

An Analysis of the Potential of Homestay Tourism in Uttarakhand

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Abstract

The concept of Homestay tourism is gaining popularity in the present times as it offers an opportunity to the tourists to experience the locality more closely, engage with the locals, understand their way of life and the unique culture, and to visit undiscovered places things that no luxury hotel or resort can offer. It is also a more responsible more inclusive form of tourism and provides self-employment opportunities to the rural people. The Himalayan state of Uttarakhand is blessed with splendid natural beauty, rich culture and a peaceful environment. Tourism contributes about 15.45% towards the State GDP; thus, development of homestay tourism holds immense potential in the State of Uttarakhand. In 2018, the government of Uttarakhand came up with a scheme dedicated towards the development of Homestay tourism, 'Deendayal Upadhyay Homestay Yojana' to provide self-employment opportunities in the rural areas of Uttarakhand and to address the challenge of inadequate accommodation facilities. Under the scheme homestay, operators in hilly areas would be entitled to a subsidy of up to Rs. 10 lakh on the loan amount and up to Rs. 1.5 lakh towards interest payments. In the plain areas, the homestay operators would be entitled to a subsidy of Rs. 7.5 lakh towards loan amount and 1 lakh interest payments. The government had set a target of 5,000 registered homestays by the year 2020. The scheme also involves a provision of developing a village with at least 6 homestays as a cluster to be equipped infrastructural facilities. The government of Uttarakhand plans to introduce a programme to provide training to the homestay operators in the hospitality to promote Homestay Tourism in the state.

Keywords: Tourism, environmental challenges, home stay, NGOs, cultural heritage

INTRODUCTION

The Himalayan state of Uttarakhand has been blessed with splendid natural beauty with 45.43% of its geographical area under dense forest cover. The state with its rich flora and fauna, spectacular view of the Himalayan peaks and clean environment attracts a large number of tourists every year. The state has a unique, rich culture in terms of customs, languages, folklore, cuisine, dances and festivities. Largescale industrial activity is neither suitable nor feasible in the state due to its unique geography, difficult terrain and fragile ecosystem and therefore the economy of the state is heavily dependent upon agricultural activities and service sector. Tourism sector contributes around 15.45% towards the state GDP, and as per the Uttarakhand tourism development board data, direct employment generated by tourism in the economy is about 4.59% which increases to 8.27% if indirect employment generation is taken into account. Therefore, it becomes all the more important to

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work towards sustainable growth of tourism in the state. The traditional modes of tourism have led to socio-cultural and environmental challenges. Concentration of tourists' flows in popular locations overburdens the existing infrastructure, whereas the growth in monetary terms through such tourism is not inclusive in nature and concentrated in urban areas. Big resorts and hotels cause ecological disturbances, concretization of land and generate huge amount of waste. Homestay tourism is a concept wherein the tourists share residence of a local (host), giving them an opportunity to experience the local traditions and culture; the concept makes use of the already built infrastructure that is used as an accommodation facility; it is a sustainable form of tourism with low carbon footprint and helps in the economic upliftment of the locals and preservation of their culture. The government of Uttarakhand is promoting Homestay tourism to help generate self-employment in the rural areas of the state. One of the main challenges in the growth of tourism in general is inadequate infrastructure, as can be inferred from the fact that the state had 8.4 tourists rent houses per million tourists in 2006. Therefore, expansion of homestays in the state will help overcome the accommodation shortages in the state.

In 2018, the state of Uttarakhand came up with a Homestay policy, 'Deendayal Upadhyay Griha Awas Yojana' to encourage tourism based self-employment in rural areas and to address the challenge of inadequate accommodation facilities. Under this scheme, homestay operators in hilly areas would be entitled to a subsidy of up to Rs. 10 lakh on the loan amount and up to Rs. 1.5 lakh towards interest payments. In the plain areas, the homestay operators would be entitled to a subsidy of Rs. 7.5 lakh towards loan amount and Rs. 1 lakh interest payments. The government had set a target of 5,000 registered homestays by the year 2020. The scheme also involves a provision of developing a village with at least 6 homestays as a cluster to be equipped infrastructural facilities. A programme will be introduced to impart training to the homestay operators in accordance with highest standards of the hospitality industry [1].

