Pilgrimage boom transforming India's hospitality landscape

Pilgrimage tourism is a cornerstone of India's travel industry, drawing millions to spiritual hubs like Ayodhya, Varanasi, Amritsar, and Rishikesh. These destinations attract devotees from around the world, driving a growing demand for accommodations tailored to spiritual travellers. Hotels in these regions provide clean, affordable stays near temples and holy sites, with services like vegetarian meals, guided transport to sacred places, and spaces for prayer and meditation.

Seasonal Surge and Diverse Demand

Peak pilgrimage seasons, especially during major religious festivals, present both challenges and opportunities. The surge in visitors fuels demand across the hospitality spectrum — from budget lodgings focused on simplicity to premium hotels offering comfort, personalization, and modern amenities. Many hospitality providers now blend traditional values with luxury, elevating guest satisfaction, encouraging repeat visits, and boosting local economies.

Industry Voices on Evolving Trends

KB Kachru, Chairman of Radisson Hotel Group South Asia and President of the Hotel Association of India, notes a shift toward professionalism and structure in pilgrimage tourism. He highlights *Maha Kumbh 2025* as a landmark event, necessitating robust investment in hospitality infrastructure. Destinations like Ayodhya, Varanasi, and Prayagraj are poised for exponential growth with improved connectivity and immersive travel experiences.

Anil Chadha, MD of ITC Hotels, emphasizes the government's vital role in propelling this growth. Integrated pilgrimage circuits, last-mile connectivity, and multimodal transport solutions — including the Vande Bharat Express — are making spiritual sites more accessible.

Hospitality Expansion Across Sacred Destinations

Suma Venkatesh, EVP of Real Estate & Development at IHCL, underscores the steady, year-round demand in this segment. With 24 hotels across spiritual hotspots like Varanasi, Amritsar, Tirupati, and Rishikesh — and a strong pipeline in Ayodhya, Hampi, and Ujjain — IHCL is doubling down on its commitment. In Varanasi, IHCL is adding 100 rooms to the Taj Ganges to meet soaring demand.

Vikram Berry, Area Director, Marketing & Communication, Radisson Hotel Group, shares that half of Radisson's portfolio lies in pilgrimage destinations. Their early move to open the first branded hotel in Ayodhya — ahead of the Ram Mandir opening — reflects foresight into rising demand. Radisson's presence in Katra, Nathdwara, and Amritsar positions it as a premium hospitality leader in the spiritual segment.

Kadmbini Mittal, Regional VP – Commercial, Hyatt India, observes a convergence of spiritual and leisure tourism. New-age pilgrims seek comfort with a cultural connection, leading Hyatt to develop properties in Bodh Gaya, Amritsar, and Haridwar that blend modern amenities with traditional hospitality.

Vishvapreet Singh Cheema, Director of Operations, IHG Hotels & Resorts, says millennials and Gen Z are looking for spiritual fulfilment fused with modern comforts. IHG's properties in Katra and Amritsar are redefining standards with accessible locations, high-quality service, and seamless digital integration.

Rahool Macarius, MD, Wyndham Hotels & Resorts, highlights a growing trend toward holistic spirituality — blending wellness, meditation, and cultural immersion. Wyndham's presence in Katra, Dwarka, and Ajmer — with upcoming sites like Bodh Gaya and Ayodhya — reflects this evolution. Their offerings include satvik meals, spiritual packages, and eco-conscious practices.

Suhail Kannampilly, MD of The Fern Hotels & Resorts, notes a rise in demand for sustainable and personalized pilgrimage experiences. Eco-tourism, digital booking, wellness retreats, and traditional hospitality are central to Fern's approach in serving the modern pilgrim.

Strategic Growth and Investor Outlook

Hospitality brands are tailoring their strategies to evolving traveller expectations. Hyatt, IHG, Wyndham, and Fern all emphasize wellness spaces, sustainable operations, and immersive cultural offerings. Guided tours, prayer areas, health-conscious cuisine, and spiritual workshops are redefining religious travel.

Yet, challenges remain for investors. Fluctuating demand during religious festivals, cultural sensitivities, regulatory complexities, and limited infrastructure can hinder growth. Industry leaders stress the importance of diversifying offerings to ensure year-round appeal and collaborating with local authorities to enhance infrastructure and uphold cultural integrity.

Connectivity as a Catalyst

Improved road, rail, and air connectivity is a game-changer. Cities like Katra, Varanasi, and Ayodhya have seen a spike in visitors due to better travel access. Infrastructure upgrades — such as the Kashi Vishwanath Corridor and expanded airports — have enhanced the pilgrim experience while fueling regional economies.

Mittal from Hyatt points out the interdependence of hospitality and destination development. Hotels benefit from better access, and local communities gain from increased tourism revenue and job creation.

Meeting Expectations of New-Age Pilgrims

Modern pilgrims, especially Gen Z and Gen Alpha, are experience-driven. They seek wellness, mindfulness, and authenticity. Expectations now include digital ease, eco-conscious stays, and personalized services. Hospitality providers are responding with apps, sustainable operations, and culturally rich itineraries.

Cheema from IHG highlights the integration of tech with tradition, offering spiritual fulfilment without sacrificing modern conveniences. Kannampilly adds that blending innovation with heritage ensures relevance and resonance with today's environmentally aware traveller.

Government's Role in Shaping the Future

The government has played a pivotal role through initiatives like the PRASHAD Scheme, multimodal connectivity, and infrastructure funding. The Union Budget 2025-26 earmarked ₹2,541.06 crore for tourism-related infrastructure, skill development, and connectivity.

Public-private partnerships, tax incentives, and destination marketing are fostering a favorable environment for hospitality expansion. Industry leaders, including Kachru and Chadha, agree that a collaborative approach will unlock the full potential of pilgrimage tourism, making India a global leader in spiritual travel.