

Promoting the Integration of China's Tourism Industry into the New Development Pattern with Dual Circulation

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Tourism is increasingly prominent for economic and social development, both as a strategic pillar industry of national economy and as a modern service industry that satisfies people's aspirations for a better life. This paper probes into tourism development and opening up from the perspective of the new development pattern with dual circulation, which is of practical implications for the tourism development. Balancedly developing domestic and inbound and outbound tourism—accelerating domestic tourism, expanding inbound tourism, and regulating outbound tourism—is an important way for tourism integrating into the new development pattern. For this point, it is essential to fully play the decisive role of market mechanisms and better play the regulatory role of the government. Multiple measures should be taken for the rapid, high-quality and sustainable development of tourism and for the mutual promotion of domestic and international tourism, so as to lay the foundation for making China to be a world tourism power.

Keywords: new development pattern with dual circulation, tourism, domestic tourism, inbound and outbound tourism

1. Introduction and Literature Review

After more than 40 years of reform and opening up, tourism is becoming the pillar industry of national economic strategies and a modern service industry satisfied by the people. Tourism integrates into China's new development pattern with dual circulation and seeks growth and new ground in the era of change. In the economic and social development context, It is of great practical significance to expand the tourism consumption market, improve the efficiency of tourism investment, deepen the supply-side structural reform, actively and orderly expand the inbound and outbound tourism market, and unclog bottlenecks and reconnect disrupted links of the domestic and international dual circulation.

Academic researches on tourism development and opening up are plenty. However,

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literature on this issue from the perspective of the new development pattern with dual circulation is few. Only several studies were seen recently. Wei (2021) held that the call to promote a new development pattern with domestic economy and international engagement providing mutual reinforcement, and the former as the mainstay at the Fifth Plenary Session of the 19th CPC Central Committee is not an expedient measure forced by the COVID-19, but a major strategic thinking and focus. Only China, a country with a population of 1.4 billion and a super-sized domestic market, can have such a strategy born and implemented. The new strategy is a great opportunity to seize upon as the status of tourism rises rapidly. A positive interplay between domestic growth and international engagement is taking shape. Tourism will be of more importance in the new development pattern, especially emerging tourism featuring the leisure industry ushering in a rare opportunity. Xu and Zhang (2021) believed that tourism is more foreign-oriented amid globalization, but COVID-19 makes its domestic growth and international engagement both marked, thus it is becoming an important carrier or platform for the new development pattern with dual circulation. Huang *et al.* (2021) suggested focusing on the new development pattern and high-quality growth of tourism and prioritizing ecological restoration, expansion of domestic demand, integration of culture and tourism, scientific and technological empowerment and regional collaboration. Efforts should be innovation-driven so as to build a multi-dimensional dynamic mechanism for the new development pattern and high-quality growth of tourism to smooth flow of the national economy. Wu (2021) held that seeking the high-quality and sustainable development of tourism, there is a need to improve the domestic tourism market, open up the market for inbound and outbound tourism, open wider to the global market and deepen the “tourism plus” project. Wei (2021) suggested activating domestic demand with high-quality tourism service supply to unblock the domestic and international dual circulation. Special attention should be on the slow growth of China’s international tourism revenue and the mismatch between tourism service trade and the overall economic level and international status. Accelerating the development of the tourism service trade must be a priority. Liu *et al.* (2021) have made in-depth insight on the relationship between inbound tourism and GDP growth in aspects of theoretical mechanism, international experience and dual circulation’s enlightenment. Their analysis leads to that the economic growth driving effect of inbound tourism gradually strengthens as income increases, using panel data of 107 countries and regions in 1995–2017 and the threshold effect with the degree of specialization of inbound tourism (international tourist revenue as a share of GDP) as the threshold variable.

In short, some domestic scholars have studied tourism development and opening up from the perspective of the new development pattern with dual circulation, and the breadth and depth of the research are also constantly being intensified. However, on the whole, qualitative studies or phenomena descriptions and local analysis are quite a lot, while the macro vision is generally insufficient. Research on overall developing

both domestic tourism and inbound and outbound tourism is few—basically the two are explained and studied separately.

