
Creating Value for Home Stay Guests through Experiences

Prof. Vimal A Shukla¹, Prof. (Dr.) Siba Prasad Rath²

¹Associate Professor, School of Hospitality Management, AURO University, Surat.

²Professor, Public Management CFMD, Ethiopian Civil Service University,
Addis Ababa, Ethiopia, Africa.

Abstract

Homestay-a specialized budget accommodation option available to travelers was originally focused on fulfillment of basic requirements. With increased competition in the homestay domain, the owners as well as operators have started offering various experiential measures to its customers in order to lure them and to delight them during the stay. These experiences offer good mental, physical relaxation to the guests. These activities are destination specific and help the traveler experience the culture of the place to its fullest. This paper will explore and delve upon some key activities from across the nation and connect its significance for achieving customer delight.

Keywords: Homestay, Value, Experiences, leisure, vacation.

Worldwide travel before the pandemic accounted for 1 in 4 of all new jobs created across the world, 10.6% of all jobs (334 million), and 10.4% of global GDP (US\$9.2 trillion). Meanwhile, international visitor spending amounted to US\$1.7 trillion in 2019 (6.8% of total exports, 27.4% of global services exports) ("Tourism & Hospitality Industry in India: Market Size, Govt Initiatives, Investments | IBEF"). Scooping down to the content of India, the Indian hospitality and tourism industry has appeared as one of the critical forces of growth in the services sector in India. Tourism in India has significant potential taking into account the rich historical heritage and culture, ecological variety, terrains, and locations of natural beauty that are spread over the country. Tourism is also a significant employment generator apart from being a striking source of foreign exchange generated in the country. In the fiscal year 2020, 39 million jobs were produced through the hospitality sector in India; this accounts for 8.0% of the total employment in the country. The number is anticipated to rise by 2% every year to 52.3 million jobs by 2028 ("Tourism & Hospitality Industry in India: Market Size, Govt Initiatives, Investments | IBEF"). According to WTTC, India has ranked 10th amongst 185 countries in terms of travel & tourism's total contribution to GDP in 2019, and contribution of travel & tourism to GDP was 6.8% of the total economy, ~ Rs. 13,68,100 crore (US\$ 194.30 billion). The launch of various branding and marketing initiatives by the Government of India such as 'Incredible India!' and 'AtithiDevo Bhava' has provided a focused impetus to growth ("Tourism & Hospitality Industry in India: Market Size, Govt Initiatives, Investments | IBEF").

Homestay is an old phenomenon and has been in existence since early travel history of human beings. Homestay are supposed to be basic accommodation option for travelers looking for cheap and budget friendly stay options. Homestay also known as commercial home enterprise have recently gained significance with tourism authorities and local bodies because of its huge potential to offer economic support and employment opportunities to people in rural areas and her tourist destinations (Lynch, P., A., 2005). Homestays are good option to make for the lack of tourist infrastructure in remote locations or rural tourist destinations. As per a study (I.A.M.A.I.com) by the Ministry of Tourism, it is estimated that there is a shortage of nearly 2 Lac rooms for tourists in India. It can be a good option for building temporary stay arrangement for travelers in places where traditionally the demand of rooms or accommodation is more than the supply.

The growth of homestay has had unavoidable ramification in the tourism industry and beyond. The tourism lodging sector is the company's most direct possible influence, but the magnitude of these impacts is debatable. Homestay opposes competing with hotels, and several hotel executives have dismissed homestays as a danger. Hotels are supposed to be part of organised sector, whereas the homestays represent the unorganised sector (Mody, 2017, et al). In reality, there should be no point of conflict between the two. On the other hand, media headlines often focus on homestay's alleged threat to hotels and industry trade associations such as the Federation of Hotel and Restaurant Association in India, Hotel association of India, and others have all pressed for increased regulatory scrutiny and compliance against homestays. It is alleged that the homestays do not pay any tax to the government and thus are not bound by any policies of the government. Considering homestay through the lens of innovation is appropriate because the service is undoubtedly one of the most notable recent advancements in the tourism accommodation industry. Furthermore, since homestay is such a new service, preferring Homestay over a conventional lodging solution seems to be a different form of decision than, say deciding between two hotel properties. With homestay becoming a more important issue in both hospitality and public policy, academic literature on the platform has accelerated in recent years, with articles published in journals in a variety of disciplines.

