



Research on the Impact of Tourism Development in Kunming City on Economic Growth

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Abstract. This article examines the impact of tourism development on economic growth in Kunming City. By conducting a spatial analysis of the region's tourism resources, social development factors, and policy frameworks, alongside a current state analysis grounded in the "Economic-Social-Ecological (ESE)" framework, this study underscores the positive contributions of Kunming's tourism industry to economic development, job creation, and environmental protection, while also acknowledging existing challenges. Ultimately, the article recommends strategies to foster sustainable tourism development through innovation, diversification, and policy support, with the aim of achieving a harmonious balance among Kunming's economic, social, and environmental objectives.

Keywords: Kunming City, tourism industry, economic growth, sustainable development, ESE analysis framework

1 Introduction

With the acceleration of globalization and urbanization, tourism has become one of the key engines of economic growth in numerous regions. Kunming, a significant city in Southwest China, is renowned for its rich natural landscapes, extensive historical and cultural heritage, and well-developed transportation networks. Driven by tourism, Kunming's economy has experienced rapid development, attracting a large influx of tourists and investments and yielding substantial benefits and opportunities for the

local economy. In 2023, the total retail sales of consumer goods in the city reached 357.428 billion yuan, representing a year-on-year increase of 5.5%, with the growth rate accelerating by 5.5 percentage points compared to the previous year. Urban areas accounted for retail sales of consumer goods totaling 336.38 billion yuan, marking a year-on-year increase of 5.5%, while rural areas achieved sales of 21.048 billion yuan, with a year-on-year increase of 5.7%. In terms of consumption patterns, catering revenue reached 65.440 billion yuan, an increase of 10.8%, and merchandise retail sales totaled 291.989 billion yuan, reflecting a growth of 4.4%. However, the development of the tourism industry in Kunming faces several bottlenecks, including a slowdown in growth relative to Nanning, a comparatively sluggish urbanization process, and the inadequate updating and renovation of some older urban areas, which have adversely impacted the city's overall image and tourism appeal. Consequently, investigating the effects of tourism development on Kunming's economic growth is of considerable importance.

Existing research on tourism development and economic growth in Kunming is relatively extensive. Some scholars argue that the growth of tourism will facilitate Kunming's economic development. For instance, Yi Chuan Ning (2016) employed mathematical models and other analytical methods to analyze tourism data from Kunming, revealing a positive correlation between tourism growth and economic growth, albeit with a certain lag. Conversely, other scholars assert that the impact of tourism on economic growth in Kunming remains uncertain. For example, Li Baiwen (2010) examined the strengths and weaknesses of Kunming's current state and development, as well as the associated risks, concluding that the tourism industry has exhibited signs of decline and requires industrial upgrading and transformation. This study aims to reconcile these differing viewpoints and provide new empirical evidence.

The objective of this paper is to explore the impact of tourism on Kunming's economic growth, analyze its current status and challenges in economic, social, and environmental aspects, and propose viable solutions. Therefore, how does the development of the tourism industry in Kunming influence economic growth? Furthermore, what are its effects on social development and the ecological environment? These constitute the core questions of this research.

2 Spatial Analysis

Kunming City possesses rich tourism resources, favorable social development assets, and robust policy frameworks, establishing the necessary conditions for tourism development. Specifically:

2.1 Tourism Resources

This article primarily examines the natural environment of Kunming. Situated in the central part of Yunnan Province, Kunming benefits from a favorable geographic location and distinctive natural landscapes. For instance, Dianchi Lake, the sixth largest freshwater lake in China, is one of Kunming's key landmarks, where visitors can relish the picturesque scenery and appreciate the clear waters and serene lakeside atmosphere. Additionally, the ethnic culture of Kunming constitutes a vital aspect of its unique allure. Qin Xiaonan et al. (2023) note that the tourism and cultural industries in various regions exhibit significant interdependencies. As a multi-ethnic region, Kunming is home to several ethnic groups, including the Han, Yi, Hani, and Dai. The cultural traits, cuisine, and architecture of these groups serve as invaluable resources for the tourism sector in Kunming. For example, Hani Town, located on the outskirts of Kunming, preserves authentic Hani residences and agricultural traditions, making it an exemplary location for immersing oneself in Hani culture. Finally, ancient Kunming, recognized as a crucial political, economic, and cultural hub in the Dianchi Lake region, has left behind numerous historical artifacts. The ancient city of Kunming retains remnants of ancient city walls, gates, and other structures, illustrating the prosperity of the ancient community.

