

**PROBLEMS AND PROSPECTS OF HOMESTAYS IN KERALA:  
A CASE OF CHERAI HOMESTAYS**

*Dissertation*

*Submitted to the University of Calicut in partial fulfillment of the requirement  
for the award of the Degree of Master of Arts in Economics*

Submitted By

**ANEESHA K P**

**Reg. No. AIAWMEC002**

Under the guidance of

**Dr. DHANYA K**

Assistant Professor



**P.G Department of Economics**

**M.E.S Asmabi College P.Vemballur P.O**

**Kodungallur, Thrissur- 680 671**

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**Dr. DHANYA K**  
**Assistant Professor**  
MES Asmabi College

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**CHAPTER 1**  
**INTRODUCTION**

## INTRODUCTION

The potential economic activity in the tourism sector is home stay. It is a novel concept designed for the travel and tourism sector. Through interactions with locals, cultural attractions, social cohesiveness, hospitality, and tourism based on natural resources, it became more well-known to tourists. In summary, home stays serve as a bridge between land areas and tourists. By encouraging home stays, which in turn motivates the community or locals to participate in tourism-related activities? These demonstrated how the residents are engaging in tourism by boosting home stays on their own property, which could lead to the growth of the tourism industry. At first, home stays were not considered to be a profitable endeavor. When happening of massive increase in tourists to tourism areas government encourages local people to operate home stay which may elaborate economic growth. Then operation of home stay is considered as an occupation and provides accommodation facilities to tourists. In early years home stays, a which provide limited facilities and services. Later several facilities services are maintained home stay which is consisted of 2 or 3 rooms along with bathroom facilities. Here home stay provides both income and job opportunities. Here is my study on Homestay development in relation to costal tourism within the area of Eranamkulam district, at Cherai. Data are collected directly from the operating hosts of Homestays through interview schedules.

Travel and leisure activities along beaches, when tourists are drawn to the conveniences and attractions offered by coastal areas, are referred to as coastal tourism. Beaches, water sports, marine life, and local cultural experiences are frequently enjoyed during this kind of travel. Coastal towns with picturesque coastal scenery, fishing communities, and beach resorts are examples of coastal destinations. Coastal tourism is appealing because it combines natural beauty, leisure activities, and cultural aspects to draw tourists looking for a fun and restful seaside experience. Coastal tourism is essential to the growth of home stays because it draws travelers looking for authentic, one-of-a-kind experiences. With a personalized touch, home stays enable visitors to fully engage with the culture and way of life of the seaside community. In order to prosper, home stay operators had to prioritize sustainability, encourage nearby activities, and augment the guests' whole seaside experience.

A somewhat inexpensive way to associate with a culture is through home stay accommodations. It is used to describe lodging arrangements in which visitors pay, either directly or indirectly, to stay in private residences. Accommodations, such as bed and breakfasts, host families, modest motels, and farm stay accommodations. Home stays are referred to as “farm houses” in Australia. The term “home stay” describes a tourist-based lodging establishment, a place where guests reside, where the majority of tourists congregate at the best lodging options. Here, there are home stays that help the locals or the community. Here, gets money from offering the owners’ home stay. Each native has the possibility to work there. These activities may lead to growth in a certain area by providing a well-structured growth in their welfare and quality of life. These could encourage economic growth in the travel and tourism industry.

In order to provide visitors a more genuine and customized hotel experience, home stay development entails constructing lodgings inside of individual residences. This idea promotes cross-cultural interaction by enabling guests to fully engage with the community. Careful planning, fostering connections with hosts, guaranteeing comfort and amenities, and frequently implementing sustainable practices are all necessary for the creation of a successful home stay. By providing a source of income for host families and encouraging a closer bond between visitors and the location, it can boost local economies.

There are some significant factors which leads to establishment of Homestays are,

**Biodiversity and rich resources:** coastal areas have abundant natural resources and a rich niche of biodiversity. These are appropriate for the development of home stays and tourism in this region. Home stays provide travelers the chance to stay in close proximity to ecological destinations.

**Infrastructure development:** There are numerous chances in Coastal areas to construct lodging in this area. In addition to MOTOUR’s involvement in the physical infrastructure improvements, the Ministry of Rural and Regional Development offers home stay owners easy loans to upgrade the caliber of their guestrooms.

**Showcase the cultural performance:** A highlight of the home stay experience is the cultural performance. The Ministry of Tourism provides financing to concentrate cultural performances in order to run profitable house stays.

**Minimal influence on the environment and society:** Home stays have grown on a modest scale. This requires a small amount of area and minimal involvement to build. Hence, staying at home did not significantly worsen the environment or have a detrimental social impact.

**Investment and commercial interest:** In order to generate a profit, home stays have been functioning in coastal areas. Additionally, it guarantees businessmen in the lodging industry financial opportunities.

**Possibilities for local business owners:** With their modest capital, local business owners in Coastal areas can simply run home stays. Family companies can profit from this, which will boost the economy.

## **OBJECTIVES**

- To analyze the push and pull factors of tourism especially Homestays
- To evaluate revenue -Expenditure pattern of Homestays
- To analyses the effectiveness of government aids for Homestays

## **RESEARCH METHODOLOGY**

In order to examine objective of the study both primary and secondary data should be considered here. Primary data which means of direct collection of data and secondary data means of collection of data from recorded papers

### **PRIMARY DATA**

The evaluation of home stay's benefits to operational hosts and the effectiveness of digital platforms on home stays are goals of the study on home stay development in connection to coastal tourism. Here, information is gathered through scheduled direct interviews with home stay operations managers. Questionnaires are used to conduct interviews. Data are analyzed using diagrammatic and percentage techniques.

## **SECONDARY DATA**

Books, papers, articles, and other secondary sources of information are examples of secondary data. The goal of the analysis of the financial contributions made by home stays is to compile data from academic public books, papers, and articles that have recently been published.

## **IMPORTANCE OF STUDY**

Given that the study area is among Kerala State's most popular tourist destinations, it is important to determine whether there are enough accommodations for visitors. Only by offering first-rate lodging options will the government be able to draw in more visitors. This is where home stay units come in handy. It is imperative to verify whether the current home stay proprietors are content with the business and the assistance provided by the government. The purpose of the study is to determine impact of coastal tourism and also to evaluate status of operating hosts at Cherai in Ernakulam district. Analysis of the home stay tourist industry in Cherai, Kerala was deemed necessary in order to shed light on the socioeconomic significance of home stays for the advancement of rural residents in the Eranamkulam district's Cherai Beach Village. The study sheds light on the entrepreneurial perspective around home stay tourism in Cherai, Kerala, and aids in understanding the challenges and prospects associated with this particular business opportunity.

## **LIMITATIONS**

- Major limitations of the study are most of the data provided by home stay operatives is from their memory and recall method. So, the data is subject to recall errors
- Another study is that the study not only consider visitors, but also consider Homestay operatives
- Third limitation is that the study only considers specific time elements.

**CHAPTER 2**  
**REVIEW OF LITERATURE**

## REVIEW OF LITERATURE

**Sutherland et al.** (2021) employ certification data for a range of hotels and other lodging options, such as budget hotels, guesthouses, inns, home stays, traditional Korean hanok, and. There isn't many researches evaluating how certification affects hotel rates and room pricing. The association between internet pricing ratings and accommodation certification for various sorts of hotels has been expanded by this study. The analysis and combination of the data demonstrate that certification of accommodations leads to higher levels of customer satisfaction, which enables accommodations to carry out trustworthy research on premium pricing methods.

**Wang and Yu,** 2020 many travelers have the option of staying in home stays. When it comes to urban housing, tourists place more emphasis on location, surroundings, and amenities than they do on rural lodging. This study examined the impact of urban Home stay purchasing behaviors based on influencing elements for urban homes, as well as evaluations and comments from internet tourists. When choosing their guesthouse, tourists have a tendency to read internet evaluations carefully, focusing especially on negative comments. Thus, it was determined that the online acquisition of urban housing was significantly influenced by online assessments. This study looked at the beneficial effects of online evaluations of urban home stays on behaviors, highlighting the most significant evaluations of the atmosphere, amenities, and services provided.

**Zhao et al.** (2020) “discussing the impact of elements such the demographic features Verified factors include brand, experience, attitude, and consumers' perceived value. These hypotheses are supported by differences in social values, emotional values, functional values, and the combined influence of demographical variables. The study's findings established that one of the main groups using home stays in China is the country's expanding middle class families.

**Khan** (2019) claims that the study identifies the variables that influence travelers' decisions regarding the kinds of alternative lodging. The information was gathered with the aid of a carefully designed questionnaire. It was given to 300 respondents, and exploratory factor analysis was used to identify the factors influencing the choice. Results showed that the main motivators were value for money services, safety, and security. The study's findings suggested that four elements—a secure local attraction, a cozy ambiance, the relationship



between the host and guest, and value for money—influence travelers’ motivation and choice of lodging. Hoteliers should be aware of the latest dimensions in which unique appeal has emerged as a new aspect, namely the availability of web services, the justifiable pricing of the services, and their unique appeal.