REVIEW OF LITERATURE

Barnett (2001): the study observed how the local community the Maori community of Aotearoa, New Zealand through its homestays were able to provide authentic cultural experiences to the tourists which included story telling regarding the community myths and legends, involving the tourists in cultural gatherings, rich local cuisine etc. [2].

Jain et al. (2003) have described through their paper as to how the Himalayan homestay programme has benefitted the local community in raising their standard of living and pride in their culture and also how the programme has benefitted the tourists by providing them with authentic homestay experience. The initiative involved partnership between private entrepreneurs, NGOs and the host community [3].

Leksakundilok (2004): In the study conducted on the evolving community based ecotourism activities in the Mekong region of Asia, homestay tourism became the most significant among the tourist activities in the region that uplifted the local communities economically thus reducing the rural poverty [4].

Liu (2006): the study explores the perceptions of the homestay operators and related stakeholders in the rural areas of Kedah, Malaysia. The promotion of homestay tourism is a strategy for rural development in the study area which has led to considerable increase in the income levels of homestay operators. Also, the study suggested the need for a training programme for rural residents in hospitality, culture and accepting cultural differences apart from language courses in foreign languages [5].

Bhan and Singh (2014) in their study conducted on Homestay Tourism in India suggested that there is a need to have a dedicated community tourism fund to improve upon the capacity and infrastructure for proper development of homestay tourism; also, there is a need to treat privately run homestays and community run homestay differently by the government providing the community run homestays with financial assistance and other support [6].

Imran, Md. Masood and Nguyen, Ngoc Thi Bich (2018) in their study state that Homestay tourism will help revive the rural economy and also help conserve the natural and cultural heritage of the area, apart from offering tourists a chance to experience local culture.

OBJECTIVES

1. To understand the potential of homestay tourism in the state of Uttarakhand.
2. To identify the best practices from amongst the existing homestay models in Uttarakhand and its comparison with some National and Global benchmark.
3. To understand the difficulties faced in the development of homestay tourism in Uttarakhand.

RESEARCH METHODOLOGY

As the study involves the whole of state of Uttarakhand, therefore huge amount of data was required which was difficult to collect at the primary level; therefore, the present study is based on secondary data. Secondary data has been collected from the economic survey of Uttarakhand (2021–2022), Tourism development board, market and research statistics, newspaper articles and previous research studies conducted by institutions and individuals.

POTENTIAL OF HOMESTAY TOURISM IN UTTARAKHAND

Uttarakhand is a Tourism based Economy

The state of Uttarakhand is essentially driven by the tertiary sector, tourism being one of the key sectors contributes majorly to the state economy and is significant source of employment [7]. According to Uttarakhand State Development report 2011, the state saw a 150% increase in income within a period of 10 years in the tourism sector. To ensure sustainable growth in this sector, and given the changing preferences of tourists who now prefer experiential tourism, homestay tourism holds immense potential. Also, homestay tourism will lead to self-employment opportunities for the local youth and employment generation in related activities, growth in demand for local products, and all this will lead to economic upliftment and a balanced and inclusive form of growth.

Additional Accommodation Facilities

Given the number of tourist arrivals to accommodation infrastructure is inadequate. The number of tourist arrivals in the period 2001 to 2017 saw an increase of 227% [8], although there was a decline in tourist arrivals due to covid pandemic induced lockdown. According to the latest data by the government of Uttarakhand, the number of tourist arrivals in the state in 2021 stood at 2 crores approximately. The expansion of homestays will lead to an additional accommodation infrastructure in the state, and in remote locations it is the only feasible/possible accommodation facility.