2.2 Social Development Resources

Kunming boasts advanced infrastructure, including transportation networks, accommodations, dining options, and tourist services, thereby providing visitors with a convenient and comfortable travel experience. As the capital city of Yunnan Province, Kunming offers efficient transportation through a well-developed network of highways, railways, and air travel. Numerous highways traverse the city, linking various regions, while Kunming stands as a significant transportation hub for the Chinese railway system, with multiple rail lines running through it, facilitating convenient railway travel. Kunming Changshui International Airport, the largest

airport in Yunnan Province, connects to many cities and regions both domestically and internationally, ensuring accessible air travel options for tourists (as depicted in Figure 1).



Fig. 1. Transportation Network Map of Kunming City, Yunnan Province (Data Source: Google Map)

Secondly, Kunming boasts a well-developed accommodation and dining sector, offering tourists a diverse range of lodging and culinary options. The city features a variety of large chain luxury hotels, budget-friendly hotels, inns, and guesthouses that address the differing accommodation needs of visitors. Furthermore, Kunming’s dining landscape is rich and varied, showcasing numerous regional delicacies such as "Crossing the Bridge Rice Noodles," barbecues, and Yunnan cuisine, which enable tourists to savor authentic flavors of Yunnan (as illustrated in Table 1).

Table 1. Overview of Tourism Infrastructure in Kunming City(Data Source: OpenAI)

Category	Facility Name		Description
Tourist Facilities	Kunming	Dianchi	Main attractions include Dianchi Lake, the

	National Tourism Resort	Ethnic Village, and others, offering a rich cultural and natural landscape
	World Expo Garden	It features several national pavilions and floral displays, making it one of Kunming's famous tourist destinations
	Xishan Forest Park	It offers outdoor activities such as hiking and rock climbing, and includes scenic spots like the Longmen Grottoes
	Yunnan Ethnic Village	It showcases the diverse cultures and traditions of Yunnan's various ethnic groups, allowing visitors to experience the lifestyles of minority communities
	Stone Forest Scenic Area	A renowned karst landscape, it is a UNESCO World Natural Heritage site
Transportation Infrastructure	Changshui International Airport	Kunming's primary airport, providing connections for domestic and international flights
	Kunming Railway Station	Kunming's major railway hub, linking it to major cities across the country
	Kunming South Station	A high-speed railway station, connecting to the national high-speed rail network
	Kunming Metro	The main public transportation system within the city, facilitating easy travel for visitors
	Public Transportation Network	Includes bus and taxi systems that cover urban areas and key tourist attractions
Hotel Brand	Shangri-La Hotel	A five-star hotel located in the city center, offering upscale accommodations and services
	Wanda Vista Hotel	A five-star hotel providing luxurious accommodations and meeting facilities
	Kunming Cuihu Hotel	A four-star hotel near Cuihu Park, convenient for tourist visits
	Sheraton Hotel	An international chain five-star hotel that

		offers premium facilities and services
	Hanting Hotel	An economy hotel chain providing affordable accommodation options

Finally, Kunming prioritizes visitor services by providing comprehensive support systems for tourists. The city's tourism information centers and visitor reception facilities offer a range of services, including travel consultation, guided tours, and itinerary planning. Furthermore, Kunming's scenic spots and attractions are equipped with well-established signage and service amenities, ensuring that visitors can navigate seamlessly and fully enjoy their experiences (as illustrated in Figure 2).



