Tourism Impact on Development: A Case Study of Homestay in Thailand

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Abstract
Homestay tourism, as a recent popular type of tourism, can be observed and used as a model to boost the economy of countries (especially developing), regions (remote areas) and as an improvement of any community’s livelihood. This study aims to analyse homestay tourism of one of the most visited countries: Thailand. In this study, the term homestay will be used for the following types of tourism: community based, ecotourism, agritourism (farm tourism), since the tourists stay overnight in the homes of locals. Both qualitative and quantitative survey methods were used to examine the degree of community’s involvement in the tourism industry and community’s benefits particularly from homestay tourism. Ayutthaya and Amphawa communities in Thailand were used as case studies for the survey. Results indicates that the level of education or language proficiency of host families, particularly business (small-scale) runners play an important role in the management and organization of homestay tourism. Locals with an appreciable level of education could host up to 30 tourists per weekend and have the potential to increase the number by expanding their homes through the construction of more accommodation and opening small tourism related businesses. Homestay tourism has the potential to increase the livelihood of the communities through increased income by creating jobs for the locals. Tourism related businesses also enjoy an increase in sales which encourages them to either expand or open more branches. These benefits contribute to the overall growth in Thailand’s economic development and should be given much attention. Although homestay tourism is booming in Thailand, there are still traces of inefficiencies which need attention, such as organizing a committee, which will manage and regulate homestay tourism in the region, organize seminars to help improve the hosts’ management skills and language proficiency and ultimately coordinate and implement programs that will help increase the inflow of tourists.

Keywords: Homestay Tourism; Host; Business Opportunities; Development
1. Introduction

1.1 Homestay Tourism

Tourism development is currently viewed as an important tool in promoting economic growth. In the researches of many scholars, it has been shown and proven that tourism can contribute to a country’s development; not only for economic development but also for development in a multi-dimensional process leading to what can be described succinctly as ‘good change’ (Scheyvens, 2002, Chambers 1997).

Tourism has become a driving factor and an important tool for business, social and cultural exchange development of the third world, especially for developing economies. As a rapidly growing sector of many less industrialized countries, international tourism has emerged as an important component of export-oriented development programs (Goodwin, Kent, Parker and Walpole 1997, 1998). The tourism industry has become vital due to the fact that it creates jobs and that tourism spending has a triple effect in the economy—direct, indirect and induced. Tourism needs to be planned and managed as a renewable source industry based on local capacity and community decision making (Murphy, 2013).

People travel for different reasons and have different preferences. Based on the variety of preferences, numerous types of tourism are born. There are many researches that focus on ecotourism, rural tourism or the so-called community-based tourism and their benefits (John Brohman, 1996, Pierre Walter, 2009, Swarbrooke & Horner, 2007). The popularity of alternative forms of tourism which have come into being such as ecotourism and rural tourism enables tourists to visit rural areas of the developing world as well as encourage the industry to expand into more remote destinations. Such expansions, actively promoted by the WTO, will make contributions in ‘poverty alleviation, economic growth, and sustainable development’ (UNWTO, 2005) in rural areas of the developing world, which often have few alternative options to generate significant income (John Brohman, 1996). In 1996, holidays involving staying with an ordinary family in a private home were identified as a tourism product with the potential to grow in popularity (Swarbrooke and Horner, 2007, Jamal, et. all, 2011).

In the literature, there are many definitions related to ecotourism, agritourism (farm tourism), community-based tourism and homestay tourism. Mann et al. (2000) and UNWTO (2002) have defined ecotourism as a responsible travel to natural areas that conserves the environment. The main motivation of the tourists is sight-seeing and appreciating nature as well
as the traditional cultures prevailing in those areas. It contains educational and interpretational features. It supports the maintenance of natural areas - which are used as ecotourism attractions - by generating economic benefits for host communities, organizations and authorities through managing natural areas with a view to conserve and improve the well-being of local people.

