



Role of Information and Communication Technologies (ICT) in Rural Homestay Business: New Intervention in Rural Economic Growth

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ABSTRACT: Tourism activities foster economic growth in many countries. In India, tourism is considered to be major economic driver. The expansion of tourism activities in rural economies has created supplementary sources of income. Present is the era of technology and a business cannot be thought of to be without technological intervention. ICTs represent affordances: to appraise, plan, order, network, socialize, stream, transact and rate. Present study reveals positive impact of shifting operations to online mode from offline mode. It is revealed that digitalization bring a complete shift in the mode of bookings, help to increase revenue, outreach of the homestay business with change in type of customers. Digitalization also helps homestay owners to get proper feedback from the customers and making necessary improvements to make entrepreneur more sustainable. High cost of ICT gadgets like smart phones, computers etc. and high cost of service were major constraints perceived by homestay owners.

Keywords: Rural homestay, ICT, Rural Development, homestay, sustainability.

INTRODUCTION

Rural development is an integrated approach which includes various aspects like economy, health, education and over all wellbeing. A sustainable ruler development is considered with respect to three dimensions viz economic social and environmental. Government policies mainly focus on overall rural development while keeping these dimensions under consideration. Various programs have been initiated by the government for economic, social and environmental development. Changing era has brought new technological intervention in rural development. One of these is rural tourism which helps in upliftment of rural economy by adding supplementary sources of income. Tourism is the main stay of economics of many countries and in India it has emerged as a single largest net earner of foreign exchange. Tourism, like other economic activities flourishes best when it fits into the context of general economic policies and programmes designed to lead to the optimum growth of the economy of a country as a whole. (Gupta and Bansal 2001). Rural people in hills are ready to adopt homestay venture for supplementing household income. Extensive and intensive Rural Tourism can be promoted through ICT application. Rural tourism can be main economic activity and can be crucial for agribusiness and rural development. It gives an opportunity for the farmers to profit from tourism directly besides generating new market for the agrarian products in the region. Activities revolving around rural tourism can be streamlined to support sustainable development and hence, it can be user friendly and environmental friendly. Information and

Communication Technologies (ICT) is umbrella term for technological developments for the Umbrella term for technological developments for the Production, analysis, storage, search, distribution and use of information ICT includes a combination of hardware, software, telecommunications, Network, groupware Human-ware. ICT enables effective data processing & communication, organizational benefit, ICT, provide enormous capabilities for consumers. ICT played an outstanding role for development of modern tourism. Information and Communication Technology (ICT) harbors the capacity to substantially broaden opportunities for local communities by enhancing tourism resources, catalyzing new business ventures, fostering product innovation, augmenting tourist inflow and foreign income, and contributing to overarching economic development (Choi & Sirakaya 2006; Cavalheiro *et al.*, 2020; Gong *et al.*, 2023). Despite this, the nuanced dimensions of homestay branding, the nexus between homestays and entrepreneurship, ICT proficiency among homestay proprietors, and training in sustainable operational practices are markedly underexplored in the prevailing academic discourse, particularly within the Asia Pacific context (Janjua *et al.*, 2021). The segment could promote local level income generation and serve the purpose of women empowerment (Babu *et al.*, 2022). Rural homestay is an offspring of regular tourism which help farming communities to have an additional source of income along with traditional activities. Information and communication technology (ICT) can help to bring desirable changes with positive momentum in rural tourism while expending the scope

of rural home stays. Rural India lacks essential infrastructure and services such as transportation, health, education and government services. This creates a politically and ethically unacceptable inequality of services and opportunities for rural. It prevents them from participating in socioeconomic and political life of the nation. Rural isolation and deprivation can negatively impact growth. ICT can strengthen the role of each governance pillar in rural development leading to their upliftment. It can facilitate speedy, transparent, accountable, efficient and effective interaction between the public, citizens, business and other agencies. ICTs can overcome many infrastructural constraints which are needed to provide services in rural areas. Through ICTs people in rural areas can connect with the local, regional and national economy and access markets, banking/financial services and employment opportunities. ICTs also serve as an instrument to create awareness. Media plays a major role in telling stories and spreading information in the remotest areas. It can give rural people a voice in the nation's social-political life. Modern India and information technology go hand in hand. Villages are the heart of India. Fortunately ICT development in India is very fast as compare to other developing countries. The national informatics centres has taken IT to every district in the country. It facilitated the government level interaction and communication faster and effective. A lack of basic amenities and infrastructure and low literacy levels mainly character rural areas. Rural development comprises strategies that focus on better livelihood for people with provisions for access to basic infrastructure and facilities. India is still considered a developing nation after so many years of independence. The question here is whether the government or public administration has been able to respond effectively to the changing requirements of the present twentieth century. In this context, the use and application of ICT is seen as a paradigm shift from traditional approaches to the execution of government strategies. As the meaning suggests, ICT has enabled the rendering of government policies and services to the public using electronic means. The National Strategy for Promotion of Rural Homestay, 2022 aims to encourage the development of sustainable and responsible rural tourism by providing financial and promotional support, enhancing infrastructure, creating awareness and capacity building, and improving the quality of services and facilities for rural tourists. The strategy has a parallel focus on creating employment opportunities for local communities and promotes inclusive growth in rural areas

ICT initiatives in rural economies aim to leverage technology for development by bridging information gaps, promoting knowledge sharing, and empowering communities, ultimately enhancing quality of life and fostering sustainable growth. ICT initiatives in rural tourism leverage technology to promote and enhance tourism in rural areas, offering benefits like improved information access, streamlined services, and global connectivity, ultimately boosting economic development and job creation. ICT in rural tourism can enhance travel planning, booking management,

customer's experience, feedback, and showcase rural heritage through digital platforms. Tourists are able to access information and services available in rural niche and also help rural entrepreneurs in data management, marketing boosting efficiency and satisfaction of business to make it more sustainable. Although ICT tools have potential to boost rural economy but their use and efficiency data is less available. Keeping in view the importance of ICT in rural tourism present study was planned with following objectives:

Objectives

1. To study the use of ICT by rural homestay owners.
2. To delineate the constraints perceived by rural homestay entrepreneurs.