Fig. 2. Kunming Shilin Scenic Area Tourist Center(Data Source:<http://travel.sina.com.cn/china/2015-12-31/1629320922.shtml>)

2.3 Policy Resources

From the perspective of tourism development, both national and provincial levels have provided significant policy support for the tourism industry in Kunming. In the 1980s, during the early stages of reform and opening-up, the government began to recognize the importance of tourism and encouraged local authorities to develop tourism resources, thereby attracting foreign investment and visitors. In the 1990s, several policy documents were introduced, including the "Overall Plan for Tourism Development," which identified tourism as one of the key sectors in the national economy. In 2001, the National Tourism Administration released the "National Tourism Development '10' Planning Outline," promoting the comprehensive advancement of sustainable tourism development. Subsequently, the “National Tourism Development '11th Five-Year' Planning Outline” in 2006 proposed the

integrated development of tourism and related industries. In 2011, the “National Tourism Development '12th Five-Year' Planning Outline” emphasized enhancing tourism service quality and advancing the construction of tourism information systems. In 2013, the 18th National Congress of the Communist Party of China emphasized building a “Beautiful China,” advocating for the vigorous development of ecological tourism. The State Council's “National Tourism Development '13th Five-Year' Plan,” released in 2015, further promoted comprehensive tourism and structural reform on the supply side of the industry. In 2017, the 19th National Congress called for deepening supply-side structural reforms and fostering high-quality development of the tourism industry. In 2020, the State Council issued the “National Tourism Development '14th Five-Year' Plan,” highlighting the importance of integrating tourism with culture and ecology.

Various governmental departments have actively collaborated; the Ministry of Culture and Tourism has suggested promoting the deep integration of culture and tourism while enhancing the cultural depth of tourism products. The National Development and Reform Commission supports the construction of tourism infrastructure and advocates for the upgrading of the tourism sector. Additionally, the Ministry of Transportation has expressed the need to further improve travel conditions and enhance the convenience of tourism services. Yunnan Province has actively promoted its tourism industry, releasing both the “Yunnan Province Tourism Development '13th Five-Year' Plan” and the “Yunnan Province Tourism Development '14th Five-Year' Plan,” which emphasize the creation of a world-class tourist destination and the acceleration of tourism industry transformation and upgrading, alongside vigorously promoting the “Colorful Yunnan” tourism brand.

In this context, Kunming is committed to the robust development of its tourism sector. The “14th Five-Year” Plan for Kunming outlines the objective to comprehensively enhance the competitiveness of the tourism industry and establish a modern tourism framework characterized by ecological tourism, cultural tourism, and wellness tourism. The “Special Plan for Tourism Development in Kunming” specifies goals such as optimizing the allocation of tourism resources, elevating public tourism service standards, and promoting the diversification and upscale development of tourism products. These initiatives represent significant opportunities for the advancement of Kunming's tourism sector.

In summary, as a major tourism city in Southwest China, Kunming not only possesses a rich natural environment, diverse ethnic culture, and historical relics but also boasts a developed transportation network, various accommodation and dining options, and comprehensive visitor services. This creates a comfortable and convenient travel environment that attracts numerous visitors to explore and experience Kunming's charm. Furthermore, Kunming's central location in Yunnan allows it to function as a hub for materials and personnel within the province. The relevant policies enacted at national, provincial, and municipal levels also provide essential resources for the growth of Kunming's tourism industry.

3 Current Status of Kunming's Tourism Development Based on The Ese Analysis Framework

This paper analyzes the current status of tourism development in Kunming through the “Economic-Social-Ecological (ESE)” framework.

