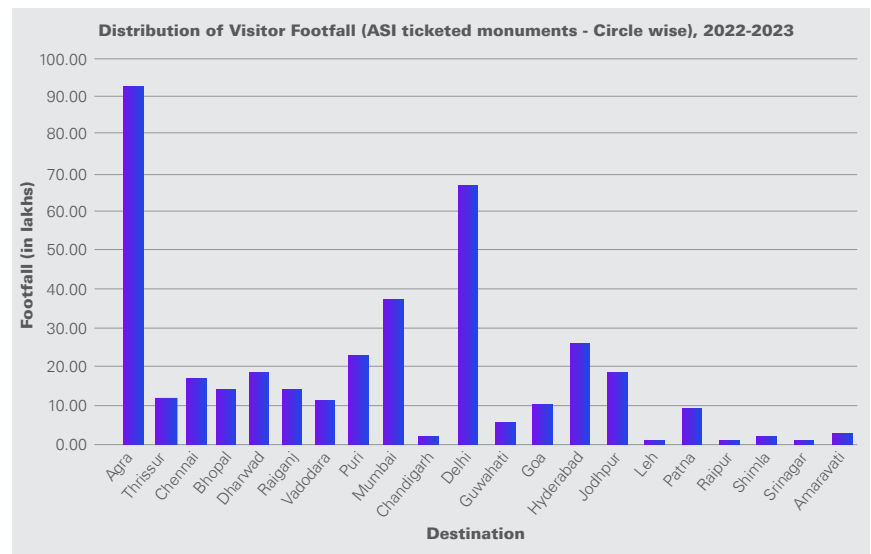
Significance of heritage destinations in India

All prominent and remote heritage sites play a crucial role in local and national tourism, though sites recognised by the ASI and UNESCO are more visited in comparison.

As reported by the Ministry of Tourism, Government of India, in 2022 the visitor footfall steadily rose from 2003 to 2015, with a drop in 2016, and again steadily rising till 2018-2019 before falling sharply in 2020-21. Since then, the sector has been gradually recovering. Comparing the circle wise footfalls of tourists in 2022-23, the greatest share of footfall has been observed in Agra, followed by Delhi²⁶.



Source: India Tourism Statistics, 2022, Ministry of Tourism, Government of India



Source: Visitors footfall of the Centrally Protected Ticketed Monuments under ASI for the FY-2022-23, Archaeological Survey of India, 2022

²⁶ India Tourism Statistics, Ministry of Tourism, GoI, September 2022

Economic contribution of heritage tourism in India - The pre-covid vs. post-covid phase

The Ministry of Culture, Government of India reported an increase in revenue generation through entry fees for ticketed monuments of ASI between 2014-2015 to 2018-2019, rising from INR 93.38 Cr. to INR 317.2 Cr.²⁷ (refer to following table).

Table 1: Revenue generated by ticketed ASI monuments - 2013 to 2023

FY	INR in crore
2013 - 2014	96.85
2014 - 2015	93.38
2015 - 2016	93.95
2016 - 2017	224.77
2017 - 2018	269.4
2018 - 2019	317.2
2019 - 2020	336
2020 - 2021	48.3
2021 - 2022	101.5
2022 - 2023	252.85

Source:

- (1) Revenue generated through entry fee for ticketed monuments of ASI, PIB, Gol, Ministry of Culture, December 2018.
- (2) Review of Visitor Facilities at 50 of 116 ticketed monuments in India, NITI Ayog, 2019
- (3) Revenue from ticket sales at ASI monuments, Business standard, August 2023
- (4) Revenue from monuments down from ₹ 336 cr. to ₹ 40 cr. in pandemic year, The Hindu, 26 July, 2021

²⁷ Revenue generated through entry fee for ticketed monuments of ASI, PIB, Gol, Ministry of Culture, December 2018

