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# The homestay program in Malaysia: Motivation for participation and development impact

## Abstract

*The main purpose of this study is to identify the characteristics and factors affecting the participation and perception of homestay operators about the impact of homestay development on their local communities in Johor. The research instruments used were questionnaires and face to face interviews in 8 major homestay areas. A total of 80 operators were selected via stratified random sampling for the interviews. The study found that majority of the operators in Johor involved in the homestay program are full time operators. Their involvement was driven by various factors such as their own desire to be operators, encouragement from communities, families and associations as well as government incentives. The reasons for being involved in this program are: gaining new experiences, acquiring better source of income, spending their leisure time, improving skills and interests of individuals and the SME businesses they owned. With regard to perception, their homestay operators believed that the development of homestay tourism has positive impacts on their local communities. Based on the 1-5 Likert scale, the impact of cultural heritage is the highest of the overall impacts with a mean score of 4.81 followed by the economic impact with value of 4.80, social and environmental impacts at 4.70 and 4.43, respectively. Overall, from the perspective of homestay operators, the homestay program in Johor has positive impact and is successful. Nonetheless, collaboration and networking with government and private organizations are still needed to further improve the development of homestay program.*

*Key words: homestay; heritage and economic impacts; social and environmental impact; community involvement; Malaysia*

## Introduction

Currently, Malaysia is one of a major international tourism destination. In 2011, Malaysia was at the 9<sup>th</sup> position as the most visited country in the world with 24.7 million arrivals. Among the countries in Asia, Malaysia was ranked second after China (UNWTO, 2012). According to the World Travel and

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Tourism Council (WTTC, 2013), in 2012, the direct contribution of tourism and travel industry to Malaysia's Gross Domestic Products (GDP) amounted to USD 21.7 billion and employed 811,500 people. WTTC also estimated that in 2012, this industry created total employment (including indirect employment) of 1,708,500 jobs. The industry also contributed as much as 7.7 percent to the total export earnings of the country. In view of this significant development in Malaysia's tourism industry, the 10<sup>th</sup> Malaysian Plan is committed to develop attractive and iconic tourism products, improve the maintenance of existing tourism areas and implement focused-tourism development by giving priority to high-spending tourist market. At the end of the 10<sup>th</sup> Malaysia Plan, the Government aims to increase the industry's economic contribution 2.1 times and create 2 million jobs (RMK-10).

In order to ensure the sustainability of the tourism industry given the increase in tourist arrivals (domestic and international), stakeholders in this industry must ensure that the services required by the growing and diversified number of tourists must be adequately provided. In this context, diversified tourism products and services must be made available to meet their needs. Among the main services needed by tourists are accommodation facilities. Variation in tourists' needs certainly creates demand for different types of accommodation according to their budgets and tastes. Supply of various types of accommodation such as luxury hotels, budget hotels, chalets, rest houses, apartments, homestays and the like would provide a wide range of choices for tourists to meet their taste and budget.

The increased desire for nature-based and agro-tourism has improved tourism activities in rural areas. Tourists of this category definitely want to stay at places that give them access to the natural and rural environments. At the same time these activities can provide business and employment opportunities to local communities through the Malaysian rural homestay program. Under the Ministry of Rural and Regional Development through the 'Rural New Economic Model' (2011), the Government aims to develop and expand homestays in 500 villages and promote rural tourism branding. In addition to the main tourism product, the development of the homestay program will provide more employment opportunities to rural people which, in turn, can reduce migration of rural residents to cities.

The government is increasing its focus on the development of homestay tourism because, at the moment, the tourism industry is concentrated in big cities, islands and coasts. The expansion of tourism in the suburbs and rural areas is a result of the growing interest in eco-and agro-tourism. This is because Malaysia is a country endowed with abundant of natural wealth, agricultural and cultural heritage in rural areas. This development will provide an opportunity for rural communities to be directly involved in tourism programs. Such reasoning is backed up by research evidence. For example, Buhalis and Molinaroli (2002) found that the involvement of local people in tourism activities can help them to improve their economic, social and cultural quality. In this way, rural tourism is able to boost the economy of rural communities in particular, and helps to solve the problem of poverty and unemployment in general. Therefore, the homestay program is an important and integral method to improve socio-economic condition in rural areas.

