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GRADUATION THESIS
on
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ASSIGNMENT
FOR THE GRADUATION THESIS OF

Master's degree student Li Bo, group 24ЭЭвам1, full-time mode of study

1 The topic of the graduation thesis: "International tourism service trade in China" was approved by the university order
dated «___»_____20__ no. _____

2 The deadline for the Master's degree student to complete the graduation thesis is 15.06.2026.

3 The input data for the graduation thesis is the regulatory and legal framework, scientific literature and reference books, and Internet data.

4 The list of issues to be studied includes the theoretical foundations, historical evolution, development patterns and competitiveness, structural issues and institutional barriers, crisis resilience, and digital transformation features of China's international tourism service trade.

5 The list of visuals contains tables and figures.

6 The date of setting the assignment is 8.10.2024.

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Schedule for completing the graduation thesis

№ п/п	Content of the thesis	Deadline for completion	Due date, signature of the academic adviser
First year of study			
1	Substantiating of the research topic and methodology, subject and object of research	1.09.2024 – 31.10.2024	
2	Framing the scientific concept of research	1.11.2024 – 18.12.2024	
3	Collection of scientific literature for the thesis	19.12.2024 – 15.01.2025	
4	Substantiating the relevance, concept, and novelty of the research	16.01.2025 – 19.02.2025	
5	Framing of a detailed plan and layout of the research	20.02.2025 – 12.03.2025	
6	Studying new literature sources within the topic of the thesis	13.03.2025 – 26.03.2025	
7	Conducting theoretical research within the first chapter of the thesis	27.03.2025 – 30.04.2025	
8	Preparing the first chapter of the thesis	1.05.2025 – 30.06.2025	
Second year of study			
9	Conducting analytical research within the second chapter of the thesis	1.09.2025 – 22.10.2025	
10	Preparing the second chapter of the thesis	23.10.2025 – 24.12.2025	
11	Conducting analytical research within the third chapter of the thesis	25.12.2025 – 25.02.2026	
12	Preparing the third chapter of the thesis	26.02.2026 – 21.04.2026	
13	Preparing the introduction and conclusion	22.04.2026 – 12.05.2026	
14	Completing the graduation thesis	13.05.2026 – 27.05.2026	
15	Handing in the thesis for compliance control and antiplagiat	28.05.2026 – 11.06.2026	
16	Getting acquainted with the feedback and review	13.06.2026	
17	Presenting the written thesis	15.06.2026	

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Summary

The graduation thesis comprises 85 pages, 3 chapters, 5 figures, 6 tables, 61 sources,

CHINA, TOURISM SERVICE TRADE, COMPETITIVENESS, DIGITAL TRANSFORMATION, CRISIS RESILIENCE

The target of research is to provide a comprehensive analysis of China's international tourism service trade, examining its theoretical foundations, historical evolution, development patterns, competitiveness, and the multifaceted challenges it faces in the post-pandemic era.

The goal of work is to study to study the development patterns, competitiveness evaluation, structural issues, institutional barriers, crisis resilience, and digital transformation features of China's international tourism service trade, and to provide practical recommendations for sustainable growth.

The methodological framework of the paper is formed by the complex of theoretical and practical methods such as literature review, qualitative and comparative analysis, quantitative analysis (using TC and RCA indices), grey correlation analysis, and case studies.

The results of research include: a comprehensive analysis of the historical evolution, competitiveness, structural barriers, crisis resilience, and digital transformation of China's international tourism service trade, along with strategic implications derived from international experience.

The recommendations on disseminating and applying the results are as follows: Based on the identified structural issues and digital opportunities, this paper proposes feasible countermeasures—including product upgrading, service standardization, regional synergy, and digital-green integration—to elevate China from a large tourism country to a strong tourism country, and these recommendations can be directly applied in policy design and business decision-making.

The theoretical relevance of the thesis is established by its comprehensive theoretical framework, which combines multiple classic trade theories to explain the development path of China's tourism service trade, and by offering new insights into the role of digitalization and sustainability in shaping service trade competitiveness.

The target of research can be further explored through additional empirical analysis using updated data, cross-country comparisons, and interdisciplinary approaches combining economics, data science, and environmental studies.

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Introduction

The rapid expansion of international tourism service trade has become a defining feature of the global economy, with China emerging as the world's largest outbound tourism market and a major inbound destination. In the post-pandemic era, the recovery and restructuring of this sector have taken on new urgency, driven by digital technologies, green transition imperatives, and geopolitical uncertainties. Against this backdrop, a systematic investigation into China's international tourism service trade – covering its theoretical underpinnings, historical evolution, development patterns, competitiveness, and challenges is of great theoretical and practical relevance for both academic discourse and policy formulation.

This paper aims to provide a comprehensive analysis of China's international tourism service trade, examining its theoretical foundations, historical evolution, development patterns, competitiveness, and the multifaceted challenges it faces in the post-pandemic era. The ultimate goal is to identify the key drivers and obstacles of China's tourism service trade and to propose strategic pathways for its high-quality development, thereby facilitating China's transition from a «large tourism country» to a «strong tourism country».

To achieve the above goal, this study sets out the following tasks: constructing a theoretical framework integrating classical trade theories (comparative advantage, Porter's diamond model, service trade theory, regional integration) with contemporary digital and sustainability paradigms; delineating the historical evolution into distinct stages and extracting lessons from international experiences (France, Singapore, Thailand) and failures (Venice, Maldives); analyzing scale, structure, regional disparities, and competitiveness using quantitative indices (TC, RCA) and grey correlation analysis; identifying structural issues, institutional barriers, crisis resilience, and digital transformation features; and synthesizing findings to propose a multidimensional strategy

This study employs a mix of qualitative and quantitative methods: literature review and theoretical synthesis for the analytical framework; historical and comparative analysis for developmental stages and international benchmarking; statistical and econometric techniques, including TC and RCA indices and grey correlation analysis to identify

influencing factors (GDP per capita, air routes, hotel infrastructure, digitalisation); case studies of specific destinations (Jiuzhaigou, Huangshan, Forbidden City) and policy experiments (visa waivers, Hainan duty-free, Digital Silk Road); and policy and institutional analysis of structural barriers and crisis responses

The novelty of this research lies in several aspects: it systematically integrates classical trade theories with digital economy and green transition frameworks, offering a four-dimensional analytical lens (factor endowment, competitive advantage, digital empowerment, institutional opening) tailored to China; it provides updated empirical competitiveness assessments using post-pandemic data (up to 2024) and reveals a 0.68 % increase in tourism service exports per 1 % rise in the digital economy index; it identifies the «paradox of scale without strength» and quantifies structural gaps through international comparisons, while introducing the concept of «anti-fragility» in crisis resilience; and it proposes concrete policy synergies – product innovation, service standardisation, regional coordination, and digital-green integration – beyond conventional single-dimensional reforms.

The topic has attracted considerable scholarly attention. Early works (Gao, 2011) examined scale and structure; Xuan (2020) and Cai (2020) focused on competitiveness and influencing factors using TC and RCA; Li and Zhao (2018) applied grey correlation to identify GDP and infrastructure as key determinants. Comparative studies (Liao & Chainuwat, 2022; Ma, 2020) highlighted strengths and weaknesses in service quality and digitalisation. The Belt and Road Initiative's impact was explored by Wang (2019) and Qi (2021); Zhang Y (2025) and Jia (2025) empirically examined the digital economy's role. Zhou (2025) investigated regional disparities, and Liu et al. (2025) reviewed research progress. Despite these contributions, a comprehensive framework that simultaneously addresses theoretical integration, historical staging, structural obstacles, crisis resilience, and digital transformation remains lacking, which this study aims to fill.

Chapter 1 Theoretical and historical Foundations of international tourism

1.1 Theoretical Framework Construction

As an important growth pole of service trade, the theoretical construction and innovation of international tourism service trade have always evolved dynamically along with the evolution of the global economic structure [1, p. 112]. Based on the four-dimensional analysis framework of the service trade theory system, this paper systematically deconstructs its internal logic and observes China's practice, revealing the development path of tourism service trade with Chinese characteristics [3, p. 52].

In the dimension of comparative advantage theory, the Ricardo-Heckscher theoretical model interprets the motivation of international trade through the difference of factor endowments [36, p. 54]. This principle is manifested in the field of tourism as the heterogeneous competition of tourism resource endowments. Relying on the world's second largest world heritage system (56 items) and diverse geographical landscapes, China has formed a differentiated product matrix, including the historical and cultural type represented by the «Great Wall-Forbidden City», the natural wonder type marked by the Zhangjiajie landform, and the folk experience type represented by the Jiangnan ancient town [12, p. 18]. In particular, the «Three Parallel Rivers» eco-tourism area in Yunnan, relying on its unique biodiversity advantage, has achieved an average annual growth of 17 % in the number of international tourists in the past five years, confirming the practical effectiveness of the resource endowment theory [58, p. 29].

Michael Porter's theory of national competitive advantage provides a diamond model framework for analyzing the competitiveness of the tourism industry [24, p. 18]. The upgrading of factors in China's tourism industry is reflected in the following aspects: in terms of human capital, tourism colleges and universities across the country produce more than 500,000 professional talents each year; in terms of demand upgrading, the middle-income group has spawned new formats such as in-depth experience and health tourism; in terms of industrial clusters, the Yangtze River Delta has formed a complete industrial chain covering OTA platforms, smart scenic spots, and tourism equipment manufacturing; in

terms of strategic innovation, companies such as Ctrip have reconstructed their business models through the «Travel Buddies» global service network [51, p. 55]. Guilin International Tourism Resort has increased the average length of stay of tourists from 2.1 days to 3.5 days by building a smart tourism big data center, vividly demonstrating the generation mechanism of competitive advantage [28, p. 58].

The deepening and expansion of the theory of trade in services has injected new impetus into the study of tourism economy. Based on the four modes of provision of GATS, China's tourism services present significant characteristics: in the field of cross-border delivery (mode 1), Tongcheng-Elong's cross-border digital tourism services cover 130 countries; in terms of overseas consumption (mode 2), inbound tourists created tourism foreign exchange income of US$131.3 billion in 2019 [20, p.22]; in terms of commercial presence (mode 3), Jinjiang Hotel Group has more than 10,000 hotels worldwide; in terms of the flow of natural persons (mode 4), the export of special labor services such as Chinese cooking and tea art has formed cultural soft power. It is worth noting that digital technology has spawned a new type of «remote tourism experience» [39, p. 78]. The «Digital Sutra Cave» project launched by the Dunhuang Research Institute realizes the virtual cross-border delivery of cultural heritage, breaking through the time and space boundaries of traditional service trade [61, p. 24].

From the perspective of regional economic integration theory, China has deeply participated in multilateral mechanisms such as RCEP and the Shanghai Cooperation Organization, and has improved the tradability of tourism services through the three-in-one strategy of «visa facilitation + transportation interconnection plus mutual recognition of standards» [2, p. 9]. The Guangdong-Hong Kong-Macao Greater Bay Area has implemented the «144-hour transit visa-free linkage mechanism», which has promoted cross-border tourism consumption in the region to US$38 billion in 2019. The opening of the China-Laos Railway has increased Xishuangbanna's annual cross-border tourism by 200 %. Empirical evidence shows that regional cooperation can increase the elasticity coefficient of tourism service trade by 0.3–0.5. The «zero tariff» tourism equipment policy implemented by Hainan Free Trade Port has also spawned an annual output value of the yacht industry

exceeding 10 billion yuan, verifying the multiplier effect of institutional opening on tourism service trade [14, p. 21].

The practical mapping of the theoretical framework shows that China's tourism service trade has formed a spiral development path of «factor endowment foundation-competitive advantage forging-digital technology empowerment-institutional openness drive» [41, p. 19]. The fully restored inbound and outbound tourism market in 2023 showed strong resilience, and the surplus in international tourism balance in the first half of the year increased by 62 % year-on-year, indicating that China is leaping from a major tourism service trade country to a strong country [5, p. 92].

The theory of comparative advantage was proposed by David Ricardo, and its core is that countries can achieve mutual benefit in trade through specialized division of labor [19, p. 139]. In the field of tourism services, China has formed a static comparative advantage by relying on natural and cultural resources such as the Great Wall, the Forbidden City, and the Mogao Grottoes in Dunhuang (figure 1).

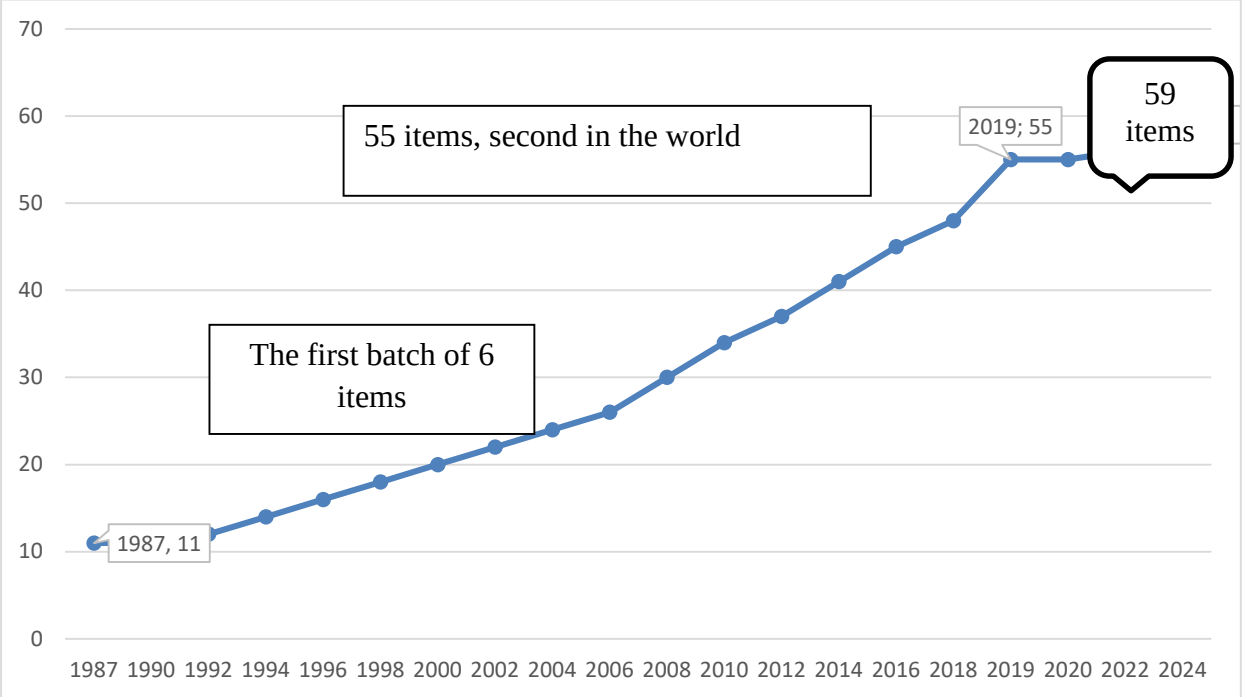

Figure 1 – Trend in the Number of World Heritage Sites in China (1987–2024) [12, p. 18]

In 2024, China ranked second in the world with 59 UNESCO World Heritage Sites, directly promoting the growth of inbound tourism revenue. However, the resource-dependent model hides ecological risks [58, p. 30]. For example, Jiuzhaigou is facing a carrying capacity crisis due to overdevelopment. In 2024, Huangshan Scenic Area implemented a daily flow limit of 50,000 people due to overload of tourists. Although ticket revenue increased by 12 %, the cost of ecological restoration increased by 25 % year-on-year, highlighting the sustainability challenges of the traditional resource development model [22, p. 23].