**Vo & Nguyen** (2018) investigate home stay based on research done by earlier researchers. The “Tien Giang Home stay Model” was created by the writers of this research specifically for tourist locations.

The study’s findings indicate that there are five components to this home stay model:

- i) Homestays amenities;
- ii) The home stays’ surroundings;
- iii) Quality assurance;
- iv) Safety and security;
- v) Comfort.

The study’s conclusions demonstrated the wide variations in the home stay model’s overall approach to visitor education and occupation.

**Ritthichairoek’s** (2017) study found that highly motivating variables were ordered in five successive orders: cleanliness, host friendliness, local cuisine, the surrounding environment, and two factors—tourist activities and public infrastructure—at the conclusion. Safety was the main deciding factor for guests when selecting residences in Talinghan District. The study demonstrates the effectiveness and management of home stays in the Talingchan District with regard to local and transportation-related aspects, tourist resources and activities, local lifestyle, culture, art, and environment.

According to a study by **Ismail et al.** (2016), customers are sensitive to receiving high-quality service, and visitors’ happiness has been found to increase with higher service quality. The three simple effects have a large and favorable impact on satisfaction, intention, and service quality, as demonstrated by the results. The findings also demonstrate that the association between the caliber of home stay services and the behavioral intention is strongly moderated by tourist satisfaction. The study’s findings also indicate those visitors’ preferences for a revisit will be influenced by their level of satisfaction.

The perception of visitors on their level of happiness and value while staying at **KampungBeng**, a recently recognized home stay in Malaysia, was examined by **Rasoolimanesh** et al. (2016). According to descriptive analyses, the majority of people questioned were under 40 years old, female, and single. Because they may experience a “home away from home” through their home stay, women frequently employ them.

The results of the Investigation showed that home stay visitors thought their worth had a significant beneficial influence on their happiness. Put another way, the tourists were happy when they could see that there were more benefits than expenses associated with staying at the KampungBeng Home stay; they were unhappy when they believed that the costs exceeded the benefits, and they **were** likely to stop using the home stay service altogether. This result is consistent with earlier studies on the effect of perceived value on tourism satisfaction.

**Rermlawan&Tritham** (2016) demonstrated how Thai citizens in Samut Songkhram, aged 20 to 30, behaved like tourists while staying at **Baanrimklong** Home stay. Acquiring knowledge and experience regarding cultural tourism was the primary aim of the excursion. **Baanrimklong** Home stay discovered that Thai visitors were content with cultural tourism in three areas: the environment and natural resources, the hospitality of home stay owners, and the enrichment and added value of their products.

The reasons, attitudes, and views of tourists have a significant Influence on the destination selection process. Furthermore, according to this study report, the characteristics that satisfied Asian guests included cost, food and beverages, hospitality, entertainment, location, transportation, and home stay security. Additionally, Egyptian research looked at the variables that affect customer satisfaction to ascertain whether or not visitors are happy with the cost and quality of service. However, according to assessments of good 70%, weak 18%, and 11%, the majority of tourists in Egypt are happy with the country’s tourism offerings (Athula, 2015).

**Bavani & Associates** (2015) The study discovered that every feature recommended by the model had a major impact on how satisfied guests were at KanchongDarat Home stay. This survey showed that visitors were satisfied with the level of service provided by KanchongDarat Home stay, including the amenities, safety, and service aspects. Every

visitor is satisfied by all three elements, and the management's involvement is crucial in this regard.

In 2015, **Biswakarma** measured visitor satisfaction with an emphasis on home stays. The variables linked to visitors' pleasure throughout their stay were found and identified in this article. They also examine how the latent constructive elements relate to one another and how they affect visitors' overall satisfaction with home stays. This study clearly showed that following exploratory factor analysis, five (five) easily recognized factors were viewed. These latent components, which have 22 construct items pertaining to their happiness with the home stay, are Reception, Local Cuisine & Accommodation, Amenities, Safety, Local Lifestyle & Costumes, and Cultural Performance. For this objective, one opinion statement about general satisfaction for dependent variables was retained. Similarly, there was a high connection between the dependent variable and the five (five) independent variables.

**Yusof & Associates, 2014** Research has indicated that while cultural attractions, leisure activities, and local services have a notable relationship with tourists' satisfaction for cultural patrimony, the only intellectual attribute in tourist motivation has a big link with tourist satisfaction.

**Nguyen (2013)** offered a framework for comprehending the connections between the dimensions of behavioral intents, such as satisfaction, and tourism motivation. The correlation between the total level of tourist satisfaction and the destination's attribution has demonstrated a favorable relationship between tourists' satisfaction and destination loyalty in Duonglam. This outcome demonstrates that those three qualities are neither highly recommended nor worth revisiting for friends and relatives.

An Investigation of the potential and capacity of home stay for the promotion of ecotourism in Malaysia's East Coast Economic Region (ECER) was conducted by **Bhuiyan et al. (2011)**. The examination covered the drawbacks of home stays, including their low standard of convenience, inadequate restroom and restroom facilities, lack of individuality for each home stay, lack of experience with neighborliness, problems with advertising, and lack of purpose. The analysis identified a few challenges that should be taken into account for home stay improvement in ECER, such as brand image concerns, meeting global criteria, office preparation, advertising and advancement, and neediness easing. It was

reasoned that with proper planning and utilization, operational guidelines and the executives, appropriate turn of events, and financial designation in home stay Activity, sustainably growing ecotourism in ECER could be achieved.

The role of psychographics in Malaysia's home stay travel business was examined by **Jamal** et al. (2011a). The experts believed that there is a lack of research on tourist behavior in this area. Despite the surge in home stays, the travel industry has shown a remarkable interest in this item in the past. Thus, they investigated how passengers' perceived value, level of fulfillment, and behavior expectations were influenced by psychographics.

In their investigation, **Jamal** et al. (2011b) looked into the perceived value (from both experiential and practical aspects) that a tourist would place in the local area-based homestay tourism sector. The traveler observed that Esteem was tested and distinguished using five measurements during development: (I) utilitarian value (basement). There are four types of worth that can be identified: practical worth (value), experiential worth (having a visitor connection), experiential worth (activity, culture, and information), and enthusiastic worth.

Twenty important factors were used to estimate these measurements. The results showed that the apparent estimation of local area-based home stay in the tourist business is significantly influenced by utilitarian, passionate, and experiential characteristics. Therefore, it was suggested that in order to increase the overall value of tourists as well as to develop better positioning and development strategies, governments, marketers, and host suppliers should give careful thought to the call for the significance of these worth measurements.

In their 2010 report, **Ibrahim & Rashid** talked about Malaysia's Home stay strategy as well as the growth of rural communities in the country. Improvements in living standards, the creation of rural infrastructure, community funding, and community planning, along with several other beneficial socioeconomic changes and the provision of numerous opportunities for rural areas, have all been made possible by the program. In contrast to conventional lodging and breakfast, the program offered guests enlightening experiences by having two distinct ethnic groups participate in the host's everyday routines, including dining, cooking, and engaging in a variety of other activities with their host families.

According to **Musa** et al. (2010), home stay is one of the key goods that the Malaysian government promotes as part of its efforts to differentiate this cultural tourist offering. The study examined many facets of the residential holiday experience among Kampung Lone Home kids through the use of a diary technique. NVivo software is used to evaluate content from 19 diaries. A model of the stay-at-home experience was created based on the findings, and it included components that explained the various stages of the trip experience. Three unique components have been identified by local experience: “natural experience,” “work, culture, and knowledge,” and “human interaction experience.” This study evaluates the variations in home stay experiences between Chinese and Malaysian students.

**Wang** (2007) investigated the expansion and evolution of “Naxi homestays” in the province of Lijiang, China. This kind of guest home increased after Lijiang was inducted into the UNESCO World Heritage List in 1997. Therefore, by exhibiting their traditional houses, houses enabled these Naxi Families preserve their cultural legacy in addition to increasing their revenue. The people who managed these houses were Naxi locals. A lot of visitors believed that the inns were representative of the “old,” “real,” and “unique” local culture. On the other hand, landlords believed that tourists were uninterested in authenticity and culture. In addition to seeking out visitors in traditional buildings, they also want all the amenities of a hotel. The “Naxi Homes” were progressively updated to modern dwellings that were furnished with all the amenities guests might desire. According to studies, visitors and tourists do not share UNESCO's belief in the quest of truth through “heritage conservation.” The people took the pragmatic stance of “customary authenticity,” as the pursuit of that kind of historical preservation was seen as “real” but impractical.

The **Barnett** (2001) study looked at the places where Maori operators gave guests the truth. It was seen that homesteaders, however in different categories, were able to offer Maori hospitality and an insight into Their culture. This experience is distinctive in that it educates guests about Maori myths and stories while engaging them in fishing, local cuisine, and traditional activities. These companies are positioned so that guests exclusively choose them because of their cultural awareness, and they have decades of experience in the hospitality industry. To prevent the “sale of goods,” it was proposed that the Maoris take charge of how their customs were presented to the guests.