Smith & Long (2000) has defined farm tourism, which is also known as agritourism, as an opportunity for tourists to "reside and sometimes participate in the working activities of farms and ranches". In the work of Ramesh Boonratana (2010) it has been described that any form of tourism that is associated with local and/or indigenous communities is treated as community-based tourism, regardless whether they have actively participated in its development and management and/or if the communities have collectively benefitted from it.

From all these definitions, it can be seen that the core of these types of tourism is the community/locals. Mann (2000) has defined communities as mutually supportive, geographically specific social unit such as a village or tribe where there is usually some form of decision-making head or group.

*Table 1: Types of Accommodation*

<table>
<thead>
<tr>
<th>Accommodation only</th>
<th>Family friendly hotels &amp; resorts</th>
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<tbody>
<tr>
<td>Beach resorts &amp; hotels</td>
<td>Farm stays</td>
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<tr>
<td>Bed and breakfast</td>
<td>Homestays</td>
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<tr>
<td>Boutique hotels</td>
<td>Honeymoon hotels</td>
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<td>Budget B&amp;B</td>
<td>Hotels</td>
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<tr>
<td>Budget beach resorts</td>
<td>Luxury travel</td>
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<td>Budget homestays</td>
<td>Safari camps &amp; lodges</td>
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<tr>
<td>Budget self-catering</td>
<td>Self-catering</td>
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<tr>
<td>Budget villas</td>
<td>Tipis &amp; yurts</td>
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<tr>
<td>Disabled travel</td>
<td>Tree houses &amp; cabins</td>
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<tr>
<td>Eco lodges</td>
<td>Unusual places to stay</td>
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<tr>
<td>Estancias, ranches</td>
<td>Vegetarian &amp; vegan</td>
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<td></td>
<td>Villa</td>
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Source: Responsible Travels (2015)

Homestay program can, thus, be regarded as a rural-cultural-community-based tourism product. Community-based tourism is planned and managed by local people, creating authentic,
rewarding experiences for hosts and guests. Ancient cultures and local wisdom are celebrated and shared; local people gain many new skills and income from community-based tourism is divided fairly. Community based tourism activities are based on unique elements of local culture, lifestyle and the natural world that local people feel particularly proud of (Pierre Walter, 2009). From the aforementioned definitions regarding the types of tourism, it can be seen that they are strongly related to nature, culture and local custom, traditions and the livelihood of the locals.

In this study, the term homestay will be used for community-based ecotourism, agritourism (farm tourism) and any other forms of tourism mentioned since the tourists stay overnight in the houses of locals (which vary in type). All these types of tourisms are related to the community’s involvement in and benefits gained from the tourism industry. As an effect of increasing popularity, many tour agencies have started to provide homestay tours and recommend homestay as a type of accommodation (Table 1).

The homestay tourism has become increasingly popular mainly because people like to learn the cultures, traditions and norms of other nations. By travelling, staying in hotels and visiting famous places, eating local food in the restaurants, buying souvenirs of particular countries will not provide the travellers with information about the lifestyle of the locals; how they prepare the food, how they make the souvenirs and on what they impress importance upon, and also will not help visitors understand the culture and traditions of the locals from inside.

Another incentive for travellers to choose community-based tourism is that the travellers believe that they help the communities and promote the development of remote areas with their visit. They feel that their spending is directed not only towards personal satisfaction, but also to improve the livelihood of people, since the spending remains in the local community and other members of the community benefit from that spending as well (in their chosen recreational or personal activities).

1.2 Thailand: Tourism of Thailand

Recently Thailand has become one of the world’s fastest growing economies, its boom coming as a surprise and influencing the economy and society. Thailand’s growth has been led by private enterprises with full support from the government.