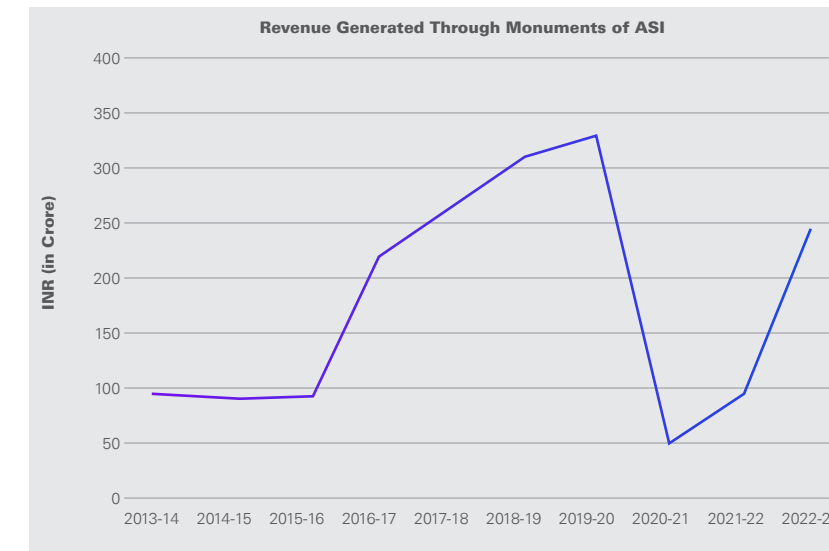
²⁸ Revenue from monuments down from ₹ 336 cr. to ₹ 40 cr. in pandemic year, The Hindu, 26 July, 2021

2019-2020 witnessed the highest revenue of INR 336 Cr.²⁸, followed by a steep drop to INR 48.3 Cr. in 2020-2021, with a total of 4.82 crore visitors at the centrally protected monuments of the ASI.



Indian government schemes to develop heritage tourism

The Government of India has undertaken initiatives to enhance visitor facilities especially for its cultural sites. The Archaeological Survey of India (ASI) designated 100 monuments as Adarsh Monuments. These sites focus on implementing visitor movement plans and site management programmes such as, garbage removal, rainwater harvesting, waste disposal, hygienic public conveniences, and wastewater management. Additionally, the e-ticketing system has been instrumental in developing the heritage tourism sector. To this effect, efforts from the NITI Aayog to improve heritage management in India has been advantageous. NITI Ayog commissioned a study by Development Oriented Operations Research & Surveys (DOORS), which evaluated a sample of 50 (out of 116 ticketed monuments), assessing their visitor facilities and impact on tourist footfall, the effectiveness and use of the e-ticketing system, and identify exemplary monuments that can serve as role models for others (*Niti Ayog, Review of Visitor Facilities at 50 of 116 ticketed monuments in India, 2019*)²⁹.



Source: Graph developed from data in table 1

²⁹ Review of Visitor Facilities at 50 of 116 ticketed monuments in India, NITI Ayog, 2019

³⁰ Swadesh Darshan Scheme, The Ministry of Tourism, Gol, Feb 2023

Following are some government schemes that support heritage tourism in India.

- 1. Adarsh Smarak Scheme:** Launched by the Ministry of Culture in 2014, this scheme focuses on promoting, preserving, and conserving cultural heritage. Amongst the 3,697 ASI protected monuments, 153 monuments are selected in the first phase to receive tourist facilities such as Wi-Fi, security, signage, interpretation centres, and safety provisions. The HRIDAY and PRASAD initiatives are part of this scheme.
- 2. National Heritage City Development and Augmentation Yojana (HRIDAY) Scheme:** Launched in 2015 by the Ministry of Housing and Urban Affairs, HRIDAY focuses on developing core infrastructure in urban areas. The scheme has been implemented in 12 cities including Ajmer, Amritsar, Varanasi, and Warangal. The initiative focuses on urban revitalisation at heritage sites. The urban revitalisation services include water supply, sanitation, waste management, and tourist conveniences.
- 3. Pilgrimage Rejuvenation and Spirituality Augmentation Drive (PRASAD Smarak):** The PRASAD scheme focuses on developing infrastructure at religious and spiritual sites. Launched by the Ministry of Tourism in 2015, initially at 13 cities, which was later expanded to include additional sites such as Ayodhya, Badrinath, and Tirupati. There are 76 projects sanctioned under this, up till now.
- 4. Swadesh Darshan Scheme:** The Swadesh Darshan promotes integrated development of tourist circuits based on specific themes, such as the Buddhist circuit and coastal circuit. It is aimed to converge with other government schemes, leveraging CSR initiatives. There are 76 projects sanctioned under this, up till February 2023.³⁰ The scheme aims to foster intercultural dialogue and cultural heritage preservation.
- 5. Adopt a Heritage Scheme:** In 2017, Ministry of Tourism launched this initiative in collaboration with the Ministry of Culture and the Archaeological Survey of India. The scheme aims at inviting public and private entities to develop selected heritage sites. The development involves amenities like drinking water, accessibility, cleanliness, surveillance systems, and tourism facilitation centres. Under this scheme, 'Monument Mitras' adopt heritage sites for an initial period of five-years, utilising CSR funds for maintenance.