2. Tourism Timely Integrating into the New Development Pattern with Dual Circulation

2.1. With the Advent of the Era of Mass Tourism, Tourism Rises as a Happiness Industry for the People

Forty-year reform and opening up have witnessed China's tourism prosperity and major achievements—popularization of tourism rights and tourism behavior have been mostly marked. There saw no basic conditions for developing tourism in a large scale from the early stage of reform and opening up to the 1980s, when all industries were waiting to prosper, foreign exchange reserves were scarce, transportation was inconvenient and reception facilities were extremely poor. Against this background, tourism was developed only to earn scarce foreign exchange. It was like foreign affairs reception, which was a special treatment that only a small number of foreign guests could enjoy. Outbound tourism was nearly blank and domestic tourism very small. In the 1990s the pace of market-oriented reform was significantly accelerated, the income of residents increased rapidly and the tourism development and reform was deep as well. The domestic tourism market rose rapidly and tourism started to reach ordinary people. In 1997, the China National Tourism Administration made the basic policy of “vigorously developing inbound tourism, actively developing domestic tourism and properly developing outbound tourism”, and convened outbound tourism working conference and formally approved the outbound tourism business for Chinese citizens. As a result, the tourism market began to show a tripartite development of domestic tourism, inbound tourism and outbound tourism.

China's reform and opening up have been strengthened and its comprehensive economic strength has grown much stronger since the 21st century, especially after China's accession to the WTO. Tourism market is increasingly active. It presents a momentum of “rapid development of domestic tourism market and steady development of inbound and outbound markets”. Today, China becomes the world's largest domestic tourist market, the first international consumer of tourism and the most attractive destination country. In March 2020 the Ministry of Culture and Tourism of PRC authorized China Tourism Academy to release *Basic Situation of Tourism Market in 2019*. Relevant data showed that China's total tourism revenue in 2019 reached RMB 6.63 trillion, up 11% over the previous year; the comprehensive contribution of tourism to GDP reached RMB 10.94 trillion, about 11.05% of GDP; the number of domestic tourists reached 6.006 billion, up 8.4% over the previous year. According to the *Statistical Bulletin for National Economic and Social Development of the People's*

Republic of China (2019), the number of inbound tourists in China reached 145 million in 2019, up 4.4% over the previous year, and that of Chinese residents traveling abroad reached 169 million, up 4.5% over the previous year. We can draw a basic judgment from these data changes: in China, tourism used to be a pleasure for a small number of people, but now it has become accessible for all. Tourism has become a basic right and a just need of life. China is ushering in the era of mass tourism, as the characteristics of a tourism society are becoming more prominent.

The advent of mass tourism is not an empty slogan, but reveals its own distinguishing features and symbols. It means that domestic tourism among the general public has risen significantly while the outbound tourism of the wealthier and middle class becomes a basic living paradigm. The concept of leisure tourism starts being popular among all citizens. Leisure tourism has been a crucial part in people's life, something essential to improve the quality of family life and live a happy life and a way of life attitude for people to liberate themselves. The number of trips per capita is the most important indicator in the era of mass tourism. In 1984, the number of trips per capita in China was only 0.2, more than 3 in 2015 and 4.4 in 2019. These tremendous changes in data mean that China is striding towards the era of mass tourism.

2.2. With the Continuous Improvement of Industrial Positioning and Remarkable Increase of Comprehensive Driving Role, Tourism Is Becoming the Strategic Pillar Industry of National Economy

Over the past 40 years since the reform and opening up, tourism has been changing its positioning. Generally, it used to be single and weak, and now its status is being improved in an all-round way. Tourism appeared for foreign affairs or reception at the earliest, and then positioned as an economic industry—to a comprehensive industry—to a modern service industry satisfactory to the people—and to a strategic pillar industry of China's national economy. Xia and Xu (2018) believed that tourism's positioning as an economic industry was quite vague in the early days of reform and opening up when it was only to increase foreign exchange earnings, while domestic tourism was almost absent so it had extremely limited contribution to economic growth and employment. At the central economic work conference in 1998, tourism was also recognized as an economic industry. It was this conference that clearly proposed to speed up developing tourism and strive to make it a new growth driver for the national economy. The State Council's *Circular on Further Accelerating Tourism Development* in 2001 proposed the concept of "Grand Tourism"—tourism as a comprehensive instead of a single industry. This indicated that the tourism industry rose from the positioning of "an economic industry" to "a comprehensive industry" and its status reached a new level. Since entering the 21st century the status of tourism has been further improved.