Travel and tourism play an increasingly important role in the economy of Thailand. According to the World Travel and Tourism Council data of Thailand for 2013, the direct
contribution of Travel & Tourism to GDP was THB 1,074.0bn. (9.0% of total GDP), the total contribution of Travel & Tourism to GDP was THB 2,401.1bn. (20.2% of GDP). Travel & Tourism directly supported 2,563,000 jobs (6.6% of total employment), the total contribution of Travel & Tourism to employment, including jobs indirectly supported by the industry, was 15.4% of total employment (6,011,500 jobs) while the figures for the visitor exports generated THB 1,395.6bn. (16.0% of total exports). Travel & Tourism investment in 2013 recorded THB 229.5bn, which was 7.0% of total investment. The tourism of Thailand is supported and regulated by governmental and non-governmental organizations (The Tourism Authority of Thailand (TAT), Ministry of Tourism and Sports, Tourism Council of Thailand, Responsible Ecological Social Tours (REST)). The government of Thailand stresses significance to the tourism issues that require attention and importance, since tourism plays a vital role in the country’s economy.

In the history of Thailand’s tourism industry evaluation, there were many incidents, such as the tsunami of 2004, the closure of the Suvarnabhumi airport in 2008, Global recession and riots in Thailand in 2009, political uncertainty in 2010, major flooding of a large part of Thailand and northern Bangkok in 2011, and political demonstrations in 2013 and 2014, that influenced the international tourist flow.

From Figure: 1, it can be seen that the number of tourists didn’t change dramatically, despite all the events which took place. By observing the trend and historical events which have taken place, it can be concluded that the decrease in the arrivals of international tourists in 2014, is only temporary and the country will find solutions to reboot the industry.

World Tourism Agency (UNWTO) and Pacific Asia Travel Association (PATA) held a special meeting in 2014 at which they expressed support for Thailand’s tourism activities. They also expressed interest in assisting Thailand’s recovery and were confident on it (by taking into account the history of rapid recovery from any event, which influenced the tourists’ arrivals).

In the last two decades, NGOs of Thailand that promote environmental initiatives gave more attention to the connectivity of the environment, livelihood, culture and social aspects. One such organization which supports community-based tourism in Thailand is Responsible Ecological Social Tours (REST), a non-profit organization, which contributes all its generated income towards local community development. REST was established in 1994 by a local charity. Thailand Volunteer Service (TVS), TVS-REST guides provide information and encourages
travellers to visit local and remote areas. The organization employs local guides to promote cross-cultural understanding and education between rural and urban people as well as between Thai people and foreign tourists.

*Figure 1: International tourism, number of arrivals*

Source: Tourism Statistics Thailand 2000-2014

The example of projects supported by REST is the Koh Yao Noi Eco-Tourism Club. As the core activity, by the mid-1990s, the Koh Yao Noi Eco-Tourism Club had initiated a very popular homestay (or ecotourism) project, today recognized and certified by the Thai government. In this initiative, tourists are hosted by local families engage in both traditional livelihood activities and tourist activities and are taught about the local environment, conservation and culture. By the year 2000, over 2000 tourists had been hosted by the local people on Koh Yao Noi (Ridgeway 2000, Pierre Walter at all, 2009).

The projects that such NGOs support are very important for the boost of the community-based tourism, especially in the more remote areas. The tourists who like visiting remote areas would be more interested in staying overnight if they are provided with secured shelter and information about the area also.

There are many projects in Thailand aimed at developing community-based tourism as the Koh Yao Noi Eco-Tourism Club. The project Koh Yao Noi Eco-Tourism Club is a good example for other communities, since the community members can start not only to operate
ecotourism better but also gradually learn how to build and manage support from NGOs, government fisheries staff, marine park police, students, academics, local district government and the media as well. The dissemination of information of the whole procedure and the route of activities to support the Koh Yao Noi Eco-Tourism Club could help other communities take initiatives to do the same.

2. Methodology

The study used qualitative and quantitative survey methods. For the qualitative approach, literature related to the study area (academic books, journals, websites, and media) was reviewed.

For the quantitative approach a survey was conducted. The purpose of the study is to examine the degree of community involvement in the tourism industry while operating homestay tourism as well as to analyse the benefits and issues/barriers of the hosts, in the process of operating the business. For the survey, Ayutthaya and Amphawa districts were visited and 19 homestay tourism stakeholders (hosts) were interviewed.