METHODOLOGY

The present study was conducted in the state of Himachal Pradesh (INDIA). The state of Himachal Pradesh was purposely selected for the study as the researchers is well familiar with the topography, culture and customs of the state. Total fifty Homestay owners from two districts viz Kangra and Chamba were interviewed along with 50 customers who were selected randomly and were contacted telephonically from the exhaustive list of visitors available with the selected homestay owners. The researchers also referred textbooks and Journals and latest national and international reports to collect secondary data. The data was summarized and analyzed using various statistical tools and SPSS software. The researcher conducted a random sample survey and collected data from both the primary and secondary sources. The study conducted through a questionnaire with both structured and unstructured questionnaires.

RESULTS AND DISCUSSION

1. ICT for homestay owners. The study reveals that most of the homestay owners (70 %) uses hybrid mode-both offline and online platforms. About one fifth (20%) of the homestay owners used digital platforms for their day-to-day operations. Only, 10% of the owners still prefer offline operations.

Table 1: Mode of operations by homestay owners (n=50).

Mode of operation	No. of respondents	Percentage
Online mode of operation	35	70
Offline mode of operation	10	20
Hybrid mode of operation	05	10

Besides this significant positive impact was observed while moving operation from offline mode to online mode. Majority of the respondents (90 percent) found increase in revenue while using digital platforms which also reported increase in outreach of the homestay business (80 percent) along with change in type of guests (80percent)

Table 2: Impact of changing operations from offline to online mode (n=50).

Parameter	No. of respondents	Percentage
Increase in revenue	45	90
Increase in outreach	40	80
Change in type of guest	40	80

In Pre-digital operations major booking (70 percent) were done through third party brokers along with booking share of 20 percent through personal visits and only 10 percent were done through telephone and email. Digitalization of operations has completely changed the booking pattern and now major share of booking is through online travel portal (56 percent), followed by own platform (26%), personal visits (10 percent) and others third party (8 percent). During pre-digitalization and operating offline phase, dependence on word of mouth was predominant (70%) and a smaller group (40%) used hoardings at various locations (Table 4). However, access to online opportunities provided varied avenues for promotions and 54% confirmed to have been using the others websites. The properties using own portal for

promotion accounted roughly 46% and the use of social media platforms such as Facebook, Instagram, Twitter etc. are also gaining momentum and 80 percent of the homestay owners were found to be using social these networking sites.

2. Constraints perceived by rural homestay entrepreneurs. Most of the rural homestay owners (92 %) found to perceive High cost of ICT gadgets like smart phones, computers etc as major constraint followed by high cost of servicing charges of ICT gadgets (86 %). Lack of sufficient skills in usage of ICT gadgets (82 %), lack of uninterrupted power supply (80 %), lack of servicing centres of ICTs in villages (76 %) and difficulty in understanding the language of ICT gadgets (74 %) were other constraints perceived by the rural homestay owners.

Table 3: Impact of changing operations on mode of booking (n=50).

Mode of Booking- Pre-Digital Operations			Mode of Booking- Post-Digital Operations		
Parameter	Frequency	Percentage	Parameter	Frequency	Percentage
Telephone & email	5	10	Online travel platforms	28	56
Through third party	35	70	Own travel platform	13	26
Personal visits	10	20	Other third party	4	8
			Personal visits	5	10

Table 4: Promotional Activities during Pre- and post Digitalization (n=50).

Promotional Activities during Pre-Digitalization			Promotional Activities during post Digitalization		
Parameter	Frequency	Percentage	Parameter	Frequency	Percentage
Words of mouth	35	70	Social networking sites	25	80
Advertisement	02	04	Others websites	27	54
Hoardings	14	28	Own portal	23	46
			hoardings	20	40

Table 5: Constraints perceived by rural homestay entrepreneurs.

Sr. No.	Constraint perceived by Rural homestay owners	Frequency (Percent)	Rank
1.	High cost of ICT gadgets like smart phones, computers etc	46 (92)	I
2.	High cost of servicing charges of ICT gadgets	43 (86)	II
3.	Lack of sufficient skills in usage of ICT tools by rural communities	41 (82)	III
4.	Lack of uninterrupted power supply	40 (80)	IV
5.	Lack of servicing centres of ICTs in villages	38 (76)	V
6.	Difficulty in understanding the language of ICT gadgets	37 (74)	VI

SUMMARY AND CONCLUSION

Rural homestay is a spurring from of regular tourism activities which provide tourist to explore rural life and compensate rural area with supplementary source of income along with traditional rural activities. ICT intervention in the segment may help to improve earning of homestay owners with enhanced services to the customers. Although ICT intervention is found to be helping the rural entrepreneurs but there are some inherited problems associated with rural areas like high cost of ICT gadgets, higher service charges and lack of awareness and education to ICT tools. Providing subsidized electronic gadgets along with training to handle ICT tools may help to improve digital literacy which will have positive impact on rural tourism to improve socio-economic status of rural population including narrowing gender gap. Government policies

need little modifications to include ICT friendly environment in the villages which include uninterrupted power supply, better transport and medical facilities to attract more tourists in rural areas.

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