Although one could think of a sector containing bed and breakfasts and inns as a small proportion of the accommodation industry data, Lanier et al. (2000) found the contrary in

their analysis of bed and breakfasts, small hotels, and rural resorts. The annual revenue generated by lodging and breakfast is around \$3.5 billion. After national accommodations in the lodging business (64 percent), the rates for lodging and breakfast were fifty percent for the remainder of the year. However, the average daily rate, or ADR (USD 122 as opposed to USD 79 in the remaining business), is made up for one of those discrepancies by the inns. As a result, there were chances to boost bed and breakfast proprietors' earnings. California has the greatest number of hotels available, followed by New York, Massachusetts, and Pennsylvania.

The most popular advertising channels utilized by travelers and bed and breakfast operators in the US were compared in Lubetkin's (1999) study. He polled guests and B&B managers in separate questionnaires. Discovered and assessed the value of promotions and advertising that are heavily utilized by lodging facilities and guests. The idea that the marketing budget for B&Bs declines as the number of years that they operate has been validated by research. A national poll of over 1,400 B&B visitors provided a summary of the Plumbing signs, according to (Zane, 1997). The guests' top choices for B&B qualities included: (I) a private toilet; (ii) a feeling of seclusion; (iii) a calm atmosphere; and (iv) a guest who recommended the location and restaurants.

With an average household income of USD 73,000, new families made up the majority of B&B visitors and country tourists. Nearly all of them held college degrees, and 36.4% of respondents said they worked in professional capacities. During B&B visits, couples typically spend USD 225.72 per day on lodging, meals, and other items. According to his research, approximately 97% of tourists consider their stay in a small B&B to have been a "good experience."

A study by **Vallen** and **Rande** (1997) examined the performance, market-related characteristics, and driver profile of 79 bed and breakfast establishments in Arizona, USA. In the largest bed and breakfast sector in the United States, it was observed that Arizona had the highest living and income standards for B&Bs. Additionally, it was discovered that operators reduced their marketing budgets and that around one-third of them concurred on the significance of interacting with their business indicators.

In 1997, **Fleischer** and Pizam carried out a national investigation of bed and breakfasts in rural Israel. This document outlines Israel's rural tourist economy's features, expansion,

market share, and contribution. In Israel, the majority of B&Bs were found in rural areas. These employed two individuals on average 83 days a year, worked for brief periods of time, and had an average of eight units. Families with young adults in the 30 to 40 age range who had more income and a high degree of education were the most frequent visitors to these B&Bs. According to research, there aren't many changes in the characteristics of rural tourism around the world. In order to support their farms and augment the family's income, the villagers initially opened a bed and breakfast.

In their examination of 46 states' worth of hotels and breakfast cottages, Poorani & Smith discovered that the payment for larger services was frequently higher than that of smaller ones, including beds and breakfast cafés. According to research, large businesses (those with nine rooms or more) had good overall operational income, total property rehabilitation, and restorative equity compared to poor performance. Not only did major projects outperform smaller hotels in terms of market share, but they also demonstrated greater efficiency. (Smith and Poorani 1995).

## **RESEARCH GAP**

There are many of studies which relatively focus on coastal tourism sector. Relevance of Home stays are explaining broadly. Home stays which provide much of profits to tourism sector and economic growth. Here are some studies are taken by many of economists by considering home stays. Many of economists whom focuses on relevance of Homestays, customer satisfaction of Homestays, urbanization through home stays, coastal tourism developments in light of Home stays, preservation of cultural heritages and traditions through Home stay maintenance, Home stay development and status, home stay related to pricing strategies, impacts of Home stays. All of the above topics are the analysis within the study of economists. This is the study that evaluates problems and prospects of Homestay in Kerala; this study is conducted at coastal area of Cherrai. The studies explained by evaluating Homestays and Home stay operatives. Problems, status and prospects are collectively explained here. The study analyses push and pull factors of tourism, also evaluate revenue pattern and analyses effectiveness of government aid. These studies broadly analyze and interpret collectively by using available Data.

**CHACHAPTER  
OVER VIEW**



## **OVER VIEW**

### **COSTAL TOUEISM**

Travel and leisure activities along beaches, when tourists are drawn to the conveniences and attractions offered by coastal areas, are referred to as coastal tourism. Beaches, water sports, marine life, and local cultural experiences are frequently enjoyed during this kind of travel. Coastal towns with picturesque coastal scenery, fishing communities, and beach resorts are examples of coastal destinations. Coastal tourism is appealing because it combines natural beauty, leisure activities, and cultural aspects to draw tourists looking for a fun and restful seaside experience.

### **HOMESTAY ACCOMODATION**

As an alternative to conventional hotels or other housing options, home stays allow guests to stay in the homes of locals. It provides a more personal and genuine experience by letting visitors fully engage with the customs, daily routines, and local culture of the host community. Home stays offer a unique travel experience and a chance for cultural interaction by renting a room or a portion of a house directly from a host family. This kind of lodging is well-liked by tourists who want to get a closer-knit experience with the place. Coastal tourism is essential to the growth of home stays because it draws travelers looking for authentic, one-of-a-kind experiences. With a personalized touch, home stays enable visitors to fully engage with the culture and way of life of the seaside community. In order to prosper, home stay operators had to prioritize sustainability, encourage nearby activities, and augment the guests' whole seaside experience.

Here are some of the factors which focus on maintaining or establishing Home stay, Or it may cause to relevance of Home stays:

1. Demand and patterns: Examining the market for home stays in coastal areas, seeing new patterns, and comprehending the preferences of tourists.
2. Economic Impact: Assessing the financial advantages of home stay development for nearby communities, taking into account the revenue generated for host families as well as the sector's overall contribution to coastal tourism.

3. **Infrastructure and Amenities:** Evaluating the standard of transportation, utilities, and recreational facilities as well as other infrastructure that supports home stays in order to improve the overall experience of guests.
4. **Sustainability:** Analyzing the social and environmental sustainability of home stay development and making sure responsible tourism practices are followed to preserve local populations' well-being and safeguard coastal ecosystems.
5. **Regulatory Framework:** Gaining knowledge of the laws and rules that control home stay businesses in coastal regions, as well as any obstacles or opportunities for expansion.
6. **Marketing & Promotion:** Examining how prospective guests are introduced to home stays, evaluating promotional tactics, and recognizing chances to increase exposure in the seaside travel industry.
7. **Visitor Satisfaction:** Assessing the degree of contentment among tourists opting for home stays in coastal locations, pinpointing opportunities for enhancement concerning amenities, services, and overall encounter.
8. **Community Engagement:** Examining how home stay programs assist and include local communities, promoting cross-cultural dialogue and environmentally friendly travel methods.

## **GLOBAL OVER VIEW OF HOMESTAY TOURISM**

Each nation's tourism business has developed differently. The cultural and architectural components of the historic structures in the ASEAN countries serve as a common thread connecting them. The local community itself, the changing tourism area, and the diversity of similarities in culture and heritage all demonstrate this. When talking about the possible effects of home stay development on tourism, it's important to consider both the environmental and socioeconomic factors. According to Abdul Razzak et al. (2017), Home stays can stimulate the economic growth of rural communities as a form of community tourism. Home stay was established with the goal of assisting the rural population in raising their standard of living while also introducing tourists to the local culture. A home stay experience will leave you with extraordinary insights on culture, agriculture, and a host of other topics. The elements that define the home stay entrepreneurship component will show how home stay entrepreneurs apply entrepreneurial values. This keeps the tourism business performing well and encourages it to grow even more. An integration program is crucial in

the ASEAN context for fostering culture as a draw for tourists from other ASEAN nations as well as those from inside to enjoy the highlighted culture. The primary reason why customers pay for the packages varies throughout Home stay packages, which include lodging, meals, and community activities. According to the government, Home stays are considered to be a form of tourism experience sales.

### **ASIAN STANDARD OF HOMESTAY**

The tourism sector is growing quickly and has reached a commendable level. Over time, the number of new tourist locations has increased dramatically. But the rise of home stay tourism is a distinct industry and provides a distinct kind of travel. Experience the way of life and learn more about the culture through home stay tourism. Unlike other tourism-related sectors, the members of this group are drawn from the industry itself. For example, hotels that serve as tourist attractions need to consider all factors before starting a program. Compared to other tourism sectors, home stay tourism is unique since it involves the engagement of government authorities, which are crucial in ensuring that all standards are met. The percentage of foreign visitors fluctuates predictably from time to time. Productive tourism that has been improved and developed is categorized as a component of tourism development. Simultaneously, it would spur economic growth in an indirect manner that will help local businesses and the government. Growing numbers of visitors from outside the country motivate government agencies and outside groups to support locals in growing their tourism business and raising their socioeconomic standing. The government takes the effort to assist the tourism industry by giving it various infrastructures and financial advancements. The purpose of this action is to improve community access to training skills and tourism products. The government launched tourism initiatives to boost the country's revenue because of the boom in foreign visitors and their spending. (Johan A. and others, 2009) The lodging programs offered by home stays are one of the initiatives.