3. Study Area

For the study, Ayutthaya and Amphawa districts were chosen due to their rich traditions, history, religion and nature. Both districts provide cultural tourism in the form of events/festivals related to Buddhism and are renowned for homestay (community-based tourism). The districts were chosen for the study taking these factors into account; it is also worth mentioning that both districts are supported by the government, NGO’s and various projects for boosting the economy and improving the livelihood of locals.

3.1 Ayutthaya

Ayutthaya is one of the central provinces of Thailand. Its neighbouring provinces are Ang Thong, Lop Buri, Saraburi, PathumThani, Nonthaburi, NakhonPathom and SuphanBuri. The area of Ayutthaya is 2,556.6 km² with a population of 803,599(2014). It was founded in 1350, and became the second Siamese capital. Ayutthaya is famous for its big and fabulous monasteries, with giant golden Buddha statues which are: WatLokkayasutharam, WatChaiwattanarm, PhraMongkhonBophit, WatYai Chai MangKhon, WatPhra Mahathat and
WatPhra Si Sanphet. WatPhra Si Sanphet is the largest temple in Ayutthaya and is situated in the former royal palace. The 3 distinctive stupas are the postcard image of Ayutthaya and are one of its most beautiful ruins present today.

All visitors of Ayutthaya are impressed by the sizes of the complexes as they are considered as a separate city.

3.2 Amphawa

Amphawa is a district of SamutSongkram province. Its neighbouring districts are (from the north clockwise) Bang Khonthi and MueangSamutSongkram, Ban Laem and KhaoYoi of Phetchaburi Province, Pak Tho and WatPhleng of Ratchaburi Province. The area of Amphawa is 170.164 km² and has population of 57,161(2008).

Amphawa is famous for its floating market, wooden houses which are very magnificent and are kept in an ancient way along the Mae Khlong River. The locals offer tours on the wooden boats along the river. Amphawa is well known for its seafood and there are plenty of restaurants along the river to provide, so one can also enjoy seafood on a boat trip.

There are many temples in Amphawa, which are small in regard to size and area, but have big statues of the golden Buddha which are found on the inside, the most famous being Wat Bang Koong mini zoo set on the temple grounds and is especially popular for visitors who travel with children.

Maeklong Railway Market is located in SamutSongkhram, a ten-minute ride from Amphawa. It is one of the most interesting attractions for the visitors of Amphawa. At first glance, it seems to be an open air market but is actually a market operating on an active railway. The sellers have to pack up their goods and move away as a trains approach the railway station. The railway track is very narrow (for one person, maximum two) and provides an exhilarating experience for most tourists.

4. Results and Discussion

Information related to the visited 19 hosts was received from the internet or by word of mouth, by asking questions to the locals on the street. 7 and 12 hosts were interviewed in Ayutthaya and Amphawa, respectively.

The questionnaire provided to the hosts included questions related to:
1. English proficiency level of the hosts
2. Level of education
3. Knowledge on business planning and management

Based on the utilized questionnaires, it has been found that the average mark of English proficiency level is 2 (1: poor, 5: excellent), which can be viewed as a barrier between hosts and guests. Language proficiency plays an important role in tourism industry, since the main way for tourist’s satisfaction is being rightly/correctly understood. Language proficiency is also of great importance for providing deep, correct information related to the local products.

All of the interviewed hosts had bachelor’s degrees; four of them were exceptional from the list. Two of them obtained their Bachelor’s degree abroad and spoke English fluently, the son of the third interviewee was studying abroad and helped operate the business (suggestions, decision making) whenever he returned although the interviewee did not speak English at all and hopes for his son to take control of the business in the future and make better decisions. The fourth host obtained their Bachelor’s degree in Thailand in the field of tourism and hospitality, which plays an important role in the right decision making on the business operation. It is important to mention that, out of the 19 interviewed hosts, these 4 hosts were among the most successful in business planning.

To the question on how the hosts gain knowledge related to business planning, 3 of the hosts answered that they studied about business via internet while others mentioned “intuition” and the knowledge gained in daily life.

To the question on how the host interacted with the guest, all of them answered that it is the host who mainly makes suggestion to the guests/tourists on where to visit. Related to daily activities, 40% of hosts offer cooking food together, 3 of them offer going to the market together, and 2 of them offer a bike ride as part of the package and have the responsibility of showing tourists the area, thereby, acting as their guides.