Especially, two State Council-published important documents put the tourism positioning to a more important place. One stated to build tourism into a strategic pillar industry of the national economy in 2009; the other clearly defined the special position of tourism as the top of five happiness industries. The Ministry of Culture and the State Tourism Administration merged to be the Ministry of Culture and Tourism of the PRC in 2018. Since then it has emphasized more on the interplay between culture and tourism and the organic integration of tourism's economic and social functions.

The functions entrusted to tourism are becoming richer with the change of tourism positioning, and both economic and social functions are having more influence. Tourism is a new momentum and engine for economic growth. In 2019, the comprehensive contribution of tourism to GDP reached RMB 10.94 trillion, 11.05% of the total; and tourism directly and indirectly employed 79.87 million people, 10.31% of the total employed population in the country, with 28.25 million people directly employed, according to *Basic Situation of Tourism Market in 2019* authorized by China Tourism Academy (Data Center of the Ministry of Culture and Tourism). These data suggest that tourism creates a growing number of jobs as it plays a crucial part in fueling the economic growth, making great contribution to fighting against poverty and building a moderately prosperous society in an all-round way. It may be predicted that with the advent of the era of mass tourism and the rising demand of people for such a happiness industry as leisure tourism, tourism's status as a national economic strategy pillar industry and its social functions for stabilizing employment, for instance, will continue to be highlighted.

2.3. Importance of China's Inbound and Outbound Tourism in the World Tourism

Inbound and outbound tourism refers to activities in which tourism practitioners in one country or region provide tourism services to tourism service consumers of other countries or regions by virtue of existing or to be developed and utilized tourism resources, and receive remuneration therefrom. There include inbound tours by foreign (overseas) tourists, i.e. international revenue tours, and outbound tours by domestic (regional) tourists, i.e. international expenditure tours. Inbound and outbound tourism drives international flow of a large number of resources including people, goods, information and funds and enhances cultural exchanges and mutual learning among civilizations, becoming increasingly important in the midst of economic globalization. China is a major tourist country around the world. Its inbound and outbound tourism has essential place in international tourism service trade, while its foundation of inbound tourism market is more stable. China has become the globally largest international tourism expenditure country and one of the most attractive tourism destinations. Its status is steadily improving, with important contributions to the development of world tourism.

The 14th Five-Year Plan for National Economic and Social Development and the

Long-Range-Objectives through the Year 2035 of the People's Republic of China sets clear requirements for building a world tourism power and promoting innovation in service trade. Domestic tourism and inbound and outbound tourism must be collectively advanced to strengthen domestic tourism, revitalize inbound tourism and standardize outbound tourism, according to *14th Five-Year Plan for Development of Culture and Tourism* announced recently by the Ministry of Culture and Tourism. Despite of the serious COVID-19 influence on inbound and outbound tourism in a certain period of time, we need to take precautions and turn crises into opportunities for the balanced development of inbound and outbound tourism. Efforts should be made to build China into the world's most important tourism destination and a tourism power.

2.4. COVID-19 Not Changing the Prospect of Inbound and Outbound Tourism Market

China's inbound and outbound tourism has been under unprecedented shock since the global outbreak of COVID-19 for over a year. Data provided by the Ministry of Commerce showed that China's import and export of travel services has shrunk by nearly half in 2020—dropping by 48.3% to RMB 1019.2 billion, 52.1% for export and 47.7% for import. It was the main cause for the decline of service trade in that year. However, the short-term stagnation will not represent the potential and long-term value of the inbound and outbound tourism market in the post-pandemic era. When COVID-19 is over, demand for tourism and leisure will be restored or even retaliated, but the consumption preference and consumption behavior may change and we need to make timely judgments and prepare early. Enterprises must be strong in their services, while the government must have policy reserves to meet the recovery and development of the inbound and outbound tourism market.

Our basic forecast is that COVID-19 will not change the prospect and long-term value of the inbound and outbound tourism market. It is based on the following cognitions.

Firstly, digitalization of service trade brings new opportunities for development. Technologies such as big data, mobile internet, AI, cloud computing and Internet of things are breaking the boundaries of goods and services. Digitalization is changing international trade and tourism services from some basic levels. It enriches the content and form of tourism service trade and makes tourism service trade more efficient and convenient. Thanks to digital transformation, inbound and outbound tourism is more efficient and convenient, which objectively increases the willingness and frequency of outbound travel.

