

The Role of Tourism in Uttar Pradesh Economy: An Exploratory Research Analysis (2019-2025)

Ran Vijay Singh¹, Dr. Mukesh Kumar Singh²

¹Research Scholar, Mahakaushal University, Jabalpur (M.P.)

²Asst. Professor, Mahakaushal University, Jabalpur (M.P.)

Abstract

The present investigation uses secondary data analysis to explore the value of tourism to Uttar Pradesh's economy from 2019 to 2025. In light of the state's key religious, cultural, and historic attractions, particularly Ayodhya, Varanasi, Prayagraj, Mathura, Vrindavan, Agra, Sarnath, and Kushinagar, tourism in Uttar Pradesh has advanced significantly. The growing importance of tourists, their economic influence, legislation assistance, infrastructure development, and the key challenges impacting the travel and tourism industry are all considered in this work. Based to the analysis, Uttar Pradesh had a substantial tourism framework before to the pandemic, observed a sharp decrease in 2020, gradually recovered in 2021 and 2022, and then showed rapid growth in a period of 2023–2025 with strong support from pilgrimage tourism and massive religious events. The state's employment, local businesses, accommodations, transportation, handicrafts, and urban infrastructure have all flourished from tourism. Based to the study's conclusion, tourism continues to be a major contributor of Uttar Pradesh's economic success, but expanding it would need enhanced planning, sustainability, and a wider regional equilibrium.

Keywords: Tourism, Uttar Pradesh, economy, religious tourism, secondary data, exploratory research.

1. Introduction

Because it fosters relations with transportation, lodging, food services, local markets, entertainment, and public infrastructure, tourism is a substantial service-sector activity. Because Uttar Pradesh consists of an assortment of religious, spiritual, historical, and cultural venues that bring in tourists from throughout India and internationally, tourism provides an important part in the state. Besides of functioning as cultural centers, such locations like Ayodhya, Varanasi, Prayagraj, Mathura, Vrindavan, Agra, Sarnath, and Kushinagar are also centers of economic activity where tourists generate income for multiple local businesses.

In terms of the inner travel, Uttar Pradesh is currently one of India's main states. Furthermore, the state government has contributed to tourism through significant, event-based tourism industry development, investment promotion, destination development, and policy assistance

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programs. Due to this, tourism is an excellent subject for economic research, specially over the 2019–2025 horizon, covering pre-pandemic growth, the pandemic shock, and the recovery and expansion phase.

2. Need of the Study

The need to feed this study originates directly from recent swift changes in Uttar Pradesh's sector of tourism, which have major effects on the economy. Few basic research studies link these changes to employment, infrastructure, local business, and regional development, considering the fact that several conversations in public center on visitor statistics or prominent locations. The work aids in recognising the ways that utilising tourism influenced Uttar Pradesh's economy during phases of crisis, recovery, and resurgence.

3. Objectives of the Study

1. To examine Uttar Pradesh's tourism patterns between 2019 and the year 2025.
2. To explore how tourism benefits Uttar Pradesh's economy.
3. To ascertain the relevance of heritage and religious tourism in the recent developments.
4. To evaluate how tourism impact local businesses, jobs, and infrastructure.
5. To provide solutions for higher-quality and sustainable tourism economy.

4. Hypotheses of the Study

1. H1: Through 2019 to 2025, Uttar Pradesh's economic output boosted from tourism.
2. H2: Throughout the study period, religious tourism has been Uttar Pradesh's major expansion of tourism driver.
3. H3: The state's service sector has increased overall as an effect of the post-pandemic rise of tourism.

5. Research Methodology

The study relies solely on secondary data and is both descriptive and exploratory in nature. Statistics was compiled from Uttar Pradesh Tourism's official website, Ministry of Tourism reports from the Indian government, and IBEF economic profiles. Public research studies synthesising public figures presented additional recent information indicating the progress of tourism in 2025.

The span of time for the study is 2019–2025. The pre-COVID benchmark year, the pandemic crisis, the recovery phase, and particularly recent high-growth phase consider this time range relevant. Alternative to applying complex statistical approaches, the analysis focuses use of trend interpretation, descriptive comparison, and basic economic explanation.