Reverse Migration and Rehabilitating the Ghost Villages

In the past 10 years, around 5 lakh people have migrated from Uttarakhand; and from 6,338 villages, around 1.18 lakh villagers have permanently migrated from Uttarakhand [9]. Better livelihood and employment option are the main reasons of migration as per the State Rural Development and Migration Commission Report. Uttarakhand has approximately 16,500 villages; of which, 734 have turned into ghost village [10]. This trend of migration showed a reverse trend during the covid induced lockdown. Around 0.33 million workers returned to the state; and according to a survey conducted by the government of Uttarakhand, 45% of these inbound migrants chose to stay. This can be seen as an opportunity to revive and rehabilitate the ghost villages of Uttarakhand by providing self-employment opportunities and employment options to the migrants. Development of homestay tourism and related activities will lead to self-employment and enhanced income levels, thus, motivating the migrants to stay back home.

Shifting Trends in International Tourism

The number of foreign tourist arrivals in India has shown a consistent rising trend over the years. The state of Uttarakhand has shown a similar trend with the pandemic years 2020 and 2021 being the

Table 1. Foreign tourist arrivals in Uttarakhand.

Year	Tourist arrivals
2017	142102
2018	154526
2019	158964
2020	38763
2021	15410

Source: Uttarakhand Tourism Development Board-Market and Research Statistics.

exception; now that the lockdown has been lifted, the foreign tourist arrivals have started picking up again as shown in the Table 1.

The international tourism trends are shifting from site seeing to experiential tourism. Home cooked food, affordable tariff, and authentic cultural experience make homestays a perfect choice for foreign tourists.

A Sustainable and Eco-friendly Mode of Tourism

Construction of large-scale hotels and resorts negatively affects the ecology and generates huge amount of waste that is not managed responsibly. Uttarakhand being an ecologically fragile Himalayan state prone to landslides, large scale construction increases the chances of hazards; furthermore, traditional homes in Uttarakhand use eco-friendly material such as wood, stone and mud as building material as different from concrete and cement used by large scale hotels and resorts. Thus, homestay is an eco-friendly mode of tourism.

Strengthening and Conserving the Culture of the State

At the core of Homestay tourism is the cultural experience in which the tourist gets to participate in the local festivals, learn about the local language, folklore, folk dances, songs, local crafts, and try the local cuisine, which allows the locals to take pride in their own culture and conserve it and pass it on reviving the traditional art forms. Thus, Homestay tourism helps promote and strengthen Cultural Heritage of the state.

Women Empowerment and Homestay Tourism

In the state of Uttarakhand, many successful homestay tourism businesses are led by women; Liti village in district Bageshwar and Sarmoli village in Pithoragarh district being the prominent examples. Apart from running their own homestays, women are being directly employed as cooks, guides, participating in decision making and managing their finances and homestays also lead to indirect employment like manufacturing local handicrafts, knitwear, and other local food and non-food products which the tourists buy from the locals, and mostly it is women of the village who are engaged in the manufacturing of such products. Homestay tourism can help empower women economically and socially and bring gender parity in entrepreneurship.

Government Initiatives to Promote Homestay Tourism

Uttarakhand government in the year 2018 came up with a subsidy scheme dedicated to Homestay tourism. The aim of the scheme apart from the target of 5000 homestays by 2020 was to promote self-employment of the local youth of Uttarakhand. The success of the scheme can be gauged from the fact that total registered homestays in Uttarakhand in 2017 were 729 which have now increased to 4,350 as per the latest Uttarakhand Tourism Board data [9], despite the covid pandemic affecting the Tourism and related activities. Under the Tracking Traction Centre Homestay scheme, Government of Uttarakhand notifies villages as trekking clusters; the aim of the scheme is to promote adventure tourism by establishing residential facilities in rural areas [11]. The selected applicants will get an

additional subsidy up to Rs. 60,000 for construction of new rooms and attached bathroom and up to Rs. 25,000 per room for decoration or renovation of already built rooms.