3.4.

Impact of the pandemic on global tourism

Economic Impact

The COVID-19 pandemic had an extreme effect on the global tourism industry. According to the World Travel & Tourism Council's annual Economic Impact Report, the industry experienced a loss of nearly USD 4.9 trillion in GDP, a 50.4 per cent decline, and 62 million jobs, an 18.6 per cent decline, in 2020 alone³¹. The severity of this impact was significant. However, with the lifting of restrictions, the industry is showing signs of recovery. Shifts in consumer behaviours and preferences have fostered the emergence of sub-sectors within tourism that are poised to surpass traditional travel forms.

Rise of experiential tourism

Since restrictions lifted, experiential tourism, which includes adventure, cultural, culinary, and luxury tourism, gained momentum. A poll by Expedia indicates that travellers are now adopting a „no regrets“ approach, willing to spend more for immersive experiences in new destinations. This presents opportunities for businesses and governments to attract high-value, low-traffic tourism (Invest India, February 2023)³². Tour operators responded by offering unique experiences. For example, Airbnb introduced “Airbnb Adventures,” and National Geographic offers “National Geographic Expeditions”, both catering to the modern traveller's desire for new and extraordinary experiences (Invest India, February 2023).

³¹ Sustainable & Experiential Tourism Trends Post Covid 19, Invest India, 22 February 2023

³² Sustainable & Experiential Tourism Trends Post Covid 19, Invest India, 22 February 2023



Focus on sustainability and responsible tourism

Sustainable tourism, as defined by the United Nations Environment Programme (UNEP) and the UNWTO, takes full account of its current and future economic, social, and environmental impacts.

- Environmental: Optimal use of resources, preservation of ecological processes, and conservation of biodiversity.
- Economic: Fair distribution of benefits, stable employment, and poverty relief.
- Cultural: Understanding, tolerance, and conservation of cultural values and historic sites.

Rising demand for sustainable means, demand for eco-friendly and responsible travel options have become prominent amongst travellers. A study by Booking.com revealed that 83 per cent of global travellers consider sustainable travel vital, with 61 per cent indicating an increase in desire to travel sustainably. However, nearly half believe there are insufficient sustainable travel options available³³. According to the Future Market Insights (FMI) study, the global sustainable tourism market is projected to reach USD 1.51 trillion by 2024, constituting 2 to 5 per cent of the travel and tourism industry, with an expected CAGR of 23.8 per cent from 2024 to 2034³⁴.

In April 2022, the Ministry of Tourism, Government of India, launched the National Strategy for Sustainable Tourism, outlining the vision, mission, and strategic pillars for the development of sustainable tourism. Subsequently, in November 2022, the ministry organised its first regional workshop to promote sustainable tourism in Khajuraho, Madhya Pradesh. The Swadesh Darshan 2.0 programme aims at developing tourism infrastructure aligned with sustainable principles.

Development of the tourism sector, and particularly driving sustainable tourism development, requires a multi-stakeholder and public and private partnership. In this context, the Marriott International has set goals to achieve sustainability certifications for all its hotels by 2025. Similarly, Airbnb has committed to operating as a net-zero company by 2030 and provides resources for hosts to operate sustainably³⁶.

The pandemic has significantly impacted global tourism, but it has also invigorated growth in experiential and sustainable tourism, paving the way for a more resilient and responsible industry.

³³ Sustainable Travel Data Reveals Ongoing Challenges for Consumers & Highlights a Heightened Opportunity for Cross-Industry Collaboration, Booking.com, April 2022,

³⁴ Future Market Insights Inc, Saha S, March 2024

³⁵ Sustainable & Experiential Tourism Trends Post Covid 19, Invest India, 22 February 2023

³⁶ Sustainability & Social Impact Goal, Marriott International, 2025

4. Building heritage tourism as means to sustainable tourism



4.1.