Secondly, closer regional service trade cooperation can create new opportunities for international tourism. Since the reform and opening up, China has opened its trade and services wider to the outside on a yearly basis. Seventeen FTA agreements have been

signed with 25 economies, which greatly facilitates the flow of people, technology and capital. From the text of these FTA agreements, trade in tourism services is one of the most important parts. For example, Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) covers contents and arrangements about the liberalization of trade in tourism services. The signing of these agreements and related institutional arrangements bring new opportunities for trading tourism services. We can help tourism integrate into the international circulation by accelerating the development of inbound and outbound tourism.

Thirdly, factors such as policy promotion, international status improvement, long and splendid history and culture, abundant tourism resources, safe tourism environment and enhanced accessibility are helping the inbound tourism market of China to boost. Over the years, with China's high-quality economic development and all-round social progress and efforts in improving its business environment, especially the realization of facilitation policies on visa, customs clearance, tax exemption and refund and traffic rights, the image of "Beautiful China" has been deeply rooted around the world. Tourism infrastructure has been significantly improved and the quality of tourism services has been continuously improved. China's tourism reputation is well-known to influence the world. These positive factors have provided basic conditions and new momentum for expanding the inbound tourism market and promoting the sustained growth of tourism service trade.

Based on the above, amid the new development pattern with dual circulation, with its special role in expanding domestic demand and stabilizing employment and international trade in services, it is both possible and necessary for tourism to actively integrate into the new development pattern with dual circulation and coordinate the development of domestic tourism and international tourism, which is an imperative realistic choice. The domestic tourism must be developed with high quality to be part of the domestic circulation, while the inbound and outbound tourism market must be actively enlarged to integrate into the international circulation.

3. High-Quality Development of Domestic Tourism: Integration into Domestic Circulation

3.1. Transformation and Upgrading of Tourism towards an Era of High-Quality Tourism Development

Over the past 40 years of reform and opening up, China's tourism has shown rapid growth and stronger international competitiveness with increasing scale and gradually improving system. However, we should also be aware that China's tourism is generally growing in an extensive model with relatively low efficiency. There is still a long way to go to catch up with people's aspirations for high-quality tourism and the world's

tourism powers.

For China to be a world tourism power and for tourism transformation and upgrading towards an era of high-quality development, effective measures are as follows. First, for tourism products, there is a need to innovate their system and improve their structure, with efforts to develop business forms—cultural tourism, red tourism, health and wellness tourism, educational tourism, sports tourism, seashore tourism, mountain tourism, forest tourism, cruise tourism and other important tourism modes, as well as climate-themed (such as snow, ice, summer and cold shelter) tourism products or business forms, so as to meet people's diverse needs. Second, we need to build a number of world-class tourist attractions and resorts with rich cultural heritage, create leisure tourist blocks with distinctive features and high quality and characteristic blocks with profound historical and cultural heritage that are suitable for business and tourism. It is to offer rich and high-quality tourism carriers for the era of high-quality tourism. With the focus on developing leisure blocks of local cultural characteristics, we must seek the interplay of cultural tourism, leisure and entertainment, commercial shopping, and the digital transformation of leisure tourism blocks as well. Leisure tourism blocks should be fully taken as a carrier for the high-quality tourism development to satisfy people's aspirations for a happy life and create new momentum into the quality life of urban and rural residents, thus laying a good foundation for high-quality tourism. Third, tourism services must be delivered high quality to bring tourists maximum enjoyment and happiness. That is what a happiness industry should be doing. To this end, we need to fulfill the quality commitment and develop a tourism service quality standard and evaluation system for promotion. Platforms and big data should be applied in making objective and fair evaluations of service quality. The "free-of-charge tours" phenomenon must be put to an end. Better proficiency, image and service brand of tour guides must be presented, while tourists' quality is being improved in a way to establish a harmonious tour guide-tourist relationship. Both sides shall work for a good tourism order.

3.2. Attention to Scientific and Technological Progress to Drive Digital Transformation of Tourism

Scientific and technological progress is decisive to tourism development. When making tourism production significantly efficient and tourism supply much richer, it brings convenience and safety to tourists and reduces the cost of tourism. Meanwhile, it drives organizational changes and model innovations for tourism. Therefore, scientific and technological progress is a strong driver for sustainable tourism development. Xia and Feng (2020) believed that there has spawned online activities supported by the application of new technologies, as the flow of people and goods are being strictly restricted since the COVID-19 outbreak. For example, the digital