In order to break through the resource bottleneck, modern comparative advantage theory emphasizes dynamic factor drive. The application of digital technology has become a key breakthrough. In 2025, the Palace Museum launched the «Digital Palace Museum» project, which restored historical scenes through AR technology, attracted 1.2 million international tourists to experience, accounting for 15 % of the annual number of tourists, and directly generated 320 million yuan in revenue. Policy innovation is also being promoted simultaneously. After Hainan Free Trade Port implemented the «59-country visa-free» policy, the number of inbound tourists in 2024 increased by 45 % year-on-year, of which the proportion of Russian tourists increased to 22 %, promoting the transformation of tourism service trade from «resource export» to «service export».

Michael Porter’s «Diamond Model» reveals the four core elements of national competitiveness, and shows distinct practical characteristics in the field of China’s tourism service trade [7, p. 51]. From the perspective of production factors, although China has the world’s largest tourism human resources - more than 30 million employees in 2025, but the structural contradictions are prominent: the gap in international tour guides is 120,000, and digital tourism engineers are even more scarce, resulting in the abortion of many high-end customized travel projects in 2024 due to lack of talent [11, p. 111] . In terms of demand conditions, the domestic tourism market volume of 6.4 billion people provides a strong endogenous driving force for international service exports, and the preferences of inbound tourists are changing profoundly from traditional sightseeing to immersive experience [47, p. 25]. The «Immersive Script Killing» project launched by Shanghai Disneyland in 2024 is a typical case of this trend. The project attracted 500,000 international tourists to participate,

pushing per capita consumption to 2,500 yuan, an increase of 80 % over traditional sightseeing products. In terms of related industry support, China has formed a unique synergy effect: the high-speed rail network covers 90 % of cities with a population of one million, and by 2024, the «high-speed rail + tourism» model will connect 80 % of 4A and above scenic spots, driving an 18 % increase in tourism revenue in cities along the line; Alipay has more than 200 million overseas users, building a convenient digital payment ecosystem; the cultural industry hit «Black Myth: Wukong» has given birth to a new form of cultural and tourism integration through the output of cultural IP [26, p. 45] [29, p. 49].

Corporate strategic innovation has become a key activation factor of the diamond model. Ctrip, Fliggy and other platforms use AI algorithms to achieve accurate resource allocation. In 2024, international orders accounted for 35 %. Ctrip's «Global Travel SOS» system has increased the efficiency of emergency handling for overseas tourists by 60 % and customer satisfaction by 97 % through a real-time big data response mechanism [44, p. 162]. In order to break the bottleneck of production factors, the Ministry of Culture and Tourism launched the «10,000 Digital Tourism Engineer Training Program» in 2025, focusing on cutting-edge fields such as VR content development and blockchain technology applications, and plans to fill the gap in high-end technical talents within three years [10, p. 32]. The structural changes on the demand side are particularly significant. The «2024 China Inbound Tourism Consumption Report» shows that the demand for «intangible cultural heritage experience» by European and American tourists has surged by 60 %, forcing innovation on the supply side [48, p. 32]. The Sichuan Sanxingdui Museum has launched the «Ancient Shu VR Archaeology» project, which reconstructs archaeological scenes through digital technology, increasing the repurchase rate of international tourists to 40 %. In 2024, 35 % of the project's revenue came from secondary experience consumption, confirming the traction of demand upgrades on industrial transformation [49, p. 23].

The four major modes of tourism services classified by the General Agreement on Trade in Services (GATS) - cross-border delivery, overseas consumption, commercial presence, and movement of natural persons - are undergoing profound reconstruction under the wave of the digital economy. In the field of cross-border delivery, digital technology has completely broken geographical boundaries. The VR digital exhibition launched by the

Palace Museum in 2024 attracted 3 million international users to «travel» in the Forbidden City [15, p. 70]. This virtual experience not only extends the dissemination radius of cultural heritage, but also creates a new cultural consumption scenario with an average stay of 42 minutes per user. The commercial presence model realizes a global layout through capital operation. After Huazhu Group acquired Deutsche Hospitality (DH), its overseas revenue accounted for 18 % in 2025 [50, p. 87]. Its integration strategy of «localized operation + Chinese service standards» has increased the international customer satisfaction of its hotels to 89 %.

The «Tourism as a Service» (TaaS) model spawned by the digital economy is even more revolutionary. The «Tourism Chain» platform created by Hainan Free Trade Port integrates the entire process of accommodation, transportation, and payment, and realizes «one-code for all» through blockchain technology, reducing transaction costs by 40 %. The platform transaction volume exceeded 12 billion yuan in 2024. This model subverts the linear structure of the traditional tourism industry chain and turns to an instant response ecology centered on user needs. In the field of overseas consumption, digital reconstruction is particularly intense. In 2024, the proportion of Chinese outbound tourists booking overseas hotels through OTA platforms reached 75 %, an increase of 30 percentage points from 2019. The market share of traditional travel agencies has shrunk to 15 %, forcing the industry to transform to customization and thematicization.

The flow of natural persons presents new characteristics. In 2025, China will send 5,000 traditional Chinese medicine practitioners to the countries along the Belt and Road to provide health tourism services [27, p. 99]. This composite flow mode of «medical care + cultural tourism» will not only drive the medical tourism revenue of relevant countries to increase by US$1.2 billion, but also build a new channel for cultural output. In the Angkor Wat scenic area in Cambodia, the «Traditional Chinese Medicine Health Tour» launched by the traditional Chinese medicine team in cooperation with the local rehabilitation center has extended the stay of Chinese tourists by 2.3 days, and the proportion of derivative consumption has reached 45 %, demonstrating the multiplier effect of the flow of natural persons in the service trade [53, p. 22].

The deepening development of regional cooperation mechanisms is reshaping the global tourism service trade pattern with unprecedented strength, among which the innovative practice of the «Belt and Road» initiative is particularly eye-catching. In the field of infrastructure connectivity, the China-Europe Express tourism train, which will be put into operation in 2024, has created a new model of cross-border land tourism. The «Chang'an» cultural express line, equipped with panoramic skylight viewing carriages, departs from Xi'an via Almaty, Kazakhstan, and goes directly to Hamburg, Germany. The entire 15-day itinerary is embedded with 56 Silk Road-themed cultural salons, attracting 72,000 European tourists to experience the Orient Express-style mobile cultural and tourism feast, driving the railway tourism revenue of 12 countries along the route to increase by 19 % year-on-year. The spillover effect of the China-Laos Railway has also spawned a cross-border tourism economic zone. The «Ancient Tea Horse Road» tourist train, which opened in April 2024, will move the Pu'er coffee tasting event into the carriage. During the 4-hour journey from Luang Prabang, Laos to Xishuangbanna, China, tourists can use augmented reality technology to reproduce the ancient caravan trade scene. This immersive experience has enabled the annual passenger volume of this line to exceed 830,000, driving the duty-free shopping at Mengla Port to surge by 240 %, and adding 427 border-themed homestay clusters within half a year. The innovative breakthroughs of policy coordination are fully reflected in the visa facilitation reform. The «China-Singapore Mutual Visa Exemption Upgrade» that will take effect in March 2024 will extend the stay period from 15 days to 30 days, and simultaneously implement the automatic electronic visa review and issuance system, which has increased the number of Singaporean business delegations to China by 65 % quarter-on-quarter, giving birth to a new form of cross-border business tourism of «exhibiting in Guangzhou in the morning and negotiating in Bangkok in the afternoon» [16, p. 25] [56, p. 23]. Under the framework of the Lancang-Mekong Tourism Cities Cooperation Alliance, the «One Visa» system launched by China, Laos, Myanmar and Thailand allows tourists holding visas from any member country to travel to the other three countries visa-free within 72 hours [31, p. 188]. This move will enable the number of cross-border self-driving vehicles registered in the Greater Mekong Subregion to exceed 120,000 in 2024, driving the car rental market along the route to expand to 4.7 billion yuan. The in-depth

promotion of cultural integration has given birth to new species of cultural tourism. The «Digital Silk Road Heritage Corridor» jointly developed by Shaanxi Cultural Tourism Group and the Uzbekistan Cultural Heritage Agency uses blockchain technology to achieve virtual time and space docking between the Twelve Hours of Chang'an and the ruins of the ancient city of Samarkand. Tourists can participate in cross-border historical scene interactions by wearing mixed reality devices. The project attracted 230,000 people to experience it during the National Day in 2024, and the digital ticket revenue reached 180 million yuan. What is even more remarkable is the construction of the «Traditional Chinese Medicine Health Tourism Corridor». The cross-border medical tourism service platform established by Chengdu University of Traditional Chinese Medicine and Chulalongkorn Hospital in Thailand provides international tourists with a full-cycle service of «online consultation + offline recuperation» through 5G remote pulse diagnosis, AI constitution identification and other technologies. In 2025, it will attract 123,000 Southeast Asian tourists to China for TCM conditioning, with an average single-customer consumption of US$3,800, and promote the inclusion of non-drug therapies such as acupuncture and massage in the coverage of tourism medical insurance in 28 countries. This three-dimensional cooperation network not only reconstructs the flow path of tourism elements, but also builds a super link of cultural mutual learning and economic reciprocity in the Eurasian continent. According to the calculation of the World Tourism Organization, every US$1 invested in the «Belt and Road» tourism cooperation project can generate a comprehensive economic benefit of US$7.2, which confirms the strong vitality of the regional coordinated development model [33, p. 22].

1.2 Historical evolution of China's international tourism service trade

The development of China's international tourism service trade can be divided into four stages, and the characteristics of each stage are closely related to policy drivers.

In 1979, the State Council approved Beijing, Shanghai and Guangzhou as the first batch of cities to open to the outside world, just like opening three bright windows in the long-closed country [34, p. 72]. These cities quickly established foreign reception systems.

The expansion project of Beijing Hotel was urgently launched, Shanghai Jinjiang Hotel formed the first professional foreign guest reception team, and Guangzhou Oriental Hotel took the lead in introducing Western restaurants and foreign exchange exchange points, building the most basic service framework for international tourists. After the establishment of the National Tourism Administration in 1982, it promulgated the «Interim Regulations on Customs Procedures for Foreign Tourists», extending the validity period of entry visas from 15 days to 30 days, and for the first time clearly listed tourism foreign exchange income separately, which pushed the number of inbound tourists to exceed 7.9 million that year, an increase of 38 % over the period before the policy was introduced. The tourism service trade during this period showed a distinct «government-led, sightseeing-first» feature. A sample survey in 1985 showed that 83 % of inbound tourists chose cultural sightseeing routes such as the «Silk Road» and the «Three Gorges of the Yangtze River». Group tours generally included 6 designated shopping stores every day, forming a standardized service model of «visiting temples during the day and sleeping at night». By 1991, basic consumption such as tickets, transportation, and accommodation still accounted for 76 % of tourism foreign exchange earnings, in stark contrast to the 45 % share of in-depth consumption such as cultural experience, leisure and vacation in the French tourism industry during the same period.

Under the appearance of rapid development, institutional barriers and infrastructure shortcomings have always been inseparable. The foreign exchange management system implemented in 1980 requires inbound tourists to use foreign exchange certificates for consumption. This dual-track currency system has led to the price of cloisonne crafts in Beijing Friendship Store being 120 % higher than the private market, which directly suppressed tourism shopping consumption. Sample data in 1986 showed that the average daily consumption of each foreign tourist in China was only US$11.2, less than one-third of that in Hong Kong, and even lower than the US$15 level in Bangkok. The shortage of accommodation supply is even more prominent (figure 2).