Despite the difficulties in the involvement of homestay program as stated by Kayat and Ashikin (2006) due to lack of managing experience, knowledge and skills, the development of community-based tourism activities can strengthen community institutions (Brohman, 1996). Mutual cooperation is likely be nurtured and locals will be able to provide various tourism activities that can be presented to tourists. At the same time, cooperation between the government and the local community of the homestay

program will help to improve the socio-economic of the involved community. The study by Taylor (1998) also demonstrated the importance of community involvement in the current development of the tourism industry. In fact, this involvement is often regarded as the key to community sustainable development where the community is expected to share all the benefits (such as job opportunities and income) from the development of homestay program within the community. Thus, there is a need for the community to be involved in tourism development. Such involvement is not only helping the development of tourism industry but more importantly it will improve the local community's quality of life. In the long run it will be able to guarantee their livelihood sustainability (Clayton, 1998; Jamieson, 2001).

Realizing the importance of local communities' involvement in the development of tourism industry, this study aimed to evaluate community participation in the development of homestay tourism in Johor. Specifically this study aims to a) identify the characteristics of community participation in the homestay program, b) identify factors influencing community participation in the homestay program, and d) evaluate homestay operators' perceptions on the impact of tourism development program to the community.

## Homestay tourism in Malaysia

Homestay program in Malaysia is still relatively new. It started in the early 1970s in a Cherating village, Pahang when a local resident, Mak Long, began providing breakfast, dinner and accommodation in her house to a group of "drifter" tourists (Hamzah, 1997). Initially, the homestays began in settlements along the coastal area with rural atmosphere and background. The provision of homestays grew steadily until it was placed under the Ministry of Agriculture for the purpose of monitoring and supervision. Officially, the homestay program began in 1988 when the Ministry of Tourism implemented its tourism diversification policy by providing, among other, alternative tourism accommodation. This homestay program began at five villages in Pahang (in the Desa Murni area) which consisted of Desa Murni Sanggang, Desa Murni Sonsang, Desa Murni Kerdau, Desa Murni Ketam and Desa Murni Perangap. This homestay program provided an opportunity for tourists from abroad to acquire the experience of living in a Malaysian village and enjoying Malaysians' lifestyle. Five villages of Desa Murni had received only 10 tourists in the first year of their operation. However, the number of tourist arrivals in these villages had increased dramatically over the past decade. During that period the number of homestay operators had increased to 100 and the total number of tourist arrivals grew to 3,000 annually. Initially, most of the foreign tourists were from Japan, but later more tourists from Europe, Australia and the United States came.

This homestay program is usually carried out by a group of individuals who owned houses located in rural areas. In order to regulate this program, Ministry of Tourism (MOTOUR) will only issue license to house owner who complies with a list of homestay selection criteria. These criteria include accessibility to the main road, adequate facilities for tourists such as a separate bedroom and bathroom, no history of criminal record, not suffering from communicable diseases and high standard of hygiene. Home owners also need to attend a basic training course conducted by the Institute for Rural Advancement (INFRA) under the Ministry of Rural and Regional Development.

The increased number of homestays in Malaysia has given its expansion a momentum. The increment in tourist arrivals has inspired the homestay operators to improve their homestays' facilities. This is because the growth of homestays could potentially increase income and job opportunities in the local community. In the Ninth Malaysia Plan (RMK-9), the Ministry has outlaid RM 40 million to improve infrastructure facilities in villages that are taking part in the homestay program. Homestay program was also given additional fund of RM 10 million under the second Stimulus Package. In 2008, the Ministry of Rural and Regional Development spent about RM 6.7 million for infrastructure development pertaining to rural tourism projects. As a result of the Government's encouragement and intervention, by 2013 there were about 157 homestay projects in Malaysia involving the participation of a total of 247 villages, 3,399 operators and 4,669 rooms.