6. Review of Literature

In accordance with Ministry of Tourism reports, tourism is an important economic sector

since it creates demand in a variety of connected industries, including lodging, dining, transportation, trade, and cultural events. When infrastructure and regulations are in order, tourism can aid in regional growth and destination development.

Uttar Pradesh has a vibrant tourism framework, with religious tourism providing a significant part in the state's growth pattern, as reported by state-level sources. Recent discussions about Ayodhya, Prayagraj, and Varanasi highlight how faith-based travel has risen to be an important source of income in the state. Fortunately the literature also highlights complications with sustainability, urban services, crowd pressure, and standards for district-by-district balanced expansion.

7. Data Analysis and Interpretation

Table 1. Tourist arrivals in Uttar Pradesh, 2019-2025

Year	Tourist visits	Interpretation
2019	53.55 crore	High pre-pandemic tourism base.
2020	Major decline	COVID-19 severely affected travel and tourism.
2021	Recovery started	Domestic tourism slowly returned.
2022	24.87 crore	Strong rebound in state tourism.
2023	48.01 crore	Rapid increase over 2022.
2024	64.90 crore	Strong rise due to pilgrimage and destination expansion.
2025	137 crore domestic, 3.66 lakh foreign	Very high growth linked to Mahakumbh and religious travel.

The tourism a rise illustrates Uttar Pradesh's robust capability to recover. Because of demand for domestic and religious travel, tourism numbers swiftly restored even after the pandemic's significant reduction.

Table 2. Major phases of tourism growth

Phase	Period	Main condition	Economic implication
Pre-pandemic	2019	Strong demand	Tourism supported service activity.
Pandemic shock	2020	Severe disruption	Hotels, trade, and transport were affected.
Recovery	2021-2022	Gradual return of visitors	Local business activity improved.

Expansion	2023-2025	Fast increase in religious tourism	Wider multiplier effect on the state economy.
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Table 3. Key tourism destinations in Uttar Pradesh

Destination	Type of tourism	Economic role
Ayodhya	Religious tourism	Growth in hotels, retail, transport, and construction.
Varanasi	Religious and cultural tourism	Year-round visitor spending and local services.
Prayagraj	Pilgrimage and event tourism	Large event-based economic activity.
Mathura-Vrindavan	Religious tourism	Festival-based trade and hospitality demand.
Agra	Heritage tourism	Hotel business, guides, handicrafts, and foreign visibility.
Sarnath and Kushinagar	Buddhist tourism	International connectivity and regional tourism spread.

Table 4. Tourism and employment linkages

Sector	Type of employment supported
Hotels and guest houses	Reception, housekeeping, food service, management.
Transport	Drivers, operators, booking staff, logistics workers.
Food and beverage	Restaurant staff, local eateries, catering workers.
Local markets	Vendors, shopkeepers, artisans, souvenir sellers.
Tourism services	Guides, photographers, event staff, travel agents.
Public services	Cleaning, security, traffic support, maintenance workers.

Both direct and indirect jobs are earned by tourism. This is one of the principal justifications for why tourism is crucial to the Uttar Pradesh economy, especially for regions with high visitor numbers.

Table 5. Tourism and local business growth

Business area	Tourism impact
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Hotels and lodges	Higher occupancy and room demand.
Restaurants and food stalls	Increase in daily customer flow.
Handicrafts and souvenirs	Better sales through visitor purchases.
Local transport	More income for taxi, auto, bus, and boat services.
Flower and Pooja-related trade	Strong demand near religious destinations.
Event-linked temporary trade	Extra sales during festivals and major gatherings.

Table 6. Policy and investment support for tourism

Indicator	Status
Tourism Policy	Uttar Pradesh Tourism Policy 2022 supports tourism development.
Registered tourism units	1,757 units registered on the portal.
Investment proposals	₹37,688.58 crore received.
Tourism support in CY24 context	₹2,026.06 crore reported for the tourism sector.
CM Tourism Sites Development Scheme	₹400 crore for accessibility and site development.