CHALLENGES OF HOMESTAY TOURISM

Inadequate Infrastructural Facilities

One of the most significant challenges in promoting homestay tourism in the rural areas of Uttarakhand is the lack of adequate basic infrastructure like proper connectivity by road, transportation facilities, timely water supply, sanitation and waste management, health infrastructure and most importantly in the present times, Internet connectivity. Since the pandemic as work from home has become the new norm, many tourists coordinate work and travel, which is why proper internet connection along with strengthening other basic infrastructure needs to be worked upon as it will attract more tourists.

Lack of Proper Training and Skill Development

The homestay operators in the rural areas do not undergo any formal proper training in the field of hospitality, tour guide, and hygiene. Most of the homestays are run by women who have low literacy. Successfully running a homestay requires basic hospitality skills, basic understanding of English, basic knowledge of marketing and finance, training in basic hygiene, training to function as a tour guide, communication etc. As Homestays are preferred by foreign tourists, and tourists from different regions of India also visit, therefore basic knowledge of Basic English becomes important. The government should organize proper training courses in the field of hospitality, language and related workshops and seminars to overcome this challenge.

Lack of Proper Marketing and Promotion of Homestays

There is a need to understand the target customers (Tourists) in terms of demography, income levels etc., and the media through which to reach out to them. There is a need to have a macro marketing and promotion strategy for homestay tourism and targeted individual marketing parallel targeting different segments of tourists which at present is lacking.

Lack of Awareness

Regarding the subsidy schemes of the government, procedure of homestay registration, sources of financing the project etc., have led to many village residents not opting to get their homes registered as a Homestay.

Lack of Financial Resources

Finances are required not only for starting a homestay or maintaining it but for day-to-day operation. Rural residents usually are not financially sound and sources of fund available to them is mostly a bank loan at government subsidized rate, to overcome this difficulty, we can come up with innovative funding ideas for start-ups; for example, start-up studio is an organization in Goa that helps social start-ups with sustainable ideas with investments up to Rs. 5 crore [12]. Uttarakhand can take inspiration from such initiatives so as to ensure sustainable financing to the Homestay and related businesses.

Financial Viability Analysis of Marketing the Homestays

Marketing and promotional activities through various platforms require investments and it is absolutely important to do a cost-benefit analysis of such expenditure. Financial viability assessment of any expenditure can be done through different techniques like cost-benefit analysis, Pay-back period, the Net Present Value of future expected cash flows. For Homestays which are a small-scale micro enterprise with their limited financial resources, it is all the more important to conduct a financial viability analysis of investments. But due to lack of proper knowledge and resources, financial viability analysis is seldom conducted by the operators.

CASES IN PERSPECTIVE

Many successful models of Homestay tourism have come up in India like Ladakh Homestay model, Kerala Homestay model, Rajasthan Homestay models etc. The state of Uttarakhand too has many successful models of Homestay Tourism that have transformed the lives of many villagers; and in this study, we have taken one National, one International model, and three state homestay models mentioned below.

International Homestay Model

Myians Homestay Project of Myanmar

The Government of Myanmar initiated a community-based homestay tourism model with the support from the Ministry of Hotel and Tourism in four villages in Myaing. This model stood out as an example as to how community owned homestays in clusters of villages can cause the overall development of the village clusters and economic upliftment of the local people. The income generated by the community was equally shared among the villages. The Myiang homestay project was recognized and received the first ever ASEAN community based standard certificate in Myanmar [13].

National Homestay Model

Himalayan Homestay Programme, Ladakh, India

The programme began in 2002 with the aim to conserve the flora and fauna of the region and generate income for the local populace. It was initiated by the Snow Leopard Conservancy with financial support from the UNESCO, The Mountain Institute (TMI), and the Ford Foundation. There are over 100 Homestays spanning different villages in the Ladakh and Zaskar region. The marketing is done through information material, tour operators and through their website that can be accessed by the tourists for bookings, information on homestay locations. The programme also provides training programmes to local residents. The homestays are moderately priced; 10% of proceeds from homestays are set aside for conservation programme led by the local community [14].

State Homestay Models

Sarmoli Village Homestays

Mountaineer and social activist Malika Viridi in 2004 launched the Himalayan Homestay Programme in Sarmoli village. The programme has since transformed the lives of many village households for the better, especially women. The Homestay Programme is a community run programme which is completely run by women. The earnings of the programme are appropriated in a manner that 95% of it goes to the villagers, 2% is spent on conservation of natural resources and the rest is spent on the training and day to day expenses of those participating. Around 20 families are benefitted directly from the programme by hosting guests and 20 or more families benefit by guides for the guests. The women of the village under the leadership of Malika Viridi are members of Mati Sangathan, an autonomous women's collective by Ms. Viridi, a platform to raise their grievances. Local women sell traditional handicraft items such as rugs, blankets, sweater etc. under the collective; it also organises workshops regularly for the skill development of the women of the village. The programme has not only helped the economic upliftment of the village but has empowered women, they being the leading decision makers. The programme also included conservation efforts to restore the lakes, forests, etc., thus leading to sustainable development of the village [15].

Liti Village Homestays, Bageshwar

In the Liti village of Bageshwar district, 30 women have started their homestays. Initially only six women came together to start their homestays; in the year 2018, they pooled in their savings to start the homestays and when it became a success, more women followed through. These women work in a coordinated manner and if on a typical day, the number of tourists arrivals is beyond capacity in a homestay, they are adjusted to another homestay. On an average, a dozen tourists come for a stay in a single homestay in a given month. The programme has led to socio-economic upliftment of the participating households and leading to reverse migration towards the village [16].

Gopeshwar, Chamoli

Poonam Rawat Hahne started her homestay in Gopeshwar town of Chamoli district in 2016, and Fernweh Fair Travel, an ecotourism project. She has provided employment mainly to local women, young widows and victims of domestic violence. She through her organization has trained the women as caretakers, cooks, and guides. She employs 30 women and 15 youth in her project. The tourists of Fernweh buy handicrafts made by local tribes and engage in cultural activities. A part of profit made by the organization goes to local schools. Poonam Rawat's homestay project was one of the top five homestays in India in 2019. The homestay ensures responsible travelling by not taking more than 8 groups in a year with a maximum of 12 guests and there is a list of do's and don'ts for the tourists. The project ensures zero carbon footprints with initiatives like collecting all the garbage on returning from the village treks [17].

CONCLUSION

With the increasing change in the preferences of the contemporary tourist for more unique experiential travel, homestay tourism holds immense potential. The state of Uttarakhand is blessed with spectacular scenic beauty, rich flora and fauna, clean pollution free environment, rich cultural heritage, and welcoming peaceful people, making it an attractive choice for tourism, especially Homestay tourism. Despite of which many locations still remain untapped with only certain famous tourist destinations receiving the maximum tourists. During peak seasons, famous tourist destinations suffer from overcrowding, traffic congestion, parking issues and inadequate accommodation facilities; hence, there is a need to direct these tourists towards untapped rural areas through proper promotional strategies. Homestay tourism has many benefits such as encouraging entrepreneurship, employment generation, conservation of culture, sale of local products, responsible tourism, etc. The government of Uttarakhand is promoting the expansion of Homestay tourism by providing subsidy to the homestay operators. The cases discussed in the research work, are few among many successful models of homestay tourism in the World, and India in general, and Uttarakhand, in particular. These models have showcased as to how the active participation of locals, individual leaders, NGOs and the government can lead to better livelihood opportunities, gender equality, socio-economic and cultural upliftment of the locals, environment conservation efforts through community participation. The government needs to work upon ensuring better infrastructure facilities, Internet connectivity in these areas and also provide proper training in the field of hospitality, languages, cooking etc. to overcome the hurdles in the development of homestay tourism. A proper marketing strategy is needed to promote homestay tourism in a targeted and efficient manner.

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