The performance of homestay in Malaysia is also shown in Table 1. Overall, the Homestay program has generated a total income of USD 3,640,292 in 2009 through the arrival of 161,561 tourists. In 2011, this amount had increased to USD 5,245,426 and 254,981 tourists; and in 2013, the income had increased to USD 7,190,316 with 350,954 tourists. Johor has a total of 16 homestays in 35 villages with 508 operators, offering a total of 663 rooms. For the year 2009, Johor received an income closed to USD 0.33 million catering to about 22,139 tourists. In 2011, the contribution of Johor homestay in terms of income had increased to USD 0.42 million with 47,151 tourists, before increasing to USD 0.43 millions and 47,140 tourists in 2013. Here, Johor contributed between 6-8% of the total homestay income to Malaysia with 13-18% of tourists. With proper and strategic planning, this income and number of tourists can easily be increased in the future. For this purpose, researches related to the homestay in Johor should continuously be carried out from time to time.

## Research methodology

The homestay villages involved in this study are equally divided into two groups namely the small-sized homestay program with less than 30 rooms that are Kampung Parit Puteri Menangis Homestay, Permatang Sepam Homestay, Kampung Parit Homestay, Kampung Sri Gunung Pulai Homestay and Kampung Sri Paya Homestay. Large-sized homestay program, with more than 30 rooms are Tanjung Piai Homestay, Kampung Parit Tengah Homestay, Felda Semenchu Homestay and Parit Bugis Homestay. A total of 80 respondents were selected through random sampling; and were interviewed face-to-face. The selection of stratified random sampling can represent features of the original population (Mueller & Heitzman, 1980). A total of eight respondents were from small and 12 respondents from large-sized homestay.

Statistical Package for Social Science (SPSS) computer package was used to analyze the data. Descriptive statistics analysis was used to assess the demographic profile of the local residents as well as identifying the characteristics of community participation in the program. To identify factors influencing community participation in homestay program and evaluation of homestay operators' perceptions on the impact of homestay program, mean analysis was employed. The research framework is summarized in Figure 1.

Table 1

## Malaysia: Numbers and performance of homestay

No	State	Total supply				Income and number of arrivals									
		Homestay Programs	Total of Villages	Number of Operators	Total No of rooms	2009 (a) (USD)	2009 (b)	2010 (a) (USD)	2010 (b)	2011 (a) (USD)	2011 (b)	2012 (a) (USD)	2012 (b)	2013 (a) (USD)	2013 (b)
1	Perlis	3	3	56	64	62,405	4,038	107,754	3,858	63,500	3,158	13,782	988	56,797	4,981
2	Kedah	14	19	324	421	280,900	31,446	185,833	10,957	312,425	17,669	326,339	19,725	240,960	19,517
3	Pulau Pinang	9	9	200	227	80,109	3,251	120,757	3,786	120,508	4,531	122,638	5,190	139,470	6,964
4	Perak	6	30	231	308	128,437	4,089	194,483	4,455	92,431	3,719	100,240	6,311	97,446	6,440
5	Selangor	15	18	458	660	762,210	31,027	562,081	35,789	732,082	37,609	727,249	37,599	1,274,056	64,247
6	Melaka	7	7	115	173	239,508	10,676	364,580	15,135	522,933	25,109	641,063	26,591	452,176	22,157
7	N. Sembilan	11	31	265	397	414,747	12,865	346,605	9,561	230,870	11,023	280,896	13,933	320,007	9,597
8	Johor	16	35	508	663	332,018	22,139	381,096	43,460	420,804	47,151	591,771	78,703	433,675	47,140
9	Kelantan	8	9	152	182	29,356	1,760	60,224	1,048	60,215	2,021	96,024	3,935	78,319	3,201
10	Terengganu	6	6	101	103	98,464	2,069	131,186	2,999	86,311	3,628	100,401	4,754	109,200	4,978
11	Pahang	15	20	259	387	826,411	15,006	544,325	38,253	1,182,381	58,897	1,652,137	85,419	2,421,306	125,422
12	Sarawak	28	32	419	549	167,472	12,717	181,136	5,410	290,029	10,231	532,921	14,284	654,966	15,948
13	Sabah	16	25	228	438	104,703	2,916	820,381	17,528	1,019,821	26,668	883,947	24,974	811,167	18,032
14	Labuan	3	3	79	97	113,548	7,562	135,260	4,215	111,111	3,567	112,472	2,852	106,766	2,320
	TOTAL	157	247	3,395	4,669	3,640,292	161,561	4,135,742	196,472	5,245,426	254,981	6,181,885	325,258	7,190,316	350,954