The state's the tourism sector has increased due to a public policy. Additionally to remaining driven by demand, highways, site development, beautification, and investment promotion all contribute to the rise of tourism in Uttar Pradesh.

Table 7. Tourism and broader state economy

Indicator	Value
Uttar Pradesh GSDP at current prices, FY26	₹30.80 trillion
GSDP CAGR FY19-FY26	11.71%
Tourism target direction in policy discussion	Rise from 1.2% to 5% share in state GVA discussed in tourism-led growth strategy. [cite:6]

Table 8. Religious tourism as a major growth engine

Driver	Evidence
Ayodhya	Rise in visitor interest after Ram Mandir opening in 2024.
Prayagraj	Mahakumbh 2025 drew over 66 crore visitors according to reported

	figures.
Varanasi	Continues as a major spiritual and cultural destination.
Mathura-Vrindavan	Maintains high pilgrimage-based local economic activity.
Spiritual circuits	Multi-city faith travel supports repeated and linked visits.

The primary motivating factor of Uttar Pradesh's recent expansion of tourism is religious tourism. Because local-based pilgrimages generally continue to be strong even when international travel is weak, this provides the state a distinctive advantage.

Table 9. Challenges in tourism development

Challenge	Effect
Overcrowding	Pressure on roads, sanitation, and visitor experience.
Waste management	Greater cost and sustainability issues.
Uneven regional growth	Benefits may stay concentrated in major cities.
Skill gaps	Service quality may differ across destinations.
Data limitations	Hard to measure full economic contribution accurately.
Seasonal/event concentration	Some gains depend on special events or peak seasons.

Table 10. Suggestions for improving tourism-led growth

Area	Suggestion
Infrastructure	Improve roads, signage, toilets, water, parking, and lighting.
Training	Build skills in guiding, hospitality, language support, and digital service.
Sustainability	Strengthen crowd control, waste management, and site protection.
Data systems	Release regular district-wise statistics and tourism spending data.
Regional balance	Promote Buddhist, eco, rural, and heritage circuits beyond top centers.
Community participation	Support homestays, women's groups, local crafts, and small enterprises.

8. Major Findings

1. Before the start of the pandemic, Uttar Pradesh's tourism industry was strong and resilient, and it successfully recovered post the crisis.
2. The main driver to the growth in tourism in recent years has been religious tourism.
3. Employment, small businesses, trade, transportation, and hospitality services are all benefited by tourism.
4. The rise of tourism has been substantially impacted by public policy and infrastructure improvement.
5. In addition to its multiplier implications for numerous local sectors, tourism has a substantial financial benefit.
6. Balanced growth and sustainability tend to be major concerns for the future.

9. Discussion

The outcome clearly demonstrates that tourism has developed to be an important domain of development in Uttar Pradesh. Hotels and well-known locations are not the only elements that make up tourism's economic influence. Local markets, public transport, event services, handicrafts, the flower trade, food sellers and public infrastructure are all endorsed by it.

Religious tourism made a contribution notably to the state's growth. In addition to their continuous and extensive tourist numbers, Ayodhya, Varanasi, Prayagraj, and Mathura-Vrindavan have developed into important economic destinations. In addition to this, Uttar Pradesh has a natural advantage while it comes to domestic tourism, especially for festivals, spiritual travel, and major events.

However, long-term development needs more than merely a boost in tourism visits. The state should improve hygiene for the public, management of crowds, sustainability, destination planning, and the regional allocation of tourism rewards. More stable economic value can be produced through more upscale tourism than by only extremely high tourists.

10. Conclusion

From 2019 to 2025, tourism was a substantial portion of Uttar Pradesh's economy. Through visitor spending, creation of employment, local commerce, infrastructure development, and favourable place branding, it stimulated economic activity. Resilience was shown as well by the tourism industry, which regained well from a pandemic and initiated an upsurge phase with the help of public policies and religious tourism.

The study gets conclusions that tourism is a substantial economic industry in Uttar Pradesh further to serving as a cultural activity. Tourism needs for development to become more inclusive, sustainable, and regionally balanced for long-term success. The contribution of tourism to the Uttar Pradesh economy can be further raised by better planning, stronger information systems, engagement with the community, and better visitor services.

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