The Idea of a home stay is distinct from that of other lodging options, such hotels, motels, or "bed and breakfasts," which are found in urban areas and offer a variety of contemporary amenities. "Home stay" means "stay like at home" when taken as a whole. The distinctive feature of this program is that it's available to any resident who wishes to host. The majority of home stays, particularly in suburban areas where residents still practice their culture, are provided as community initiatives, nevertheless. Cultural interaction is one of the many advantages that homeowners and visitors receive from home stays, which have grown in

popularity (Henderson, J., Chan, Y., Loke, F., & Teo, F., 2004). One of the amenities offered is the chance for visitors to get a true sense of village life by Travelers will have the chance to experience the local way of life, stay with the hosts, and engage with the people. They will also get to see the community's culture firsthand. It is essential to comprehend cross-cultural communication and the distinctions among ASIAN cultures. The local community's socioeconomic standing has improved as a result of cultural tourism, thanks to increased employment opportunities, increased revenue for nearby businesses, and improved infrastructure and services.

Additionally, cultural tourism promotes entrepreneurship, protects cultural assets, and guarantees that international visitors embrace local customs. The opening of homestays in rural areas is perceived to benefit the community because it gives locals a chance to earn extra money for their households while also generating income of their own. The local community benefits from improved socioeconomic development as a result of this program.

## **MALAYSIAN HOMESTAYS**

The importance of authenticity and meaningful experiences in the context of sustainability refers to the cultural values and practices that are still upheld, practiced, and maintained by a society that is uncommon in metropolitan regions (Kalsom K, 2003). Travelers frequently have a different perspective of the culture than residents do, and vice versa. There is a chance for both groups to get to know and comprehend one another's cultures and customs. This may serve as an inadvertent springboard for the global travel sector. To build a sustainable rural development and preserve cultural values for coming generations, cultural preservation is essential. If it is accomplished successfully, it might aid the villagers in improving their capacity for knowledge transmission and communication through cross-cultural interaction. In order to lessen village poverty, it also supports cultural traditions, conservation, and values (Quang, 2016). Since young people have unique perspectives that must be taken into account in order to ensure that the home stay tourist industry can continue, strategies that can draw in young people to build their home stays and cultures are crucial (Samsudin & Maliki 2015). According to Harun's 2017 study, one of the draws for tourists is community-based tourism (CBT), which incorporates communities, particularly young people. Young people choose to oversee home stays for a variety of reasons, including financial gain, support from their families, and even a cozy space to

work. In order to ensure that they can optimize the economy, government support for young is crucial (Harun et al., 2017). Achieving ASEAN Standards requires improving Home stay management, yet maintaining the home stay building's original architecture shouldn't be overlooked. The preservation of the ecosystem is the most crucial aspect of Homestay tourism. According to Heyprakhon & Rinchumphu's 2015 research, 75% of Homestays' architectural design indicated that the owner was using vernacular design. Not only does Homestay architecture preserve traditional architectural heritage, but it also reflects a culture. In addition to local culture, Homestay packages should take into account the significance of this legacy (Heyprakhon, T., & Rinchumphu's, D., 2015). To guarantee more commercial prospects for repeat visitors, Home stay attributes must be monitored and preserved (Ismail et al., 2016). ASEAN tourism development is significantly aided by national tourist organizations (NTOs). Numerous interventions have been made to support the fast growth of the tourism sector in ASEAN nations like Singapore, Malaysia, Thailand, the Philippines, and Singapore (Cruz, 2003). According to Saleh et al. (2013), the Homestay program offers a competitive price and an advantage over other offerings.

Since the 1970s, Malaysia has informally adopted the Homestay concept. During that period, a few locals in Cherating, Pahang, offered long-term lodging to foreign visitors so they may take in the stunning views of Cherating Beach. The host took the tourists to stay with them in their village and fed them breakfast (Amran, 2004). People's participation was not as prevalent at the time, and Homestays offered a cheaper option for lodging than resorts and chalets for those looking to cut expenditures (Yahya et al., 2008). This industry is prospering by engaging in a variety of activities. The Ministry of Culture, Arts, and Tourism Malaysia launched the Homestay Program formally on a nationwide scale in 1995. The host family, the rural community (Home stay committee members, cultural performers, guides, etc.), the already-existing village organizations, and other government agencies began to participate in Homestays by 1995 when they were included into the Ministry of Tourism program (Ramel et al 2010). The first Homestay program in Malaysia, run by the Ministry, is located in Desa Murni, Pahang, and consists of five Homestays close to Demerol. The activists behind the Homestay program went on to establish the Malaysian Home stay Association. The Murni Village community gradually benefited from the Homestay program. By putting money in the hands of the community and utilizing their own understanding of their own legacy resources, the Homestay Program can help to sustainably expand tourism and promote Malaysian culture (Kalsom et al., 2006). The

categories of Home stay operators are as follows: First Generation: those 60 years of age and older; Second Generation: those 40 to 59 years of age. □ Third Generation: individuals aged 20 to 39

## **INDIAN HOMESTAY TOURISM**

In terms of national income, India is currently among the nations with the fastest rates of growth in the world. The national income has benefited greatly from the tourism industry as well. One of the goals of India's five-year plan is to guarantee inclusive growth and eliminate the country's imbalance of payments gap. One type of rural tourism offering is Homestay, which allows visitors to stay in private homes, eat food prepared on-site, take in the peace and quiet of the surrounding countryside, and learn about the local way of life, culture, and customs. Through this program, guests can witness the customs, values, and way of life of the locals, giving them a taste of rural living in a pure setting. This alternate type of lodging lets visitors stay with particular families so they can engage with them, experience their everyday lives, and learn about the culture of the host family (Abu, 2009). The idea of Homestay tourism was expanded upon and defined by Lynch et al. (2009) as a private commercial residence that permits contact between hosts and guests. In contrast to traditional tourist settings, rural Homestays provide visitors an intimate look into the everyday life of villagers and provide a unique opportunity to engage with the local community (Dolezal, 2011). The phrase "Home stay" was first used in America, where international students attending American universities would stay as family members in the surrounding communities with local families. Home stay tourism has already grown in a number of nations, including Malaysia, Thailand, South Africa, Nepal, and so forth.

**CHAPTER 4**  
**DATA ANALYSIS AND INTERPRETATION**

## **DATA ANALYSIS AND INTERPRETATION**

An analysis is taken on the basis of collected data. Where analysis and interpretation are accessed by evaluating collected Data. Here 50 sample are takes to the analysis. The 50 samples are the 50 Home stay owners. Data are collected directly from owners through interview schedules.

Cherai is a coastal area where most of costal tourism activities are conducted. There are above 100s of Homestays occupied. Large number of tourists pleased for each of Homestays. There were an experienced Homestays included here. Some Home stays have 23 years of experiences; some has 16 years of experiences. Some of them are new starters. But majority have a business mind in Homestay occupation. At present contest Homestay is the best idea to make a start-up in businesses. Was each one can invest their shares. There was an increased participation of youth into Homestays by seeking businesses. But majority of owners are elders whom have high experiences in this field.

## **HOMESTAY FACILITIES**

### **ROOMS PROVIDED BY HOMESTAYS**

Here is the table which shows facilities with Homestay rooms. Home stay will be including both single rooms, shared rooms, double rooms and family rooms. In Cherai most of rooms have sea views. There will be a better facility may apply within rooms. Here is the analysis were, data are collected from 50 despondences. Here most of Homestays provide single bedrooms only few of Homestay won't provide double rooms and family rooms. That is 14% of Homestays can't provide shared rooms because of their limited services.

Where most of Homestays provide room services are needed. They commonly provide ac and non ac rooms, kitchen accessing that means guests can cook in their own interests. Breakfast also provided hot water and drinking water facilities, a safe and clean bathroom are provided.



## **RENT PER ROOM**

Within Home stays operation there should be provide a room that are pleased. Here rooms are categories into single room, double room, standard family rooms, doubles rooms including private rooms, double room with view, double room with ocean view, double room with lake view, and family room with lake views. Here varieties of rooms are provided within Homestays. Each of the rooms its own price by determining its facilities. Getting into deep let's evaluate a price of a double room where provide facilities are needed. AC, fan, sound Prof, toilet paper, private entrance, printing table, iron and free Wi-Fi are the services provided here. This type of rooms should be priced to 900-1300.if there any views can catch up with the rooms or an additional balcony is consisting then the price of double room Will be 1300-1500. If the double room has ocean view, then the price will be higher into 1500-1800. This criterion is same in family rooms. A family room had relevant amenities have price tag of 1500-2000. If there any sea views were attached along with balcony there wills an increase in price tag, price will be 2000-2800. From given data there is an importance to sceneries along with facilitated rooms. Most of tourists prefer budget friendly ocean scenery attached balcony rooms. So, there will be an increased price tag for certain rooms.