economy and consumption, including online office, online shopping, online counseling and education, cyber games, live entertainment, paid movies/TV, telemedicine, and online exhibitions have attracted much attention. The digital endowment of tourism has been on the forefront. Many scenic spots' and tourism enterprises' theme planning and promotional content are in online forms. Much attention goes to cloud exhibition, cloud tourism and cloud livestream. Some OTA (Online Travel Agency) enterprises are working with partners to flexibly expand business boundaries, to innovate organizations and to reform business models. They are doing it to keep consumers and stabilize the tourism market. They aim to reduce business losses caused by COVID-19 by speeding up and developing online businesses. These changes increase the conceptual understanding and the practical motivation of technology application. If this short-term online application effect can be amplified, the digital integration of traditional tourism will speed up to a certain extent, which can benefit China's high-quality tourism development.

In general, however, tourism is a sector with slow technological progress. Then it is important to enhance tourism innovation. Innovation is the most critical driver for the sustainable development of a country, industry and company. It is imperative for tourism enterprises to be more innovative. Song and Xu (2021) believed that the country should channel its external financing by providing corresponding financial support for innovative activities of tourism enterprises, while tourism enterprises should make sure the smooth flow of internal financing channels with better operation and management.

It has been the consensus of academia and industry that digital technology enables tourism to develop with high quality, efficiency and convenience, and its practice is in full swing. The infrastructure for "cloud, network, and end" in tourism is becoming more perfect and the digital chain of "digital acquisition—network transmission—intelligent computing" is being opened up. The digital, network and intelligent development in the tourism field is rapidly developing. Cloud tourism and cloud livestream are emerging one after another. New scenarios of immersion tourism experience are becoming popular as gathering spots for internet celebrities.

In a word, digitalization has enabled the tourism to develop online, which is an absolute revolution to both tourism enterprises and tourists. It is disrupting traditional perception and existing models for tourism—improving the efficiency of tourism enterprises and the convenience of tourists' consumption. It breaks the time and space limit of tourism and brings new challenges to tourism governance, which is an unavoidable realistic issue in the era of digital economy. We need to combine inclusive prudence with effective supervision in regulating the compliance of online tourism forms and models. For online tourism to be sustainable and sound, it means to stimulate innovative development of online tourism, while standardizing corporate behavior to prevent market monopoly and disorder, and online platforms must be punished for damaging the rights and interests of tourists.

3.3. All-for-One Tourism Model and Innovative Tourism Management System and Mechanism

The assessment index for developing all-for-one tourism was announced in *Circular on Establishment of National All-for-One Tourism Demonstration Zone* by the National Tourism Administration in August 2015. The General Office of the State Council issued *Guidelines on Promoting All-for-One Tourism Development* in 2018. The idea of all-for-one tourism emerged under this background and soon became a new path and focus for local governments to advance tourism development. Dai and Chen (2020) held that all-for-one tourism is a new model that makes tourism a high-quality industry and drives regional economic development with innovative tourism development and is a new concept of urban-rural integration and interplay, inter-industrial support, as well as full-round innovation of system and mechanism.

To develop all-for-one tourism, it is essential to completely reverse the simplistic emphasis on such indicators as the number of tourists and prioritize the internal quality of tourism, placing people's life quality and tourists' well-being to the most important position. To prompt the all-for-one tourism and innovate the tourism management system, the following problems must be addressed. First, top-level design and integrated thinking must be improved at the strategic height of comprehensively deepening reform. All-for-one tourism should not be carried forward blindly and comprehensively because it features full time and space, all industries, all factors, all sectors, full society and people's full participation. Instead, it should be operated selectively and collectively to highlight the advantages and characteristics of local tourism on the basis of scientific demonstration. Second, the interests of the departments must be well coordinated. It means to break the fragmented tourism management system and strengthen the coordination between culture and tourism department and other departments such as development and reform, finance and taxation, banking, land resources, housing and rural agriculture in project construction, financing, land approval and urban-rural construction planning. In particular, reform and innovation of the comprehensive tourism law enforcement mechanism deserve more attention to safeguard the development of all-for-one tourism. The tourism market environment is to be better managed in the framework of comprehensive urban governance. There should form management linkage preventing the "small horse pulling big cart" phenomenon. Third, all-for-one tourism investment and financing system must be advanced. Developing all-for-one tourism is a huge systematic project and will not be substantially advanced without capital drive. Capital is significant for driving all-for-one tourism. Sound investment and financing system and mechanism for tourism are the key to the high-quality development of all-for-one tourism. It needs to be continuously pushed forward in aspects such as financing channels, reform of financing modes and construction of investment and financing entities. In reforming

all-for-one tourism investment and financing, we should bring into play the market's decisive role in innovating the system and mechanism of tourism investment and financing to make sure a normal rate of return for social capital investment. The positioning of government functions should be made clear to better play its role in tourism investment and financing. The government should give necessary financial support or subsidies in response to financing demands of small and micro-tourism enterprises with a low-level marketization. There should use the PPP model of cooperation between the government and social capital, by which the joint efforts of market, government and society will be exerted in addressing accessing affordable financing of tourism.