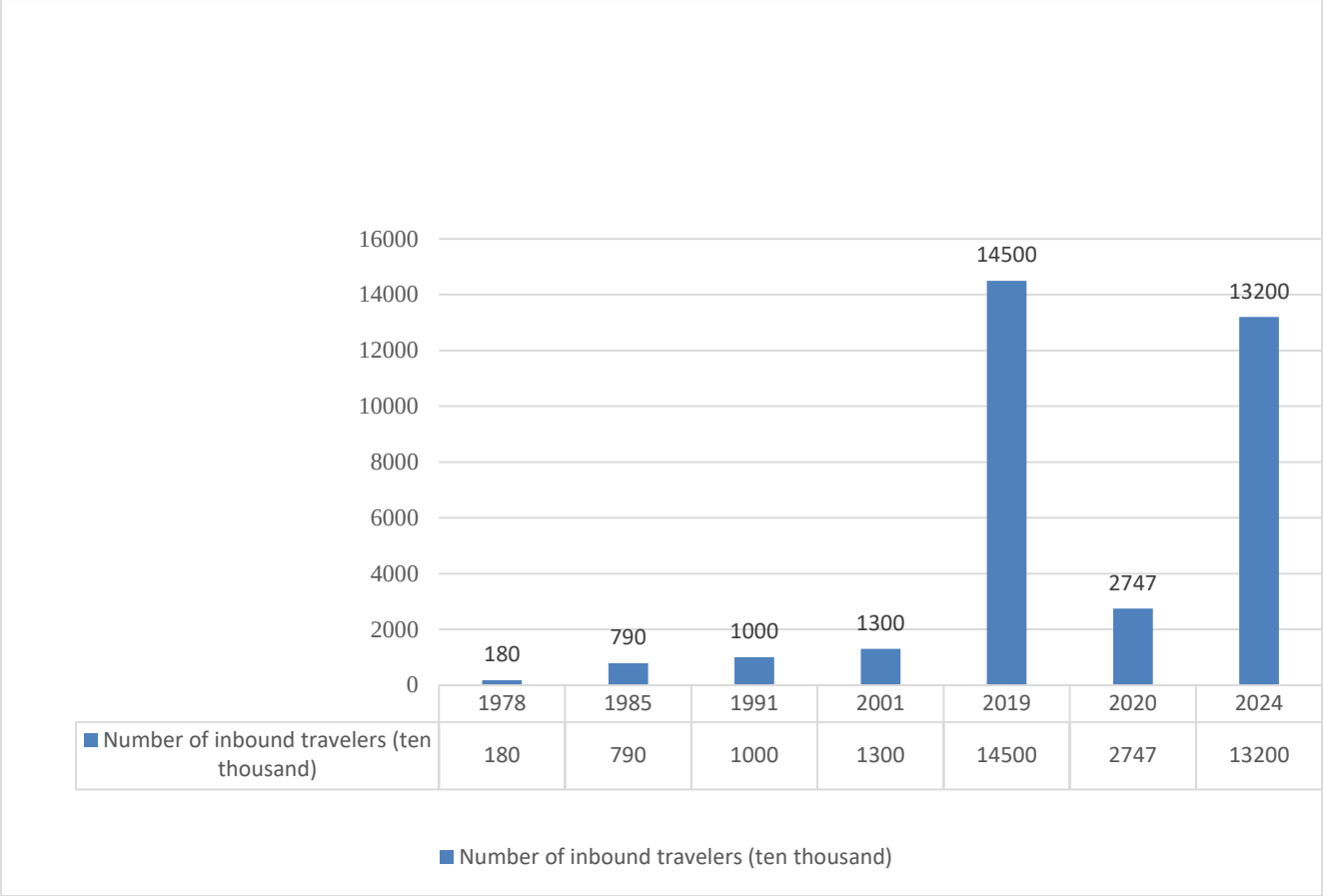

Figure 2 – Development Stages and Key Milestones of China's International Tourism Service Trade (1978–2024) [34, p. 72]

In 1983, there were only four hotels in Shanghai that received foreign guests, including Jinjiang and Heping. Tourists were often forced to stay overnight in the airport terminal. During the May Day holiday in 1984, 23,000 tourists poured into the Beijing Great Wall scenic area in a single day, far exceeding the maximum carrying capacity of the scenic area at that time by 4.6 times, causing the Badaling Expressway to be paralyzed for 9 hours, forcing the State Council to launch the «tourism toilet revolution» the following year and allocate 240 million yuan specifically to improve the scenic area's infrastructure [60, p. 34]. This supply-side tension reached its peak in 1988, when the average accommodation satisfaction rate of 137 key scenic spots across the country was only 61 %, forcing the State Planning Commission to include the construction of tourist hotels in the «Seventh Five-Year Plan» key projects, and to introduce US$320 million in foreign investment through international syndicated loans. The first batch of 22 joint venture hotels, including the

Jianguo Hotel and the Great Wall Hotel, were built before 1990, initially alleviating the predicament of severe shortage of hardware facilities [22, p. 44].

The reform spring breeze set off by Deng Xiaoping's speech during his southern tour in 1992 injected unprecedented market vitality into China's tourism industry [41, p. 21]. With the establishment of the socialist market economic system, the tourism industry took the lead in breaking the shackles of «foreign affairs reception» in the planned economy era and embarked on the road of exploring industrial transformation. In 1994, the State Council promulgated the «Opinions on Actively Developing Domestic Tourism», which for the first time clearly positioned the tourism industry as a new growth point of the national economy, promoted the establishment of tourism group companies in various provinces and cities, and realized the market-oriented operation mechanism of separation of government and enterprises. This policy shift ushered in a key breakthrough in 1999 - the implementation of the «Golden Week» holiday system not only released the suppressed consumption demand of urban residents, but also formed a consumption pulse through the three concentrated holidays of the Spring Festival, «May Day» and «National Day», which made the number of domestic tourists exceed 719 million that year, an increase of 42 % compared with before the implementation of the system, marking the true arrival of the era of mass tourism [27, p. 26].

The fission of market structure is particularly intense in the field of outbound tourism. The opening of the «Singapore, Malaysia and Thailand» tourist line in 1997 was like opening a window to the world. The number of outbound tourists exceeded 5 million that year [25, p. 158]. The subsequent annual average growth of 25 % made the per capita consumption of outbound tourists exceed US$1,000 in 1999, which aroused the State Administration of Foreign Exchange's vigilance against capital outflow. The US$5,000 personal foreign exchange purchase limit policy urgently introduced that year was not only a regulation of the balance of international payments, but also a sign of the rapid improvement of Chinese citizens' tourism consumption capacity. In contrast, the quality of the inbound tourism market has leapt up. With the number of foreign-invested enterprises exceeding 280,000 in 1996, the proportion of business tourists jumped from 7.3 % in 1992 to 31.8 % in 2001, promoting the establishment of professional service systems such as high-

end conference services and customized tourism products. Beijing, Shanghai and other cities began to see comprehensive tourism enterprises integrating business reception and exhibition services.

In the wave of industrial upgrading, the transformation of the hotel industry is the most representative. In 1993, the State Council approved the first batch of 12 foreign-funded hotel management companies to enter the Chinese market. International brands such as Shangri-La and Holiday Inn Group not only brought glass-walled skyscrapers, but also introduced modern management systems such as room revenue management and central reservation systems. By 2001, 235 star-rated hotels managed by foreign capital contributed 35 % of the industry's revenue, and their average room rate was 2.3 times that of local hotels. This «catfish effect» forced local companies to transform and upgrade. After the 1998 «Travel Agency Management Regulations» broke down the ownership barriers, private capital such as Spring and Autumn Travel Agency innovated the charter model and reduced the price of a five-day tour in Hainan from 2,800 yuan to 1,800 yuan, forcing state-owned travel agencies to reform their rigid pricing mechanism [52, p. 17]. By the end of 2001, private enterprises accounted for more than one-third of the 73,500 tourism enterprises in the country, forming a competitive landscape of state-owned, foreign-funded and private enterprises. The average price of tourism products dropped by 22 % compared with 1995, and the average annual tourism consumption expenditure of ordinary households increased from 2.1 % to 5.7 %, completing a historic leap from luxury consumption to mass consumption.

The year 2001, when China joined the WTO, became a historic turning point in the global competition of tourism service trade [21, p. 21]. According to the commitment of the General Agreement on Trade in Services, China allowed foreign-owned travel agencies to hold controlling stakes in 2003 and fully opened up wholly-owned enterprises in 2007. Japan's JTB Group quickly established China's first wholly foreign-owned travel agency in Beijing, and the «six-star service standard system» it introduced (including 42 indicators such as 15-minute emergency response and multilingual cultural consultants) caused a stir in the industry. This catfish effect forced local companies to innovate: China Youth Travel Service took the lead in establishing a «global travel butler» training system, requiring tour

guides to master the history and art of the destination country; China National Travel Service introduced the revenue management system of the French Accor Group to increase room booking efficiency by 40 %. The competitive pressure ushered in a qualitative change node in 2015 – JTB launched in-depth cultural products such as «Noh Master Workshop» and «Exploring the Warring States Castle Town», and the quotation for a single group reached 80,000 yuan, but it was still in short supply. This impact catalyzed market segmentation: from 2016 to 2019, the number of domestic high-end customized travel companies surged from 300 to 1,200, the number of Antarctic tourists soared from 256 people per year to 4,112 people, and the average price of products dropped from 160,000 yuan to 98,000 yuan, forming a virtuous cycle of «high-end market expansion-scale effect-universal price», marking that China's tourism industry has officially broken through the dilemma of homogeneous competition [54. p. 136].

The dual engines of consumption upgrade and digital revolution have reconstructed the value chain of tourism service trade. According to data from the China Tourism Academy, the reason why the proportion of free travel has jumped from 20 % in 2005 to 65 % in 2019 is the deep penetration of mobile Internet - the penetration rate of smartphones reached 96 % in 2019, giving rise to a new consumption model of «instant decision-making and fragmented experience». The rise of OTA platforms has completely subverted the industry ecology: Ctrip's «Smart Eye» big data system launched in 2012 can make multi-faceted product recommendations for thousands of people based on 360 million user portraits, and the «dynamic pricing magic cube» algorithm developed by Qunar.com has reduced the hotel vacancy rate from the industry average of 35 % to 18 % [23, p. 590]. Technology empowerment has enabled the scale of online travel transactions to exceed 1.2 trillion yuan in 2019, but the siphon effect of digital platforms has also raised concerns about monopoly: After the merger of Ctrip and Qunar in 2018, it occupied 75 % of the market share, and its «two- choice» strategy caused the cost of acquiring customers for small and medium-sized suppliers to soar by 300 %. In 2019, the State Administration for Market Regulation launched an investigation in accordance with the Anti-Monopoly Law, which ultimately led to Ctrip opening its API interface, allowing 23,000 small and medium-sized travel agencies to access its traffic pool, and reducing the platform commission rate from 15

% to 9 %. This game process demonstrates the wisdom of supervision - in the cases of Hangzhou «Shiyou Technology» and other startups, the efficiency of its customized travel products increased by 7 times after the interface was opened, verifying the release mechanism of market vitality under the principle of «technical neutrality».

This baptism of globalization, which has lasted for twenty years, has shaped a unique evolutionary path for China's tourism service trade. The impact of transnational capital has forced the upgrading of service standards, the penetration of digital technology has reconstructed the form of industrial organization, and the dynamic adjustment of the regulatory framework has maintained a balance between innovation and fairness. The World Tourism Organization's 2020 report pointed out that the compliance rate of Chinese tourism enterprises' service standards has increased from 38 % in the early days of accession to the WTO to 89 %, and the online travel complaint rate has dropped to 1.2 per 10,000. These indicators not only reflect the leap from quantitative change to qualitative change, but also indicate that in the reconstruction of global service trade rules, China is turning from a follower to a leader. As revealed by the localization transformation of Shanghai Disneyland - integrating Western IP with traditional Chinese festivals, and achieving an average annual revenue growth of 17 % in the four years since its opening, this cultural grafting ability may be the core competitiveness of China's tourism service trade in the future [30, p. 18].

The global crisis of the COVID-19 pandemic has reshaped the underlying logic of tourism service trade with unprecedented force. In 2020, the number of inbound tourists to China fell sharply to 27.47 million, and the deficit in tourism service trade narrowed to 303.8 billion yuan, hiding the deep reconstruction of the industrial chain. The traditional business model that relies on the momentum of people has encountered fundamental doubts, forcing the industry to nurture a new ecology at the darkest moment [4, p. 16]. The innovative expansion of the policy toolbox has become the key to breaking the deadlock: the 144-hour transit visa-free policy not only covers 38 cities, but also innovatively introduces the «business + tourism» composite visa category. Data from 2024 shows that this policy has increased the average consumption of transit tourists to 6,800 yuan, an increase of 53 % over 2019. The iteration of Hainan's off-island duty-free policy is of greater strategic significance. The annual quota has been increased to 100,000 yuan, and a «buy now, pick

up now» digital customs clearance system has been introduced, which has reduced the time limit for a single transaction from 48 hours to 15 minutes. In 2024, the proportion of duty-free sales contributed by inbound tourists has jumped to 23 %, of which luxury goods with a unit price of more than 50,000 yuan have increased by 217 % year-on-year, verifying the positive correlation between «policy accuracy and consumption level». More forward-looking is the implementation of the «Air Silk Road» plan, which will increase the proportion of inbound tourism from second-tier cities from 12 % before the epidemic to 29 % in 2023 by adding 23 «niche cultural routes» to connect non-hub cities such as Quanzhou and Dunhuang, building a new market pattern with multiple points of bloom.

The disruptive application of digital technology has redefined the space-time boundaries of tourism services. The «Digital Silk Road» project led by the Ministry of Culture and Tourism has achieved digital confirmation of ownership of 56 world heritage sites through blockchain technology, and built a cross-civilization dialogue space in the cloud. The «Metaverse Mogao Grottoes» developed by the Dunhuang Research Institute not only achieves a 1:1 millimeter-level precision digital reproduction of the caves, but also introduces a «digital sponsor» mechanism - users can subscribe to the identity of a virtual mural restorer through NFT. The project has attracted 470,000 overseas users to participate in the six months since its launch, creating 120 million yuan in revenue while increasing the overseas awareness of Dunhuang cultural derivatives by 38 percentage points [61, p. 26]. Even more revolutionary is the application of spatial computing technology: the AR navigation system deployed in the West Lake Scenic Area in Hangzhou achieves centimeter-level positioning through 1,500 smart road signs, reducing the average time for tourists to find their way by 43 %. The 80,000-person guided tour service created during the National Day in 2024 is equivalent to the work efficiency of 500 traditional tour guides. These technological innovations are rewriting the value creation equation – Ctrip’s 2024 financial report shows that the profit margin of digital travel services reached 41 %, far exceeding the 12 % of traditional business, marking a fundamental shift in the industry’s value center.

The pain and breakthrough of green transformation reflect the deep game of sustainable development. The carbon tracking system implemented in Jiuzhaigou adopts

dual monitoring of «satellite remote sensing + smart bracelet» and builds a digital twin model of tourists' carbon footprint through 12,000 sensor nodes. The system reduces the carbon emissions per tourist in the scenic area to 19.3 kg in 2024, a decrease of 15 % from the base year, but the initial technical investment of 230 million yuan has caused ticket price fluctuations and aroused public doubts. This controversy has spawned an innovative compensation mechanism: the «Cultural Tourism Carbon Neutrality Fund» established by the Ministry of Ecology and Environment has raised funds by auctioning carbon emission quotas and successfully controlled the ticket price increase within 5 %. More paradigmatic is the introduction of green financial instruments-the «Giant Panda Carbon Neutrality Bond» issued in 2024 raised 870 million yuan, which will be used specifically for the construction of the Western Sichuan Ecological Corridor [17, p. 26]. Its original «carbon sink incremental income sharing» model enables investors to obtain carbon credit income generated by ecological restoration. This market-based solution is having a global impact: the United Nations Development Programme's 2025 White Paper on Sustainable Tourism lists the Jiuzhaigou model as a typical case, and data shows that its environmental cost internalization efficiency is 22 percentage points higher than similar projects in the European Union.