## ATTRACTIVE FACTORS OF HOMESTAY

**TABLE 4.1**

<b>ATTRACTIVE FACTORS</b>	<b>FREQUENCY</b>	<b>PERCENTAGE</b>
Beauty	42	84%
Calm and quiet	44	87%
Suitable climate	43	83%
Ecotourism	34	78%
Medical treatment	39	68%
Affordable rate	45	90%
Easy transportation	40	80%
Authentic local experiences	47	93%

From the above data we can evaluate that the major attractive factors within the Homestay. Home stay is an attribute where most attractions are to focus tourists. Let me explain that the attractive factors which within Homestay, Beauty of Home stay, suitable climate, ecotourism, medical treatment, affordable rate, easy transportation, booking mode. All of the factors are having a common purpose to earn profits through an increased rate of accommodation. It also attracts tourists. By analyzing response of 50 samples majority of them state that there has affordable rate of rooms. Even both local and foreigners can equally accommodate that is 45 of respondents state on affordable rate. 40 of respondents state there has easy transportation. Where tourists can attain a travel friendly room. 42 of them state they have visual beauty in their site. So, it may be able to attract tourists. Only 39 of owners provide medical treatments. Medical treatments include spa, ayurvedha treatments are mainly focuses on foreigners. Ecotourism and suitable climate are the basic attractive features of home stays. Here just 34 and 43 of owners maintain them. 47 of state Homestays provide authentic local experiences in an overall analysis.

## FACILITIES PROVIDED BY HOMESTAYS

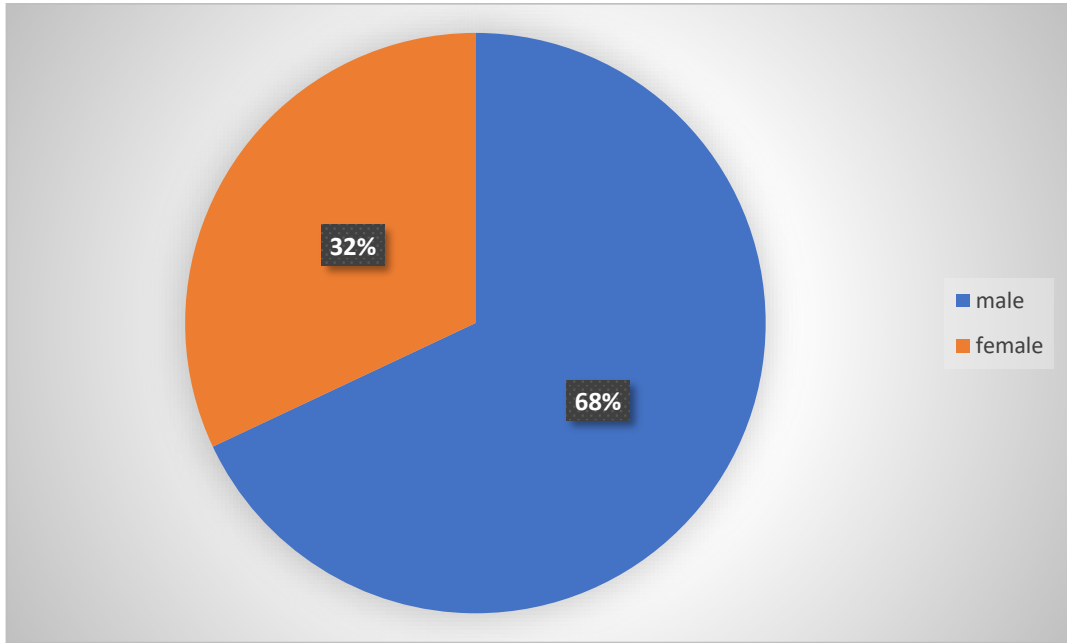
**TABLE 4.2**

<b>FACILITIES</b>	<b>FREQUENCY</b>	<b>PERCENTAGE</b>
Attractive rooms	44	88%
Entertainment	43	87%
Hotel facilities	42	84%
Breakfast	45	90%
Transportation assistant	44	84%
Boating	37	74%
Extra activities	38	76%

Here are some facilities provided by home stays, which leads to a boom within the industry. There are the facilities, attractive rooms, entertainments, hotel facilities, breakfast, and transportation assistant, boating and extra activities. Majority of home stays provide breakfast to the guests that are 45 response. 44 of owners provide attractive rooms and 42 of them provide hotel facilities, that relevant to the tourists. 44 of owners provide transportation assistants and 43 of them provide entertainment activities to guests. So, visitors can enjoy their happy moments, also by a help of transportation assistant they can go anywhere, because an assistant should be a well experienced employee. Only 37 of owners provide boating facilities. By a boat rises an guests can enjoy their trips. Only 38 of owner is made an extra activity. Where 43 of Homestays provide an entertainment activities within the accommodation which includes games, game centers, play grounds etc. Above the information are on the basis of data collected from home stay owners.

## NUMBER OF WORKS WITHIN HOME STAYS

FIGURE 4.1



Above data analyses that the total number of workers within Homestays. There are number of workers from different gender, where male and female staffs were considered. Also, non-Kerala employees are consisting. In each of Homestay's majority of employees were male staffs. Most of section is controlled by genes. Here 68% of male staffs working within Homestay. Only 32% of women employing in this field. In short most of the fields are dominated by men. Women may not be concern about Homestays.

## CATEGORY OF WORKERS

TABLE 4.3

JOB CATEGORY	MALE	FEMALE	NON-KERALA
Receptionist	8	39	3
Assistant	44	1	5
Cleaning staffs	9	18	23
Cook	33	2	15

By analyzing above data there some job categories within Homestays. Here employees are listed into 3, men, women and non-Kerala. Job category was analyzed by examining works position. There were 50 responses. Job categories listed into 4, Receptionists, Assistant, cleaning staffs and cook. Where, within reception category 39 of workers will be female, 8 of male, only 3 is non-Kerala workers. Most of Home stays women work as receptionist. Only few of male control reception area. Non-Kerala haven't enough knowledge or qualification so they are mostly hiring into an riskless jobs. Only hire to reception when they have enough qualification and experiences. Large number of male staffs will be work than female staffs in assistant section. Most of men have ability to handle any of situations, so men can assist their customers. They also provide traveling assistance. Women and non-Kerala were only 1 and 5. Only gave assistant job to women and non-Kerala when they have enough quality. Majority of non-Kerala where hire into cleaning staffs, because of their lack of knowledges. 18 of women have hired to cleaning staffs. Only 9 of male hire to this section. Cooking staffs will be controlled by men only 4% of female is included. Compare to other category non-Kerala have advantage status in cooking areas. Non-Kerala dishes probably made by non-Kerala.

## WAGES OF EMPLOYEES WITHIN HOME STAYS

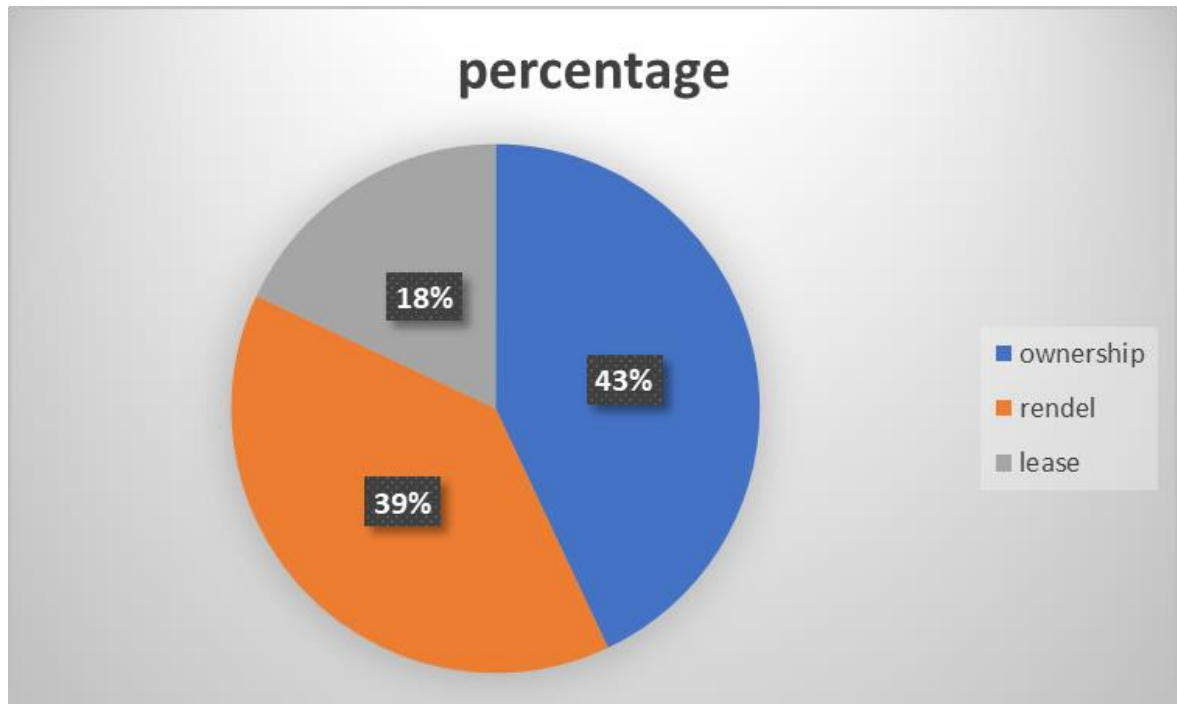
**TABLE 4.4**

<b>SALARY</b>	<b>MALE</b>	<b>FEMALE</b>	<b>NON-KERALA</b>
100-500	2%	68%	30%
500-1000	45%	17%	38%
1000-1500	97%	3%	4%

From above given table can access salary chart of employees. Where salary must be listed into 3 sectors. In first section 100-500, where daily wages get to employees. Where most of 68% salary is gain to female staffs, 30% of the salary is get to non-Kerala staffs. Another section of salary is 500-1000, where 45% of male works more than of female. 17% female only consist here. One last section of 1000-1500, where 97% of male gain salary and only 3% and 4% of female and non-Kerala staffs also get. Here is the data which shows majority of male get a higher amount as salary. They were capable to do any of jobs and also have better qualifications. Here women have qualification, but there are some barriers to handle any of work them self. Most of non-Kerala have ability, but they haven't enough qualifications.