3.4. Comprehensive Driving Effect of “Tourism Plus” Project on Other Industries

Tourism is a comprehensive industry of the national economy, and it is evidently important in connecting and driving other industries. The “Tourism Plus” project is of practical significance in helping integrate and optimize resources, grow domestic demand, extend the tourism industry chain and tap the comprehensive value of tourism to better serve the domestic economic circulation. In view of practical results, there are indeed many “spillovers” when promoting the integration between tourism and other industries.

The integration and interplay of modern services, industry and agriculture is an important feature of the modern industrial system. Tourism as a typical modern service industry is good to integrate with industry and agriculture in depth, which is a general trend with broad prospect. The integration of tourism and industry, for instance, enables consumers to experience industrial production and processes closely—the most intuitive perception of the creative design and production process of industrial products. Such experience directly turns more industrial products to become tourist products, and then expands the market for industrial products, and improves the brand influence and economic benefits of industrial enterprises. Industrial tourism is an inevitable choice of the times. Industrial heritage resources or industrial production processes attract a large number of tourists for their distinguishing charm. Industrial tourism has been an important tourist project in many countries. China's economy is transforming from an industrial economy to a service economy. The organic integration of industry and tourism is promising by the full use of industrial heritage resources and combination of tourism and creative elements. To speed up the development of industrial tourism, the country needs to co-ordinate efforts of relevant parties to integrate management functions, with better protection and activation of industrial heritage by using the carriers such as industrial parks, industrial historical relics and industrial exhibition areas. Also, there should improve infrastructure construction, broaden publicity channels for industrial tourism, as well as make industrial tourism more charming to gain a

larger market. Another example is the integration of tourism and agriculture, which can directly transform traditional agriculture to leisure and creative agriculture. Unsalable agricultural and sideline products are likely to become popular tourist commodities. Especially, after the integration of agriculture and tourism, many agricultural products have become products of creative culture and tourism, and the added value has been largely increased, directly growing farmers' income and employment. The integration of agriculture and tourism needs multiple measures, especially in straightening out the system and mechanism, cultivating leading enterprises, encouraging farmers to participate in and establishing rural tourism cooperatives.

4. Inbound and Outbound Tourism Market Expansion: Integrating into International Circulation

4.1. Opening the Tourism Service Industry Wider and Tapping the Inbound Tourism Market

China has fulfilled its service trade commitments under WTO accession agreement. However, there is still much to be done for further opening up the services, especially travel services. Tourism is a comprehensive industry involving a large number of sectors and industries. To develop inbound and outbound tourism, there must be effectively connected and coordinated with China International Fair for Trade in Services, China Import and Export Fair, China International Fair for Investment & Trade, China International Import Expo, China-ASEAN Expo, China-Arab States Expo, etc., so that inbound people are well equipped with sanitation and food and residential services when having study tours, business interactions, medical care, academic and cultural exchanges, etc.

According to the Ministry of Culture and Tourism, the number of outbound tourists exceeds 169 million and the outbound consumption exceeds US\$ 140 billion in 2019, ranking first in the world for consecutive years. In the same year, there received 141 million inbound tourists and earned US\$ 131.3 billion from inbound tourism. Obviously China's inbound and outbound tourism is imbalanced—inbound tourism grows slowly and weaker than outbound tourism. From years of experience, the most popular tourist attractions for inbound tourists are natural scenery, historical sites, art appreciating, rural tourism, catering and gourmet, idyllic scenery and leisure shopping. The departments concerned need a preference analysis of in bound tourists when planning the corresponding tourism products and services portfolio and business layout.

