

A Study on the Practical Pathways and Optimization Strategies for the Sustainable Development of Rural Tourism: A Case Study of Situ Town in Jincheng City, Shanxi Province

Fanxi Wang^{a*}, Janaka Low^b

^{a,b}Malaysia University of Science and Technology (MUST), Block B, Encorp Strand Garden Office, No. 12, Jalan PJU 5/5, Kota Damansara, 47810 Petaling Jaya, Selangor, Malaysia

^aShanxi Vocational University of Culture and Tourism, No. 17-19, Dachang South Road, Xiaodian District, 030032, Taiyuan, Shanxi, China.

^aEmail: Wang.fanxi@phd.must.edu.my

^bEmail: janaka.low@must.edu.my

Abstract

Taking Situ Town in Jincheng City, Shanxi Province, China as a case study, this paper analyzes the sustainable development of rural tourism from the four dimensions of economy, society, culture, and ecology, based on sustainable development theory and stakeholder theory. The study finds that Situ Town has formed a rural tourism development model centered on “Datiehua” through spatial transformation, cultural resource development, and industrial integration. It has achieved positive results in enhancing tourism attractiveness, promoting employment, revitalizing intangible cultural heritage, and improving the ecological environment. However, several problems remain in its development, including the risk of cultural performativization, an incomplete community benefit-sharing mechanism, insufficient extension of the industrial chain, and increasing ecological carrying pressure. In the future, cultural revitalization, community co-construction, industrial integration, and ecological governance should be further promoted to achieve high-quality and sustainable development of rural tourism.

Keywords: rural tourism; sustainable development; Situ Town.

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* Corresponding author.

1. Introduction

Case studies of rural tourism can be traced back to the late nineteenth century. Rural tourism has often been regarded as a means of promoting socio-economic revitalization or restoring declining rural productivity. As tourists in modern society increasingly seek authentic rural experiences, rural tourism remains highly significant for economic development and cultural inheritance [1]. Since the 1970s, the development of rural tourism has demonstrated its extremely important role in the overall development of the tourism industry and has led to the emergence of new tourism models based on rapidly growing niche markets. Rural tourism, which is based on the three key elements of space, people, and products, attracts a large number of tourists by relying on the distinctive landscapes and abundant local resources of rural areas. These rural areas not only provide leisure and recreational functions, but also promote the comprehensive development of tourists at the spiritual, environmental, and cultural levels [2].

Since the promulgation of the Charter for Sustainable Tourism, many countries and regions have formulated policies related to sustainable tourism, aiming to promote the coordinated development of the economy, society, culture, and environment [3]. With the rapid development of the tourism industry, rural tourism has become an important cornerstone of sustainable tourism development. Today, in many countries and under different contexts, rural tourism plays a crucial role in regional revitalization plans [4]. As an important carrier of economic growth and economic diversification, rural tourism continues to promote local economic development and has become an important force for poverty reduction. In practice, it has broadened household livelihood channels and enriched livelihood assets in both developed and developing countries [5].

In recent years, Shanxi Province has attached great importance to the integrated development of the cultural and tourism industries. The 14th Five-Year Plan for the Integrated Development of Culture and Tourism Industries in Shanxi Province proposes focusing on the development of new forms of business, such as cultural experiences, performance tourism, characteristic towns, and nighttime cultural and tourism consumption clusters, so as to transform the advantages of cultural and tourism resources into industrial and developmental advantages. As an important node city in southeastern Shanxi Province, Jincheng has also continued to promote the layout of the cultural tourism and health-oriented tourism industries, improve the quality of scenic areas, strengthen tourism roads, supporting facilities, and regional coordination, and promote the cultural and tourism industry as an important support for high-quality development [6].

Against this background, Situ Town has gradually become a representative case of cultural-tourism integration in Jincheng. Publicly available information shows that Situ Town was designated as a national 4A-level tourist attraction in 2021. With “Datiehua” as its core cultural brand, the scenic area integrates multiple business forms, including the large-scale live performance Millennium Iron Soul, Shanxi folk customs experiences, local specialty food, ancient street spaces, and leisure and entertainment, thereby forming a distinctive local tourism identity. At the same time, the area where Situ Town is located has undergone a transformation from the development dilemma of having “no underground resources and no above-ground enterprises” to cultural-tourism transformation through the remediation of garbage hills and slag heaps and the reconstruction of village

spaces, reflecting a typical transformation logic of resource-based rural areas [7-10].

The research value of Situ Town lies in the fact that it is not a rural scenic area in the general sense, but a comprehensive rural tourism destination characterized by intangible cultural heritage revitalization, live performances, nighttime consumption, village reconstruction, and cultural-tourism integration. During the 2026 Chinese Spring Festival holiday, Situ Town received a total of 289,100 tourists, representing a year-on-year increase of 136.28%; its cumulative ticket revenue reached USD 6.5782 million, representing a year-on-year increase of 225.55%; and its total operating revenue reached USD 7.8495 million, representing a year-on-year increase of 232.04%. These figures indicate that it has developed strong attractiveness in the regional tourism market [11]. However, a further question remains: does such high popularity and high tourist flow truly indicate sustainable development? Behind its economic growth, has it established stable mechanisms for community benefit, cultural inheritance, and ecological governance? These questions constitute the starting point of this study.

Based on this, this paper takes Situ Town as a case study and, under the guidance of sustainable development theory and stakeholder theory, systematically analyzes the practical performance, constraints, and optimization paths of its sustainable rural tourism development from four dimensions: economy, society, culture, and ecology. This paper aims to answer three questions: first, what are the practical foundations and main characteristics of the sustainable development of rural tourism in Situ Town; second, what achievements has it made in the economic, social, cultural, and ecological dimensions, and what problems does it still face; third, how can a more sustainable, coordinated, and resilient path for rural tourism development be constructed?

Therefore, Situ Town is not only a successful case of rural tourism development, but also an important sample for observing how resource-based rural areas achieve transformation through cultural revitalization, industrial integration, and spatial governance. However, high tourist flow and high revenue do not necessarily equate to sustainable development, and issues such as cultural inheritance, community participation, benefit distribution, and ecological carrying capacity still require further analysis.

2.Literature Review and Theoretical Foundation

2.1 Research Progress on Rural Tourism

Rural tourism refers to tourism activities carried out in rural areas. It can be described as a form of tourism characterized by rural life, providing tourists with valuable opportunities to visit rural areas, appreciate rural charm, and experience local culture and heritage through active participation [12]. Academic research on rural tourism has become relatively mature. Whether in the context of developed or developing countries, four basic characteristics used to define rural tourism have been widely recognized: (1) geographical location is crucial and is usually understood from both geographical and social perspectives; (2) sustainable development is the core value of rural tourism; (3) indigenous communities play a pivotal role in the management of rural tourism; and (4) rural tourism should provide rural experiences. Therefore, rural tourism can be defined as a type of tourism in which specific destination areas are characterized by rural functions, such as traditional, localized, authentic,

remote, sparsely populated, and agriculture-oriented areas, where tourists can become deeply involved at the physical, social, or psychological level [1]. The types of rural tourism include rural tourism, wine tourism, food tourism, hunting and fishing tourism, national park and nature park tourism, religious tourism, cultural tourism, rural camping, ethnic villages, ethnic collections, rural festivals, folk culture, adventure tourism, and health and wellness tourism, such as hot spring therapy [13].