3.1 Economic (E) Impact

The growth of Kunming's tourism industry positively stimulates economic development. Specifically:

First, the increase in tourism revenue drives economic growth. According to data from the Kunming Municipal Bureau of Culture and Tourism, the number of domestic and international tourists visiting Kunming grew from 120 million in 2015 to 200 million in 2020, representing an average annual growth rate of 11.1%. During the same period, total tourism revenue rose from 95 billion yuan to 160 billion yuan, with an average annual growth rate of 11.9%. Second, tourism development promotes infrastructure investment. The government and enterprises have increased investments in tourism infrastructure, such as the construction and expansion of scenic areas, tourism transportation networks, and service facilities. From 2015 to 2020, total investment in Kunming's tourism infrastructure exceeded 30 billion yuan.

3.2 Social (S) Impact

The development of tourism resources plays a significant role in promoting employment growth (Tan Na and Zhu Ni Na, 2018). Kunming's tourism industry has yielded positive social impacts, manifested in several ways:

First, employment growth enhances the well-being of the population. By 2020, direct employment in Kunming's tourism sector reached 500,000, with indirect employment exceeding 1 million. Additionally, tourism development has directly increased local incomes. For instance, in Wenquan Town of Anning City, which falls under Kunming's administration, the average annual income of farmers rose from 8,000 yuan in 2015 to 15,000 yuan in 2020 through the expansion of hot spring tourism. Second, the growth of the tourism industry fosters the formation of local cultural brands reflecting regional and ethnic characteristics. For example, Dongchuan District in Kunming actively promotes high-quality local specialties to enhance its appeal among consumers and tourists.

3.3 Ecological (E) Impact

The development of tourism in Kunming has also positively influenced local ecology. Kunming promotes eco-tourism while protecting natural resources, exemplified by sites such as Xishan Forest Park and the Stone Forest Scenic Area. This approach has achieved a win-win scenario for both economic benefits and environmental protection. From 2015 to 2020, the average annual growth rate of visitors to eco-tourism attractions in Kunming reached 15%, while eco-tourism revenue grew at an average annual rate of 12%.

4 Problem Analysis of Tourism Development in Kunming

In recent years, the tourism industry in Kunming has experienced significant growth; however, it currently faces a range of economic, social, and ecological challenges. Specifically:

Economically, the tourism sector lacks sufficient internal driving forces and urgently requires upgrading. While tourism has positively influenced economic growth, this effect is gradually diminishing. Traditional factors supporting tourism development are constrained, and new drivers have yet to be clearly defined. Furthermore, the integration of tourism with the cultural creative and health industries

is inadequate, and the concept of “tourism+” has not been fully realized. Kunming's industrial structure is overly dependent on tourism, resulting in limited economic resilience and a fragile economic framework. Additionally, tourism development in Kunming is uneven, with widening regional disparities; most tourists focus on popular attractions, while lesser-known sites remain overlooked. These economic issues severely hinder the sustainable development of Kunming's tourism industry.

Socially, income inequality and employment distribution issues are particularly salient. Residents engaged in specific industries tend to earn higher incomes, while those in other sectors experience comparatively lower earnings, which exacerbates social tensions. Although the rapid expansion of tourism has generated numerous job opportunities, the unequal distribution of income has failed to protect the interests of certain groups, posing challenges to social stability. Moreover, instances of uncivilized behavior in tourism are widespread. Tourist misconduct, including littering and vandalism of public facilities, along with unscrupulous business practices—such as overcharging or selling counterfeit products—reflect broader social issues. Government inaction or mismanagement in facilitating a conducive business environment further aggravates these social tensions. These factors not only impede the healthy development of the tourism industry but also negatively affect Kunming's social image.

Ecologically, tourism development has resulted in environmental degradation, particularly concerning air quality and water resources. The influx of large numbers of tourists has led to environmental pollution and ecological degradation, diminishing environmental quality around tourist attractions and posing threats to local ecosystems. Additionally, tourism's growth adversely impacts the health of local residents. Pollution has resulted in declining air quality and contaminated water sources, thereby affecting the quality of life and health of local inhabitants. The extensive construction of tourism infrastructure has also harmed the natural environment, disrupting ecosystem balance. If these ecological issues are not effectively addressed, they may severely hinder the sustainable development of Kunming's tourism industry and could endanger the health and quality of life of local residents.