Source: Tourism Ministry of Malaysia: Service division. Unpublished.

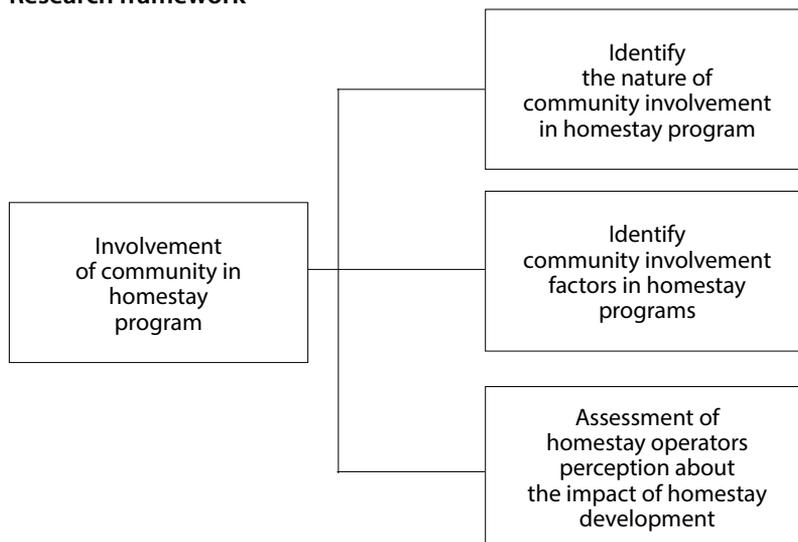
Note: (a) – income from the homestay activities.

(b) – number of tourist arrivals.

In this study, questionnaires were utilized as assessment tools. A set of questionnaires was prepared for distribution to respondents for the purpose of data collection. The questionnaire consisted of three parts. In accordance to the objective of this study, part A was on the homestay operators' perception about the impact of homestay development, part B was on operator participation factors and the incentive providers, and part C was related to the characteristics of the operators/entrepreneurs involved in the homestay program.

Most of the questions in the questionnaire were multiple choice questions with the exception of part A where Likert scale with five intervals from 1 "Very not agree" to 5 "Strongly agree" was utilized (Igbaia & Iivari, 1995; Fornell, Johnson, Anderson, Cha & Bryant, 1996; McCool Martin, 1994). This study only considered 8 homestays that of 16 in the state of Johor, Malaysia.

Figure1  
Research framework



## Empirical findings

Findings of study began with a discussion on the demographic profile of respondents. This is followed by a discussion on the characteristics of community participation in the homestay program, factors influencing community participation in homestay program and the perception of operators on impact of tourism development on the community.

## Demographic profile

Many entrepreneurs were made up of men aged over 40 years and all of them are Malay. In terms of educational level, most of them are with secondary school education. In the context of occupation, majority of respondents were self-employed such as farmers, traders and fishermen. Most of the homestay operators earned more than USD 500 a month. All homestay operators were the natives of

the study area. Majority of the operators involved in the homestay program were on full time basis at 97.5% while the rest (2.5%) were part-timers. Complete information on the profile of operators is given in Table 2.