Challenges faced by heritage tourism in india

The tourism industry is primarily driven by private entities with the goal of profit maximisation, where the government only plays a regulatory role. Since heritage as a product is naturally, socially, and economically vulnerable, maximising profits out of heritage tourism is difficult.

The difficulties in heritage tourism are two-fold, as the value of heritage reserves can be problematic for tourism, and the nature of tourism as an activity poses a challenge that can negatively impact the product. The aforesaid is elaborated below.

Adverse impact of heritage on tourism

1. Tour operators face challenges in accessing certain heritage sites. Particularly in India, sites protected by the ASI have strict guidelines and some regulations are not conducive to tourism.
2. Ancient monuments are fragile and susceptible to damage and visitors may be prohibited, restricting public access.
3. Lack of specialised craftsmanship, raw materials, and expensive conservation/management works leads to a lack in maintenance of heritage sites. This creates a continuous challenge.
4. Local historic communities surrounding heritage sites may be protective of their culture and traditions, complicating tourism execution in such areas
5. In traditional neighbourhoods with rich vernacular heritage, private-building owners often fear identification and listing as heritage sites, due to misconceptions about ASI regulations and preservation rules.
6. Old neighbourhoods, characterised by narrow roads

and defined structures, pose challenges for modern infrastructure development. Poor maintenance exacerbates difficulties for travellers, as these sites are unsuitable for widened roads and contemporary facilities, to support growing tourism. Often, unsustainable development in such areas backfires in an intense way.

7. In India, heritage sites often coexist with squatter settlements, as seen in old cities like Delhi, Ahmedabad, Kolkata, and Visakhapatnam. The poor, socio-economic conditions in these areas make navigation difficult for tourists and can reinforce negative perceptions.

Adverse impact of tourism on heritage

1. Over-tourism aimed at maximising profits can lead to the degradation of heritage sites.
2. Developmental activities to support tourism often conflict with conservation, degrading the site's intrinsic value and negatively impact long-term tourism.
3. In India, a lack of expertise in conservation and heritage management, along with inadequate strategic collaboration and awareness, exacerbates the issue.
4. Limited community involvement in India hinders effective heritage conservation. Engaging local stakeholders, historically connected to the cultural heritage is crucial for sustainable preservation.

There are various difficulties that must be addressed to develop the tourism sector successfully. This entails considering the views of tour operators, cultural heritage managers, and communities themselves.

4.2.

Recommendations to develop heritage tourism successfully in India

Cultural heritage tourism is poised to remain a significant segment within the future tourism market. Promoting cultural heritage tourism is a crucial strategy for achieving sustainable tourism. However, as it primarily relies on heritage reserves, which are inherently susceptible to degradation, once these reserves are compromised, they lose their unique heritage value, rendering cultural heritage tourism ineffective.

The increasing diversity of cultural experiences can broaden the range of stakeholders in this market, with local communities playing a pivotal role. Moreover, it is essential to implement strategic measures for the development of the cultural heritage tourism sector. This involves understanding its opportunities and challenges to create a comprehensive roadmap for future growth. This niche tourism segment can significantly contribute to sustainable tourism through strategic planning. The following section enumerates the main pillars to strengthen the heritage tourism sector, especially in India.

The main pillars of heritage tourism development

1. Effective government initiatives.
2. Effective public participation.
3. Appropriate and sustainable use of recent technologies.
4. Effective strategic marketing and promotion. Using sustainability as a key measure for heritage tourism.
5. Regulating the heritage tourism market.

Each pillar should emanate key sub-tasks to support development in this niche segment, and they are as follows.

1. Effective government initiatives

- Create a vision for cultural tourism
- Make effective and user-friendly policies and guidelines for heritage tourism
- Ensure cultural protection
- Link and encourage private stakeholders
- Encourage heritage conservation, heritage site management and integrated planning
- Prepare theme-based heritage circuits
- Encourage experiential activities to develop around the cultural sector

- Prepare action plans to develop heritage destinations
- Integrate intangible heritage development into cultural tourism.

2. Effective public participation that results in community development

- Community plays a key role in welcoming visitors. Local communities must be educated about their heritage/history and should experience a sense of belonging
- Local communities should feel comfortable with the display of local culture and traditions. Overall, these will work towards the development of the heritage/cultural tourism.

3. Appropriate and sustainable use of modern technologies

- Use storytelling with sustainable, modern technologies and digitalisation at heritage destinations.