The development of tourism in rural areas helps create new employment opportunities, improve residents' well-being and living standards, enhance rural infrastructure, and provide new recreational experiences. Since rural areas have the potential to preserve traditional culture and ethnic cultural heritage, they can be regarded as important spaces for tourism development. Meanwhile, the support of local communities has a direct and profound impact on the development, quality, and sustainability of tourist destinations [14]. Specifically, rural tourism can increase livelihood options for farmers and is highly compatible with their traditional activities, especially agricultural activities. Because the distinctive natural and cultural landscapes of rural areas attract a large number of tourists, farmers are able to participate in various tourism-related economic activities, such as working as tour guides, selling souvenirs, and operating agritainment businesses, thereby improving their overall living standards. The synergy between tourism and agriculture promotes the sale of agricultural products and brings additional income to rural households [5].

From another perspective, rural tourism should not merely be understood as a form of tourism, but should also be regarded as a tool for promoting the protection and revival of rural society and rural culture. The development of rural tourism can become a dynamic factor in promoting economic growth and prosperity in peripheral areas. It emphasizes the development of diversified and distinctive tourism sub-products, which in turn have a significant impact on the villages and regions involved in rural tourism. In practice, the key issue lies in how to balance the needs and perspectives of different stakeholders and manage them in a fair and efficient manner [15,16].

Based on previous studies, rural tourism is usually regarded as an effective path for promoting rural development and poverty reduction. Therefore, it is necessary to further analyze residents' adaptation to rural tourism as a new livelihood approach, explore the economic impacts brought by tourism, develop assessment tools for measuring the key elements of integrated rural tourism development, and construct a framework for evaluating economic sustainability from the perspective of local stakeholders [17].

Although the development of rural tourism has positive significance, it may also bring certain negative impacts. Some researchers have taken a critical attitude toward rural tourism development, commonly pointing out the possible risks of change, the "commodification" of traditional culture, and environmental damage [18].

2.2 Research Progress on the Sustainable Development of Rural Tourism

Sustainable tourism development has become increasingly prominent in the twenty-first century. In the years before the pandemic, it was regarded as a successful model for implementing the overall concept of sustainable development. It was further consolidated at the international level and became a development model worthy of

promotion, so that various types of tourism activities could generate greater environmental, social, and economic benefits [19]. Sustainable development is defined as meeting the needs of the present generation while ensuring the ability of future generations to meet their own development needs [20]. It is a dynamic concept that has a direct impact on competitiveness, and its principles focus on three core issues: environmental, economic, and socio-cultural development [2]. It aims to achieve an appropriate balance between the use and protection of environmental resources, biodiversity, and human ecosystems, thereby ensuring their long-term sustainability Reference [21]. Its rich content includes establishing sustainable long-term economic operations; providing socio-economic benefits such as employment; offering social services to communities; contributing to poverty reduction; and reducing negative impacts on the receiving environment [22]. For any country, the development of rural tourism must be fundamentally based on the concept of sustainable development and sound governance policies [23].

The sustainable development of rural tourism plays a crucial role in addressing various challenges faced by rural areas. It can promote the joint growth of rural areas in economic, environmental, and socio-cultural dimensions, and serves as an important foundation for formulating rural development strategies. Given that rural tourism often emphasizes experiential value, sustainability, and personalization, its management model encourages the active participation of local residents, community organizations, and government agencies. Since it focuses on local culture as well as the creativity, ecological environment, and culinary characteristics of rural communities, rural tourism can increase residents' income by ensuring their quality of life, inheriting traditional culture, protecting the ecological environment, and creating new employment opportunities [21,24].

The success of sustainable rural tourism can be evaluated through multiple indicators, covering economic, environmental, social, and cultural dimensions. These indicators provide a framework for comprehensively assessing the impact of rural tourism and its capacity to maintain the environment and promote the sustainable development of local communities. Among them, economic indicators constitute an important basis for measuring the success of sustainable rural tourism. Rural tourism has the potential to revitalize local economies and can provide new directions for future development planning, especially in the context of the Internet era, technological progress, machine intelligence, and building informatization. Regions that actively develop rural tourism often attract large numbers of tourists, whose spending on accommodation, catering, and attractions injects vitality into the local economy. Such economic activities can promote the improvement of infrastructure, such as the construction of better roads and the enhancement of public services, thereby further supporting tourism development and benefiting residents. Rural tourism can create employment opportunities and effectively alleviate the problems of unemployment and underemployment that are common in these areas. Investment in infrastructure for eco-friendly lodges and local markets not only serves tourists, but also improves residents' quality of life, thereby establishing a symbiotic relationship between tourists and communities. Accordingly, policymakers can support various tourism activities, attract more tourists to rural areas, improve the infrastructure of tourist attractions, gradually change the situation in which residents rely solely on agriculture for their livelihoods, and thus inject new vitality into the local economy [25,26].

Environmental indicators are also essential for measuring the success of sustainable rural tourism. The core component of this dimension is the protection of natural resources and biodiversity. The effectiveness of

environmental indicators can be further demonstrated through the implementation of environmental protection measures, such as using renewable energy, promoting sustainable transportation, and reducing carbon footprints. Communities that actively participate in composting, recycling, and sustainable agricultural practices can not only reduce their own environmental impact, but also enhance their appeal to environmentally conscious tourists. Community participation in environmental initiatives such as afforestation and wildlife protection helps cultivate residents' sense of belonging and responsibility. These initiatives not only promote environmental sustainability, but also strengthen community cohesion and enhance the overall tourism experience by providing tourists with opportunities for genuine interaction with local conservation actions [25].

Social and cultural indicators play a key role in evaluating the success of sustainable rural tourism, with particular emphasis on the protection of local traditions and cultural heritage. In tourism planning, community participation and the joint involvement of stakeholders are essential, as they help form an inclusive approach that respects local values and priorities. Improving the quality of life of local residents is an important indicator of success. By involving residents in the decision-making process, tourism development can better align with community interests and thus achieve better outcomes. In rural communities that actively participate in tourism planning, community life is improved and cultural heritage is effectively protected, ensuring that tourism not only promotes regional economic development, but also maintains the distinctive identity of the region. For example, tourism projects that respect and highlight local traditions can provide financial support for community development, thereby further improving the quality of life of local residents [25]. Some scholars argue that the most effective way to revitalize rural areas is through community participation or community-based actions. The establishment of sound partnerships between rural residents and external developers can facilitate sustainable dialogue and promote the healthy development of tourism. Effective collective action can enhance community cohesion, identity, and autonomy, while improving the position of local residents in negotiations with external parties; therefore, this model is widely welcomed in developed countries [16]. If rural tourism enhances the autonomy of local residents and strengthens regional local characteristics by employing rural residents, it can also revitalize existing infrastructure and cultural heritage by transforming them into tourist attractions and resources. For this reason, rural tourism should be regarded as a powerful tool for protecting and revitalizing rural society and culture [15]. To achieve the ambitious goals of future tourism development, adopting the concept of sustainable development is both crucial and imperative [19].

