



The relationship between motivation and retention in the homestay business in Ella

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Abstract

The homestay concept creates a unique experience for the guests. It also empowers homestay operators to get additional income and create job opportunities. Ella is a popular destination for homestay tourism in Sri Lanka. This study is conducted to find Socio-cultural, Economic and Environmental Motivations for homestay operators in Ella -Sri Lanka. The researcher used the quantitative method. This study is based on primary and secondary data. Primary data was collected through five-point Likert scale questionnaires and 80 homestay operators were selected for questionnaire data collection. The researcher used simple A simple random sampling technique. According to findings, there is a strong positive relationship between Economic Motives and Motivation to retain business and a strong positive relationship between Social Motives and Motivation to retain business. However, there is a weak positive relationship between Environmental Motives and Motivation to retain business. Homestay is a potentially easy solution for the demand for accommodation facilities for tourism. Policymakers can expand the homestay concept into developing small-medium enterprises (SME sector) in the tourism industry in Sri Lanka. As well the government can facilitate to encourage growing numbers of homestay entrepreneurs.

Keywords: economic motives, environmental motives, homestay and social motives

Introduction

The homestay concept seeks to empower individual households to directly earn an income from tourism, using the potentials for the local people. A homestay is a form of tourism where it enables visitors to stay with the host families. It exposes local traditions and culture for tourists. It is sometimes used by people who wish to improve their language skills and become familiar with the local lifestyle (Bavani et al., 2015). As of the end of September of the 2019-year, 520 homestay operators were registered under SLTDA, with 1,574 room capacities available in the country (SLTDA, 2019). Homestay operators have a good perception of homestay concepts and they want to be a part of tourism by providing homestay accommodations. In business, people are mainly focused on monetary and material objectives. Also, a homestay as a business, it has motivated operators by an assortment of aspects. Such as operators have a sense of pride in their culture, lifestyles,



surroundings and it is an opportunity to interact with people from other countries.

Ella is a popular destination for homestay tourism. Furthermore, homestay is a potential segment for Sri Lankan tourism. Before COVID 19 pandemic, Ella was one of the best destinations popular among homestay travelers. There was a rapid variation of socio-cultural, economic, and environmental enhancement. Homestays in Sri Lanka had become popular in the Sri Lankan tourism industry since 2011. The number of registered homestay operators was gradually increased year by year until before COVID 19 pandemic. Even though a Homestay business mainly focuses on monetary and material objectives, various factors act as motives for people to enter and run homestay business. In the last quarter of the 2019-year researcher conducted this study to find out “Socio-cultural, Economic and Environmental Motivations homestay operators in Ella -Sri Lanka.”

Research Objectives

- to investigate the motivational factors behind homestay operators.
- to determine the relationship between motivation factors and retain to homestay business.

Literature Review

Homestay refers to a visit to somebody’s home in a foreign country that allows visitors to rent a room from a local family to learn local culture, lifestyle, or language. It is a living arrangement offered by a host or host family that involves staying in their furnished house or suite. A homestay guest would be staying in home-like accommodation with shared living spaces, facilities, and amenities. Utilities and meals are usually included and the length of stay could be daily, weekly, monthly, or unlimited unless specified otherwise by the host (Raju, 2015). In the Malaysian context, a homestay program is a form of lodging alternative offered to tourists visiting a village. In this program, the tourists can stay with the host family and experience the family’s daily routine.

Furthermore, it also encourages direct or indirect involvement of the local or surrounding community (Leh & Hamzah, 2012). Homestay provider is a local family that offers their house as an accommodation unit. Also, homestay is alternative tourism where tourists will stay with the host’s family in the same



house and experience the family's everyday way of life and the local community (Association of Southeast Asian Nations, 2016).

Participation in the homestays has strengthened that the sense of pride of local people regarding culture, lifestyles, and surroundings provided opportunities to interact with people from other countries (Wangchuk, 2007). It says that monetary gain has been cited as the major factor among others that motivated homestays' providers to participate in the tourism business. Homestay has the potential to create a positive impact on the local community. Economically, socially motivate peoples to homestay business. Also, homestay affects the protection of the environment. According to the findings, sustainability and motivation create a significant relationship with homestay operators (Mohamad et al., 2018). The homestay program in TanjungPiai allows conserving the nature while ensuring scenic beauty, maintains and without pollution. It illustrates the increment in tourist arrivals due to nature. Malaysia can have many positive impacts and benefits from it (Salleh et al., 2014).