4. Effective strategic marketing and promotion

- Audience oriented marketing involves identifying and targeting a potential audience with maximum interest in cultural consumption and the willingness to accept challenges associated with heritage destination development
- Strategic and effective marketing for tourism at spiritual/religious destinations, archeological sites, or historic destinations
- Marketing and promotion activities should be sustainable in nature as cultural heritage is a vulnerable segment
- Efficient use of social media and influencers can have maximum outreach at a meso–region level
- Featuring heritage destinations and sites in cinemas is effective marketing.

5. Using sustainability as a key measure for heritage tourism

Sustainability metrics

- Develop indicators to measure the environmental, social, and economic impacts of heritage tourism at a regional level
- Regularly assess the sustainability of tourism activities and adjust strategies accordingly

Sustainable practices

- Promote eco-friendly transportation options for tourists at heritage sites

- Encourage the use of sustainable materials and practices in tourism infrastructure and services
- Encourage community initiatives to keep the locality clean
- Capacity building for all tourism stakeholders should be regularly executed at regional and local levels.

6. International and national recognitions through bodies and authorities

National recognition

- Identification by the ASI, the Indian National Trust for Art and Cultural Heritage (INTACH), or under local authorities works as a credential.
- Participate in national heritage awards and certification programmes.

International recognition

- Apply for UNESCO World Heritage status for eligible sites
- Engage with international heritage organisations to gain recognition and support
- Promote heritage sites through international tourism fairs and exhibitions.

7. Regulating the heritage tourism market

Stabilising the heritage tourism market effectively is crucial in mitigating over-tourism. A comprehensive approach involving both the carrying capacity of the destinations and the regulation of demand and supply at a local level will help in this objective.

Through holding capacity of the destination

- i. Assessment of carrying capacity: This includes evaluating the maximum number of visitors that can be accommodated without causing degradation to the site or diminishing the visitor experience.
- ii. Infrastructure development: Invest in the development and maintenance of infrastructure that can support sustainable tourism. This includes visitor centres, sanitation facilities, and pathways designed to minimise environmental impact.
- iii. Crowd management strategies: Implement effective crowd management strategies, such as timed entry systems to distribute visitor flow evenly throughout the day and across different seasons, thereby reducing pressure on the sites during peak times.

- iv. Conservation efforts: Regular maintenance and restoration projects are crucial to preserving the integrity of heritage assets while accommodating visitors.
- v. Visitor education programmes: Develop and implement educational programmes for visitors to foster appreciation and respect for heritage sites. Such efforts can enhance visitor experience and encourage responsible behavior.

Through regulating demand and supply

- i. Controlled access policies: Establish access policies to manage visitor numbers. This could include ticketing systems that limit the number of visitors per day, reservation requirements, or seasonal closures to allow for site recovery.
- ii. Promotion of off-season tourism: Encourage tourism during off-peak seasons through targeted marketing campaigns and incentives. This can help distribute visitor numbers more evenly throughout the year, reducing the burden on heritage sites during peak periods.
- iii. Diversification of tourist attractions: Develop and promote lesser-known heritage sites to distribute tourist traffic more evenly across multiple locations. This can help alleviate pressure on popular sites while boosting the local economy in less-visited areas.
- iv. Dynamic pricing models: Implement dynamic pricing models that adjust entrance fees based on demand. Higher prices during peak times can help regulate visitor numbers, while lower prices during off-peak times can attract more tourists.
- v. Collaborative governance: This involves local communities, government agencies, and private stakeholders and ensures that tourism development aligns with conservation goals and benefits local populations.
- vi. Sustainable tourism certification: Promote and incentivise sustainable tourism practices through certification programmes. Certification can encourage tourism operators to adopt eco-friendly and culturally sensitive practices that support long-term sustainability.

By focusing on these strategic areas, India can develop a robust and sustainable heritage tourism market that preserves its rich cultural heritage while offering diverse experiences to visitors.

4.3.

Principles of sustainable heritage tourism

The sustainability of heritage tourism depends on meticulous management of products, strategic planning of sites, and adherence to strict regulation to address vulnerabilities. Developing further on the “sustainable tourism and heritage practice” by the Australian Heritage Commission, the following principles can guide managing heritage products and help increase cultural and heritage-based sustainable tourism.