5 Conclusions

Based on the analysis of the current situation and identified issues in the previous chapters, the following policy recommendations are proposed for the future development of tourism in Kunming:

First, in terms of economic enhancement, it is essential to focus on innovation and diversification to invigorate tourism development. The tourism sector should create new drivers by integrating with the cultural creative and health industries to promote the "tourism+" model (Zhang Li & Li Jia, 2022). For example, cultural and creative product exhibitions and wellness experiences can be integrated into tourist attractions. The Kunming city government should implement policies that encourage enterprises to adopt new technologies and business models in the tourism sector, thereby increasing the added value of tourism products. Additionally, to address the excessive dependence on tourism within the industrial structure, efforts should be directed toward promoting structural upgrades. This can be achieved by developing diversified industries such as "tourism+ food," "tourism+ health," and "tourism+ cultural creativity," which would enhance economic resilience. Enterprises can also create innovative products, including tourism-related food and wellness tourism ventures, to attract more visitors. Furthermore, to resolve the uneven development of tourism across different regions, Kunming can establish a tourism community by implementing measures such as a unified ticketing system and discount packages to encourage a balanced distribution of visitors between popular and lesser-known attractions.

Second, at the social level, Kunming must prioritize addressing employment and income distribution disparities. The government should enhance vocational training for low-income workers to improve their competitiveness in the job market. Furthermore, establishing and effectively functioning labor arbitration and mediation organizations is essential for safeguarding workers' rights. To combat uncivilized behavior in tourism, it is crucial to strengthen public education and cultivate a civilized social environment. The government can introduce policies that benefit both citizens and businesses, streamline administrative approval processes, and improve the overall business climate. Simultaneously, businesses should be encouraged to standardize their operating practices, enhance service quality, and foster a positive commercial image. The government can also raise awareness about civil tourism

through campaigns and guidance, fostering a collective commitment to maintaining civilized tourism practices.

Third, ecologically, to protect the environment and the health of local residents, the government should implement a series of policies and measures. First, it is critical to strictly control pollution and damage caused by tourism, particularly concerning air and water quality (Wang Peng & Zhou Yong, 2021). The government can establish environmental regulations requiring tourism enterprises to adopt eco-friendly practices, such as reducing emissions and promoting green tourism. Additionally, monitoring and management of tourist sites and surrounding environments should be enhanced to ensure effective ecological protection. Second, to safeguard the health of local residents, the development of health tourism projects should be promoted, integrating health concepts into the tourism industry. For instance, creating health and wellness tourism products and promoting healthy lifestyles would enhance the well-being of both residents and visitors.

To achieve the sustainable development of Kunming's tourism industry, an overarching goal can be established: to create a new high ground for tourism development and economic growth in Southwest China. This requires prioritizing two primary tasks: first, enhancing the competitive capacity of the tourism sector itself; and second, developing the "tourism+" model for industry diversification and integration. By creating three thematic areas—cultural tourism, health tourism, and eco-tourism—four platforms can be established: a policy support platform, an innovation and research platform, a market promotion platform, and an ecological protection platform. Ultimately, five specific tasks can be identified: enhancing the quality of tourism services, promoting integrated industry development, improving social livelihoods, protecting the ecological environment, and strengthening economic resilience. This suite of measures will facilitate the sustainable development of Kunming's tourism industry while driving broader economic and social progress.

Overall, the tourism industry in Kunming plays a significant role in fostering economic growth, particularly in terms of increasing fiscal revenue and creating employment opportunities. However, challenges such as insufficient economic momentum, income distribution inequality, and environmental pressures also arise during tourism development. To achieve sustainable progress, Kunming must encourage industrial upgrading and diversification, improve policy support, enhance innovation capabilities, and strengthen ecological protection measures. By establishing platforms for policy support, innovation research, market promotion, and

ecological stewardship, Kunming can bolster its tourism competitiveness and promote coordinated development across economic, social, and environmental domains.

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