When traditional tourism accommodation performance qualities, as identified in the literature, Homestay seems to underperform in relation to traditional accommodations, as is typical of disruptive innovations. Hotel rooms, for example, are cleaned by skilled workers on a regular basis, while Homestay spaces are typically cleaned by the host according to his or her own requirements. Hotels have the convenience of a private, locked room, while Homestay guests are often sharing a home with an unlicensed stranger. Many hotels have established brand names that guarantee a certain level of service, while Homestay accommodations are only slightly connected to the company. Hotel reservations are simple and fast, while Homestay guests also have to communicate with the host for longer periods of time. Restaurants, room service, fitness centres, business centres, and conference rooms are popular hotel services that are not included in Homestay accommodations. Hotels seldom cancel guests' reservations and usually allow no-fee cancellations before just before a stay, while cancellations by Homestay hosts seem to be more

frequent and troublesome, plus guest cancellation policies are generally very strict; In the event of any unexpected problems, the hotel guests are able to provide 24-hour access to a professional staff on site while Homestay guests need a host who probably has a great many additional tasks and is not even there. Hotels have 24-hour reception service accustomed to managing late night and early morning check-in and check-outs, while Homestay guests and guests have to arrange themselves for check-in. Despite the fact that Homestay seems to underperform in many core conventional accommodation attributes, for some users, traditional accommodations may give a “performance oversupply” in those attributes, implying that their demands have been met. As a result, these individuals could prefer a particular product of inferior results if it is accompanied by a different set of benefits. Indeed, as is characteristic of transformative developments, Homestay rooms are typically less expensive than hotels. Although, some recent research has questioned this common perception. Furthermore, Homestay accommodations may offer a more unique and authentic experience, as well as valuable household appliances (e.g., a refrigerator, washing machine, and dryer) that are not usually available in conventional lodging.

With the advent of private technology aggregators and firms such as Homestay, V.R.B.O., Homestay.com, and others the competition and intensity to satisfy the customers has increased manifold (Guttentag, D., 2019). Consumer’s changing attitudes towards utilization and accessibility compared to ownership created an indirect need for an intimate connection between people, namely human connection. Then, social concerns gave rise to mass-customized product and service expectations of consumers. This is where homestay's value proposition comes into play. First, it creates not only financial but also personal rewards through a "personal concierge" and a "home away from home" experience. Second, homestay is not a simple transaction; rather, it is deemed to be a lifetime experience. So "guest experience" is at the heart of homestay’s strategic position. From the "experience" point of view, homestay has also opened up new rooms for service research. Service in the context of homestay is considered as an experience rather than a utilitarian relation. Also, service quality has always been a critical factor in highly competitive service industries like the Hotel and Tourism Industry. Literature has demonstrated the importance of customer satisfaction driven by the quality of service offered by the brand and how consumers perceive their service. One can also understand the quality of service as a comprehensive customer evaluation of a particular service and the extent to which the service meets their expectations and provides satisfaction.

The international tourists are usually attracted to homestays more for its cultural experiences than any other factor (Kulshreshtha, S., 2019 et.al.). In Kerala, the homestay guests can experience eco-tourism activities. They may also get exposed to the local culture through various therapeutic massages offered by them. In Rajasthan, the local home operators are geared up to real and majestic experiences in various heritage homes. They are able to design and offer very unique and personalized experiences for the international travelers. Homestays are usually preferred by leisure travelers (Kulshreshtha, S., 2019 et.al.). Hence, in traditional backpacking locations such as Goa, Ooty and other locations, homestays have been able to attract the tourists who wish to experience local culture to its fullest. The tourists can cook, go fishing with locals, and

participate in cultural shows, and so on. The homestays have a very relaxed setting and thus are welcoming for guests of all age groups. In Himachal Pradesh, the serene setting along with unparalleled natural beauty, offers a lot of opportunities for outdoor sessions to its guests. The guests can venture in outdoor recreation activities such as cycling, trekking and other sports. The guests are also invited to prepare and learn local handicrafts from the artisans.

Airbnb has taken the experiences game to a different level altogether. Airbnb experiences are one-of-a-kind activities designed and hosted by locals. Unlike a typical tour or workshop, experiences go beyond the activities themselves. They offer a deep-dive into the local host's world through their passion (Makkar, M., 2020, et. Al.). Hosts offer their guests special knowledge, unique skills, and inside access to local places and communities that guests couldn't find on their own, creating lasting connections and treasured memories. Some of the most successful experiences offer a unique take on an activity or locale that is special to the host's city. For example:

- In **Paris**, visiting the Louvre with an art historian who's also a comedian.
- In **Cape Town**, mountain biking with views of Table Mountain alongside a pro bike racer.
- In **Barcelona**, making paella based on an old family recipe in a private garden.