## OWNERSHIP OF LAND

FIGURE 4.2



Here is the table which labeled that ownership of Homestays. Where from available data, 43% of Homestays operated within their own property. 39% of Homestays operated in rental properties. Only 18% of Homestays operated in lease.

## INITIAL INVESTMENT ON HOME STAYS

**TABLE 4.5**

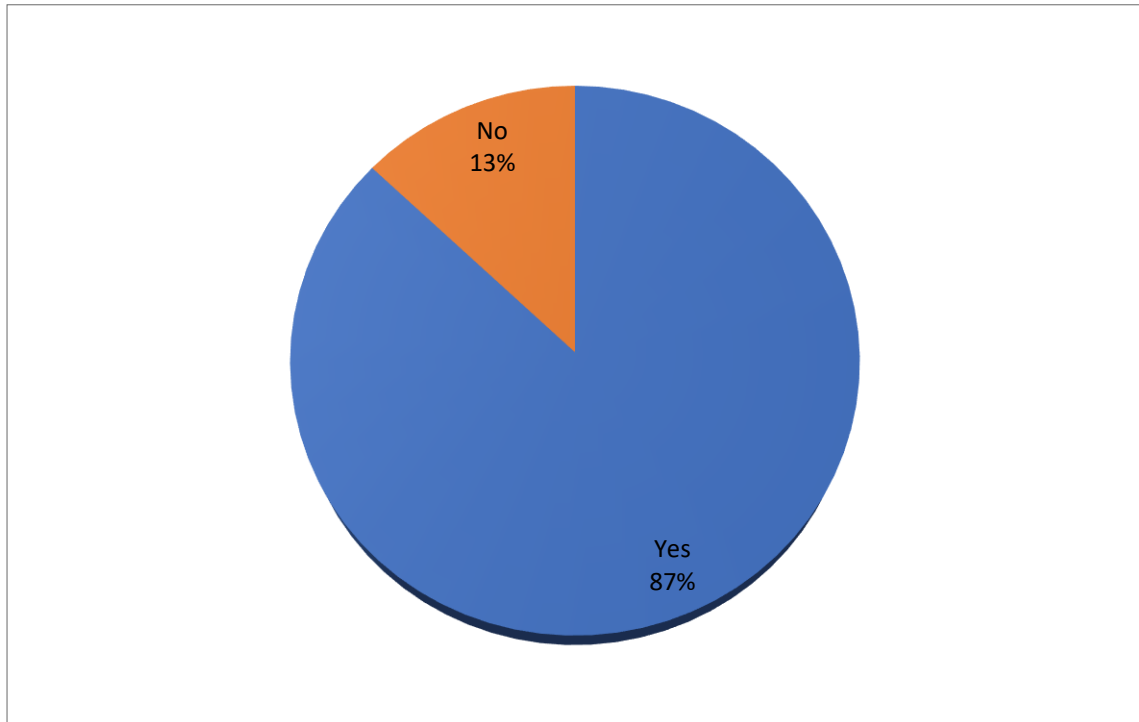
<b>INVESTMENT</b>	<b>FREQUENCY</b>	<b>PERCENTAGE</b>
Below 15 lakhs	13	26%
15-30 lakh	25	50%
Above 30 lakhs	12	24%

Here is the chart on initial investment in which most of Homestays have invested 15-30 lakh own Homestay operations. Where 50% of owners invested on operations. Only 24% of owners invest above 30 lakh and 26% of owners invested 15-30 lakh. Here is the analysis most of Homestays operated by providing affordable suppliers. From given sample 12 of owners invested above 10 lakhs at initial stage. It maybe they have budget or better financial assistance. 13 of despondences only invested below 5lakh. Because of they have limited budget. Majority of 50, 25 of owners invested 5 to10 lakhs.



## LOAN FOR HOME STAY OPERATION

FIGURE 4.3



Here is the data which shows response of Homestay owners on any loans that are borrowing for their working. From the 50 sample,87% of owners have paying loans that are taken for their better services.13% of owners haven't any loans maybe they have high finance. They borrow fund to alter their services using the loans are provided. Fund can be available from banks and other government agencies also from money lenders.

## SOURCE OF FINANCE TO HOME STAYS

**TABLE 4.6**

<b>SOURCE</b>	<b>FREQUENCY</b>
Bank	34
Money lenders	16
Government agencies	0

From the above table we can access the source of money drive to Homestay operations. Where we have 50 of samples, within the samples 34 of owners lending loans from banks that is 68% of total. Only 16 of Homestays borrow from money lenders. There were many government agencies that provide finance to tourism. But any of financial aids would not be getting to Homestays. Government funds are hold within government officials.

## INITIAL COST OF HOME STAY OWNERS

**TABLE 4.7**

<b>EXPENDITURE</b>	<b>FREQUENCY</b>
Below 10 lakhs	1
10-20 lakh	4
20-30 lakh	24
Above 30 lakhs	21

Here is data which shows which show an initial cost in operating Homestays. Where collected 50 samples 24 of owners have expenditure of 20-38 lakh at initial stage. Also 21 of owners have cost of above 30 lakhs, 4 of owners have 10-20 lakh and only 1 have cost of below 10 lakhs. The data state that only few of owners have cost of below 10 lakhs, which means they much not be work for Homestay. They invested just a little amount on Homestays and at initial stage they have limited services. 24 responded from the sample have cost of above 30 lakh, which means they provides most of the facilities were needed.

## REVENUE PATTERN OF HOME STAYS

TABLE 4.8

MONTHLY INCOME	FREQUENCY
Below 1lakh	0
1-2 lakh	10
2-3 lakh	23
Above 3 lakhs	17

From above analysis there are some information can attain collectively on the basis of revenue pattern. Here is the monthly income chart of Homestay owners. Where 23 of given despondences have earn 2- 3 lakh per months. Which means they have high profits. From the given data 17 of owners have earn above 3 lakhs, which means they also earn profits. An average of 1-2 lakhs was earned by 10 of owners, which means they have got income through working home stay. Or earn income for living standard. There were all owners earn profits, which means there is a less chance for loss.

So came into Revenue and Expenditure pattern, most of Homestays attain a financial gain or profit from Homestays. There will be a profit than loss. Because within Home stays private can be determined by owners. Prices can be flexible. So, there is a chance for increasing price basis on seasons, which may help owners to attain a target profits. There should be a tied competition between Homestay owners. Everyone should be in alert on their growth.

## PROBLEMS WITHIN HOMESTAY WORKING

TABLE 4.9

PROBLEMS	FREQUENCY	PERCENTAGE
Cost of production	48	96%
Climate variation	39	69%
Water problem	49	98%
Increased salary	44	88%
Lack of technical knowledge	35	70%
Loan repayment	43	87%
Limited local employees	27	54%
Lack of training	47	94%

For the better operation of Homestays owners much be check whether there were no any difficulties were occurred. Here are some problems that faced by home stay owners are Cost of Production, climate variation, water problem, increased salary, lack of technical knowledge loan repayment limited local employees and lack of training. From given 50 samples majority of them faces a most of the problems listed here. Then there were had multiple responses of owners. Cost of production is the problems faced by owners where 96% responses are stated. From the given sample 48 respondents have faced cost of production. Cost of production is the important problems in running Homestays. Climate variation is a problem, and change in climate leads to flexibility within Homestay operation. When climate changes there will be decrease in demand for Home. 39 of respondent's state on problem of climate variation. So, there Is only need for calm and quiet atmosphere. Water problem is an important problem in Costa areas. A pour drinking water facilities are compliment within Homestay working. There were only get salty water so, there were huge amount is needed to purify. So, 49 of respondents States on it. Wage of employees are another problem. Each of workers needs to get a salary for their work. Then an increase in their salary may also leads to make a financial problem to owners. 44 of respondents have state on increase of salaries.

At present contest technical awareness is an important component. Most of owners should have knowledge in technology. Otherwise, there will be a chance of conflict within Homestay industries. 35 of respondents have state that existence of lack of knowledge in technology. From given 50 samples 43 of owners have paying loans to banks and other money lenders. Most of them paying to banks. They have taken loans on their property enlarge or alter their services basis on trend. If there any better services were needed, they use fund from loan to upgrade their industry. Here is a competition between Homestays, so there will be borrowing and lending. 27 of respondent's state that there are limited local employees, which means salary within Homestays is very low. So, the locals demanded less in work with Homestays. Mostly non-Kerala employees are commonly working here. Lack of training is an important one there should be an instructions and resources for working employees within Homestays. But 47 of respondent's state that there is existence lack of training programs.