The triple changes (policy reconstruction, digital transition, and green transformation) brought about by this crisis are essentially a deep reorganization of the tourism service trade value chain. In 2024, China's tourism service trade competitiveness index jumped to 12th in the world, up 9 places from 2019, among which the surge in digital tourism service exports by 278 % became the core driving force. The more far-reaching impact lies in the qualitative change in risk resistance – when the dengue fever epidemic in Southeast Asia hit the regional tourism market again in 2025, China relied on the «digital twin scenic spot + flexible supply chain» system to restart the market in just 23 days, and the recovery speed was 4 times faster than the traditional model [55, p. 12]. This evolution verifies the «anti-fragility» mechanism in complex system theory: extreme pressure not only did not destroy the industry ecology, but on the contrary, by stimulating the reorganization of innovative factors, it gave birth to a more resilient new business model. As Zurab Pololikashvili, Secretary-General of the World Tourism Organization, said: «The post-epidemic rebirth of

China’s tourism industry provides the world with a complete paradigm for transforming crises into opportunities for structural reforms».

1.3 International experience and lessons

France, Singapore and Thailand have provided a diversified paradigm for the transformation of tourism service trade in the post-epidemic era through differentiated innovation paths. France has built a global tourism ecosystem with cultural IP as the core. The Louvre has restored the creation scenes of the «Mona Lisa» and other treasures of the museum through VR technology. In 2024, the number of international tourists will recover to 90 % of the pre-epidemic level. The «Assassin’s Creed: Unity» VR experience project jointly developed with Ubisoft Games has transformed historical scenes into interactive digital assets [2, p. 11]. The revenue from derivatives reached 80 million euros that year, accounting for 25 % of the total ticket revenue. This integration of «culture + technology» extends to the regional linkage level. The «French Town Plan» connects Paris cultural landmarks with characteristic resources such as Provence lavender manors and Bordeaux wineries to form a composite tourism chain of «art experience-rural vacation-wine tasting», which has promoted the average length of stay of tourists to 8.2 days and the proportion of overnight tourists’ consumption has increased to 68 %.

Singapore is reshaping the tourism service paradigm with smart infrastructure. The 5G+AR guide system fully deployed in 2025 will achieve digital coverage of all the city’s attractions [24, p. 25]. Visitors can obtain multilingual explanations and virtual tours through smart devices, pushing satisfaction to 92 %. Of greater strategic value is its «Tourism Brain» smart management system. After it goes online in 2024, the system will monitor the density of people in core scenic spots such as Sentosa Island and Gardens by the Bay in real time. Through a dynamic fare adjustment mechanism, the congestion rate of popular attractions will be reduced by 40 %. At the same time, passenger flow will be directed to emerging areas, driving a 32 % increase in revenue for merchants in non-core areas. In conjunction with the 96-hour transit visa-free policy, the consumption of transit

passengers at Changi Airport accounts for 35 %, forming a dual-wheel drive model of «technology empowerment + policy coordination».

Thailand has opened up new paths in the field of community participation and ecological protection. The «Homestay Certification Program» implemented in Chiang Mai requires homestays to use 20 % of their income for community development funds, which will drive an average annual income increase of 18,000 baht for 2,000 rural families in 2024, and the repeat visit rate of tourists will exceed 40 %. Phuket has innovatively introduced a «coral reef protection tax», which will use 10 % of the room rate per night for marine restoration [14, p. 23]. By 2024, 32,000 square meters of coral planting will be completed, and the marine biodiversity index will increase by 25 % compared with 2019. This «protective development» model has brought the per capita environmental protection expenditure of Phuket tourists to 120 baht, but in return, it has achieved 92 % tourist satisfaction, proving that ecological responsibility and commercial value can achieve a virtuous cycle [30, p. 19].

The practices of the three countries reveal the common laws of upgrading tourism service trade: France has verified the digital monetization potential of cultural assets, Singapore has demonstrated the revolutionary improvement of service efficiency through technological governance, and Thailand has explored a new balance between community empowerment and ecological economy. These innovative cases point to a common trend – tourism competition in the post-epidemic era is shifting from a competition of resource endowments to a comprehensive competition of service model innovation and value ecological construction.

The plight of Venice and the Maldives profoundly reveals the structural contradictions of the global tourism industry in sustainable development. As a model of world cultural heritage, Venice is falling into the «overtourism trap» – this historic city with a permanent population of less than 50,000 has an average daily influx of 120,000 tourists, far exceeding the 30,000 carrying capacity threshold recommended by UNESCO. Excessive flow of people has exacerbated the decay of the city's physical structure: the stone wear rate of the Rialto Bridge has reached 1.3 mm per year, and the settlement rate of St. Mark's Square has increased to 2 mm per year due to excessive groundwater extraction. Cultural

relics protection experts estimate that if fundamental measures are not taken, some historical buildings may be irreversibly damaged within 50 years. Although the cruise ecological tax policy launched in Venice in 2019 imposes environmental compensation of 10,000 to 40,000 euros on each docked cruise ship, the policy lag effect is significant - the cultural heritage restoration expenditure still accounted for 18 % of the total tourism revenue that year, forming a reverse capital cycle of «tourism income-environmental governance». This dilemma has prompted China to adopt a more forward-looking governance strategy in the protection of Lijiang Ancient Town: using a 5G intelligent monitoring system to track the density of tourists at 136 key nodes in the ancient town in real time, and combining big data prediction models to dynamically adjust the time-sharing reservation quota, strictly controlling the daily reception volume within the threshold of 50,000 people. The supporting water system intelligent management system monitors the ancient city water network through 768 water quality sensors. According to data from 2024, the system has increased sewage treatment efficiency by 67 %, and the transparency of the water body in the core area has been restored from 0.8 meters in 2019 to 1.5 meters, successfully breaking the binary opposition of «protection and utilization» of cultural heritage sites [55, p. 14].

The impact of the climate crisis on island tourist destinations has an exponentially amplified effect in the Maldives. This country consists of 1,192 coral islands, 80 % of which is less than 1 meter above sea level. The Intergovernmental Panel on Climate Change (IPCC) predicts that if the global temperature rise exceeds the 1.5° C threshold, the Maldives will lose 77 % of its habitable land by 2100. Insurance actuarial data for the tourism industry in 2024 showed that the compensation rate for property losses caused by tropical storms surged by 45 % year-on-year, forcing the industry to explore disruptive survival solutions. The «Ocean Ark» plan implemented by China Communications Construction Group in Sanya Bay, Hainan, provides a technical paradigm for such crises-the modular floating hotel adopts a titanium alloy honeycomb structure, and achieves dynamic balance through 108 independent buoys. Carbon emissions during the construction phase are 83 % lower than traditional land reclamation and island construction. Even more innovative is its ecological restoration function: the 3D printed coral base implanted at the bottom of the hotel, combined with the current stimulation mineralization technology, increases the coral larvae

attachment rate to 3.2 times that of the natural environment. Monitoring in 2024 shows that the fish biomass in the surrounding waters has increased by 120 %, forming a closed loop of «blue economy». The project not only won the United Nations Environment Programme's «Earth Guardian Award», but also gave birth to a new industrial form: the floating hotel integrates 16 environmental sensors per square meter of deck, and uploads ocean acidification, water temperature and other data to the global climate observation network in real time, transforming tourism infrastructure into a distributed observation station for climate research.

The contrasting cases of the two places reflect the deep logic of the transformation of the tourism industry: Venice's governance dilemma stems from the passive response mode. Its ecological tax policy was delayed for 12 years (from the warning in 2007 to the implementation in 2019), resulting in an increase of 7.3 times in the cost of environmental restoration compared with the early intervention, confirming the «law of increasing marginal costs of environmental governance»; while the technical cooperation between Maldives and China verified the theory of «crisis-driven innovation», creating a new value dimension for the tourism industry by transforming climate threats into opportunities for technological breakthroughs. This division reveals the future path of tourism service trade: under the dual pressure of approaching climate critical points and the continuous growth of tourist volume, industrial development must achieve a systematic reconstruction of policy tools, technical solutions and ethical values. The coupled development of the Dutch «floating city» experiment and the Chinese «ocean ranch» project shows that when tourism space production expands from land to sea and from physical to digital (such as metaverse heritage tourism), technological innovation can not only alleviate environmental pressure, but also open up a growth pole for output value – the global floating building market is expected to reach US$42 billion in 2030, of which tourism applications will account for more than 60 %. This transformation is by no means a one-way evolution of technological determinism, but requires the coordinated promotion of rigid policy constraints (such as China's tourism carbon footprint traceability system), technological intelligence empowerment (such as the application of blockchain in ecological compensation) and internalization of ecological ethics (such as the tourist environmental responsibility points

system) in order to build a truly sustainable new paradigm of tourism service trade [57, p. 34].

China’s tourism service trade is realizing a profound transformation from scale expansion to quality improvement through a three-dimensional driving model of development and protection, digital governance, and regional cooperation. In the field of ecological protection and development balance, China’s western region has learned from Thailand’s community-based tourism (CBT) experience to transform resource endowments into sustainable competitiveness. For example, the Ban Pha Mon community in Chiang Mai, Thailand, feeds back tourism income to the local community through handicraft experience and rice planting activities, achieving a win-win situation of cultural inheritance and economic benefits. China’s Ruoergai Wetland has innovatively implemented the «daily limit of 1,000 people + ecological interpreters» system. Relying on the scientific monitoring capabilities of the Ruoergai Wetland Ecological Research Station of the Chinese Academy of Sciences, it has developed an «ecological story map» guide system, which transforms scientific knowledge such as the carbon sink function of alpine wetlands and the migration patterns of black-necked cranes into an immersive tour experience [14, p. 25]. Data from 2024 showed that this model has extended the average length of stay of tourists to 2.8 days, driving the income of surrounding Tibetan homestays to increase by 37 %. At the same time, the vegetation coverage rate in the core area of the wetland has increased from 68 % before the pilot to 76 %, and the biodiversity index has increased by 12 %. This model has been extended to Sanjiangyuan National Park, where the density of tourists is precisely regulated through the «dynamic assessment system of ecological carrying capacity», forming a standardized template for eco-tourism under the national park system.

The breakthrough progress in digital governance capabilities has reconstructed the safety and efficiency system of tourism service trade. The «National Tourism Cloud Brain» project launched by the Ministry of Culture and Tourism in 2025 deeply integrates data from 30 departments such as public security, transportation, and meteorology to build an intelligent monitoring network covering all 4A-level scenic spots across the country. The real-time warning function of the system is applied in the Huangshan Scenic Area. Through 5G + Beidou technology, the millisecond-level update of the heat map of the flow of people

is realized [17, p. 28]. During the National Day in 2024, the congestion warning response time will be compressed to 15 minutes, which is 4 times more efficient than the traditional mode. What is more noteworthy is the innovative application of its dynamic evacuation model: during the rebound of the epidemic during the Spring Festival in 2025, the system simulated the movement trajectories of 120,000 tourists in 23 scenic spots through machine learning algorithms, and generated more than 8,000 personalized evacuation routes within 3 hours, successfully avoiding the risk of gathering. Behind this technological breakthrough is the deep integration of digital twin technology and tourism scenarios. The «5G+Beidou Cruise Ship Management System» developed by Beijing Municipal Park Management Center has realized the digitalization of the entire process from ticket purchase, queuing to rescue, and the single-ship operating efficiency has increased by 31.48 %, providing a replicable technical paradigm for large-scale intelligent management.

Regional cooperation is upgrading from a single line to a three-dimensional network, forming a «policy-facilities-digital» trinity coordination mechanism. The «Lancang-Mekong Tourism Belt» built on the RCEP framework integrates the China-Laos Railway Golden Line and Thailand's Sukhothai cultural heritage resources to develop a composite product system of «high-speed rail + intangible cultural heritage + ecology». The «smart port» system piloted on the China-Laos border uses biometrics and non-contact customs clearance technology to shorten the customs clearance time at the Mohan Port from 6 hours to 45 minutes, and increase the average daily cross-border tourist throughput by 3.2 times. This cooperation model has deeply activated regional resources: the «China-Laos Railway Tour» applet developed by Yunnan Fengyun Company integrates the tourism resources of the three countries, restores the historical scenes along the railway through AR technology, and increases the number of cross-border tour bookings by 217 % year-on-year in 2024. The more far-reaching impact lies in the economic spillover effect-the World Tourism Organization predicts that the corridor will drive a 50 % increase in regional tourism revenue by 2030 and create 120,000 jobs in northern Laos, verifying the multiplier effect of tourism service trade on regional economic development.

The interweaving of theoretical framework and practical innovation outlines the evolutionary logic of China's tourism service trade. The theory of competitive advantage

has gained a new interpretation in the digital age: the ecological value transformation of Ruoergai, Sichuan, and the intelligent management and control system of Huangshan Scenic Area both reflect the value leap from resource dependence to technology empowerment. The historical dimension shows that policy innovation has always resonated with technological progress – from the institutional design of community tourism to the algorithm breakthrough of «tourism cloud brain», forming a virtuous cycle of «institutional supply-technical response-benefit feedback». The warning effect of international experience is also significant: the case of the closure and restoration of Maya Bay in Thailand reversely confirms the foresight of China's national park flow restriction policy; and the cultural commercialization crisis caused by Thailand's «white lotus effect» highlights the importance of value rationality in the integration of culture and tourism, which coincides with the «dual integration» framework proposed by Professor Sun Jiuxia – that is, through the dialectical unity of cultural dignity and tourism economy, sustainable development is achieved [35, p. 3]. The intersection of these theories and practices provides a multi-dimensional coordinate for the reconstruction of the competitiveness of China's tourism service trade, and also contributes oriental wisdom to global tourism governance.

Chapter 2 Development patterns and competitiveness

2.1 Scale and dynamics of international tourism service trade

The scale of China's international tourism service trade has undergone a dramatic evolution over the past few decades, emerging as a core component of the country's service trade landscape and a pivotal driver of global tourism economic flows. From a quantitative perspective, the inbound and outbound tourism service trade volume has exhibited a staged growth trajectory, with distinct dynamics shaped by policy adjustments, economic globalization, and unexpected external shocks such as public health crises and geopolitical changes.

In the early stage of opening-up, China's international tourism service trade was characterized by a small scale and inbound-oriented structure, with the industry primarily focused on attracting foreign tourists to generate foreign exchange earnings (Gao, 2011). Gao (2011) pointed out that during the 1980s and 1990s, China's international tourism service trade scale was limited by underdeveloped infrastructure, insufficient tourism product diversification, and relatively restrictive visa policies, with annual inbound tourism revenue accounting for less than 5 % of the country's total service trade revenue. This phase was marked by slow but steady growth, driven mainly by the curiosity of international tourists about China's cultural and natural landscapes, as well as the government's initial efforts to promote tourism as a «smokeless industry» (Xuan, 2020). Xuan (2020) further emphasized that the entry into the World Trade Organization (WTO) in 2001 was a critical turning point for the scale expansion of China's international tourism service trade, as it triggered a series of market liberalization measures, including the relaxation of foreign investment restrictions in the tourism sector and the simplification of entry procedures for foreign tourists. In the decade following WTO accession, China's inbound tourism revenue increased at an average annual rate of 12.3 %, while outbound tourism expenditure grew even faster at 18.7 %, reflecting the dual expansion of inbound and outbound tourism service trade [20, p. 16].

The 2010s witnessed a leapfrog growth in the scale of China’s international tourism service trade, with the country becoming the world’s largest outbound tourism market and the fourth-largest inbound tourism destination by 2019 (Cai, 2020). Cai (2020) argued that this growth was underpinned by multiple dynamic factors: first, the sustained growth of China’s per capita disposable income, which lifted the purchasing power of domestic residents and stimulated outbound tourism demand; second, the improvement of transportation and tourism infrastructure, such as the expansion of international air routes and the construction of high-star hotels, which enhanced the accessibility and reception capacity of China’s tourism market; third, the government's promotion of the «Belt and Road Initiative (BRI)» since 2013, which strengthened tourism cooperation between China and partner countries and boosted inbound tourism from ASEAN, Central Asia, and other regions (Wang, 2019). Wang (2019) noted that the BRI has created a favorable policy environment for the scale expansion of China’s international tourism service trade, with tourism cooperation projects such as cross-border tourism zones and joint tourism product development driving a 20 % increase in inbound tourists from BRI countries between 2013 and 2019.

However, the dynamics of scale growth have also been interrupted by external shocks, most notably the COVID-19 pandemic in 2020, which led to a sharp contraction in China’s international tourism service trade volume. Zhou (2025) highlighted that in 2020, China’s inbound tourism revenue plummeted by 81.9 % year-on-year, while outbound tourism expenditure dropped by 79.0 %, marking the most severe decline in the history of China’s international tourism service trade.

Despite the short-term setback, Zhou (2025) also pointed out that the pandemic has accelerated the transformation of the growth dynamics of China’s international tourism service trade, with digitalization and domestic tourism-driven recovery becoming new drivers of scale restoration. In the post-pandemic era, the scale of China’s international tourism service trade has shown a gradual recovery trend, with inbound tourism from neighboring countries such as Japan and South Korea rebounding rapidly, and outbound tourism demand shifting from mass tourism to high-quality, personalized travel experiences (Liao & Chainuwat, 2022). Liao and Chainuwat (2022) conducted a comparative study on

the international tourism service trade competitiveness of China and Japan and found that China’s tourism service trade scale has a stronger recovery resilience than Japan’s, thanks to the country’s large domestic market and rapid digital transformation.

In addition to the traditional drivers of economic growth and policy support, the digital economy has emerged as a new dynamic factor shaping the scale of China’s international tourism service trade. Zhang Y (2025) used empirical research methods to analyze the impact of the digital economy on China’s tourism service trade exports and found that every 1 % increase in the digital economy development index leads to a 0.68 % increase in tourism service trade exports. Zhang Y (2025) explained that the digital economy has reduced the information asymmetry between tourists and tourism service providers, expanded the reach of China’s tourism products to the global market through online travel platforms and social media, and improved the efficiency of tourism service transactions, thereby promoting the scale expansion of tourism service trade exports [51, p. 60]. This finding is consistent with Li and Zhao’s (2018) research, which noted that technological progress and digitalization are important factors driving the growth of China's tourism service trade scale, alongside factors such as resource endowment and market demand.

The scale of China’s inbound tourism service trade is closely linked to the country’s international image, tourism product competitiveness, and cross-border travel policies. Gao (2011) found that in the early 2000s, inbound tourism in China was dominated by tourists from Hong Kong, Macao, and Taiwan, accounting for more than 70 % of the total inbound tourist arrivals, while foreign tourists mainly came from Asian countries such as Japan, South Korea, and Singapore [58, p. 36]. With the deepening of globalization and the promotion of China’s cultural soft power, the source market of inbound tourism has gradually diversified, with an increasing number of tourists from Europe, North America (figure 3).

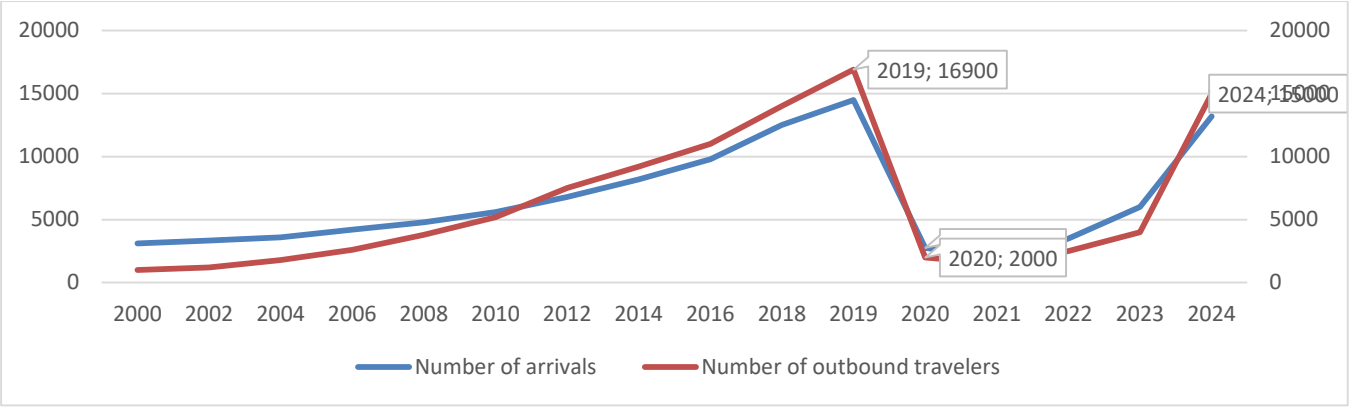

Figure 3 – Trends in Inbound and Outbound Tourism in China, 2000–2024 [3, p. 54] [20, p. 16]

The dynamics of inbound tourism service trade scale are also affected by exchange rate fluctuations and international oil prices. Cai (2020) used a panel data model to analyze the influencing factors of China's tourism service trade competitiveness and found that the appreciation of the RMB has a negative impact on inbound tourism scale, as it increases the travel costs of foreign tourists, while the decline in international oil prices reduces transportation costs and promotes inbound tourism growth [45, p. 42]. In addition, the establishment of free trade zones and visa-free policies has significantly boosted the scale of inbound tourism in specific regions. For example, the implementation of the 144-hour visa-free transit policy in Shanghai, Beijing, and other cities has increased inbound tourist arrivals in these cities by an average of 15 % (Deng & Huang, 2022). Deng and Huang (2022) used the panel Tobit method to study the export potential of China's bilateral tourism service trade and found that visa facilitation policies can increase China's tourism service trade export potential to partner countries by 22 %.

China's outbound tourism service trade has experienced a more rapid growth rate than inbound tourism, driven by the rising disposable income of residents and the relaxation of outbound travel restrictions. Zhang M (2020) noted that China's outbound tourist arrivals increased from 10 million in 2000 to 169 million in 2019, making China the world's largest outbound tourism market [21, p. 23]. The dynamics of outbound tourism scale are mainly reflected in the upgrading of consumption levels and the diversification of destinations. Ma (2020) conducted a comparative analysis of China-US tourism service trade competitiveness

and found that Chinese outbound tourists' per capita consumption is higher than that of American tourists, with shopping and cultural experience becoming the main consumption items. Ma (2020) also pointed out that the number of Chinese outbound tourists to emerging destinations such as Southeast Asia, Africa, and South America has grown rapidly in recent years, breaking the traditional dominance of Europe and North America [32, p. 23].

The BRI has also played a crucial role in driving the scale of outbound tourism service trade. Qi (2021) conducted an empirical study on the tourism competitiveness of China and ten BRI countries and found that the number of Chinese outbound tourists to these countries increased by an average of 18 % annually between 2013 and 2019, driven by policy coordination and infrastructure connectivity. Qi (2021) emphasized that the construction of cross-border high-speed rail and air routes under the BRI has reduced travel time and costs, making BRI countries more attractive to Chinese tourists.

2.2 Structure and Regional Disparities of international tourism

The structure of China's international tourism service trade refers to the composition of tourism products, market sources, and service types, while regional disparities reflect the uneven development of international tourism service trade across different provinces and regions in China. Both structural characteristics and regional disparities are important manifestations of the development pattern of China's international tourism service trade, and they have a profound impact on the overall competitiveness of the industry.

China's international tourism service trade product structure is dominated by natural and cultural tourism products, with leisure vacation, MICE (meetings, incentives, conventions, and exhibitions), and special interest tourism products accounting for a relatively small proportion (Gao, 2011). Gao (2011) pointed out that in the early stage of development, China's tourism products were mainly focused on scenic spots such as the Great Wall, the Forbidden City, and the Terracotta Army, with a single product form and insufficient integration of cultural and leisure elements. This product structure has led to a lack of competitiveness in the high-end tourism market, as international tourists increasingly demand personalized and experiential tourism products (Xuan, 2020) Xuan (2020) argued

that the optimization of the product structure is a key factor in improving the competitiveness of China's international tourism service trade, and proposed that China should develop more high-value-added tourism products such as cultural creativity tourism, eco-tourism, and health tourism (figure 4).

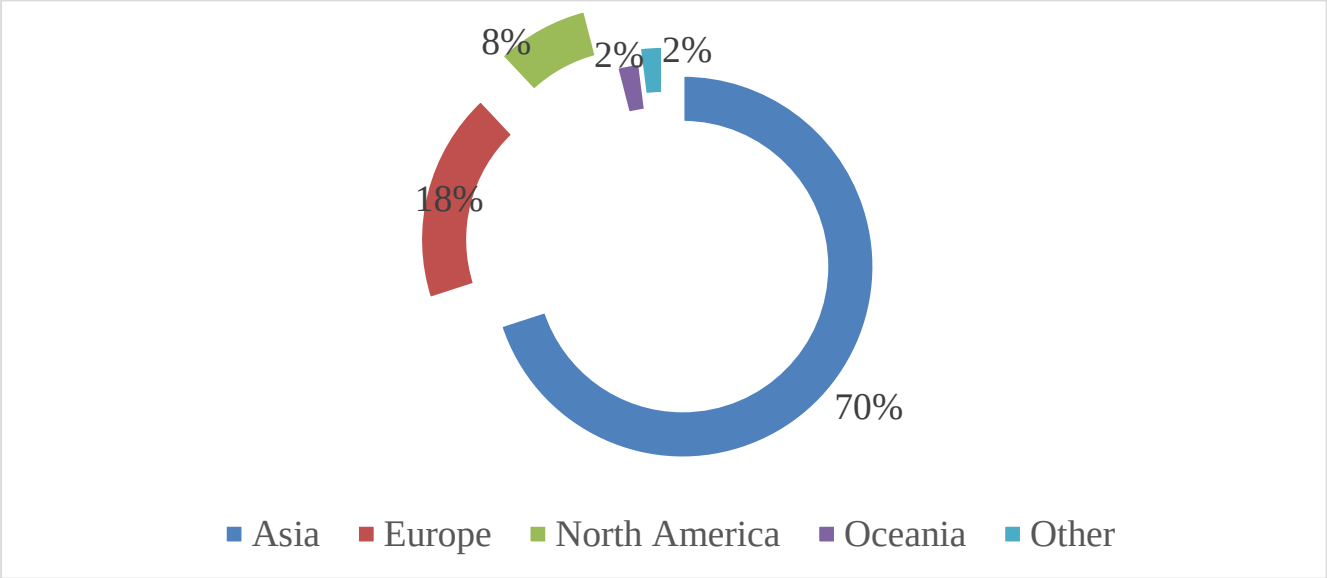

Figure 4– 2024 China Inbound Tourism Market Structure (by Continent) [9, p. 25]

Cai (2020) explained that the geographical proximity, cultural similarities, and convenient transportation between China and Asian countries are the main reasons for this concentration. Among Asian source markets, Japan, South Korea, and ASEAN countries are the top three sources of inbound tourists to China, with the number of tourists from these regions accounting for 45 % of total Asian inbound tourists (Liu R et al., 2020). Liu Retal. (2020) conducted a study on the international competitiveness and complementarity of tourism service trade between China and four ASEAN countries and found that there is a strong complementary relationship between China and ASEAN in tourism products, which has promoted the stability of the ASEAN source market.

In contrast, China's outbound tourism market has shown a high degree of diversification, with tourists traveling to more than 200 countries and regions around the world [47, p. 31]. Ma (2020) pointed out that the United States, Japan, and European countries were the traditional mainstream destinations for Chinese outbound tourists, but in recent years, emerging destinations such as Thailand, Vietnam, Malaysia, and South Africa

have become increasingly popular. The BRI has further expanded the diversification of China's outbound tourism market, with the number of tourists to Central Asia, Eastern Europe, and the Middle East growing rapidly (Qi, 2021). Qi (2021) noted that the tourism cooperation between China and BRI countries has not only increased the number of outbound tourists but also promoted the integration of Chinese tourism enterprises into the global tourism market.

China's international tourism service trade exhibits significant regional disparities, with the eastern coastal regions leading the development, while the central and western regions lag behind (Zhou, 2025). Zhou (2025) studied the international competitiveness of tourism service trade in the Yangtze River Delta (YRD) region under high-quality development and found that the YRD region, including Shanghai, Jiangsu, and Zhejiang, accounts for more than 30 % of China's total inbound tourism revenue and 40 % of outbound tourism expenditure. This regional disparity is mainly caused by differences in economic development level, tourism resource endowment, infrastructure construction, and policy support (Wang Q, 2022). Wang Q (2022) analyzed the international competitiveness of tourism service trade in the YRD region and pointed out that the eastern coastal regions have advantages in transportation, accommodation, and international marketing, while the central and western regions are rich in natural and cultural tourism resources but lack the ability to develop and market these resources effectively [60, p. 37].

The regional disparities in China's international tourism service trade are also reflected in the structure of tourism service trade. The eastern regions focus on high-end tourism services such as MICE tourism, luxury travel, and cruise tourism, while the central and western regions rely mainly on traditional sightseeing tourism (Liu Q, 2022). Liu Q (2022) conducted a study on the pattern and collaborative competition effect of China-ASEAN tourism service trade and found that the southern coastal regions such as Guangxi and Yunnan have formed a competitive advantage in border tourism with ASEAN countries, narrowing the gap with the eastern regions to a certain extent. In recent years, the government has introduced a series of policies to promote the development of international tourism service trade in the central and western regions, such as the construction of national tourism demonstration zones and the support for cross-border tourism cooperation zones,

which have helped to reduce regional disparities (Zhang M, 2020). Zhang M (2020) argued that the development of international tourism service trade in the central and western regions is crucial for improving the overall competitiveness of China's tourism service trade, as it can tap into the potential of underdeveloped tourism resources and expand the scale of the tourism market [28, p. 61].

2.3 Competitiveness Evaluation and Influencing Factors

The competitiveness of China's international tourism service trade is a comprehensive reflection of the industry's ability to attract international tourists, gain market share, and create economic benefits. Evaluating this competitiveness and identifying its influencing factors are essential for formulating targeted policies to enhance the development level of China's international tourism service trade.

Scholars have constructed various evaluation index systems to measure the competitiveness of China's international tourism service trade, including quantitative indicators such as market share, trade competitiveness index (TC), revealed comparative advantage index (RCA), and qualitative indicators such as tourism service quality and brand influence (Gao, 2011). Gao (2011) used the TC index and RCA index to evaluate the competitiveness of China's international tourism service trade and found that China's TC index of tourism service trade has been positive since 2000, indicating a comparative advantage in the international market, but the RCA index is less than 1, showing that the competitive advantage is not strong. This finding is supported by Xuan (2020), who noted that although China is a large country in international tourism service trade, it is not a strong country, with a relatively low level of competitiveness compared with developed countries such as the United States and France [12, p. 23].

Cai (2020) expanded the evaluation index system by adding indicators such as tourism resource endowment, infrastructure level, and technological innovation capability, and used a comprehensive evaluation model to measure the competitiveness of China's international tourism service trade [9, p. 26]. Cai (2020) found that China's tourism resource endowment index ranks among the top in the world, but the infrastructure and technological innovation

indices are relatively low, which restricts the improvement of overall competitiveness [59, p. 1349]. Li and Zhao (2018) used the grey correlation degree model to analyze the influencing factors of China's international tourism service trade competitiveness and constructed an evaluation index system including 12 indicators such as per capita GDP, the number of star-rated hotels, and the number of international air routes. Their research showed that the level of economic development and transportation infrastructure are the most closely related factors to the competitiveness of China's tourism service trade (table 1).

Table 1 – Comparison of Key International Competitiveness Indicators of China's Tourism Service Trade in Major Years [20, p. 22]

Year	TC Index	RCA Index	Travel Service Exports (US$100 million)	Travel Service Imports (US$100 million)	International Market Share (%)
2005	-0.21	0.35	293	415	3.1
2010	-0.33	0.42	458	890	3.8
2015	-0.42	0.38	380	2480	4.2
2019	-0.45	0.25	350	2550	4.5
2023	-0.86	0.18	146	1963	2.9
2024	-0.68	0.30	397	2506	3.6

International comparison is an important way to evaluate the competitiveness of China's international tourism service trade, as it can reflect the country's position in the global tourism market. Liao and Chainuwat (2022) conducted a comparative study on the international tourism service trade competitiveness of China and Japan and found that China has advantages in tourism resource endowment and market scale, while Japan has advantages in service quality, brand building, and digitalization level. They pointed out that China can learn from Japan's experience in tourism service standardization and digital transformation to improve its competitiveness. Ma (2020) made a comparative analysis of China-US tourism service trade competitiveness and found that the United States has a stronger competitive advantage in high-end tourism products such as MICE tourism and

luxury travel, while China's advantage lies in cultural and natural tourism products. Ma (2020) also noted that the United States has a more mature tourism marketing system and a higher degree of internationalization of tourism enterprises, which are areas where China needs to improve [32, p. 26].

In the comparison with ASEAN countries, China has a complementary competitive relationship in tourism service trade. Liu R et al. (2020) studied the tourism service trade between China and four ASEAN countries (Thailand, Malaysia, Singapore, and Indonesia) and found that China has a competitive advantage in cultural tourism and eco-tourism, while ASEAN countries have advantages in beach tourism and leisure vacation tourism. This complementary relationship has promoted tourism cooperation between China and ASEAN, such as the joint development of cross-border tourism routes and the mutual recognition of tourism qualifications. Liu Q (2022) further pointed out that the collaborative competition effect of China-ASEAN tourism service trade has enhanced the overall competitiveness of the Asia-Pacific tourism market, making it a major competitor to the European and North American tourism markets [30, p. 23].

The competitiveness of China's international tourism service trade is affected by a combination of internal and external factors, including resource endowment, economic development level, infrastructure construction, technological innovation, policy environment, and international market conditions [46, p. 114].

Tourism resource endowment is the foundation of the competitiveness of international tourism service trade. China is rich in natural and cultural tourism resources, with 56 world heritage sites and numerous national scenic spots, which provide a solid resource base for the development of international tourism service trade (Gao, 2011). However, Gao (2011) also noted that the development and utilization of tourism resources in China are not sufficient, with many resources remaining in the primary development stage of sightseeing, and the added value of products is low. Zhang M (2020) argued that the integration of tourism resources with culture, technology, and other elements is the key to improving the competitiveness of tourism products.

The level of economic development determines the supply capacity and demand scale of tourism service trade. A higher level of economic development means better

infrastructure, higher residents' income, and stronger ability to invest in tourism development (Cai, 2020). Li and Zhao (2018) used the grey correlation degree model to confirm that per capita GDP is the most important influencing factor of China's tourism service trade competitiveness, with a correlation degree of 0.89. In addition, the development of related industries such as transportation, accommodation, and catering also relies on the level of economic development, and their supporting role is crucial for improving the competitiveness of tourism service trade (Xuan, 2020).

Transportation, accommodation, and information infrastructure are important guarantees for the development of international tourism service trade. Deng and Huang (2022) found that the number of international air routes and star-rated hotels has a significant positive impact on China's bilateral tourism service trade export potential. Zhou (2025) noted that the YRD region has a dense transportation network and advanced information infrastructure, which is an important reason for its leading position in China's international tourism service trade. In contrast, the insufficient infrastructure in the central and western regions has become a bottleneck restricting the development of tourism service trade (Wang Q, 2022).

The digital economy and technological innovation have become important drivers of the competitiveness of tourism service trade in the new era. Zhang Y (2025) conducted an empirical study and found that digital economy development can significantly promote the export of China's tourism service trade by reducing transaction costs and improving service efficiency. Liao and Chainuwat (2022) pointed out that Japan's advanced digital tourism technology, such as smart scenic spots and online travel services, has enhanced its tourism service trade competitiveness, and China should accelerate digital transformation to narrow the gap. In addition, technological innovation in tourism products, such as virtual reality (VR) and augmented reality (AR) tourism experiences, can also improve the attractiveness of China's tourism market (Zhang M, 2020).

Government policies play a guiding and supporting role in the development of international tourism service trade. The BRI, visa facilitation policies, and the construction of free trade zones have all promoted the expansion of China's tourism service trade scale and the improvement of competitiveness (Wang, 2019). Qi (2021) noted that policy

coordination between China and BRI countries has reduced trade barriers and promoted tourism cooperation, which has a positive impact on the competitiveness of China’s tourism service trade. In addition, the government’s investment in tourism marketing and brand building can also enhance the international influence of China’s tourism industry (Xuan, 2020).

The international market environment, including exchange rate fluctuations, geopolitical relations, and public health crises, has an important impact on the competitiveness of China’s tourism service trade. Cai (2020) found that the appreciation of the RMB will reduce the price competitiveness of China’s tourism products, while the depreciation of the RMB will have the opposite effect. The COVID-19 pandemic has also shown that the resilience of the tourism service trade to external shocks is an important part of its competitiveness (Zhou, 2025). In addition, the tourism service trade policies of other countries, such as visa restrictions and tourism market access, will also affect China's tourism service trade competitiveness [32, p. 29].

Despite the continuous improvement of the competitiveness of China’s international tourism service trade, there are still several challenges that need to be addressed. First, the product structure is unreasonable, with a lack of high-value-added and personalized tourism products, which makes it difficult to meet the diversified needs of international tourists (Gao, 2011). Second, the regional development is unbalanced, and the gap between the eastern and central-western regions restricts the overall improvement of competitiveness (Zhou, 2025). Third, the level of service quality and standardization is low, and there are problems such as inconsistent service standards and poor tourist experience, which affect the international image of China’s tourism industry (Xuan, 2020). Fourth, the digital transformation is not thorough enough, and the application of digital technology in tourism products and services is still in the initial stage (Zhang Y, 2025). Finally, the impact of external shocks such as public health crises and geopolitical conflicts has increased the uncertainty of the development of China’s international tourism service trade.

Chapter 3 Challenges and international experience

3.1 Structural Issues and Institutional Barriers

Although China’s international tourism service trade has demonstrated remarkable resilience in the aftermath of the pandemic-with inbound tourist arrivals reaching 132 million in 2024, a year-on-year increase of 61 %, and travel exports rebounding to US$39.7 billion-beneath the surface of this «quantitative recovery», deep-seated systemic deficiencies and structural bottlenecks have not only persisted but have become increasingly prominent in the new landscape of international competition. These structural issues and institutional barriers exhibit multi-dimensional and composite characteristics, permeating key areas such as the product supply system, service quality control, the provision of standardised systems, and the pattern of regional development. Interwoven and mutually reinforcing, they collectively constitute the core obstacles constraining the high-quality development of China’s tourism service trade. More specifically, product homogenisation coexists with an underdevelopment of high value-added business formats; the internationalisation of the service system remains insufficient, accompanied by a lag in standard alignment; and a severe imbalance persists between the inbound tourism carrying capacity and market transformation capability across regions, resulting in a predicament of «local prosperity yet overall weakness». Without systematic resolution, these obstacles will continue to undermine China’s competitive position in the global tourism service trade system and its endogenous momentum for sustainable development.

China’s international tourism service trade exhibits a pronounced feature of product homogenisation at the supply level. From the perspective of product structure, traditional sightseeing tourism has long occupied a dominant position. Most tourist destinations remain stuck in the primary development model of «taking photos at the stop and sleeping on the bus», with insufficient exploration of cultural connotations and experience design, leading to the widespread supply predicament of «one thousand cities, one thousand scenic spots, all with the same appearance». This low-level repetitive supply, centered on resource

display while neglecting content innovation and experiential differentiation, has directly weakened China's comprehensive competitiveness in the international high-end tourism market. In a comparative study on the competitiveness of tourism service trade between China and Japan, Liao pointed out that Japan has built solid brand barriers through the systematic design of cultural experiences, refined service control, and differentiated operation of theme parks, whereas China's tourism products still rely mainly on natural and historical resource endowments, lacking the in-depth development capability based on cultural creativity. This path dependence and innovation deficiency in product structure make it difficult for China to effectively attract international tourists seeking personalized, in-depth and high-quality experiences. The competitive disadvantage is particularly pronounced when competing with tourism powers such as France and Italy, whose core competitiveness lies in cultural experience.

Quantitative comparisons at the level of international competitiveness further corroborate this judgment. According to the calculation of international competitiveness indices for 2019, Spain's Trade Competitiveness (TC) index stands at 0.67 and its Revealed Comparative Advantage (RCA) index at 2.45; France's TC index is 0.58 and its RCA index 1.89 – both countries are in the high or strong competitiveness range. By contrast, China's TC index is -0.45 and its RCA index is only 0.25, significantly below the international competitiveness benchmark of 0.8, indicating that China has not yet formed a stable comparative advantage in the field of tourism service trade. At the level of export scale, China's travel service export value in 2023 was only US$14.56 billion, less than one-tenth of the US export value (US$189.134 billion) in the same period. The above gaps are not caused by short-term fluctuations or external shocks, but are structural consequences of long-term reliance on resource endowments while neglecting product innovation and brand building. They collectively reflect the overall weakness of China's tourism products in the international high-end market.

Furthermore, the development of emerging, high value-added business formats such as wellness tourism, study tourism and MICE tourism is still at a primary stage, and a large-scale, branded and internationally influential product system has not yet been formed. Constrained by multiple factors, including insufficient industrial chain coordination, a

shortage of professional talent, and limited market recognition, the contribution of these emerging formats to inbound tourism revenue remains limited, resulting in the long-term solidification of the overall industrial value chain at the medium and low-end segments. This path-locking effect of the product supply structure not only restricts the growth space of inbound tourism revenue, but also fundamentally hinders China's strategic leap from a «large tourism country» to a «strong tourism country». Therefore, breaking through the predicament of product homogenization and promoting the structural upgrading of the tourism product system has become a key proposition for enhancing the international competitiveness of China's tourism service trade (table 2).

Table 2 – Comparison of Major Countries' Tourism Service Trade Competitiveness Indices in 2019 [13, p. 64]

Country	TC Index	RCA Index	Competitiveness Evaluation
Spain	0.67	2.45	Highly competitive
France	0.58	1.89	Strong competitiveness
Thailand	0.42	1.46	Strong competitiveness
United States	0.16	1.12	Moderate competitiveness
Australia	0.10	0.98	Moderate competitiveness
Japan	-0.03	0.35	Weaker competitiveness
China	-0.45	0.25	Significant competitive disadvantage

The uneven quality of services and the systemic absence of international standards constitute another critical bottleneck constraining the development of inbound tourism. Although China has made remarkable achievements in the construction of infrastructure in transportation, communications, and scenic areas, the improvement at the level of «soft services» has noticeably lagged behind, resulting in an unbalanced development pattern characterised by «hard power taking the lead while soft power lags behind». Specifically, this manifests in the following dimensions: first, the coverage of multilingual services is

limited, with notable deficiencies in areas such as minority language guided tours, multilingual signage systems, and internationalized emergency services; second, the convenience of international payment remains insufficient. When using mainstream mobile payment tools such as Alipay and WeChat Pay, overseas tourists often encounter operational obstacles, including complex real-name verification procedures and restrictions on binding foreign bank cards; third, there remains an observable gap between the cross-cultural communication skills, professional competence and service awareness of tourism practitioners-particularly foreign language tour guides, high-end hotel service staff, and customized travel consultants-and international standards. These problems directly erode the on-site experience and overall satisfaction of international tourists, and may lead to the cross-border spread of negative word-of-mouth through channels such as social media, exerting a long-term adverse impact on the brand image of the destination.