Experiences tell the story of the host's unique perspective and passion, whether it's their love of street food, sewing, or the history of their neighborhood (Lalicic, L., 2017). Successful Airbnb experiences typically include these four qualities:

1. **Access:** Hosts share their insider knowledge with guests and give them behind-the-scenes access to people, places, and activities that guests couldn't typically find on their own.
2. **Perspective:** The experience has personal meaning to the host and conveys a unique point of view. Experiences tell the host's story and immerse guests in their world.
3. **Participation:** Hosts provide opportunities for guests to meaningfully engage in the activities of the experience, not just passively observe them.
4. **Passion:** Hosts are passionate about the theme of the experience and can demonstrate a deep knowledge or a skilled mastery of the activity.

India has huge potential to bring on board local travelers to Airbnb's home-sharing site with its extended offerings like Experiences and Adventures, said a senior executive, as the company diversifies beyond just being an accommodation marketplace. Airbnb Adventures, which is part of its Experiences programme, sees India as a very important market where it will look to aggressively invest to bolster these new initiatives. The plan of Airbnb is to be innovative and creative in all its offerings to the guests (gqindia.com& official airbnb website). Some of their plans are like:

1. **Roam and Ramble with Ashwini in Mumbai**

In this one-and-a-half-hour-long culture walk through the by lanes of Bandra, the host will take you down Mount Mary Hill to the sea face at Bandstand.

2. The Best of Panjim on Bicycles in Goa

The hosts, promise to take you on a 11km trip around Panjim to explore its 500-year-old heritage. The two-and-a-half-hour-long tour will delight your eyes with historical sights and your taste buds with seasonal fruits and spices.

3. Knots of Compassion in Jaipur

Learn the 2500-year-old art of hand knotting from experienced local artisans. You not only learn something new with this experience, but you also get a chance to contribute to the local culture-the money from the session goes to the Jaipur Rugs Foundation.

4. Farm and Mango Orchard Tour in Pune

Spend four hours in a beautiful farm, learning about plantations of rice, turmeric, corn, mangoes and more. The hosts, who own the farm, will also tell you about the farming tools.

5. Gastronomic tour-Delicious Old Delhi in Delhi

The best thing about Delhi-and anyone who has been there will agree-is the food. Walk the lanes of Old Delhi and try the kulfis, chaat, lassi, kebabs, butter chicken and more.

6. Old Hindi Songs Karaoke group sessions in Mumbai

If you're a fan of old Bollywood songs or simply want a taste of it, go for this fun session with your friends and family in Mumbai. The host's studio apartment is an air-conditioned music studio which can house around 5-6 guests.

India is considered by many locals to be a perfect land for homestay. To tap into its vast potential it is necessary to give proper attention to this concept of tourism by assessing its opportunities and challenges as they exist in India. These experiences will be carried forward as memories with the travelers post their vacation as well (Singh 2014). These experiences will help the hosts to differentiate their services from other homestay owners. The experiences are bound to offer more than value for money to the travelers coming to these locations. These detailed experiential plans created keeping in mind the target customers will go a long way in forging strong connections between the owners and users. In future, the guests will be able to co-create the experiences along with the support and assistance provided by the local people of tourist destinations. These experiences will also help in eliminating the line between hotels and homestays.

References

1. Guttentag, D., 2019. Transformative experiences via Airbnb: Is it the guests or the host communities that will be transformed?. *Journal of Tourism Futures*.
2. <https://blog.airbnb.com/what-are-airbnb-experiences/> last accessed on 17th July 2021.

3. <https://cms.iamai.in/Content/ResearchPapers/edd93d5e-9b64-45f7-aa90-ef46888edd5d.pdf> last accessed on 17th July 2021.
4. <https://www.gqindia.com/content/what-are-airbnb-experiences-how-to-host-a-local-experience-on-airbnb-experiences-in-india> last accessed on 17th July 2021.
5. <https://www.ibef.org/industry/tourism-hospitality-india.aspx> last accessed on 17th July 2021.
6. Kulshreshtha, S. and Kulshreshtha, R., 2019. The emerging importance of “homestays” in the Indian hospitality sector. *Worldwide Hospitality and Tourism Themes*.
7. Lalicic, L. and Weismayer, C., 2017. The role of authenticity in Airbnb experiences. In *Information and communication technologies in tourism 2017* (pp. 781-794). Springer, Cham.
8. Lynch, P.A., 2005. The commercial home enterprise and host: A United Kingdom perspective. *International Journal of Hospitality Management*, 24(4), pp.533-553.
9. Makkar, M. and Yap, S.F., 2020. Managing hearts and minds: Romanticizing Airbnb experiences. *Current Issues in Tourism*, pp.1-20.
10. Mody, M.A., Suess, C. and Lehto, X., 2017. The accommodation experience scape: a comparative assessment of hotels and Airbnb. *International Journal of Contemporary Hospitality Management*.
11. Singh, L., 2014, Homestay Tourism in India: Opportunities and Challenges.