## **PROSPECTS**

### **GOVERNMENT INITIATIVES**

Government provides initiatives or supports up lift tourism sector. State tourism offices are also essential in providing funds for tourism-related initiatives. The goal is to create tourist initiatives such as the development of significant locations, ecotourism sites, rural and adventure tourism destinations, and tourism spots. The state tourist department and the development of health tourism also provided financial support to a range of stakeholders, including home stay owners, travel agencies, and tour operators. The tourist industry is also financed by the tourist Finance Corporation of India. One of the main organizations supporting travel-related initiatives in India is TFCI. TFCI is typically regarded as financial help for projects that require at least Rs 20 core in capital expenditures. Tourism-related industries are also funded by the Indian Tourism Development Corporation. Funding for the construction of hotels and other facilities connected to hospitality. It sought to retain the world-class industry while fully satisfying the growing demand for lodging. For the first five years, industrial tariffs on electricity charges will apply to tourism initiatives that are categorized as responsible tourism projects. Additionally, the highest ceiling limit for the investment subsidy is Rs 20 lakh

## RESPONSE OF OWNERS ON GOVERNMENT SUPPORT

**TABLE 4.10**

<b>GOVERNMENT SUPPORT</b>	<b>FREQUENCY</b>
Yes	48
No	2

Above given table which shows a response of owners about the government supports to home stay operations. Government provides many of initiatives or financial assistance through some project. Where 75, 00,000 of financial funds are provided within projects. There were funding institutions in state departments. But there was any assistance would not get to owners. There is a policy that wouldn't implement. So, there was no any financial support gain to owners. They operate in their own risk. From the given sample 48 of owners commonly state that, they haven't got any support of government. They were state government haven't any response on maintaining ecotourism in Cherai.

### **SUGGESTION OF HOMESTAY OWNERS**

Cherai is one of the most ecotourism centers which is only marked in world map. But at currently there were no any maintained programs by government. Government agencies wouldn't focus on ecotourism development. They show laziness in the tourism sector. Within Cherai Street some public properties are destroyed. But government wouldn't take any action to rearrange them. An only suggestion is to get government supports that are necessary. And government should make sure responsible on tourism sector. Also provide markets to promote their own tags. All of assistants are written in policies, but none of them haven't maintained. So, government should regulate and maintain assistants.

## STATISTICAL APPLICATION

Garratt ranking is a tool used to analyse the Rank position of attractive factors and facility factors within Homestays. We may Rank the options (factors or facilities) provides within Homestay basis on response of owners. Garratt ranking was developed by Dr. Garratt. Garratt ranking is the method used to evaluate and rank policy instrument or options based on their potential effectiveness in achieving a specific policy goal or objectives

### CASE PROCESSING SUMMERY

#### CASE -1

ATTRACTIVE FACTORS	FREQUENCY
Beauty	42
Calm and quiet	44
Suitable climate	43
Ecotourism	34
Medical treatment	39
Affordable price	45
Easy transportation	40
Authentic local experiences	47

This is the above table which shows response over attractive factors within Homestays. Where rank position of the factors can be evaluate using Garratt Ranking.



<b>Rank</b>	<b><math>100(R_{ii}-0.5) \div N_j</math></b>	<b>%position</b>	<b>Garratt value</b>
1	$100(1-0.5) \div 8$	6.25	80
2	$100(2-0.5) \div 8$	18.75	68
3	$100(3-0.5) \div 8$	31.25	60
4	$100(4-0.5) \div 8$	43.75	54
5	$100(5-0.5) \div 8$	56.25	47
6	$100(6-0.5) \div 8$	68.75	41
7	$100(7-0.5) \div 8$	81.25	33
8	$100(8-0.5) \div 8$	93.75	21

Let's we make that factor in the form of F1, F2, F3, F4, F5, F6, F7, F8. Which means we have 1 to 8 ranks. Let's list the factors into rank position basis on responses. Then we will get each response over 8 of factors. Let's calculate the % position using the formula  **$100(R_{ij}-0.5) \div N_j$** .

**$R_{ij}$** = 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup>, 7<sup>th</sup>, 8<sup>th</sup> Ranks

**$N_j$** = Total Rank given by 50 respondents =8

Another step is to find Garrett value from given from Garratt ranking conversion table by matching % position

<b>FACTOR NO:</b>	<b>TOTAL</b>	<b>AVERAGE</b>	<b>RANK</b>
F1	3068/100	30.68	4
F2	3355/100	33.55	3
F3	2953/100	29.53	5
F4	2422/100	24.22	7
F5	1598/100	15.98	8
F6	3481/100	34.81	2
F7	2677/100	26.77	6
F8	3725/100	37.25	1

It is another step to find average by Garratt vale with given response factor ranking, also add total ranks on given factors separately. Let's divided the total ranks response of factors with 100. Then we will get the average of responses. Rank the average value basis on its value from highest to lowest.

<b>FACTOR NO:</b>	<b>FACTOR</b>	<b>RANK</b>
F1	Beauty	4
F2	Calm and quiet	3
F3	Suitable climate	5
F4	Ecotourism	7
F5	Medical treatment	8
F6	Affordable price	2
F7	Easy transportation	6
F8	Authentic local experience	1

By an evaluation of the attractive factors within Homestays using Garratt ranking which explains relatively ranking positions within the factors. Where authentic local experiences are the most attractive, can easily influence the foreigners, which have first rank compare to other. Medical treatment has the low rank value.

## CASE -2

Each of Homestays have provide facilities along with their accommodation. Facilities which consists of attractive rooms, entertainments, Hotel facilities, Breakfasts transportation assistants, Boating and other extra activities.

<b>HOME STAY FACILITIES</b>	<b>FREQUENCY</b>
Attractive rooms	44
Entertainment	43
Hotel facilities	42
Breakfast	45
Transportation assistant	44
Boating	37
Extra activities	38

This is the above table which shows response over facilities provided by Homestays. Where rank position of the facilities can be evaluate using Garratt Ranking.

<b>Rank</b>	<b><math>100(\text{Rij}-0.5)/\text{Nj}</math></b>	<b>% position</b>	<b>Garratt value</b>
1	$100(1-0.5)/7$	7.14	79
2	$100(2-0.5)/7$	21.42	66
3	$100(3-0.5)/7$	35.71	58
4	$100(4-0.5)/7$	50	50
5	$100(5-0.5)/7$	64.28	43
6	$100(6-0.5)/7$	78.57	35
7	$100(7-0.5)/7$	81.25	33

Find % position using the formula  $100(\text{Rij}-0.5)/\text{Nj}$ . Where **Rij**= 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup>, 7<sup>th</sup> ranks

**Nj**= Total Rank given by 50 respondents =7, find Garrett value from given from Garratt ranking conversion table by matching % position

<b>FACTOR NO:</b>	<b>TOTAL</b>	<b>AVERAGE</b>	<b>RANK</b>
F1	3208/100	32.08	2
F2	3143/100	31.43	3
F3	2855/100	28.55	5
F4	3474/100	43.74	1
F5	2857/100	28.57	4
F6	1890/100	18.90	7
F7	2030/100	20.30	6

It is another step to find average by Garratt vale with given response factor ranking, also add total ranks on given factors separately. Let's divided the total ranks response of factors with 100. Then we will get the average of responses. Rank the average value basis on its value from highest to lowest.

<b>FACTOR NO:</b>	<b>FACTOR</b>	<b>RANK</b>
F1	Attractive rooms	2
F2	Entertainment	3
F3	Hotel facilities	5
F4	Breakfast	1
F5	Transportation assistant	4
F6	Boating	7
F7	Extra activities	6

By an evaluation of the attractive factors within Homestays using Garratt ranking which explains relatively ranking positions within the facilities. Most of Homestays provide breakfast facilities along with attractive rooms. So, 1<sup>st</sup> rank will be assigned to breakfast facilities. Boating facilities only gain 7<sup>th</sup> rank. They have limited focus on extra activities.

**CHAPTER 5**  
**FINDINGS, SUGGESTIONS & CONCLUSION**

## FINDINGS

By analyzing and interpreting collected Data such of statement can derive as points

- The data are analyzed and interpreted using 50 samples. These 50 samples are 50 Home stay owners. For the better analysis of the study only 50 samples are taken. So, by analyzing these samples can catch working status of all Homestays, or can predict.
- Most of Home stays have year's experiences in this field. Majority of Home stay operating till 25 years. So, these Homestay owners have much of experience and knowledge in this field.
- Facilities of Home stays mainly include room accommodation. Most of Home stays have rooms of single bedroom and double bedrooms. Some Home stays have double rooms and family rooms, where at least 4 people can accommodate.
- Facilities within rooms are that all of Homestays provide AC and non-AC.
- Rent per room is determined by facilities available within rooms. If a room has AC, private entrance, kitchen access and other solid facilities the price will be tagged as up to 1500. If there any balcony with sceneries is attached then the price will be up to 1700. The same process is in family rooms. When family rooms have solid facilities, the price will be up to 1800. when any balcony ocean sceneries included then the price will be up to 2500. So, in pricing on rooms were basis on attractive sceneries.
- A Home stay industry operated with the managing of working employees. Many employees may consist within a Homestay. There will be both male and female staffs. The above study evaluate that the number of male staffs is greater than number of female staffs.
- Each of employees categorized into position that is more suits to their qualification. Most of women are assigning to reception categories, majority of men assign to assistant and cooking staffs. Comparatively non-Kerala staffs were highly work as cleaning staffs, because of their lack of knowledge and qualification.
- Wage for each employee is categorized. Mostly women were earning daily salary up to 500. Comparatively men earn daily salary above 500 than non-Kerala. Non-Kerala only earns a very little of salary.