To the question of how the hosts involve guests in the cultural and traditional activities, the answers were as follows:

1. By suggesting to visit the nearest temple (all respondents/hosts)
2. By preparing food and giving it to the monk (12 of Amphawa residents)
3. By giving lessons on making local handicrafts (2 of them)
4. By teaching them the national dance of the Thai(1 of them)
In order to give food to the monks, the guests/tourists get the opportunity to visit the Mae Khlong River. Visitors/guests are asked to enter the temples barefooted and are blesses by the monk after handing the food over.

The duration of stay, the number of tourists per year and the price for the stay per day. The average duration of stay of tourists is 2 days (mainly over the weekend, probably because the floating market is open only over the weekend) and the average price of stay per day is 800 THB. Some hosts could not give the exact number of the tourists per year. In order to provide a precise number of tourists per year, the answers of 11 hosts (who knew the exact number) were considered and due to the information provided by them the number of tourists per year is assumed to be 13,733.

The level of cooperation between hosts.

The level of cooperation between hosts is very low and to the question whether hosts cooperate with each other, only 4 out of 19 interviewed hosts answered yes. This cooperation is limited to sharing tourists, when they do not have sufficient accommodations. They do not believe in discussing and sharing ideas with each other or within the community at all.

Organizations/bodies that regulate the activities, businesses related to homestay tourism, cooperation of hosts with them and organization of seminars related to tourism management planning in the region.

The main regulatory authority is the Tourism Authority of Thailand (TAT), with its regional branches, but only four of the nineteen hosts are in cooperation with TAT and only two of them attend seminars organized by TAT (the seminar organized with the frequency; once a year).

It was found that 7 out of 19 interviewed hosts, before actively being involved in the tourism business, hosted 4 or 5 tourists in their houses and ended up by having accommodated up to 2000 tourists in a year by expanding their houses or even building separate constructions in the neighbourhood to host tourists, and also opened tourist-related small businesses.

For one of the hosts, the process of involvement in homestay tourism business was not similar to the experiences of others: the operation of their restaurant brought customers who wished to stay in the same area and they started hosting tourists in their own houses (since the restaurant was near the house).

One of the interviewed hosts made and sold local sweets in front of their house in a
small street shop and later started to host tourists. 7 out of the 19 hosts eventually turned their small businesses into big stable profitable businesses.

Initially, it could be concluded that the involvement of the community in the tourism business is effective and profitable. However, 3 out of 19 hosts mentioned that in the neighbourhood there were many others who were hosting tourists in their houses, some of them even had built new constructions to make their houses bigger, but due to lack of knowledge and information (in their opinion) on how to organize and manage the income and operation of the business they faced financial loss and eventually stopped hosting tourists.

5. Conclusion

Ayuthayya and Amphawa have rich resources and components to be frequently visited by tourists (international and domestic). In both districts, the communities have high willingness to be involved in the tourism industry activities, since they get more income per month and have a better lifestyle. Although communities are eager to be involved, there are major barriers for homestay tourism development (only one or two persons from the staff of big hotels speak English and have education related to their job description).

The barriers are listed below:

1. Language barrier (the level of English proficiency of the hosts)
2. Lack of skills related to management and planning
3. Lack of cooperation among hosts

It is necessary to overcome these barriers. The language barrier may cause the loss of potential and existing tourists, opportunity to advertise local products to the tourists thoroughly, which in turn means to losing costumers for two to three markets. The lack of efficient management and planning skills may lead to bankruptcy of the hosts (new formulated business owners). Strong cooperation among hosts is helpful for those who have become newly involved in homestay tourism industry and are just starting out. They will have the opportunity to learn the experience of the good/successful examples and adapt methods in order to get to the same level.

Although the hosts have guests/tourists only over the weekend, this barrier can be resolved by organizing a committee which knows the community’s needs and how to use of all power and capability of the communities, which may bring incite the increase in revenue from
tourism in particular districts and make the districts more developed.

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Reference