Overall, existing studies have produced relatively rich findings on the concept of rural tourism, its development effects, community participation, cultural protection, and ecological governance, providing an important foundation for this study. However, current research mainly focuses on the general development value of rural tourism, while insufficient attention has been paid to the coordinated relationships among the economic, social, cultural, and ecological dimensions in specific cases. Particularly in the context of cultural-tourism integration and intangible cultural heritage revitalization, how to determine whether a rural tourism destination has truly achieved sustainable development still requires in-depth analysis based on specific cases. Based on this, this paper takes Situ Town as the research object and, from the four-dimensional framework of sustainable development, systematically discusses its development achievements, practical problems, and optimization paths.

2.3 Theoretical Foundation and Analytical Framework

2.3.1 Sustainable Development Theory

Sustainable development concerns future development; that is, it involves making continuous efforts for the future while being grounded in the present. Its primary goal is to create favorable conditions for everyone to meet their basic needs. Sustainable development theory emphasizes the coordinated relationship among economic growth, social equity, cultural continuity, and ecological protection. At present, the tourism industry has gradually adopted sustainable development strategies to manage its impacts on the economy, society, and environment. The World Tourism Organization has established the concept of sustainable tourism development, defining it as a development approach that comprehensively considers the current and future economic, social, and environmental impacts of tourism activities. This concept involves meeting the needs of various stakeholders, including: (i) tourists, (ii) the tourism industry itself, (iii) the environment, and (iv) host communities. Sustainable tourism has the potential to promote economic growth, improve people's quality of life, maintain ecological security, promote cultural diversity, and advance world peace. In addition, sustainable tourism can directly or indirectly contribute to the achievement of all Sustainable Development Goals, covering the three major areas of economy, society, and environment. Similarly, the framework of the Sustainable Development Goals also provides a solid guarantee for achieving security and sustainable development [27]. For rural tourism, sustainable development means not only an increase in tourism revenue, but also the improvement of local residents' quality of life, the effective inheritance of cultural resources, and the continuous protection of the ecological environment.

2.3.2 Stakeholder Theory

A community is composed of various stakeholder groups, which are intertwined within networks of actors from private and public institutions. The stakeholders referred to here are defined as "any group or individual who can affect or is affected by the achievement of an organization's objectives." The cooperative behavior among actors and stakeholder groups in a tourism destination does not fully follow purely rational principles, but depends more on the characteristics of individuals within their respective institutions [28,29]. Stakeholder theory holds that both internal and external stakeholders of an organization are crucial to its performance and success; therefore, organizational management should fully consider and integrate the different interests and demands of various stakeholders [30]. Tourism destination development involves multiple actors, including governments, enterprises, community residents, and tourists, and different actors vary in their resource inputs, benefit acquisition, and development demands. Therefore, the sustainable development of rural tourism requires the establishment of stable interest coordination mechanisms and joint participation mechanisms. Based on this, this paper analyzes the development of Situ Town within the interactive relationships among multiple actors.

2.3.3 Analytical Framework of This Paper

Based on sustainable development theory and stakeholder theory, this paper constructs an analytical framework for the sustainable development of rural tourism in Situ Town. Sustainable development theory emphasizes the

coordination and unity of the economic, social, cultural, and ecological dimensions. Therefore, this paper analyzes Situ Town from four dimensions: economic sustainability, social sustainability, cultural sustainability, and ecological sustainability. Specifically, it examines the practical performance of Situ Town in terms of industrial integration and benefit transformation, villagers' employment and community participation, intangible cultural heritage revitalization and cultural inheritance, as well as environmental governance and spatial carrying capacity. At the same time, this paper introduces a stakeholder perspective, focusing on the interactive relationships among multiple actors, including the government, village collective, business entities, villagers, and tourists, and analyzes their roles in resource integration, benefit distribution, community participation, and governance coordination. Based on this, the paper forms an analytical logic of "theoretical foundation—practical performance—problem identification—optimization path," aiming to systematically examine the achievements, problems, and improvement directions of the sustainable development of rural tourism in Situ Town.

3. Overview of the Research Area and Research Design

3.1 Overview of the Research Area

Situ Town is located in Beishidian Town, Chengqu District, Jincheng City, Shanxi Province, China. It is a suburban village with a typical southern Shanxi architectural style, covering an area of more than 164.74 acres, with a residential area of 37.56 acres. At present, it has 3,052 permanent residents and a history of more than 1,600 years. After the reform and opening up, due to limitations in geographical location and development policies, Situ Town once lagged behind surrounding areas. In the late 1990s, under the leadership of the village secretary who returned to the village, the village began to develop rural manufacturing and achieved the goal of becoming a moderately prosperous village within ten years [31]. Today, Situ Town has not only become a popular tourism consumption destination, but has also driven the rapid development of the local economy. Its collective assets have reached USD 147 million (converted according to the relevant exchange rate; all monetary data below have been converted accordingly), all villagers have become shareholders, and its annual tourist arrivals exceed one million [32].

In 2009, Situ Town put forward the slogan of "gathering the strength of farmers and revitalizing farmers' industries" and invested USD 44 million to build Situ Town, a multifunctional ecological industrial park covering 1,000 mu and integrating tourism sightseeing, leisure and entertainment, specialty catering, and folk customs experiences. In 2015, Situ Town began to focus its development on traditional Chinese festivals and made efforts to create the themed activity of the "Most Beautiful Chinese Festival." During the Spring Festival, it generated nearly USD 900,000 in revenue in just 17 days. In 2016, Situ Town further increased its investment and carefully developed a series of key folk culture projects, with Datiehua and the Spring Lantern Festival as the core, the snow play area, agricultural museum, magic manor, and scarecrow park as the focus, and the noodle culture experience hall, Shehuo parade in the park, and old film screenings as supporting activities [33]. It received 1.2 million tourists within 17 days. During the Spring Festival period, the average daily tourist flow reached around 10,000 and peaked on the sixth day of the first lunar month and the Lantern Festival, with a single-day tourist flow reaching 30,000 [34]. In the year of its opening, it achieved USD 7.334 million in

tourism ticket revenue and commercial leasing operating income [35]. During the Spring Festival of 2017, the town continued to launch various activities centered on the theme of “Shanxi New Year,” including Datiehua performances, Shanxi City, folk lanterns, Shehuo parades, snow carnival, parent-child amusement park, and Shanxi food feast. Its tourist sources gradually expanded from Jincheng residents to group tourists from surrounding cities as well as Henan and Shandong, with annual revenue reaching USD 11.7335 million [34]. In 2018, as the tourism market gradually matured, the tourism revenue of Situ Town exceeded USD 14.6682 million [35]. In 2019, Situ Town was selected as one of the first batch of “National Key Villages for Rural Tourism” [36], and was awarded titles such as Shanxi Provincial Rural Tourism Characteristic Brand and National Ecological Culture Village [27]. It is also a typical representative of Shanxi Province’s “Beautiful and Livable Demonstration Villages” [37], and has successively been recognized as a “Shanxi Famous Brand Product,” “Shanxi Characteristic Commercial Street,” and “Top Ten Quality Tourism and Leisure Projects in Shanxi Province” [38]. In 2025, Situ Town received 2.2 million tourists, doubling the number from the previous year; the comprehensive income of the scenic area, including operating income, commodity sales income, rental income, catering income, and guest room income, reached USD 51.3385 million, driving an increase of more than USD 32.2699 million in surrounding industries such as accommodation and catering; the number of jobs increased from 500 to more than 1,000, accounting for about 30% of the village’s labor force [39].