Recognise value of heritage products and sites

Identifying the various values and significance of a place – natural, indigenous, and historic, is important to understanding and communicating a site’s overall significance.

Maintain heritage places

Responsible tourism necessitates the conservation of heritage sites to protect their natural and cultural values. Thus, destination planning, and management minimise harmful impacts on these sites.

Develop mutually beneficial partnerships

Sustainable tourism requires appropriate collaborations amongst tour operators, site managers, local communities, and indigenous groups that foster ownership, understanding, and positive outcomes for all parties involved.

Incorporate heritage issues into business planning

This requires comprehensive business planning, integrating business and heritage objectives to incorporate effective targeting, marketing, and protection of heritage products.

Invest in people and destinations

Supporting heritage conservation and local communities will be instrumental in destination management.

Market and promote products responsibly

This involves adopting an appropriate marketing strategy, acknowledging site context and ethos, respecting local communities, and avoiding unrealistic expectations. Strategic partnerships at various levels are crucial for successful marketing.

Provide high-quality visitor experiences

This encourages repeat visits, indirectly attracting more visitors. Good visitor experience in the hospitality sector is the result of good market research, strategic planning, appropriate training, and excellent quality staff.

Respect indigenous rights and obligations

Indigenous people’s cultural obligations and knowledge about places should be respected. Tourism objectives should be agreed upon with indigenous communities, respecting cultural protocols and intellectual property rights.

Overall, these principles emphasise the need for careful planning, collaboration, and respect for heritage and local communities to develop sustainable tourism practices.



4.4. Conclusion

As cities advance their economic and infrastructural development, heritage sites are often the first casualties, frequently disappearing without notice. This trend raises significant concerns and underscores the urgent need to identify preservation strategies. The substantial loss of urban heritage in recent decades indicates a shortfall in sustainable urban development goals of many cities, particularly in developing countries. This ongoing issue is prompting the adoption of novel approaches in heritage management and conservation studies. As the understanding of cultural heritage evolves from traditional to modern perspectives, there is a growing imperative to conserve heritage sites for their economic potential as well as their inherent value. Heritage tourism serves as a mechanism for both preserving heritage and generating revenue. Its success relies on a balanced approach that integrates conservation efforts with sustainable tourism development.

Presently, heritage tourism has become an essential component of the tourism industry, providing economic, cultural, and social benefits while safeguarding historical and cultural assets. The effectiveness of heritage tourism lies in its capacity to offer culturally enriching experiences alongside economic and community engagement.

By capitalising on the intrinsic value of historical, cultural, and natural resources, cultural heritage tourism drives tourism and fosters a deeper appreciation of local traditions and history. It contributes to economic growth through job creation, revenue generation, and the promotion of local crafts and businesses. Moreover, heritage tourism plays a vital role in the conservation of cultural sites, ensuring their preservation for future generations.

The sustainability of heritage tourism depends on detailed management and regulations to address its vulnerabilities. Heritage sites are inherently fragile and can suffer from over-tourism, leading to physical degradation, loss of cultural authenticity, and disruption of local ecosystems. To mitigate these risks, it is essential to strike a balance between leveraging heritage for tourism and preserving it for posterity. Effective strategies include setting carrying capacity limits, promoting responsible visitor behavior, involving local communities in tourism planning, and reinvesting tourism revenue into conservation efforts. Additionally, adopting sustainable practices such as eco-friendly transportation, waste management, and energy-efficient infrastructure can bolster the resilience of heritage tourism.



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PHDCCI, acting as the **'Voice of Industry & Trade'** reaching out to more than **1,50,000 large, medium and small industries**, has forged ahead leveraging its legacy with the industry knowledge across multiple sectors to take Indian Economy to the next level.

At the global level, we have been working with the Embassies and High Commissions in India and overseas to bring in the international best practices and business opportunities.

PHDCCI's **Tourism & Hospitality Committee** aims to promote tourism activities in and outside the country and endeavours to organize various tourism conclaves, seminars, roadshows and webinars in close cooperation with the Ministry of Tourism, Government of India; State Tourism Boards; International Tourism Boards; and private stakeholders.

Tourism in its various forms like **Heritage, Medical, Golf, MICE, Film, Religious, Border, Rural, Sustainable**, plays a critical role in the growth of the tourism industry. Our main focus has been to join efforts with the tourism stakeholders for developing an integrated approach and promote the tourism industry.

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