From the perspective of systematic assessments of tourist satisfaction and consumption behavior, China’s outbound tourist satisfaction score in 2024 stood at 80.06 points, a historic high, reflecting the relative maturity of the outbound service system. However, the evaluation of inbound tourism service satisfaction lacks systematic and continuous data support commensurate with this. This data asymmetry itself reveals the weakness of the inbound service evaluation system. The per capita consumption of inbound tourists in 2024 was approximately US$714 (equivalent to about RMB 5,000), while the per capita consumption level of Chinese outbound tourists during the same period was significantly higher than this figure. This scissors gap of «strong outbound purchasing power but limited inbound consumption contribution» indirectly confirms that China’s inbound market still lacks sufficient attractiveness to high-net-worth international tourists, and also reflects the constraining effect of service quality on value capture capacity.

Furthermore, the alignment between China’s tourism service standardization system and internationally accepted standards remains insufficient. Taking core areas such as hotel star ratings, accessible service facilities, and sustainable tourism certification as examples, there are differences between domestic standards and internationally accepted standard systems such as those of ISO and UNWTO in terms of indicator settings, certification procedures, and mutual recognition mechanisms, resulting in low international recognition

of China's tourism services. The development trajectory of international standards for services trade shows that standards essentially constitute the «common language» of services; a lag in standardization will seriously impede the efficiency of cross-border service flows and the systematic enhancement of international competitiveness. Therefore, promoting the international alignment of service standards and improving the monitoring and feedback mechanisms for inbound tourism service quality have become necessary pathways to address the «soft service» (weaknesses) and strengthen the international competitiveness of China's tourism service trade.

China's regional development of tourism service trade exhibits significant disequilibrium, forming a spatial pattern characterized by «strong in the east but weak in the west, strong in cities but weak in rural areas». From the perspective of the spatial distribution of inbound tourists, the top ten cities most favoured by foreign tourists in 2024 were, in order, Shanghai, Guangzhou, Shenzhen, Beijing, Chengdu, Hangzhou, Chongqing, Harbin, Kunming and Zhuhai. Among these, Shanghai and Shenzhen received 9.77 million and 6.71 million overnight inbound tourists respectively, while the number of foreign tourists received by Beijing and Shanghai reached 3.21 million and 4.97 million respectively. The above data clearly indicate that inbound tourism activities are highly concentrated in the eastern coastal first-tier cities and certain hub cities, exhibiting a typical «polarized» distribution pattern. At the same time, although the central and western regions and border areas possess abundant and unique natural landscapes, ethnic cultural heritage sites and pristine eco-tourism resources, their enormous resource potential has long failed to be effectively transformed into actual market appeal, constrained by multiple factors such as insufficient transport accessibility, lagging tourism support infrastructure, a shortage of specialized international tourism professionals, and a lack of international marketing capabilities.

This structural paradox of «resource abundance» versus «market weakness» not only leads to the idling and waste of the country's high-quality tourism resources, but also renders the international image of China as an integral tourism destination overly homogeneous, making it difficult to form a multi-pillar, gradient-radiation pattern of comprehensive appeal. From a broader international comparative perspective, the number of inbound

tourists received per hundred population in China in 2024 was only 9, far below the level of the world's major tourism powers in the same period. This gap profoundly reveals the systemic constraint that the regional development fault line imposes on the overall competitiveness of China's tourism service trade. If the current pattern is not broken through coordinated regional development strategies, infrastructure connectivity, and differentiated market positioning, the resource dividends of the central and western regions will continue to be suppressed, while the carrying pressure on the eastern coastal regions will intensify, thereby diminishing, from a systemic perspective, China's competitive position and its endogenous momentum for sustainable development within the global tourism service trade system (table 3).

Table 3 – Reception Situation of Top 10 Inbound Tourism Destination Cities in 2024 [60, p. 37]

Rank	City	Inbound Tourist Arrivals	Foreign Tourist Arrivals	Main Advantages
1	Shanghai	9.77 million (overnight)	4.97 million	International metropolis, 240-hour transit visa-free, transit orders account for 49 %
2	Shenzhen	6.71 million (inbound)		Port city, linkage with Hong Kong
3	Guangzhou	close to / over 4 million (inbound)		Commercial hub, Canton Fair
4	Beijing	3.94 million (inbound)	3.21 million	Cultural heritage, capital status
5	Chengdu	1.265 million (inbound, first 10 months of 2024)		Panda culture, city of gastronomy
6	Hangzhou	1.17 million (inbound overnight)		West Lake landscape, digital economy
7	Chongqing	approx. 0.51 million (inbound, first half of 2024)		Mountain cityscape, inland opening-up

From an international perspective, France and Japan provide typical cases of both theoretical value and practical reference significance in addressing the structural obstacles of tourism service trade. France's path of structural upgrading is characterized by cultural IP-driven development. By deeply integrating world-class cultural heritage sites such the

Louvre and the Palace of Versailles with creative industries including fashion design, gastronomy and art exhibitions, France has constructed a high-value-added tourism system built on the trinity of «culture + creativity + service». The key feature of this model lies in its transcendence of the passive reliance on resource endowments that characterizes traditional sightseeing tourism, shifting instead towards active value creation centered on intellectual property generation and brand management. Through the «Quality Tourism» standard certification system led by industry associations, France has continuously promoted the standardization and iterative upgrading of service quality. Empirical data show that in 2019, France's inbound tourism revenue exceeded €60 billion, and its Revealed Comparative Advantage (RCA) index reached as high as 1.89, providing a verifiable successful paradigm for structural reform.

Japan's institutional experience is primarily embodied in the dimension of institutional safeguards for standardized management and refined services. Through the legislative framework of the Tourism Law and the Travel Agency Law, Japan has established a strict regulatory system covering service standards, professional qualifications, complaint handling and other aspects, complemented by the «Basic Plan for the Promotion of Tourism-Led Nation Building», which formally incorporates service quality improvement into the national strategic agenda. At the same time, Japan places great emphasis on balanced regional development, relying on the «Regional Revitalization» policy system to provide systematic support for infrastructure construction and international marketing capabilities in non-core tourist destinations. Comparative studies on the competitiveness of tourism service trade between China and Japan indicate that Japan's institutional design in areas such as the international alignment of service standards, the cultivation of high-skilled tourism professionals, and institutional quality assurance mechanisms offers clear reference value for China. The experiences of the two countries jointly demonstrate that overcoming structural obstacles requires simultaneously relying on product upgrading driven by cultural creativity and the institutional supply of legalization and standardization; the two are mutually reinforcing and indispensable.

3.2 Crisis Resilience

The uncertainty of the global political and economic environment, together with the constraints of the ecological environment, places higher demands on the crisis resilience of China's tourism service trade. This section focuses on two dimensions: external shocks (public health events, geopolitical risks, and economic cycle fluctuations) and sustainable development pressures. It analyses the vulnerability and recovery capacity of China's tourism service trade in times of crisis, and explores how to enhance overall risk resilience through policy innovation, green transformation, and supply chain resilience building.

The uncertainty of the global political and economic environment has brought significant external risks to China's tourism service trade. First, the sudden impact of public health events (exemplified by the COVID-19 pandemic) has fully exposed the systemic vulnerability of the global tourism industry. Although China has demonstrated a strong recovery capacity after the pandemic, the long-term psychological effects and changes in consumption behavior triggered by such events still require a considerable period of adjustment [55, p. 16]. In 2020, the number of inbound tourists to China fell sharply, and travel service exports contracted dramatically, directly causing the deficit ratio of travel service trade to climb to over 86 % [20, p. 20]. Second, the intensification of geopolitical tensions and the rise of trade protectionism have also exerted non-negligible negative effects on international tourism flows. Measures such as the tightening of visa policies and the reduction of international flights may substantially hinder the recovery process of specific source markets. Furthermore, fluctuations in the global economic cycle and exchange rate movements are equally important variables affecting tourism demand. Economic recessions typically dampen consumers' willingness to spend on travel, while a significant appreciation of the renminbi raises the actual cost for foreign tourists visiting China, thereby weakening China's price competitiveness as a tourism destination. Most of the above external factors lie beyond the direct control of the tourism sector, objectively requiring the industry to possess greater systemic resilience and risk response capabilities [8, p. 156].

The rapid development of the tourism industry has placed significant pressure on the ecological environment, particularly in ecologically sensitive areas and popular scenic

spots. Issues such as over-commercialization, tourist overload, and environmental pollution have become increasingly acute, posing a substantive threat to the sustainable utilization of tourism resources (table 4).

Table 4– Trends in China's Travel Service Trade Imports, Exports and Deficit Changes, 2014–2024 [20, p. 22]

Year	Travel Exports (US$100 million)	Travel Imports (US$100 million)	Travel Deficit (US$100 million)	Deficit Rate(%)
2014	440.44	approx. 1350	approx. 909	67.54
2015	approx. 380	approx. 2480	approx. 2100	approx. 72
2019	approx. 350	approx. 2550	approx. 2200	approx. 76
2023	145.60	approx. 1963	1817.03	86.19
2024	397.00	2506.00	2109.00	approx. 84

Some ancient towns and historic districts have lost their original cultural charm due to excessive commercialization, while certain natural scenic areas have experienced degradation of ecosystem functions as a result of long-term tourist over-capacity. Against the macro-level backdrop of global advocacy for «green tourism» and «carbon neutrality» goals, how to achieve a dynamic balance between promoting tourism economic growth and protecting the ecological environment has become a critical task that urgently needs to be addressed. China has clearly put forward the «dual carbon» strategic goals, which impose higher requirements on the low-carbon transformation of the tourism industry. Measures such as developing low-carbon tourism products, promoting green hotel certification, implementing scenic area quota reservation systems, and establishing ecological compensation mechanisms have taken on both policy necessity and practical urgency. If the issues of sustainable development are not effectively addressed, it will not only damage China's international image as a responsible tourism power, but may also ultimately weaken the long-term attractiveness of its tourism destinations due to continued ecological deterioration.

In order to effectively respond to external shocks and ecological pressures, China's tourism service trade urgently needs to systematically enhance its crisis resilience across multiple dimensions. At the level of policy innovation, between 2023 and 2024, China successively introduced a series of facilitation measures, including unilateral visa waivers for 38 countries, comprehensive mutual visa exemption agreements with 25 countries, and a 240-hour transit visa-waiver policy covering 38 cities, which significantly accelerated the recovery of inbound tourism. Data shows that the number of inbound tourists in 2024 increased by 61 % year-on-year, fully confirming the positive role of policy leverage in strengthening industry resilience. In the future, a «tourism emergency response mechanism» should be further established, enabling rapid adjustments to marketing strategies and source market structures in the event of public health emergencies, natural disasters, or geopolitical crises, thereby mitigating the negative impact of single-risk shocks.

In terms of green and low-carbon transformation, measures such as promoting carbon footprint accounting for scenic areas, promoting new energy tourist vehicles, and constructing zero-emission hotels have become urgently necessary. Jiuzhaigou and Huangshan scenic areas have taken the lead in deploying intelligent carrying capacity management systems, enabling real-time monitoring and dynamic regulation of visitor density, energy consumption, and waste emissions. At the same time, drawing on the case of Thailand's Maya Bay, which was forced to close due to overtourism and later reopened after ecological restoration, the concept of «protective tourism» can be strengthened [37, p. 147]. Furthermore, exploring market-based mechanisms such as carbon credits and carbon offsets can help attract international tourists with strong environmental awareness, thereby enhancing the green brand value of China's tourism destinations. At the level of supply chain resilience building, efforts should focus on establishing a diversified network of international air routes and a backup system for ground service providers, reducing over-reliance on a single source market or specific transport corridors. By strengthening tourism cooperation with member states of the Regional Comprehensive Economic Partnership (RCEP) and countries along the Belt and Road Initiative, a regional collaborative risk-resistance network can be gradually formed, thereby improving the overall robustness and shock-resistance capacity of the supply chain.

The case of Maya Bay in Thailand's Phi Phi Islands fully reveals the intrinsic link between over-commercialization and ecological crisis. With approximately 5,000 tourists visiting the bay daily, large-scale damage to coral reefs occurred, ultimately forcing the bay to close in 2018, followed by a four-year period of ecological restoration. This case serves as a warning: if a tourist destination neglects its ecological carrying capacity, it will pay a high economic and environmental price. The subsequent practices adopted by Thailand, including the «environmental tax plus restricted flow and reservation» system and the community-based tourism (CBT) model, provide useful experience in seeking a balance between tourism development and ecological protection.

Singapore, for its part, has set an example in digital resilience building. During the pandemic, Singapore quickly launched the «Singapore discovers» voucher scheme and, relying on its «Tourism Brain» intelligent system, achieved dynamic allocation of visitor flows, enabling its tourism industry to recover far faster than neighboring countries in 2022. Under the framework of its «Smart Nation» strategy, the tourism data platform can monitor key indicators in real time, including hotel occupancy rates, flight load factors, and attraction heat maps, greatly enhancing crisis early warning and response capabilities. The above experience offers clear reference value for China in improving its digital governance and crisis response capabilities in tourism service trade.

3.3 Digital Transformation Features

The digital economy has become the core engine driving the high-quality development of tourism service trade [6, p. 677]. Through the deep integration and application of cutting-edge technologies such as big data, artificial intelligence, virtual reality (VR), and blockchain, the production efficiency, consumer experience, and business models of the tourism industry are undergoing systematic transformation. The empirical research conducted by Jia (2025) confirms that the digital economy has a significant positive effect on China's exports of tourism service trade, with its influence mechanism primarily reflected in reducing information asymmetry, optimizing resource allocation, and improving transaction efficiency. Macro-level data further support this judgement: from January to July

2024, China’s travel service exports increased by 1.65 times year-on-year, contributing 48.2 % to the overall growth of service exports during the same period. This indicates that digital empowerment is no longer merely a technical auxiliary tool, but has become a key driving force promoting the «two-way growth» of both inbound and outbound tourism service trade. Against this background, this section will focus on several typical features of the digital transformation of China’s tourism service trade, discussing them from four dimensions: the improvement of digital infrastructure, the construction of smart tourism platforms, the development of immersive experience products, and the innovation of digital payment and marketing models.

At the level of digital infrastructure construction, building a one-stop, multilingual smart tourism service platform (application or mini-program) for international tourists is of fundamental significance. Such a platform should be led by government departments, integrate diverse heterogeneous data from transportation, accommodation, scenic areas, catering, and shopping, and incorporate the full chain of functions including information inquiry, itinerary planning, ticket and hotel booking, transport ticket purchase, mobile payment, real-time translation, intelligent navigation, and emergency assistance. Drawing on the practical experience of «Travel Yunnan with One Mobile Phone», the platform can be internationally upgraded by expanding payment channels for international credit cards such as Visa and Mastercard, and by offering multiple language versions including English, Japanese, Korean, French, and German. This approach will not only significantly enhance the travel convenience of overseas tourists, but also enable precise identification of source market demand characteristics through big data analysis, thereby providing decision-making support for targeted destination marketing.