Situ Town has now developed relatively maturely, and the park is mainly divided into two sections: the eastern area and the western area. The western area takes a modern and fashionable lifestyle town as its theme. It is a modern town integrating the natural environment, pastoral landscapes, leisure and entertainment, and lifestyle experiences, mainly including daily rental villas, Happy Farm, specialty catering, and other business forms. The eastern area mainly centers on traditional culture and takes the five-thousand-year folk culture of Shanxi as its theme. It develops Shanxi’s distinctive cultural elements, such as iron culture, vinegar culture, workshop culture, and craftsman workshops, organically combining Shanxi urban folk culture with distinctive folk performances and recreating the prosperous urban scenes of Shanxi in the past. Its main attractions include Liuchi Alley, Traditional Workshop Street, and Millennium Datiehua [40].

3.2 Research Methods and Data Sources

This paper adopts a single-case study method and takes Situ Town as a typical case for analysis. The data mainly come from policy documents, publicly available materials from local governments, official reports released by the scenic area, news reports, and relevant academic studies. Through the classification and textual analysis of these materials, this paper examines the practical performance of the sustainable development of rural tourism in Situ Town from four dimensions: economy, society, culture, and ecology, and further analyzes its existing problems and optimization paths. The selection of Situ Town as the case is mainly based on its evident characteristics of resource-based rural transformation, high degree of cultural-tourism integration, and prominent practice of intangible cultural heritage revitalization, which give it certain regional representativeness and research value.

3.3 Rationale for Case Selection

This paper selects Situ Town in Jincheng City, Shanxi Province as the research case mainly because it has strong typicality and research value. Situ Town did not develop by relying on traditional advantageous tourism resources. Instead, against the background of relatively limited resources and prominent environmental problems, it gradually developed into a well-known rural tourism destination through village spatial transformation, cultural resource exploration, intangible cultural heritage revitalization, and industrial integration. As a national 4A-level tourist attraction and a National Key Village for Rural Tourism, Situ Town takes “Datiehua” as its core cultural brand and integrates multiple business forms, including live performances, folk customs experiences, specialty catering, and leisure and entertainment. It effectively reflects the practical path of rural tourism development in the context of cultural-tourism integration. At the same time, its development process also involves problems such as cultural performativization, insufficient community benefit linkage, inadequate industrial chain extension, and increasing ecological carrying pressure, which can reflect common contradictions in the current sustainable development of rural tourism. Therefore, taking Situ Town as a case helps analyze the practical performance, major problems, and optimization paths of sustainable rural tourism development.

4. Practical Performance of the Sustainable Development of Rural Tourism in Situ Town

4.1 Economic Sustainability: Gradual Enhancement of Industrial Integration and Market Attractiveness

In recent years, Situ Town has deeply explored Shanxi’s historical and cultural resources and actively promoted the integrated development of multiple business forms, including agriculture, forestry, culture, tourism, and health-oriented industries. It has deeply integrated five dimensions, namely “tourism + culture,” “tourism + industry,” “tourism + experience,” “tourism + performance,” and “tourism + marketing.” It has created new culture-tourism integration projects such as Revisiting Old Shanxi, Xiao Erhei’s Marriage, and Yamen Trial, built the Shanxi Fenjiu Cultural Experience Exhibition Hall, Shanxi Vinegar Cultural Experience Exhibition Hall, and Jincheng Intangible Cultural Heritage Iron Pot Production Experience Hall, which integrate product display and sales, created three culturally distinctive streets, namely Liuchi Alley, Yihou Ancient Street, and Intangible Cultural Heritage Folk Street, and launched various leisure and entertainment products such as the zoo and Qixi Garden [41].

Situ Town has planned farming areas and commercial areas within the park. The land in the farming area is divided into rental planting areas and internal planting areas, which can provide rental planting services to consumers [42]. In actual operation, the park has added entrusted management services according to customer needs. Through this operating model, the income from one mu of land has increased from less than USD 100 to USD 2,200, representing an increase of more than twenty times [43]. The internal planting areas of the park are cultivated by villagers from the village, and most of the agricultural products produced are supplied to the catering and commercial areas. In addition, some fresh agricultural products in the park are sold through its own online platform, “Tao Jincheng.” The “Tao Jincheng” online platform is divided into four major sections, covering almost all aspects of daily life. In addition, “Tao Jincheng” will establish a supporting large-scale

warehousing and logistics distribution system to provide rapid delivery services within the urban area and realize a convenient and efficient local online shopping model. Situ Town has also opened a locally distinctive “Jincheng Pavilion” on major shopping platforms such as Taobao and JD.com, using its popularity to promote local specialty products from Jincheng [42]. In this way, it has achieved industrial chain extension, value chain upgrading, and innovation chain formation [41].

As of 2023, Situ Town received 3.5 million tourists annually, achieved an annual operating income of USD 14.6682 million, and the annual per capita disposable income of village farmers reached USD 5,573.89. It also promoted employment and entrepreneurship for more than 2,000 villagers in Situ Town and surrounding villages [41].

It can therefore be seen that the economic sustainability of Situ Town is mainly reflected in the coordinated development of tourism consumption, agricultural experiences, e-commerce sales, and cultural performances. Its key strength does not lie in a single source of scenic-area ticket revenue, but in the realization of diversified income sources through industrial chain extension, thereby enhancing the stability and risk-resistance capacity of the rural economy.

4.2 Social Sustainability: Significant Effects in Employment Promotion and Village Transformation

Situ Town began to develop rural tourism in 2009 by carrying out functional transformation through whole-village relocation, and achieved the goal of industrializing rural tourism in 2015. In 2016, all villagers moved into modern residential communities, while more than 100 former rural dwellings were rented out to support tourism development. While enabling villagers to obtain employment within their own village, the development of Situ Town has also radiated to surrounding areas, showing a development trend characterized by population growth, rising land prices, rural landscape transformation, and the revival of traditional culture. At present, Situ Town implements a system in which all residents hold shares. More than 600 villagers are engaged in commercial business activities, accounting for about 20% of the total number of villagers. During holidays, the daily turnover of many villagers’ shops can exceed USD 1,500, which is equivalent to the income previously earned from one year of migrant work [27]. At the same time, through the construction of agricultural facilities and the creation of an ecological environment, Situ Town has transferred farmers’ land in the village and divided it into individual units for urban residents to claim and cultivate. Villagers can provide technical guidance and services for urban residents in the park, allowing them not only to experience the pleasure of returning to the countryside and relaxing, but also to enjoy healthy and safe green vegetables. For farmers, this approach not only secures their original land income, because the village provides villagers with a subsidy of 500 jin of wheat per mu each year for transferred land, but also enables them to work in the park [35]. This has changed the employment pattern of local residents, shifting it from farming to the tertiary industry dominated by services [11]. Meanwhile, the construction of resettlement buildings in the new countryside has also provided housing security for villagers [45]. Many elderly villagers use their spare time to spontaneously organize cultural and artistic activities, such as opera troupes, senior colleges, and horticultural maintenance, by relying on venues provided by the scenic area. Compared with the previous occupational structure dominated by industry and agriculture, the full development of the tourism economy has profoundly changed villagers’

lifestyle and recreational patterns [27].