- Ownership of land which state that there is an ownership on the property areas that were managing. Most of properties were own properties. Rental properties also come under the second position. Just a rare were leased property
- Entrepreneurship has its own initial investments. Here majority were invested up to 30 lakhs, up to 15 lakh is invested by minimum owners. Only few of them invested above 30 lakhs.
- This analysis also shows the repaying of loans to other financial institutes. Which means an 87% of owners paying their loans, which are taken to alter their services
- There were some financial sources were stated that the owners lending their funds. Majority of them lending from banks, secondly from money lenders. No any finance gets from government agencies
- By operating Homestays owners should earn revenues majority of them earn 2-3 lakhs, 33% of owners earn above 3 lakhs. Both of them earn a profitable finance. Only few of them earn 1-2 lakhs. No one earn below 1 lakh. Which means everyone gains profit from here.
- Looking into revenue and expenditure pattern most of owners earn profits from operating Homestays
- By analyzing problems faced by owners within Homestays most of the problems were effects owners. There were multiple responses are stated by owners. Listing out the major problems, problem of cost of production, there is a huge expense to the production. Climate variation, when variation in climate may leads to reduction in demanding their services. Water problem, it is a major problem in coastal area. Drinking water is must component within Homestays. Increase salary, there were many employees working for wage. When their salary is expanded it may affect owners. Lack of technical knowledge, at present contest technology is a new face. It acquires information faster. So, lack of knowledge in technology is may caused as a problem. Loan repayment, is that the paying of lending money from banks. So, a section of profitable parts is repaid to financial sources. Because of limited salaries limitations in local employees were happened. Lack of training programs may affect workers negatively. They need to get instructions and resources at time.
- Government provides some incentives to support tourism and to Homestay owners. Funding from TFCI and ITDC to tourisms. Inner 75,00,000 RS were assigned to tourisms

- No any financial insensitive were get provided to home stays. There were policies that shouldn't be implemented. Within the response of owners, they won't get any supports.
- By analyzing suggestions from owners most of them commonly had an opinion about government support and maintenance.

## SUGGESTIONS

- Home stays should provide availability of budget friendly rooms can catch to local people
- Home stays should enlarge their amenities into broad level. Most of Home stays haven't provided fully services. So, there is a need for alterations.
- Home stays should increase wage pattern of workers. So, it may encourage them for better services.
- Hire experienced and highly knowledge employees without any gender inequality. It may help to improve their quality of life.
- Try to reduce expenditure of operatives and try to expanded investments. Also try to expand revenue by decreasing expanses so the owners can attain maximum profits.
- Maintain an attractive factors within Homestays. Because tourists attract Homestays by evaluating nature, ecotourism environment, calm and quiet, suitable climate, affordable rate, medical treatments and easy booking mode.
- Most of rooms were accommodate or pleased when there were any attractive factors attached. Which are balcony view and ocean sceneries, price of rooms is much more than compared to other. So, maintain the pleased facilities.
- There was many governments assistance or policies for the development and support of tourism. But any of them haven't implemented within the industry. Home stay owners haven't got any financial support. So, government should be much serious on this ecotourism. Should provide basic and developmental supports to upgrade Homestay tourism. It also advantages to government. If there any development is taken. There were positive benefits to government.
- Not only provide restrictions within Homestays also need to provide financial supports and promotions.

## CONCLUSION

Tourism sector have an important role in the economy. One third of economy is gain from tourism industry there were many sectors within tourism industry; some of them are adventure tourism, rural tourism, ecotourism. Travel and leisure activities along beaches, when tourists are drawn to the conveniences and attractions offered by coastal areas, are referred to as coastal tourism. Beaches, water sports, marine life, and local cultural experiences are frequently enjoyed during this kind of travel. Coastal towns with picturesque coastal scenery, fishing communities, and beach resorts are examples of coastal destinations. Coastal tourism is appealing because it combines natural beauty, leisure activities, and cultural aspects to draw tourists looking for a fun and restful seaside experience. Within the ecotourism Homestay tourism is an attractive sector. Within Home stay tourism an inflow of both local and foreign tourists into Homestays is very high. They try to experience a culture. Within Home stay tourism cultural and traditional heritages have preserved, a quality of culture was spreading all over the world through foreign interaction. Cherai is the ecotourism land, which has high value, even the place Cherai is the only place marked in world map. So, there is a huge possibility within Cherai ecotourism. Most of foreigners came to enjoy their holidays mainly in summer seasons. At summer there was spring in their mother land

Pricing tag of Homestays was mostly budgeting friendly to foreigners. On the side of locals, it is much expensive. Within Home stays industry price are self determined. An owner can add price in his own interests. So, there will be high competition between Homestays. Each room have different price tag basis on their facilities provided. Within a Home stay there will be types of room including double rooms, single rooms and family rooms. An advance in this room is that when the rooms have solid facilities like AC, private entrance, fan bed along with attractive views or sceneries, this may lead to high price tag on room. Operation of Home stays have number of employees, comparatively male staffs were more than females. Employees include Kerala and non-Kerala. Working category of these 2 employees are different. Non-Kerala mostly hires to cleaning sectors, but Kerala staffs higher to reception, assistant and cooking sectors. Comparative Kerala male staffs earn more income than others.

Most of Home stay lands were under ownership property, rest of them are in rental and lease. An initial investment was had invested by owners most of them invested large amount. There were many of owners repaying loans have taken for Homestay purposes. There are several financial institutes provide funding to home stays. Most of them admire on banks. A huge amount of initial cost was also expense to owners. By analyzing revenue expenditure pattern all of Homestay owners gain financial profit through home stay operations.

This is the study on problems and prospects of Homestays in Kerala by focusing Cherai costal area. Home stay owners face much of problems within Homestays operation. Majority of owner's state that they face common problems are listed below. Cost of production, climate variation, water problem, and increase salary, lack of technical knowledge, loan repayment, limited local employees and lack of training. Prospects which mean government incentives or assistants to home stays are, state department and development of health tourisms also provide financial assistance to home stay owners TFCI and LTDC are the funding or financial assistance provided by government to home stay operations. But these all are only policies it not be implemented or available at present contest. Home stay owners have lost their trust on government. Government needs to take responsible on maintaining and regulating of Homestays.

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## QUESTIONNAIRE

1. Name of Home stays:
2. What is the duration:

Facilities within Home stays –

3. Rooms provided by Homestays: 1BH      2BH
4. A/C & Non-A/C:
5. Rent per room:
6. Attractive factors within Homestays:
  - a) Beauty
  - b) Calm and quiet
  - c) Suitable climate
  - d) Ecotourism
  - e) Medical treatments
  - f) Affordable rate
  - g) Easy transportation
  - h) Authentic experiences
7. Facilities provided by Homestay:
  - a) Attractive rooms
  - b) Entertainment
  - c) Hotel facilities
  - d) Breakfast
  - e) Transportation assistant
  - f) Boating
  - g) Extra activities
8. Number of employees within Homestays:
  - a) male
  - b) female
9. Difference in non-Kerala and Kerala employee's salary:
  - a) 100-500rs per day
  - b) 500-1000rs per day
  - c) 1000-1500rs per day

10. Category of employee's job position:
  - a) Receptionist
  - b) Assistant
  - c) Cleaning staff
  - d) Cook
11. Ownership of land:
  - a) Own
  - b) Rent
  - c) lease
12. What will be the initial investment on Homestays:
  - a) Below 15 lakhs
  - b) 15-30 lakh
  - c) Above 30 lakhs
13. Is there have any loans: a) Yes b)No
14. What are the funding sources:
  - a) Bank
  - b) Money lenders
  - c) Government agencies
15. What will be the initial cost for Homestay owners:
  - a) Below 10 lakhs
  - b) 10-20 lakh
  - c) 20-30 lakh
  - d) Above 30 lakhs
16. What will be the revenue pattern of Homestays:
  - a) Below 1 lakh
  - b) 1-2 lakh
  - c) 2-3 lakh
  - d) Above 3 lakhs
17. List out revenue and expenditure pattern of Homestays:
  - a) Profit
  - b) Loss
18. Problems faces within Homestay operations
  - a) Cost of production
  - b) Climate variation



- c) Water problem
- d) Increased salary
- e) Lack of technical knowledge
- f) Loan repayment
- g) Limited local employees
- h) Lack of training

**Prospects-**

19. What are the initiatives provided by Government to uplift tourism industry:
20. Do Home stay owners got any financial support from listed government initiatives:
  - a) Yes   b) No
21. What will be your (Home stay owners) suggestions about Government supports: