

# Impact of Emerging Home stays on Stakeholders and Local Community in District of Nainital ,Uttrakhand, India

Prakash Chandra Pant <sup>1</sup>, Prakash Garia <sup>2</sup>, Ankit Tiwari <sup>3</sup>

<sup>1</sup> Research Scholar School of Management, Graphic Era Hill University, Bhimtal Campus Nainital-263 126, India

<sup>2</sup> School of Management, Graphic Era Hill University, Bhimtal Campus, Nainital-263 126, India

<sup>3</sup> Research Scholar Indian institute of Management, Rohtak, 124001

**Abstract:-** Introduction- Now a days home stays are becoming a popular mode of stay for tourist and travelers all around the globe. Tourism activities are becoming important tools for job creation, poverty elimination, rural economy and sustainable livelihood.

**Methodology-** This paper is discussing the cases of few places located in outskirts of globally recognized tourist destination Nainital namely Jeolikot, Bhimtal, Naukuchiatal, Shri Kanchi Dham, Bhowali, Ramgarh and Mukteshwar. This study is quantitative in nature, the primary data was personally collected from 50 home stay operators. All were personally interviewed through a verified schedule and data analyzed by statistical package for social science.

**Finding-** In this research it was found that rural home stays are very effective and important tool for wealth creation, employment generation, increasing rural economy and poverty illumination along with sustainable development.

**Implications of the Research-** This research can be used to develop the new tourist destinations by the promotion of home stays and rural economy in the remote areas of Uttrakhand where the hidden areas that are inaccessible to tourism and which has great potential for tourism. Such areas can play a vital role in promotion of tourism, job creation and minimizing migration from the remote rural areas of Uttrakhand.

**Originality-** This research reveals that the participation of local community with an involvement of local women in home stay tourism will be a game changer in rural economics and can play a vital role for growth in tourism sector and job creation at local level.

**Keywords:** home stays, rural, economy, Eco tourism, employment, Tourism destination

## 1. Introduction

An alternative accommodation in place of hotels particularly in rural areas for the tourists and travelers, now a day known as home-stay. Home-stay can be defined as this is one type of stay where tourists, travelers, students, researcher or scientist, businessmen or any other type of person stay at a house which is arranged by local family in locality. This concept of home stay differs in many ways from hotels such as in hospitality, homely environment and personalized services. In addition to these services, home stays are far economical in all both respects lodging and boarding for the tourists and travelers. Home stays in rural areas are free from hustle and bustle of urban locality, so that these home stays are becoming the preference of the tourists. Another reason of attraction for home stays is healthy environment, availability of organic products and sustainability of rural areas. So far as India is concerned the leaning of tourist is increasing day by day towards rural areas and home

stay, because of large number and variety of tourist destinations from east to west and north to south. Presently the contribution of tourism industry in the development growth is very of high and likely to increase in forth coming years. Demand for alternative accommodation has been growing world- wide. India has been regarded one the fastest growing country within the alternative accommodation arrangement in the form of home stays. These home stays are playing a vital role in growth of rural economy as well as G.D.P. of the country. Government of India has a plan for promotion of home stay in rural areas, so that tourism industry of the country will play driving role for the removal of poverty, unemployment and migration from rural areas.

As of now, In Uttarakhand there are 4000 registered home stays in tourism department of several districts. In addition to these home stays there are too many home stays which are functional and fulfilling the demand of tourist. For the promotion of home stay, Government of Uttarakhand is providing too many facilities to home stay owners such as non commercial building tax, water tax and electricity charges. Not only this, income of first three years free from GST. For the construction of Home stay there is subsidy on loans which is 10 lakhs in hills and 7 lakhs is plain area. The present study aims to find out the overall impact of these home stays and stakeholders and developed and model for the overall development of people associated and involved in this business.

## 2. Review of Literature

Over the last few decades, travel and tourism became the important activity of business sector, and playing a vital role in the economy of those countries of the world, where tourism is main part of their planning are receiving major portion in G.D.P of the country. A new trend is seen that tourist are keen interested to visit those location which are previously unknown. In India tourism is largest growing industry donating to the GNP of the country. There are many research papers and books that have tried to identify the concept of home stays and their contribution in economic development of local community. Some of the past literature relevant with this study is presented below Binita Chakraborty [1] concluded that home stays appear to be a tourism product that will be helpful in addressing socioeconomic, political, ethnic and gender disparities. Ghimire et al. [2] It was discovered that some guests choose entirely moderate accommodations, including an adjoining loo with hot and cold water available 24 hours a day, a modern restaurant for dinner, lunch, and breakfast, as well as WiFi and dices and modern music. All visitors desire a mixed (modern and traditional fusion) type of environment when staying in a home stay, such as an attached bathroom with hot and cold water, organic food from the local cuisine, cultural traditional songs and dances, a pretty, tidy, and clean village, and a Himalayan landscape with lush forest in the background. Imran et al. [3] in their paper A Community Response to Tourism, Focusing on the Home-stay Program in K Village in Nainital, Uttarakhand, India concluded that K village has not established any type of community-based tourism, according to the interpretative analysis, field observations, and literature assessment. The average income of households that have recently entered the tourism business is equal to that of families who are not involved because the region relies mostly on agricultural output. The absence of community involvement in tourism development may be the cause of this. The development of the home stays program will be the centerpiece of the village's community-based initiative for all the reasons mentioned above. The local economy will be revitalized, and it will aid in protecting the region's natural and cultural legacy. Additionally, it will enable visitors to get a taste of the local way of life. According to research by Barbhuiya Rahman Mahufuzuar [4] as Nainital is in the Butler Model's stagnation stage, there must be a determined effort made to address the significant challenges of If long-term corrective steps are not done, it can fall off swiftly. Bhalla et al. [5] discovered that home-stays seem to benefit the neighborhood both directly and indirectly in the context of the Binsar wildlife sanctuary, which encourages support for the sanctuary's ecotourism goal. Guzman et al. [6] claimed that as a result of travelers looking for fresh places to visit instead of the usual ones, community- based tourism is growing throughout the world.

Since tourism is viewed as a complimentary economic activity to traditional occupations rather than an economic substitute for them, it is facilitating the development of specific tourism goods that enable local communities to produce wealth for themselves. Guzman Tomas Lopez [7] concluded that consequently, it can be said that community-based tourism is widespread around the world, particularly in poor nations. It was developed as an alternative to typical mass tourism, and it is leading to the development of particular

destinations that allow for the wealth creation of local communities and the creation of job. Manyara et al. [8] in their study, "Best Practice Model Community Capacity Building: A Case Study of Community Based Tourism Enterprise in Kenya," the authors noted that the community-based approach should put an emphasis on increasing community awareness, empowerment, foundational numeracy, literacy skills, and knowledge required to give the local communities the opportunity to take advantage of opportunities brought about by tourism development. Jayara [9] according to the author of the paper "Home stay Tourism in Uttarakhand: Opportunities and Challenges." Home stay can be a tool for the sustainable development of the local community. It's a brand-new idea in Uttarakhand. Many business owners are currently keen to launch this enterprise. Sood [10] as noted in her study "Home stays in Himachal State, India: A SWOT Analysis". In 2008, the government of Himachal Pradesh developed a program called the Himachal Pradesh Home stay Scheme to support the development of home stays in the state and distribute the benefits of tourism to rural areas. Patrawari et al. [11] when we talk about India, its rich cultural diversity and geographical variety, which can draw tourists from around the globe, the marketing tools are something that will take the idea of becoming the top travel destination in Asiatic countries or possibly the entire world to a wider level. A group of 21 all-female home stay aspirants from Arunachal Pradesh enrolled in a one-month certificate program at the north-eastern regional center of the National Institute of Rural Development and Panchayati Raj (NIRDPR), an independent organization under the Ministry of Rural Development, in Guwahati, as highlighted by Bhuyan [12] in his article "Employment Opportunities in Rural Home-stays" published in Yojana magazine's February 2020 issue. The promotion of rural home stays throughout the eight states of North East India was the main goal of establishing and releasing this certificate program in order to increase the number of tourists visiting this area. The Ministry of Tourism had issued a set of regulations for home stays developed in 2006 with the intention of standardizing amenities throughout home stays, since then until. Wong et al. [13] found in their study "Welcome to stay-at-home travel and virtual attention restoration" that visitors who took part in online tours were able to experience a variety of virtual activities. The identification of tourist satisfaction with tourism-related goods and services is of utmost importance, according to Das [14]. This has an impact on the individual's subjective interpretation, subsequent actions, and destination decision. Understanding the phenomenon and getting feedback from tourists are crucial to promoting tourism in a certain location. The hosts, managers, and teams at the destination should work to improve these traits.

In the current study, we seek to determine the impact of home stays on stakeholders, its impact on local community, and the effectiveness of home stays in addressing migration in Uttarakhand.

### 3. Methodology

The present study is qualitative in nature based on personally collected primary data associated with home stay owner in rural areas of Nainital district in Uttarakhand. The study is covered by various factors which are associated with primary stake holder involved in operation in home stay in rural areas. The interview was conducted personally through a verified schedule.

### 4. Sampling

Fifty home stay operators of Nainital district from different places such as Mukteshwer, Grammar, Bhimtal, Naukuchiatal, Bhowali, Shri Kanchi Dham and Jeolikot are selected for interview. The selection of these places was made on the basis that these places are situated at a distance of 10 to 50 kilometer away from Nainital district head quarter and popular for tourism activities in Kumaon hills. The selection of fifty home stay operators was made on the basis a 10% of total number of home stays operational in particular are selected from each location as stated earlier. The selection of home stay operator was made stratified random sampling in above mention area.

### 5. Analysis

H01- There is no significant impact of home stays on the economics of local community.

H02- There is no significant impact of home stays on the social well-being of local community.

**Table I: Variables/Removed**

Model	Variables Entered	Variables Removed	Method
1	Homestays <sup>b</sup>	.	Enter
a. Dependent Variable: Economic well being			
b. All requested variables entered.			

**Table II: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.338 <sup>a</sup>	.114	.096	.43133	.114	6.179	1	48	.016
a. Predictors : (Constant), Home stays									

**Table III: ANOVA**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.150	1	1.150	6.179	0.16 <sup>b</sup>
	Residual	8.930	48	.186		
	Total	10.080	49			
a. Dependent Variables : Economic well-being						
b. Predictors (Constant), Home stays						

**Table IV: Coefficients a**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constants)	3.277	.584		5.613	.000
	Home stays	.312	.126	.338	2.486	0.16
a. Dependent Variables : Economic well-being						

**Table V: Variables Entered/Removed<sup>a</sup>**

Model	Variables Entered	Variables Removed	Method
1	Home stays <sup>b</sup>		Enter
a. Dependant Variables : Social well Being			
b. All requested variables entered			

The results of linear regression culminate that the  $r$  square value is 0.96 and  $F$ -value is 6.179 with degree of freedom 1. The sequel indicate that  $p$ -value (0.016) is shorter than 0.05, which path  $H_{01}$  is rejected. It intimates that there is notable impact of home stays on the economic well-being of local community. Hence one can infer that home stays emergence in the Nainital district of the Uttarakhand is contributing towards the economic well-being of the local community of the region. The results of linear regression conclude that the  $r$  square value is 0.96 and  $F$ -value is 6.179 with degree of freedom 1. The result shows that  $p$ -value (0.016) is less than 0.05, which means  $H_{01}$  is rejected. It implies that there is significant impact of home stays on the economic well-being of local community. Hence one can infer that home stays emergence in the Nainital district of the Uttarakhand is contributing towards the economic well-being of the local community of the region.

$H_{02}$ :- There is no significant impact of home stays on social well-being of local community.

**Table VI: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.500 <sup>a</sup>	.250	.235	.61858	.250	16.029	1	48	.000
a. Predictors : (Constant), Home stays									

**Table VII: ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.133	1	6.133	16.029	.000 <sup>b</sup>
	Residual	18.367	48	.383		
	Total	24.500	49			
a. Dependent Variables : Economic wellbeing						
b. Predictors (Constant), Home stays						

**Table VIII: Coefficients**

Model		Un standardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constants)	1.66	.837		1.393	.170
	Home stays	.722	.180	.500	4.004	.000
a. Dependent Variables : Economic well-being						

## 6. Conclusion

As a consequence of linear regression, the  $r$  square value is 0.250 and the  $F$ -value, with one degree of freedom, is 16.029. The outcome indicates that the  $H_0$  hypothesis is accepted because the  $p$ -value (0.170) is higher than 0.05. It means that house stays have little to no effect on the neighborhood's social cohesion. Thus, it can be concluded that the growth of home stays in the Uttarakhand region's Nainital district has not had a substantial impact on the locals' quality of life. According to the study's findings, house stays in rural areas contribute significantly to the economic growth of the local community but have not significantly improved social well-being.

## Limitation of the Study:-

This study is limited to only Nainital district which is one of the top leading tourist destinations of India and globally well known for its beauty, scenic views and intermittent varying weather round the clock are the unique factors for the tourist attraction that's why the presence of tourists in these areas almost round the year. The findings for the economic and social well-being may vary for the rest of districts of Uttarakhand and the rest of India, in those tourist destinations where the tourism activities not so popular and treated as secondary for the livelihood. In this study only the home stay operators were interviewed, the result may change to some extent if the local community and others stake holders are considered for the sampling, result may be altered.

## Suggestion/Recommendation:-

The government of Uttarakhand has to maintain a tolerant attitude toward home-stay operators. Home stay loans must be easier to get than under the state's current policy, and their interest rates should be low for the first three years. The operation of home stays must include a significant step for the promotion of sociocultural relationships. The author found that too many Home stays running in studied areas are operated by those people who are from outside the Uttarakhand state and not living permanently in these locations, the operation of their home stays under a care taker which works as a hotel for the tourist and traveller. The basic concept of home stay tourism in Uttarakhand state do not fulfilled by such pattern of home stay operation. This pattern is completely not covering the exchange of culture so that sociocultural relationship are not strengthening as per the fundamental thinking of Home stay tourism and ecotourism in the state. For the effective and successful operation of the Home stay and ecotourism, state government should set quotas for rural women in order to encourage the large number of women as much as possible to operate home stays in the state and for the female home stay operators, there should be more tax freedom in addition to current policy of the state.

## References

- [1] Binita Chakraborty (2019), "Home Stays And Women Empowerment: A Case Study of Women Managed Tourism Product in Kasardevi, Uttarakhand, India", TISC, Thematic Proceedings I, Vol. 6, Issue 4, December, 202-215.
- [2] Nath Maya Ghimire et al. (2022), "An Exploratory Study on Status of Home stays from Lamjung", NJMR, Vol. 5, Issue 5, December, 119-126, doi: <https://doi.org/10.3126/njmr.v5i5.51812>.
- [3] Md Masood Imran et al. (2018), "A Community Response to Tourism, Focusing on the Home-stay Program in K Village in Nainital, Uttarakhand", Journal of Urban and Regional Studies on Contemporary India, Vol. 4, Issue 2, 55-62.
- [4] Mahufuzuar Rahman Barbhuiya (2020), "Over-tourism in Indian cities: a case study of Nainital", International Tourism Studies Association, Vol. 7, Issue 3, July, 702-724, doi 10.1108/IJTC-08-2019-0148.
- [5] Priya Bhalla et al. (2016), "Home stay's contribution to community-based ecotourism in the Himalayan region of India", Tourism Recreation Research, Vol. 41, Issue 2, May, 213-228, doi: 10.1080/02508281.2016.1178474.
- [6] Tomas Lopez Guzman et al. (2011), "Community Based Tourism in Cape Verde - a case study" Tourism and Hospitality Management, Vol. 17, Issue 1, April, 35-44.

- 
- [7] Thomas Lopez Guzam (2011), "Community- Based Tourism in Developing Countries : A Case Study" TOURISMOS: A International Multidisciplinary Journal of Tourism, Vol. 6, Issue 1, Spring, 69-44.
  - [8] Geoffrey Manyara et al. (2007), "Best Practice Model Community Capacity Building: A Case Study of Community Based Tourism Enterprise in Kenya", Preliminary Communication Vol.55, Issue 4, 403-415.
  - [9] Jaswant Singh Jayara (2017), "Home-Stay Tourism in Utrakhand : Opportunities and Challenges" JAMAR, Vol.5, Issue 5, December, 52-59.
  - [10] Jyoti Sood (2016), "Home stays in Himanchal state, India : SWOT Analysis", Journal of Tourism, Vol.17, Issue 2, 69-80.
  - [11] Swapna Patawari et al. (2020), "Recent Trends in Tourism And Hospitality", Eureka Publication, A Division of En To Tech Pvt. Ltd. Pune, Maharashtra, 1-259.
  - [12] Ratna Bhuyan (2020), "Employment Opportunities in Rural Home stays", YOJANA Vol.64, Issue 2, February, 50-53.
  - [13] Ipkin Anthony Wong et al. (2022), "Welcome to stay-at-home travel and virtual attention restoration", Journal of Hospitality and Tourism Management", Vol.51, June, 207-217.
  - [14] Shanta Pragyan Dash (2022), "Exploring the prospects of Home stays in India Tourism and hospitality Industry as an Alternate Preference for Stay", International Journal of Built Environment and Sustainability Vol.9, Issue 3, August, 1-10. doi: <https://doi.org/10.11113/ijbes.v9.n3.935>.