Table 2  
Demographic profile of respondents

	Frequency	Percent (%)
<b>Gender</b>		
Male	64	80.0
Female	16	20.0
<b>Ethnic</b>		
Malay	80	100.0
<b>Age (Years)</b>		
36-40	4	5.0
41-45	32	40.0
46 and above	44	55.0
<b>Marital status</b>		
Married	73	91.3
Widows/Widowers	7	8.8
<b>Family Members</b>		
1 - 3	37	46.3
4 - 6	38	47.6
7 - 9	5	6.3
<b>Educational level</b>		
Primary school	24	30.0
Secondary school	50	62.5
College	6	7.5
<b>Permanent/Primary occupation</b>		
Self employed	35	43.8
Private sector	9	11.3
Public sector	8	10.0
Pensioner	17	21.3
No permanent job	11	13.8
<b>Fixed income (USD)</b>		
Below 500	18	22.5
500-1,499	29	36.3
1,500 and above	33	41.3

## Participation factors and incentive providers in the homestay program

Table 3 shows the factors that influence the community's involvement in the homestay program. Most of them were of the view that exploring a new experience is the most important factor that influences their participation in the homestay program. This was evidenced by the high mean value of 4.675. They gain this new experience whenever they handle the tourists - both domestic and foreign visitors,

and by participating in activities organized by the homestay operators and government. Indirectly, this will add to the valuable experiences of homestay operator.

The fact that the homestay operation is a source of decent income also contributed as an important factor in influencing the community members to participate in homestay program with a mean value of 4.58. The other factors were 'to occupy free time', enhancing individual skills such as communication skills, skills to handle guests, welcome tourists and others and interests.

Finally, the SME business factor also cause the community to join the homestay program (mean = 3.74). SME business is one of the factors that can be used as a tourism product to tourists. Indirectly, they can grow their businesses when more tourists come to visit and enjoy the products of SME.

Table 3  
**Factors influencing the involvement in homestay program**

	Mean*	Standard error
Exploring new experience	4.68	0.50
Source of good income	4.58	0.52
Occupying free time	4.45	0.53
Enhancing individual skill	4.44	0.55
Interests	4.43	0.63
Participation in SME businesses	3.74	0.73

\* 1 = Extremely disagree, 2 = Disagree, 3 = Not certain, 4 = Agree, 5 = Extremely agree.

The findings of who give encouragement in participating in homestay program are shown in Table 4. There are five sources/parties that give encouragement namely, own/self-initiative, family, community, homestay association and the Government. Based on the analysis, the homestay association was the most influential incentive provider that encourages the community to participate in homestay program with 85% of respondents choosing this factor.

Second, the factor of own/self initiative also plays a role for 47.4% chose this factor. Factors of individual interest to earn additional or side income and knowledge also influence the community's involvement in the homestay program. There are several advantages that can be gained when they participated in a homestay program, among which are being able to gain knowledge of external culture, learn how to greet and receive guests and be able to expand participation in their SME business.

Meanwhile, a total of 71.3% agreed that the community is as a factor that encourages them to participate in the program. The community often gives encouragement to individuals to join this program; and this eventually provides the participants the opportunity to expand their business.

Next, the Government always gives encouragement, assistance and incentives to homestay operators to participate in the program; and 28.8% of the respondents agreed with this factor. Assistance such as financial, facilities and promotion are very beneficial to homestay operators as they need these supports to be successful in this program.

Finally, the encouragement of families has also caused an individual to participate in the program. A total of 41.3% of respondents agreed that their family members are responsible for their participation into this program.

Table 4

**Source of encouragement participating in homestay program**

	Frequency (N = 80)		Percent (%)	
	Yes	No	Yes	No
Own/self-initiative	61	19	76.3	23.8
Community	57	23	71.3	28.8
Family	33	47	41.3	58.8
Homestay association	68	12	85.0	15.0
Government	37	43	46.3	53.8

## The impact of homestay tourism program

This part discusses the perception of homestay operators on the impact of homestay development program to their local community. The impacts were divided into 4 categories economic, social, cultural heritage and environmental impacts. Impact assessment was based on the perception of the operators; and for this purpose, mean values were utilized.

### *Economic impact*

In general, the development of homestay tourism program was perceived by respondents to have very positive economic impact, as respondents agreed or strongly agreed with all items on the economic impact scale (Table 5). Homestay programs have managed to increase purchasing power and resulted in a better quality of life. This study have shown that homestay activities were able to supplement the community's income, allowing improvement in their purchasing power. Secondly, the homestay program was able to enhance management efficiency. Efficiency in management can be seen through the management in tourist arrivals as well as efficiency in financial management and administration. Thirdly, homestay program was seen as capable of improving the living standard of local people in the village. By participating in homestay program, operators could earn additional income. As such, the quality and standard of living of the community will indirectly increase. Fourthly, respondents had also recognized homestay program's contribution to improvement of their skill and knowledge. Skills and knowledge are indicated in the ability in welcoming and managing tourist arrivals and knowing other cultures through contact with foreign tourists. The exchange of views and suggestions from tourists can help raise productivity, skills and knowledge of the villagers.

Finally, the homestay program managed to improve public facilities for the local population. Government assistance received for the development of facilities for homestay program can be used by tourists as well as local residents. Assistance such as upgrading of roads, construction of community halls and playgrounds, improvement of prayer room/hall and physical infrastructure facilities certainly enhanced the atmosphere of the homestay area. Overall, respondents strongly agreed that homestay program can provide economic benefits to the local community.

Table 5  
**Economic impacts of homestay tourism development**

	Mean*	Standard error
Increased purchasing power and a better quality of life.	4.58	0.55
Increased level of management efficiency.	4.56	0.55
Increased living standard of local people.	4.54	0.57
Increased individual skill and knowledge opportunities.	4.53	0.57
Provision of employment opportunities.	4.51	0.50
Increased public facilities to local people.	4.46	0.55
Decreased income disparity among local people.	4.38	0.64
Income generated can contribute to local community development.	4.40	0.49
Increased family size income.	4.36	0.53
Poverty eradication among the local people.	4.36	0.58
Encouraged local crafts industry.	4.23	0.55
Encouragement of diversification in economic activities (retail stores, souvenir outlets, cyber café etc).	3.86	0.61
In general, homestay development is economically beneficial to the local community.	4.80	0.40

\* 1 = Extremely disagree, 2 = Disagree, 3 = Not certain, 4 = Agree, 5 = Extremely agree.

### *Social impact*

Social impact of homestay tourism development is summarized in Table 6. First, the most important social impact of tourism development program seen by respondents was encouraging closer bonding and unity of the family and community. This is because homestay tourism requires solidarity and cooperation from various parties to ensure the success of the program in the community. Strong solidarity among the community can effectively help a successful development of homestay tourism. The second most important social impact was that the community members can enhance cooperation among them. The 'cooperation with each other' element is very important as to ensure the successful implementation of these homestays' tourism activities. This homestay program indirectly nurtures the spirit of teamwork among the operators.

Third, respondent strongly agreed that the homestay program can create a more responsible society. The introduction of homestay activities has created a more workable and systematic organizational structure among the community members. This is because they have to carry out their respective responsibilities to ensure each program organized would be successfully implemented. The fourth important social impact was that each family members has its own respective roles since most of hosting tourists with a help of family members in performing variety of duties involved in running homestay. Therefore, the role of the family members in homestay is very important in providing helping hand.

Fifth, the homestay program, in the view of respondents, can improve community communication skills. Communication skill is an important skill for each homestay operator because they have to interact with tourists of either from within or outside the country. Failure in good communication would cause difficulties in interaction especially in the interaction with foreign tourists. Overall, the most operators were of the view that the activities of the homestay were socially beneficial to the community.

Table 6  
**Social impacts of homestay tourism development**

	Mean*	Standard error
Better bonding in families and community.	4.76	0.43
Improve cooperation among community.	4.56	0.50
Create responsible community.	4.53	0.57
Every family has its own role.	4.20	0.64
Improve communication skill.	4.03	0.50
Reduce crime and social problems in local community.	3.80	0.68
Improve local community security.	3.76	0.68
Reduce migration of young generation to urban areas.	3.03	0.60
In general, homestay development is socially beneficial to the local community.	4.70	0.46

\*Extremely disagree; 2 = Disagree, 3 = Not certain, 4 = Agree, 5 = Extremely agree.