The ecological park of Situ Town has also directly promoted the development of local real estate. In the early stage, the village was mainly composed of single-story houses. Today, some well-known real estate enterprises have invested in and built high-rise residential communities near the ecological park, attracting a large number of homebuyers by relying on the natural scenery of the ecological park [42].

Since 2025, Situ Town has received more than 2 million tourists, with operating income from tickets, amusement facilities, folk performances, and other sources exceeding USD 29.3363 million. Its live-action performances are all directed and performed by villagers themselves. Villagers work as staff members during the day and become theatre performers at night. Situ Town has cumulatively enabled more than 1,000 villagers to obtain employment near their homes, with performers earning an average monthly income of USD 733. It has thus developed a distinctive path in which the cultural and tourism industry promotes common prosperity among villagers [45].

Overall, the social sustainability of Situ Town is mainly reflected in the increase of employment opportunities, the improvement of villagers' income, the optimization of public spaces, and the transformation of lifestyles. This indicates that rural tourism has not only changed the rural industrial structure, but also reshaped, to some extent, the relationship between villagers and rural space.

4.3 Cultural Sustainability: Revitalization of Intangible Cultural Heritage and Enhancement of Local Cultural Recognition

Situ Town has continued to make efforts in the excavation, display, and inheritance of folk culture, striving to build the reputation of "celebrating traditional festivals in Situ Town" [35]. In its scene construction, Situ Town has extensively applied traditional Shanxi folk elements, food culture elements, and historical culture elements. By connecting and combining these symbols with memory-based activities that carry the cultural meaning of southern Shanxi, it has enabled tourists to imagine and construct local culture [46]. Relying on the advantages of its thousand-year-old village, Situ Town has successively created Laoguo Alley, which reflects the traditional rural atmosphere of southeastern Shanxi, and Liuchi Alley, a Ming- and Qing-style antique street modeled on Jincheng's old Huanghua Street. These streets with a rich cultural atmosphere have attracted a large number of tourists for leisure and experiential visits. In addition, Situ Town has deeply explored local folk culture, such as the thousand-year-old unique skill of "Datiehua," and has created a series of immersive and interactive performance programs, including the large-scale live landscape performance on coal and iron culture, Millennium Iron Soul, and the large-scale walking experiential drama Revisiting Old Shanxi, thereby highlighting the core value of folk culture. Through these approaches, Situ Town has not only protected and inherited traditional culture and enhanced its own cultural connotations, but also achieved both economic and social development [32].

During the Spring Festival of 2015, with the theme of "appreciating folk customs and experiencing the flavor of the New Year," Situ Town introduced folk performances such as lion dance, dragon dance, stilt walking, land-

boat dancing, and Datiehua into the scenic area[34]. It successfully held the first Folk Culture Festival, which was well received by local residents and outside tourists. Within just 17 days, it received more than 500,000 tourists [35]. In 2017, Situ Tiehua craftsmanship was included in the fifth batch of Shanxi provincial intangible cultural heritage list. In 2024, 108 blacksmiths from Situ Town set the Guinness World Record for the “largest Datiehua performance.” Over the years, Situ Town has successively trained more than 1,000 Datiehua craftsmen. Today, its “Millennium Iron Soul” cultural brand has gone beyond Shanxi and extended into live performance projects such as Millennium Iron Soul · Hunan People and Millennium Iron Soul · Jiangsu Sentiment [45].

In recent years, a relationship of mutual reliance, mutual influence, mutual constraint, and mutual promotion has formed between the development of rural tourism and the protection of intangible cultural resources in Situ Town. The industrialized operation of intangible cultural heritage has developed its economic and industrial value, transforming qualified cultural resources within cultural heritage into cultural productivity and generating economic benefits, which in turn promote the protection of intangible cultural heritage. Situ Town has basically explored a “rural tourism + intangible cultural heritage protection” model suitable for its own development, and continues to advance and develop along this path [40].

Therefore, the cultural sustainability of Situ Town is not only reflected in the display of intangible cultural heritage projects, but also in the process through which intangible cultural heritage resources are transformed into sustainable cultural consumption content through performances, festivals, and brand communication.

4.4 Ecological Sustainability: Remarkable Achievements in Spatial Governance and Environmental Improvement

Situ Town has actively responded to policy requirements by carrying out resource utilization and harmless treatment of waste, while also cooperating with the government in promoting centralized clean heating. These measures have not only improved the sanitary conditions and environmental quality of the village, but also provided villagers with high-quality living standards relatively equal to that of urban areas. At the same time, Situ Town has transformed the abandoned slag hills and landfill sites in the south of the village, built an ecological park, and created a real-life version of “Happy Farm,” thereby providing a basic guarantee for the development of rural tourism [32]. The beautiful scenery of the folk culture town in the village not only provides a favorable living environment for elderly residents, but also enhances villagers’ sense of pride and self-confidence, while subtly improving their cultural literacy [45].

From the perspective of ecological sustainability, the practice of Situ Town shows that resource-based villages do not have to rely solely on traditional resource development; they can also achieve green transformation through environmental remediation, spatial reconstruction, and ecological landscape construction. The value of its ecological governance is reflected not only in the improvement of the village’s environmental quality, but also in the compound transformation of ecological space into tourism space, living space, and public space.

5. Major Problems in the Sustainable Development of Rural Tourism in Situ Town

5.1 The Risk of Performativization Remains in the Tourism-Oriented Development of Cultural Resources

Shanxi Province has rich intangible cultural heritage resources covering various categories. Among them, Jincheng City has 19 national-level intangible cultural heritage projects, 53 provincial-level intangible cultural heritage projects excluding national-level ones, and 50 municipal-level intangible cultural heritage projects excluding national- and provincial-level ones, involving 10 categories such as folk literature, traditional fine arts, and traditional music. However, among the intangible cultural heritage projects developed for rural tourism, except for projects such as Datiehua, paper-cutting, and Dayang Zhuanmian, which are closely related to people's daily lives, have relatively high market demand, have reached a certain production scale, and enjoy relatively high visibility, a large number of other intangible cultural heritage projects still have a low rate of tourism utilization. Intangible cultural heritage projects with limited visibility have not yet been effectively utilized or protected [40]. This not only causes a waste of resources, but also makes it difficult to expand broader markets and maximize value. For example, Shangdang Bayinhui, a once-popular form of folk art, has high artistic and cultural value and was listed as a national-level intangible cultural heritage as early as 2006. However, because it failed to enter a large-scale operational track, it remained in a state of self-entertainment for a long time, leading to a shortage of artistic inheritors, outdated repertoires, and its gradual withdrawal from the historical stage. Although Situ Town features grand scenes, diverse programs, and strong entertainment effects, some venues provide relatively few textual or video explanations of the folk culture embedded in these programs. There is also a lack of tour guides or relevant staff to promote local characteristic culture. As a result, tourists often can only appreciate its external forms, but find it difficult to deeply understand its cultural connotations [33]. Therefore, how to avoid excessive performativization and superficialization of cultural resources in tourism development is an important issue that Situ Town needs to address in pursuing cultural sustainability.

5.2 Community Participation and Benefit-Linking Mechanisms Still Need Institutional Improvement

Situ Town has increased villagers' income through employment, shareholding, commercial operations, and the development of cultural and tourism projects, and has also improved villagers' living conditions to a certain extent. However, from the perspective of long-term sustainable development, there is still room for further institutional improvement in community participation and benefit-linking mechanisms. On the one hand, although some villagers are able to participate in tourism development through employment and business operations, their forms of participation are still largely concentrated at the implementation level, such as services, performances, and commercial activities. Their participation in key aspects such as scenic area planning, cultural display, benefit distribution, and public affairs decision-making remains relatively limited. On the other hand, with the continuous increase in living costs, educational expenses, and medical expenditures, employment opportunities and business income alone are not sufficient to fully meet villagers' needs for a higher quality of life.

Although villagers in Situ Town remain emotionally attached to their hometown and are pleased with its

development, their willingness to return for local development remains insufficient due to their pursuit of higher material and spiritual living standards. On the one hand, this results from the impact of modern culture on rural society; on the other hand, it also indicates that villagers' economic income, welfare subsidies, entrepreneurial support, and public services still need to be further improved in the process of rural development [45]. Therefore, in the future, Situ Town needs to move beyond "employment-driven development" toward "community co-construction," and enhance villagers' subjectivity and community cohesion through more stable institutional arrangements.

5.3 There Is Still Room for Improvement in Industrial Chain Extension and High Value-Added Development

At present, the exploration of the industrialization of folk culture in Jincheng City, Shanxi Province, remains mainly concentrated in the tourism industry, while relatively little involvement has been made in other fields, such as the film and television industry, cultural and creative product manufacturing, the clothing industry, exhibitions, and advertising. For example, local ballads, paper-cutting, dough sculpture, and embroidery techniques are mainly developed through tourism souvenirs. They have not yet been fully integrated into the development and creation of other derivative products, nor have they formed distinctive industry characteristics or independent brands. As a result, their commercial value has not been effectively realized [33]. Some studies have pointed out that, in a survey on the brand characteristics of Situ Town, 70% of respondents only knew about the characteristic of "Datiehua," while 27% stated that they were uncertain about what the distinctive features of Situ Town were [34]. This indicates that Situ Town still needs more systematic planning and implementation in terms of characteristic shaping and brand building. If Situ Town relies on a single core brand and festival-based tourist flows for a long time, its market attractiveness may face periodic fluctuations. Therefore, how to further extend the industrial chain, enhance the added value of cultural products, and strengthen the diversified support of the brand system is an important issue that needs to be addressed for its economic sustainability.

5.4 Ecological and Spatial Carrying Pressure May Increase under High Tourist Flows

Jincheng City has a warm temperate semi-humid continental monsoon climate. Influenced by the continental monsoon, it has four distinct seasons. Generally, spring is warm and windy, summer is hot and rainy, autumn is cool and clear, and winter is cold and dry. The average annual precipitation in Jincheng City is about 600 millimeters, while the annual evaporation is about 2,000 millimeters. In recent years, with the large-scale development of tourism in Jincheng City, water consumption has also increased rapidly. At the same time, affected by climate anomalies and other factors, water resource shortage has become an important factor restricting the development of Situ Town [47].

In addition, Situ Town is likely to experience short-term high-density tourist flows during festival activities, nighttime performances, and holiday tourism periods. Although high tourist flows can bring significant economic benefits, they may also intensify pressure on scenic area transportation, waste disposal, public facility use, water resource consumption, and spatial carrying capacity. Without dynamic monitoring and refined management, high-volume tourism may have certain impacts on the rural ecological environment and the daily

living order of villagers. Therefore, ecological governance and spatial carrying capacity management should become important components of the future sustainable development of Situ Town.

6. Optimization Paths for the Sustainable Development of Rural Tourism in Situ Town

6.1 From “Cultural Display” to “Cultural Revitalization” to Enhance Cultural Sustainability

To enhance cultural sustainability, it is necessary to improve the level of knowledge required for protecting culture and heritage in rural areas. At the same time, efforts should be made to strengthen, cultivate, and encourage the capacity and participation of the community itself, so as to maintain and inherit traditional skills. According to the relevant principles of tourism development, the initiation of tourism should rely on community strength, actively cooperate with villagers, respect rural culture and communities, and effectively protect the original culture of rural areas. In addition, fully utilizing local human resources, respecting local culture and wisdom, and building a community concerned with tourism development will help improve the quality of rural tourism. Therefore, education and training programs are urgently needed to enhance the community’s ability to protect its own culture and heritage. At the same time, popularizing knowledge of cultural protection among tourists will further enhance their awareness and sense of responsibility [12].

For Situ Town, first, traditional villages should be further protected, and folk skills as well as literary and artistic works that possess local cultural characteristics and reflect people’s daily lives should be deeply explored. Particular emphasis should be placed on protecting traditional handicrafts such as Datiehua, preserving tangible rural culture, and reshaping rural memories in the new era, thereby effectively enhancing villagers’ sense of happiness. Second, on the basis of protecting and inheriting traditional culture, traditional folk cultural activities should be promoted and innovated. Literary and artistic workers should be encouraged to go deep into rural areas to conduct field research and create literary and artistic works that are easy to understand and well received by the public, so as to promote creative folk cultural production. Third, rural grassroots organizations should increase cultural exchange activities and improve rural public infrastructure according to the actual needs of villagers. By enriching villagers’ leisure lives, rural life can become more humane and warm. Villagers should be organized to participate in cultural and recreational activities, and guidance should be strengthened to help them transform their leisure patterns. Community activities should also be enriched, allowing more villagers to participate in rural construction and truly experience the improvement of infrastructure and the humanistic environment brought about by rural development, thereby achieving the goal of improving villagers’ sense of happiness [45]. Finally, historical authenticity should be restored as much as possible, and the simplicity of folk culture should be reflected in content, tone, and atmosphere, so that tourists can truly feel its grounded and meaningful cultural qualities. Blind imitation should be avoided, as it may lead to the loss of authenticity [33]. At the same time, Situ Town should also strengthen the construction of its cultural interpretation system. Through exhibition explanations, digital guides, interpretation services, study-tour courses, and interactive experiences, tourists can be helped to understand the historical context and cultural connotations behind Datiehua, Shanxi folk customs, local food, and traditional streets. Only by shifting from simply “watching performances” to “understanding culture” and “participating in experiences” can its cultural sustainability be further enhanced.

6.2 Improving the Benefit-Sharing Mechanism and Strengthening Community Subjectivity

Government agencies or managers should strengthen the construction of the rural social security system and improve the rural social security system, so as to improve people's livelihoods, maintain fairness, and enhance villagers' well-being. First, the rural medical security system should be strengthened to provide villagers with inclusive medical services and insurance coverage. Second, the rural elderly care security mechanism should be improved, including the payment of pension insurance, the establishment of a pension system, and the provision of elderly care service facilities, so as to ensure the safety and dignity of villagers in their later years. Third, villagers should be provided with a flexible and sustainable unemployment insurance system, including vocational training and re-employment support, to effectively enhance their ability to cope with employment risks and unemployment difficulties. Fourth, residents should be enabled to participate comprehensively in all stages of tourism management—from planning and implementation to evaluation—so that they can be transformed into active participants and provide resources, professional skills, and holistic insights for the planning, development, and management of the region and related tourism products [48].