Nowadays, Tourism has become a major foreign income earner in the Sri Lankan economy. Therefore, the Sri Lankan tourism industry has to think beyond traditional norms and be involved in product development to make the visits exciting. Since one of the key objectives of tourism is economic development at the mass level, SLTDA has encouraged industrialists to focus on getting the community involved in the value chain and new value creation. One good example is the “homestay programme” that is gaining momentum. Similar initiatives like visits to community-based activities such as farming, fishing, handicrafts, festivals, religious and cultural programmes, sports, bird watching, wildlife. are being promoted (Ministry of Economic Development, 2011). There is a variety of factors acting as motives for people to enter and run homestay business. Even though a business mainly focuses on monetary and material objectives, a homestay as a business has motivated operators by an assortment of aspects, such as the source of income, business prospects, persuasion and experience, the appeal of the area, personal appeal and the availability of resources (Ranasinghe & Rathnayake, 2016). Moreover, staying at homestay unit/ Bungalow tourist ultimately contributes to uplift the livelihood of small & rural community, which will add value to the tourist (Sri Lanka Tourism Development Authority, 2015).

Methodology

The researcher used a quantitative method for the study. The research site was the Ella destination area. Homestay accommodation providers in the Ella area



are identified as the study population. This study is based on two significant data sources: primary and secondary data to utilize maximum output on the study. Primary data was collected through self-developed five-point Likert scale questionnaires from homestay operators. E publications, web pages, journal articles, reports etc. are used as secondary data. 80 homestay operators were selected for questionnaire data collection. The researcher used simple random sampling techniques. To determine study objectives, validity, reliability, coefficient correlation, ANOVA tests were conducted.

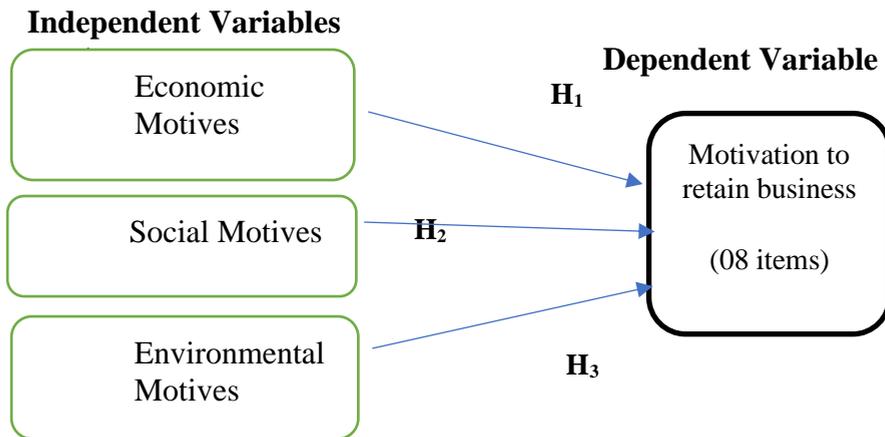


Fig 1. Conceptual Framework

Results and Discussions

According to a descriptive analysis of the respondents, 70% of them were male and the rest were females. 51.3% of in above 51 age group. 31.3% 40-49 age group. 12.5% and 5% accordingly in the 30 -39 and 20 – 29 age group. 37.5% of them are doing only homestays and 18.8% are public, 17.5% are private and 26.3% are self-employees. 3.8% of them had primary education. 17.5% passed GCE O/L and 33.8% are passed GCE A/L and the rest of them had a diploma or degree. 23.8% of them have conducted homestay units for more than four years. Rest conducted less than four years ago.