To expand the inbound tourism market with a rapid and high-quality development, an upgrading project and effective measures must be launched to improve the international reception and facilitation procedures of inbound tourism. For example, specific measures should be introduced to promote visa facilitation and gradually relax

duty-free shopping restrictions on inbound and outbound tourists in China. To this end, big data is to be applied in electronic visa facilitation and efficient visa management for the informatization and facilitation of tourist visa. Relevant policies on tax exemption need improvements. That is, a perfect tax exemption policy system needs to be put into place on the basis of integrated planning. A number of national, provincial and municipal duty-free demonstration shops should be built, drawing on the experience of pilot cities. Enterprises should have support in launching the “refund upon purchase” pilot of the departure tax-refund policy and improve their services. The international reception for inbound tourists should also be better. For instance, the personalized and convenient needs of inbound tourists are fully considered in the construction of tourist attractions and scenic spots, foreign language signage system and voice interpretation system. Besides, the development of cross-border mobile payment and foreign language intelligent tourism navigation system for inbound tourists needs to be improved to make it more convenient to travel.

4.2. Launching Targeted Relief Policies to Effectively Mitigate COVID-19 Impact on Tourism

Stronger policy reserves and incentives of policy guidance are needed for robustly developing the tourism. We must develop or improve a variety of policies to advance tourism development as soon as possible, as well as revise, integrate and refine the supporting measures for relevant sectors, especially releasing policies on supporting the development of small and micro tourism enterprises. Financial support must be stepped up by introducing policies good for multi-channel financing of tourism. The tourism need to work closer with financial sectors for constructing key tourism projects, and tourism enterprises should have stronger credit support. There should have more innovative way of funding the tourism, while giving full play to the leverage of financial funds and encouraging private capital to invest more. Further efforts should be to “streamline administration, delegate power, improve regulation and upgrade services” for reducing the burden on enterprises. Especially, small and micro tourism enterprises in the period of entrepreneurship and innovation should be in need of “a policy toolbox” as they are less capable of “hematopoiesis and replenishment”. These enterprises may gain support by means of tax relief, loss offset, government procurement, for example. Diversified financing channels should be developed, and tourism enterprises with rich tourism resources and conforming to national tourism development strategies and eligible for listing should be supported in listing financing. Other efforts include breaking industrial and regional barriers, optimizing approval procedures for corporate relief policies, further relaxing market access, and creating a fairer business environment.

4.3. Growing International Corporate Competitiveness and Fostering Large Tourism Groups

Tourism enterprises are crucial practitioners and core carriers for high-quality tourism. China is in urgent need of large tourism enterprises or groups with international competitiveness against the background of internationalization, characterization and branding. The government should introduce corresponding measures to support and encourage innovative development of eligible tourism enterprises in terms of technological or organizational innovations. The goal is to realize integrated information services, targeted marketing, industrial digitalization and functional industry management. In the era of AI and digital economy, tourism enterprises should fully integrate with technical industries including the Internet of Things, mobile payment, Internet, big data, AI, VR, AR, cloud computing, etc. The core essence of organizational innovation lies in improving the governance structure and equity structure of tourism enterprises and timely introducing strategic investors, enabling tourism enterprises to have stronger international competitiveness and market adaptability.

4.4. Improving International Marketing of Tourism and Deepening International Cooperation in Tourism and Culture

In the era of rapid development of new media, how to make targeted tourism marketing has been something essential for growing tourism. First, we should use innovative mechanisms and national projects for tourism publicity. A new tourism marketing pattern featuring government leadership, business entities, market functioning, multi-party collaboration and targeted measures should be developed. There should actively organize to promote the “Beautiful China” tourism image, design and launch more high-quality tourism product systems of high-degree internationalization and distinct Chinese national characteristics, which meets inbound tourists’ needs and preferences, so China will keep growing its influence and competitiveness of tourism brands. Second, the government and tourism enterprises should properly increase their investment in international tourism marketing and attach great importance to the multiplier effect of international marketing on tourism market expansion. Third, we should renew marketing concepts and reform marketing approaches, promoting core attracting products and services of tourist destinations based on consumer demand. Fourth, we should push forward transformation and innovation of marketing models. Besides traditional media and product promotion fairs, there should apply the digital marketing and the holistic marketing oriented by new media, thus developing a new way of publicity combined with brand image. New technologies such as AI, cloud computing and block chain will be useful to carry out

multi-channel analysis of tourism big data, real-time tracking and integrated judgment to grow the tourism service trade. Fifth, we should enhance tourism exchanges with important destination countries—by concluding friendly sister cities abroad, or holding tourism product fairs—to enlarge the dissemination of Chinese culture and the attraction of tourism resources.

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