At the same time, strengthening the construction of rural community organizations can enhance villagers' sense of belonging and security. By establishing and improving organizational forms such as villagers' self-governance organizations and residents' committees, opportunities for villagers to participate in community affairs and decision-making can be increased, thereby enhancing their sense of community identity and participation. Long-term and effective cooperation and supervision mechanisms should also be established to make rural decision-making more democratic and to make full use of the achievements of new rural construction to help villagers obtain better living experiences.

While strengthening rural construction, attention should also be paid to humanistic care for villagers, better development prospects should be planned for them, and a healthy and long-term development model should be established. First, villagers and rural college students should be encouraged to return to their hometowns to establish homestays, agritainment businesses, and cultural and creative product projects, so as to enrich the industrial forms within the village, reduce the difficulty of entrepreneurial entry for villagers, and provide professional entrepreneurial guidance, financial support, market access, and other support measures for villagers who are willing to start businesses. This can encourage villagers to develop individual economies, achieve self-employment, and increase their income. Second, talent cultivation should be strengthened, and education and training for villagers should be enhanced, including skills training, vocational training, and entrepreneurship education. Villagers' own demands should be fully respected, a fairer development environment should be provided, and villagers' employment competitiveness and career development opportunities should be improved, so as to stimulate their endogenous motivation. Third, a reward system should be established to commend villagers who have made outstanding contributions to community construction, environmental protection, public welfare, and other fields. In addition, an effective benefit distribution mechanism within the village scenic area should be established to further encourage villagers to realize their individual value and gain social recognition, thereby enhancing their sense of happiness [45].

6.3 Promoting the Integration of Multiple Business Forms and Enhancing Economic Resilience

In terms of the industrialization of folk culture, in addition to promoting tourism industrialization, attention should also be paid to the development of derivative products. For example, handicrafts such as paper-cutting and New Year paintings can be applied, through modern technological means, to the design of book illustrations, advertisements, decorations, clothing accessories, cartoon and animation character images, trademarks, and other products. This can help create exclusive images and customized products that not only reflect cultural connotations, but also possess artistic qualities, combining fashion with elegance. In this way, reputation can be built through branding, thereby promoting the development of cultural and creative industries. Musical elements such as Shangdang Bayinhui and Shangdang Bangzi can also be combined with modern popular music and adapted to gain consumers' favor.

Accelerating the construction of folk culture industrial parks can provide platforms for information exchange and resource sharing in the development of folk culture, while also generating the benefits of industrial agglomeration. For example, artist studios can be established to provide folk artists with favorable working environments, enabling folk artists from different fields to communicate with each other and stimulate creative inspiration; handicraft manufacturing bases can be established to transform handicraft production from workshop-based production to corporate operation. Standardized management models and production methods can not only improve production efficiency, but also reduce resource waste and the costs of repeated construction, allowing products to complete the entire value chain of design, production, and sales directly. Folk culture and creative industry blocks can also be built to host large-scale artistic performances, art exhibitions, or auction events. These activities can not only create economic value through product transactions, collections, and interactions, but also enrich people's spiritual and cultural lives and strengthen artistic cultivation. With the construction of industrial parks as the carrier, the gathering of knowledge, talent, and capital will be promoted, pushing the industrialization of folk culture toward standardization and large-scale development [33].

At the same time, based on the current land conditions surrounding Situ Town, distinctive spaces such as children's parks and waterfront areas can be developed to create multifunctional landscape and leisure experiences. By utilizing natural landscapes and supporting facilities for leisure and entertainment, these areas can be built into sustainable development spaces that not only provide recreational experiences, but also carry educational significance related to rainwater management [47]. In addition, Situ Town should further expand compound business forms such as "cultural performances + study tourism," "intangible cultural heritage experiences + cultural and creative consumption," "agricultural planting + parent-child education," and "nighttime economy + local catering," so as to reduce its dependence on single festival-based tourist flows and a single cultural brand, and enhance the resilience and sustainability of economic development.

6.4 Improving Ecological and Carrying Capacity Governance Mechanisms and Consolidating the Foundation for Green Development

Environmental sustainability is a fundamental factor in achieving the sustainable development of rural tourism Reference [3]. However, the planning and design of most tourist attractions themselves may have certain

impacts on the original natural ecological environment. In addition, buildings, ground paving, and other elements involved in scenic area design may also affect the ecological environment in different ways. Under such circumstances, the principles of sustainable development must be applied to guide the development and construction of Situ Town. In the design process, efforts should be made to obtain greater ecological benefits at the lowest possible ecological cost, so that scenic area construction can better meet the requirements of environmental protection. In particular, traditional agricultural activities should be continuously carried out, and semi-natural environments should be created through shaping and improving rural landscapes, so as to effectively protect and promote the sustainable development of rural landscapes, biodiversity, and natural resource production. At the same time, resource reuse, recycling, redevelopment, regeneration, and value enhancement should be regarded as reference frameworks for sustainable development [47,49].

In the context of high tourist flows, Situ Town should establish a dynamic monitoring mechanism for tourist capacity. Based on changes in visitor flows during holidays, nighttime performances, and peak periods, reservation systems, flow restrictions, zoned diversion, and staggered visiting measures should be reasonably implemented. At the same time, water-saving facilities and rainwater collection and utilization should be strengthened to improve the efficiency of water resource recycling and alleviate the constraints of regional water resource shortages on scenic area development. In addition, mechanisms for waste sorting, sewage treatment, traffic organization, and public space management should be improved to prevent tourism activities from causing excessive disturbance to the rural ecological environment and residents' daily lives. Through the institutionalized construction of ecological governance and carrying capacity management, Situ Town can consolidate the foundation for green development while maintaining its tourism attractiveness.

6.5 Strengthening Multi-Actor Collaborative Governance and Establishing a Long-Term Development Mechanism

The development of tourism in Situ Town is directly related to the economic interests of Jincheng City. Therefore, in the operation and maintenance of relevant low-impact development facilities, scientific management methods should be adopted, with the government serving as the basic regulatory entity. Various forms of monitoring should be used to ensure the sound operation of low-impact development facilities and prevent these facilities from becoming idle or abandoned after completion. At the same time, local staff need to publicize and popularize relevant projects, so that residents of Jincheng can recognize the relationship among rainwater utilization, water environment governance, ecological protection, and low-impact development technologies, and further understand the significance of low-impact development for the landscape design of Situ Town. This can fundamentally enhance local residents' enthusiasm for participating in water resource utilization and protection [47].

Sustainable development practices require comprehensive collaboration and partnerships among stakeholders in order to form an integrated development approach. This recognition also includes the acceptance and implementation of sustainable practices by rural destination operators. Rural tourism operators should establish close cooperation with travel agencies and tourism agents to jointly promote sustainable development practices at the destination. Rural tourism associations should formulate relevant guidelines and establish special

committees responsible for supervising and implementing sustainable development measures in rural areas across environmental, economic, and social dimensions. Fundamentally, all rural tourism operators must actively accept sustainable development practices and cooperate closely with one another in rural areas [50]. Therefore, the sustainable development of Situ Town cannot rely solely on the government or a single operating entity, but requires the formation of a collaborative governance mechanism involving the government, village collective, enterprises, villagers, and tourists. The government should strengthen policy guidance, planning supervision, and public service provision; the village collective should play a role in resource integration, interest coordination, and community organization; operating entities should improve the quality of tourism products and services, while also assuming responsibilities for cultural protection and ecological governance; villagers should shift from passive participants to co-builders and beneficiaries of rural tourism development; and tourists should also participate in destination sustainability through civilized tourism, cultural respect, and environmentally friendly behavior. Only by forming a long-term governance mechanism with clearly defined responsibilities, shared benefits, and collaborative participation can Situ Town transform from short-term growth in tourist flows toward long-term high-quality development.

7. Discussion

7.1 Economic Dimension

This study finds that the economic sustainability of Situ Town does not mainly depend on ticket revenue, but is built on the coordinated development of tourism consumption, agricultural experiences, e-commerce sales, and cultural performances. This result is consistent with the perspective of [51], which discusses the driving effects of rural tourism from the viewpoint of “sustainable livelihoods”, and also aligns with the research orientation of Reference [52], which emphasizes the comprehensive evaluation of rural tourism destinations. The difference lies in the fact that Situ Town relies more heavily on the strong IP-driven model of “Iron Flower performance + night tour performances”. This indicates that the economic resilience of resource-based villages still depends on whether tourism formats can continue to extend toward educational tourism, cultural and creative industries, and vacation-oriented development. The implication is that the economic performance of rural tourism should be measured by the diversification of revenue structures rather than by short-term visitor flows alone.

7.2 Social Dimension

This study shows that Situ Town has produced relatively evident social effects in terms of employment absorption, income improvement, public space optimization, and lifestyle transformation. This finding echoes the requirement of the Ministry of Culture and Tourism that “farmers should be the main beneficiaries and should participate throughout the whole process”[53], and is also consistent with the research orientation of Reference [54,55], which places community sustainability and community governance at the core. It should be further clarified that community participation in Situ Town is currently still more concentrated at the levels of performance, service, and business operation, rather than at the levels of planning consultation and institutional governance. Therefore, there remains room for further deepening its social sustainability. In practice, “employment promotion” should be further upgraded to “governance participation”.

7.3 Cultural Dimension

This study argues that the cultural sustainability of Situ Town is mainly reflected in the transformation of “Iron Flower” from a local craft into continuous cultural consumption content, which has further developed into branded expressions such as Millennial Iron Soul. This result is consistent with the requirement of the Ministry of Culture and Tourism for “creative transformation and innovative development on the basis of protection and inheritance”[53], and is also supported by the explanation of the Jincheng Municipal Government regarding the inclusion of Zezhou Iron Flower and the Situ Town project in the provincial intangible cultural heritage system. Compared with existing studies, the advantage of Situ Town lies in its strong cultural communication capacity, while its limitation lies in the relatively weak cultural interpretation system. Tourists are more likely to watch cultural spectacles than to develop an in-depth understanding of local traditions. Theoretically, this suggests that the “activation of intangible cultural heritage” should not be simply equated with “staged display”. In practice, cultural interpretation, thematic exhibitions, and educational tourism experiences should be further strengthened.

7.4 Ecological Dimension

This study shows that the ecological sustainability of Situ Town is first reflected in the remediation of abandoned mining slag hills and landfills, as well as the reconstruction of ecological spaces, followed by the introduction of tourism functions. This finding is consistent with the policy orientation of the Ministry of Culture and Tourism, which emphasizes “ecological priority and the simultaneous promotion of development and protection”[53], and also aligns with the approach of [52], which incorporates the ecological dimension into the sustainability evaluation of rural tourism destinations. However, the case of Situ Town further indicates that environmental restoration does not automatically equal ecological sustainability. Under the pressure of high visitor flows, issues such as water resource use, waste treatment, and spatial carrying capacity may still weaken the effectiveness of earlier environmental governance. Therefore, in practice, the focus should shift from one-time landscape renovation to regular carrying-capacity monitoring and refined environmental governance.

8. Limitations

This study is a single-case study focusing on Situ Town. Therefore, its findings are more suitable for explaining the development mechanism of “similar rural areas characterized by the integration of culture and tourism”, rather than being directly generalized to all rural tourism destinations. Future research may further improve the external validity of the findings through multi-case comparative studies.

The data used in this study are mainly derived from policy documents, publicly available government information, news reports, and academic literature. First-hand data from interviews, questionnaire surveys, and continuous observation are relatively limited, which may to some extent amplify successful experiences while weakening the practical frictions in the governance process. Future research should further incorporate in-depth interviews with villagers, tourists, and business operators.

This study is a stage-based analysis and lacks long-term tracking data. Therefore, it is difficult to fully identify the dynamic changes of Situ Town under seasonal fluctuations, policy adjustments, or market changes. Future

research should adopt longitudinal data or follow-up surveys to test the stability of the conclusions.

The evaluation of economic, cultural, and ecological outcomes in this study is mainly based on secondary materials and textual analysis. A systematic set of quantitative evaluation indicators has not yet been established, and carrying capacity, benefit distribution, and cultural cognition have not been specifically measured. Future research may introduce structured indicator systems and mixed-method approaches to improve the precision and explanatory power of the analysis.

Although this study introduces a stakeholder perspective, it does not further distinguish internal differences among villagers, such as the interest differentiation among performers, business operators, ordinary farmers, and returning young people. Therefore, the conclusion regarding “community benefits” remains relatively general, and future research should conduct comparative analyses among different groups.

9. Conclusion

The conclusions of this study make three advances on the basis of existing research. First, this study supports the basic understanding that the sustainability of rural tourism should be assessed through the coordinated consideration of economic, social, cultural, and ecological dimensions, rather than being measured solely by tourist numbers and revenue. Second, this study supplements the transformation path of resource-based villages, suggesting that the process of “spatial restoration—intangible cultural heritage activation—performance-driven development—multi-format integration” can generate relatively strong momentum for phased growth. Third, this study revises the optimistic assumption that “community participation automatically leads to sustainability”, indicating that employment and shareholding are only the starting points of community benefits, while institutionalized participation, cultural interpretation, and carrying-capacity governance are the key factors for achieving long-term sustainable development.

Based on this, this study proposes three recommendations. First, a chain of “performance—interpretation—educational tourism—cultural and creative products” should be developed around the Iron Flower performance, so as to enhance tourists’ understanding of local culture rather than merely expand the scale of viewing. Second, a regular mechanism should be established for villagers to participate in planning, benefit negotiation, and project evaluation, thereby advancing community participation from the employment level to the governance level. Third, for peak periods during festivals and night tours, an integrated mechanism involving reservation, time-slot management, water conservation, and waste treatment should be established, so that the outcomes of ecological restoration can be transformed into long-term governance capacity.

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