Table 1. Descriptive statistics of the respondents

Measure	Options	Frequency	Percentage(%)
Respondent Gender	Male	56	70
	Female	24	30
Age	20 -29	4	5
	30 – 39	10	12.5
	40 – 49	25	31.3
	Above 50	41	51.3



Employment	Self-employed	21	26.3
	Private	14	17.5
	Public	15	18.8
	Only Home Stay	30	37.5
Education Level	Primary	3	3.8
	Passed O/L	14	17.5
	Passed A/L	27	33.8
	Diploma	18	22.5
Duration of Homestay Operation	Degree	18	22.5
	Less than 1 year	13	16.3
	Between 1 and 2 years	18	22.5
	Between 2 and 3 years	18	22.5
	Between 3 and 4 years	12	15.0
	More than 4 years	19	23.8

To test the validity of the measures, the KMO and Bartlett's test was used by the researcher. Kaiser (1974) recommends a bare minimum of .5 and that values between .5 and .7 are mediocre. Values between .7 and .8 are good. Based on Table 02 values, all variables are valid. Therefore, Cronbach Alpha should exceed 0.7 to get the reliability of the variables. Based on Table 02 values, all variables are reliable.

Table 2. Reliability and Validity

Variables	No of Respondents	Cronbach's Alpha	KMO and Bartlett's Test
Motivation to retain business	80	0.800	0.837
Economic Motives	80	0.723	0.682
Social Motives	80	0.882	0.765
Environmental Motives	80	0.853	0.791

According to Table 03, there is a strong positive relationship between Economic Motives and Motivation to retain business. The value is 0.757. Also, there is a strong positive relationship between Social Motive and Motivation to retain business with 0.78 value. But there is a weak positive relationship between Environmental Motives and Motivation to retain business (0.421).

According to the table, alternative hypotheses are accepted. Thus are,

- H₁: There is a significant relationship between Economic Motives and Motivation to retain business
- H₂: There is a significant relationship between Social Motives and Motivation to retain business
- H₃: There is a significant relationship between Environmental Motives and Motivation to retain business



Table 3. Correlation and Hypothesis test

Variables	Correlation	P value	Significant or Not	Accepted Hypothesis
Economic Motives and Motivation to retain business	0.757	0.000	Significant	H1
Social Motives and Motivation to retain business	0.780	0.000	Significant	H2
Environmental Motives and Motivation to retain business	0.421	0.000	Significant	H3

When considering the model summary of this study, Adjusted R Square is 0.652. This means there is a 65.2% variance in the motivation to retain business interpreted by economic, social, and environmental motives. The following equation can be interpreted based on the coefficient correlation value.

$$\text{Motivation retain to business (Homestay)} = 0.504 + 0.292 \text{ EM} + 0.382 \text{ SM} + 0.1 \text{ Env.M}$$

Conclusions and Recommendations

This study was conducted to find out Socio-cultural, Economic and Environmental Motivations of homestay operators in Ella - Sri Lanka. One objective is to investigate the motivational factors behind homestay operators. According to the literature of previous studies, Economic, Socio, and Environmental motives are highlighted. Another objective is to determine the relationship between Socio-cultural, Economic, Environmental motivation, and retain business. According to reliable and valid data collected from homestay owners in the Ella area, there is a strong positive relationship between Economic Motives and Motivation to retain business and a strong positive relationship between Social Motives and Motivation to retain business. However, there is a weak positive relationship between Environmental Motives and Motivation to retain business. Three accepted hypotheses explained a significant relationship between Social, Economic, Environmental motives, and motivation to retain business.

Homestay is a potentially easy solution for the demand for accommodation facilities for tourism. Badulla and Kandy district peoples are highly narrow dawn with homestay operation. The government can conduct promotional activities by focusing on homestay tourists. Also, in this new normal situation is highly important to introduce a new product of homestay. Presently



'Healthy Homestay' campaign and safe community-based tourism is a more suitable strategy for the Ella area. Also, provide an interest-free loan scheme for the homestay operators increase motivation to the business. The government can launch loan schemes. Again, arrange training sessions for homestay operators is another recommendation. Also, in Ella area environment need to protect further because ad hoc homestay constructions are ruining scenic beauty in the place. Moreover, policymakers can expand the homestay concept into developing small-medium enterprises (SME sector) in the tourism industry in Sri Lanka. As well the government can facilitate to encourage growing numbers of homestay entrepreneurs.

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