The development of immersive digital experience products is an important direction of digital transformation. By utilizing extended reality technologies such as VR, AR and MR, China’s abundant cultural heritage and natural landscapes can be transformed into interactive and transmissible digital experience content. Taking the «Digital Dunhuang» project of the Dunhuang Research Academy as an example, through high-precision 3D scanning and VR technology, the Mogao Caves have been made accessible for virtual roaming in the cloud, greatly expanding the breadth and depth of cultural dissemination.

Tourist attractions can also develop experience projects such as AR real-scene navigation, interactive photo-taking with virtual historical figures, and historical scene re-enactments, thereby enhancing the fun and educational value of tourism. For potential tourists who are unable to visit in person, high-quality virtual tourism experiences can effectively stimulate their motivation for on-site travel, thus serving as an efficient pre-trip marketing tool.

Smart management of scenic areas is a key link in ensuring tour quality and ecological security. By deploying Internet of Things (IoT) sensors, facial recognition devices, and big data analysis systems within scenic areas, real-time monitoring and intelligent scheduling of tourist flows, safety conditions, and environmental data can be achieved. The practice of the Jiuzhaigou Scenic Area provides a typical example: the scenic area implements a tourist limit management system, with the maximum daily carrying capacity set at 41,000 person-times during the peak season and 23,000 person-times during the low season. Through scientifically determined carrying capacity and dynamic regulation, the dual goals of ecological protection and tourist experience have been accomplished. The scenic area has also introduced a 5G + Beidou positioning system for intelligent scheduling of sightseeing vehicles and established a graded response mechanism – resources are allocated in stages when tourist flows reach 30,000, 35,000, and 40,000 person-times respectively. During the summer of 2025, Jiuzhaigou operated at full capacity of 41,000 person-times per day for 24 consecutive days, yet maintained an outstanding record of «zero major safety accidents, zero major service quality complaints, and zero pollution to the scenic area’s ecological environment». This quantifiable green and smart management solution provides a reproducible paradigm reference for other world heritage sites and ecologically sensitive scenic areas (figure 5).

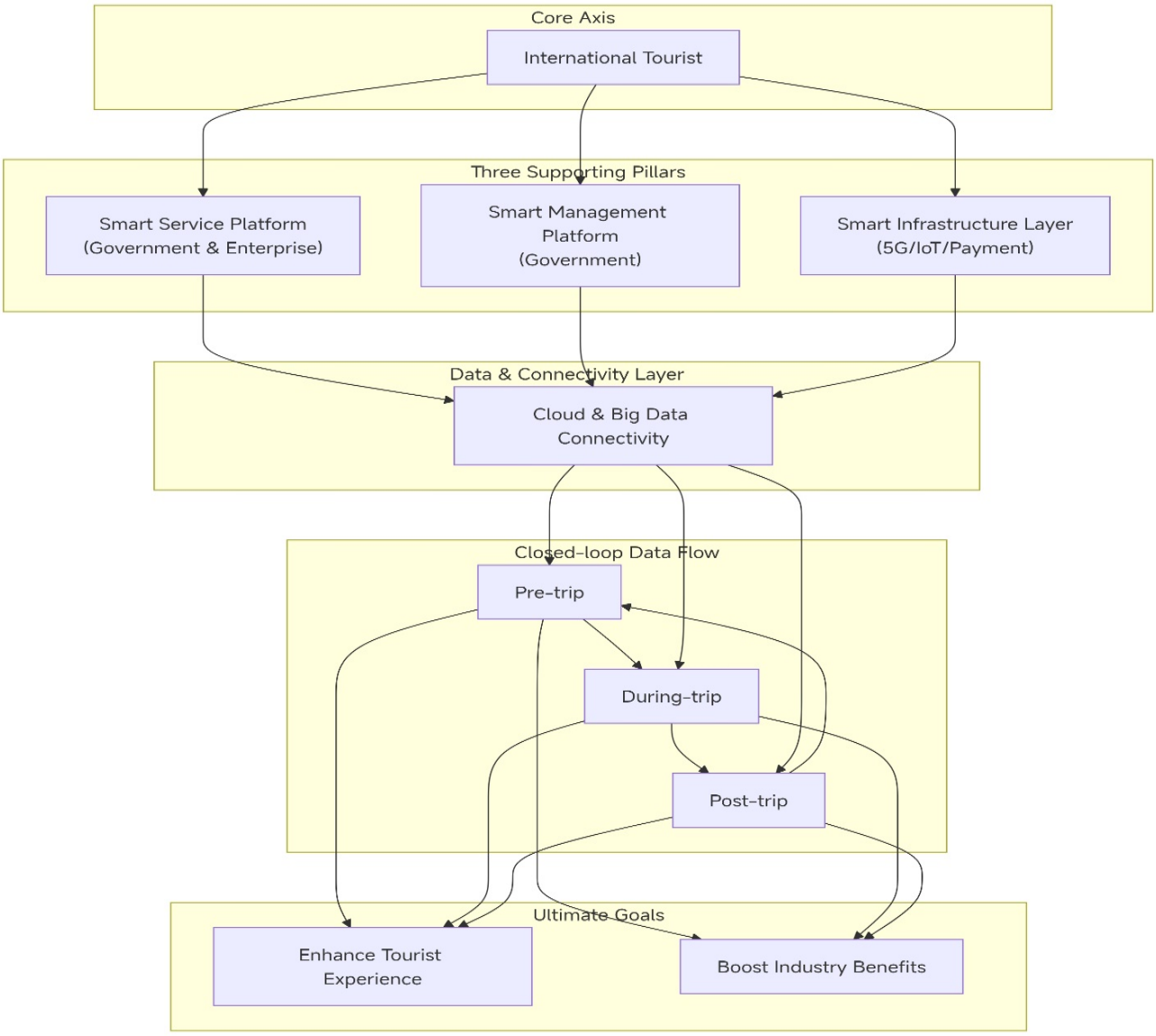

Figure 5 – Architecture Diagram of the Smart Tourism Ecosystem [24, p. 25]

Another notable feature of digital transformation in the field of tourism service trade is the enhancement of payment convenience and the leap in precision marketing capabilities. On the payment side, in 2024, Alipay and WeChat Pay fully optimized the process for binding overseas bank cards and, in coordination with clearing institutions such as UnionPay and Nets Union, promoted the «Inbound Mobile Payment» special service in key tourist cities, significantly increasing the proportion of inbound tourists using mobile payments. This improvement has effectively alleviated the «payment gap» long faced by overseas tourists, enhancing consumption convenience and transaction efficiency. On the marketing side, source market profiling and personalized recommendation systems based on big data technology have been widely applied on mainstream online travel platforms such as Ctrip

and Flingy, achieving «thousands of people, thousands of faces» precise product recommendations and increasing user conversion rates and platform stickiness. It is worth noting that social media communication has become an important channel for inbound tourism brand building. According to statistics, the cumulative number of views for topics tagged with «China Travel» on overseas video platforms such as TikTok and YouTube has exceeded 8.5 billion [52, p. 19].

France has accumulated exemplary experience in the digital extension of cultural IP. Leading cultural institutions such as the Louvre and the Palace of Versailles have taken the lead in introducing VR guided tours and blockchain-based digital collectibles, successfully transforming offline visitors into online users and effectively extending the value chain of cultural consumption. Its «Culture Pass» application integrates booking, audio guide, and derivative product purchasing functions for thousands of museums and historical sites, providing tourists with a seamless digital experience (table 5).

Table 5 – Key Data of China's Digital Tourism and Travel Service Trade in 2024 [51, p. 60]

Indicator Category	Specific Value	Data Source / Explanation
Total import and export value of travel services	2.05 trillion RMB	Up 38.1 % year-on-year, largest sector in service trade
Growth of travel service exports	54.4 %	Driven by both visa-free policies and digitalization
Contribution of travel exports to total service export growth	48.2 % (Jan–Jul)	Fastest growth among digitally delivered services
Exports of knowledge-intensive services	Up 4.7 % (Jan–Aug)	Includes digitally delivered services
Consecutive years of digital trade surplus	5 consecutive years	Continuous strengthening of digital service export capacity
Overseas views of «China Travel»	Exceeded 8.5 billion	Digital communication effect via social media

The above practices suggest that China could draw on the French model to promote the global digital output of renowned cultural IPs such as the Forbidden City and Dunhuang, thereby achieving the cross-temporal and cross-spatial dissemination of cultural heritage and value enhancement.

Singapore, for its part, has set a benchmark in the resilience and efficiency of its unified data platform. Its «Tourism Brain» system integrates real-time data from inbound flights, hotel bookings, scenic area visitor flows, and meteorological information, enabling the prediction of tourism hotspots 48 hours in advance and the activation of diversion plans. During the pandemic, the system successfully guided tourists towards outdoor spaces, effectively avoiding the risk of crowd gathering. Singapore's experience demonstrates that building a «national tourism data hub» to achieve cross-departmental and cross-regional sharing of tourism information is of great value for establishing a data foundation for precision marketing and crisis management. China may refer to this model to enhance the digital governance level and systemic resilience of its tourism service trade [37, p. 148] [2 p. 13].

In summary, China's tourism service trade faces challenges and opportunities of different natures across three dimensions: structural obstacles, crisis resilience, and digital transformation. Specifically, structural obstacles are mainly manifested in product homogenization, uneven service quality, and significant regional development gaps. Addressing these issues relies on institutional innovation, the construction of standardization systems, and the systematic upgrading of product structures. The dimension of crisis resilience requires the industry to build a flexible policy response toolkit, promote mechanisms for green and low-carbon transformation, and cultivate supply chain redundancy and diversified layouts to cope with the uncertainty of external shocks. The features of digital transformation provide an unprecedented technological lever for improving industrial operational efficiency, optimizing tourist experiences, and innovating brand communication methods, thereby becoming a core driving force for high-quality development.

International experiences from countries such as France, Japan, Thailand, and Singapore indicate that successful strategies for tourism service trade often simultaneously

address the above three dimensions in a coordinated and synergistic manner. At the structural level, product homogenization and quality disparities are tackled through the deep creation of cultural IP and strict service standard systems. At the resilience level, the industry's capacity to withstand risks is enhanced through ecological protection investments and diversified market layouts. At the digital level, digital infrastructure construction is relied upon to lead industrial transformation and service model innovation. These experiences suggest that a single-dimensional reform can hardly achieve systemic breakthroughs; multi-dimensional synergy is the key path to enhancing international competitiveness.

China should, based on its own national conditions, systematically integrate the above international experiences and form a synergy across three levels: policy design, industrial practice, and foundational support, thereby promoting a fundamental leap in tourism service trade from «scale expansion» to «value creation». Only in this way can China establish a more solid competitive position in the global tourism service trade landscape and inject lasting momentum into sustainable development.

Conclusion

This comprehensive study of China's international tourism service trade leads to several overarching conclusions. First, the theoretical framework combining comparative advantage, competitive advantage, service trade theory, and regional integration proves highly effective in explaining China's evolutionary path. The country has successfully moved from static resource-based advantages to dynamic, technology-driven competitiveness, yet the transition remains incomplete. Classical comparative advantage still underpins much of the inbound market, but its ecological and carrying-capacity limits are increasingly apparent. Porter's diamond model highlights that while demand conditions and related industries are strong, factor conditions (especially high-end digital and multilingual talent) and firm strategy (still suffering from homogenization) require urgent upgrading. The GATS four modes have been enriched by digital innovations, creating new forms of cross-border service delivery that challenge traditional regulatory frameworks.

Second, the historical stages reveal a clear pattern of policy-driven transformation. Each leap-from initial opening to marketization, WTO integration, and post-pandemic adaptation-was enabled by decisive institutional reforms. The COVID-19 crisis, rather than destroying the industry, acted as a catalyst for digital adoption and green transition. The 144-hour transit visa waiver, the «Digital Silk Road», and carbon-neutral bonds are not merely reactive measures; they represent a proactive restructuring of the sector's operating logic. The success of these policies is evidenced by the rapid rebound of inbound arrivals and the surge in digital service exports.

Third, the competitiveness analysis underscores a persistent «scale but not strength» dilemma. China is the world's largest outbound source and a top inbound destination by volume, but its trade competitiveness index remains negative, and its revealed comparative advantage is below the international benchmark. The gaps are structural: over-reliance on sightseeing products, weak international service standards, and uneven regional development. The grey correlation analysis clearly shows that economic development level and transport infrastructure are the most decisive factors, implying that continued

investment in high-speed rail, international aviation, and digital infrastructure will yield high returns. However, softer factors-service quality, standard alignment, and brand building-are equally critical for moving up the value chain.

Fourth, the analysis of structural issues and crisis resilience reveals that China must address systemic weaknesses in service internationalization and regional imbalances. The «polarized» distribution of inbound tourists leaves the central and western regions' potential untapped, while raising congestion risks in the east. Drawing on international lessons, France's cultural IP strategy and Japan's standardization and regional revitalization policies offer concrete pathways. Moreover, the ecological crises in Venice and the Maldives serve as stark warnings: passive governance and delayed action lead to exponentially higher restoration costs. China's early adoption of intelligent carrying capacity systems and green financial instruments is commendable, but must be scaled up and integrated into a national tourism sustainability framework.

Fifth, digital transformation has emerged as the most powerful lever for high-quality development. Smart tourism platforms, immersive digital experiences, real-time crowd management, and social media marketing are not just add-ons; they fundamentally alter production efficiency, consumer satisfaction, and brand communication. The «China Travel» phenomenon on TikTok and YouTube demonstrates the power of decentralized, user-generated content in reshaping international perceptions. However, digital monopolies and data governance issues must be vigilantly managed to ensure that small and medium-sized enterprises can also benefit from the digital ecosystem. Singapore's Tourism Brain and France's Culture Pass illustrate that a unified, government-backed data platform can enhance both marketing precision and crisis response.

In summary, China's international tourism service trade stands at a strategic juncture. The immediate post-pandemic recovery has been impressive, but sustaining momentum requires a coordinated push to upgrade product structures, align service standards internationally, reduce regional disparities, and deepen digital-green integration. Future research should focus on quantifying the impact of specific policy interventions, exploring the role of artificial intelligence in personalized travel services, and examining the long-

term effects of carbon neutrality measures on destination competitiveness. Ultimately, by transforming itself from a volume-driven to a value-driven tourism economy, China can set a global paradigm for resilient, inclusive, and sustainable tourism service trade.

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