### *Cultural impact*

Table 7 shows the analysis of cultural impact. The most important element in cultural impact was the commercialization of local culture to be presented to tourists. This indicates that local culture is seen as an important attribute because it showcases the local cultural identity.

Table 7  
**Cultural impacts of homestay tourism development**

	Mean*	Standard error
Maintaining community life style.	4.59	0.50
Identity/customs of a family is handed down through the process of socialization.	4.50	0.60
Commercialization of local culture to satisfy tourist demand.	4.66	0.55
Establish cultural groups.	4.61	0.52
Create culturally inclined community.	4.56	0.50
Knowing foreign/outside culture.	4.36	0.58
Improving local cultural consciousness among local community.	4.48	0.53
Preserving local's traditional houses.	4.44	0.57
Preserving traditional sports of local community.	4.35	0.53
Restoring historical sites.	4.20	0.62
Preserving cultural identity of community.	4.59	0.52
In general, homestay development is able to diversify and preserve local cultural activities.	4.82	0.42

\* Extremely disagree, 2 = disagree, 3 = Not certain, 4 = Agree, 5 = Extremely agree.

The respondents also strongly agreed with a proposition that the homestay program can establish cultural group such as Malay dancers (zapin), folk singers (ghazal) and Malay traditional games. The establishment of such cultural groups are needed as younger generations need to be nurtured in maintaining

their cultural heritage which is important as it is the symbol of a community and its culture. Many tourists, especially from overseas, are interested to experience and understand the areas' culture and heritage. Likewise, there was a strong agreement among respondents that the homestay program is able to sustain local community lifestyle. In the case of these villages respondents have not perceived tourists as a threat to their community lifestyle.

The homestay program was also seen as a contributor to the preservation of the cultural identity of the community. The implementation of homestay program has been able to preserve the cultural identity of local people. This can be seen with the participation of the young generation in engaging in cultural and arts activities. Indirectly, this will preserve the cultural identity of the community. Thus, homestay program was perceived as creating culture-loving community. In general, there was a strong agreement related to the cultural impacts of homestay tourism as respondents see the program's contribution to diversification and preservation of local cultural activities.

### *Environmental impacts*

Table 8 highlights the findings of environmental impact of homestay tourism development program. Environment is one of the major attraction factors for tourists staying in homestays. The uniqueness of these peaceful surroundings of homestay is an attraction to tourists motivating them to come and enjoy the beauty of the area. The most important environmental impact of homestay program seen by respondents was in enhancing community image and surroundings.

The respondents also strongly support proposition that the homestay tourism facilitated the conservation of nature. This shows that tourist arrivals would enhance the maintenance and preservation of natural environment; thus, ensuring the homestay areas are scenic and not polluted. Maintenance and preservation the natural environment are very important to encourage more visitor arrivals especially for the Tanjung Piai Homestay which is in close proximity to the popular tourist destination of Tanjung Piai.

The respondents also acknowledge the positive contribution of homestay program to the level of cleanliness of village area. Village cleanliness should be given a high priority for the comfort of the tourists, and preventing pollution from occurring. The government and local community also often held the most beautiful homestay competition to encourage operators in decorating and beautifying their homestay areas.

The homestay program was also seen as capable in protecting wildlife and migratory bird species. Wildlife such as monkeys, porcupines, snakes and others can be seen in the areas of agro-tourism and in farms and parks. In addition, migratory birds can also be sighted in the area of Tanjung Piai. Wildlife protection needs to be undertaken as to ensure the uniqueness and originality of the homestay area.

Likewise, the homestay program can encourage the establishment of more parks and recreational areas. These newly established parks and recreational areas are not only for the tourists but also as added facilities to local residents. Recreational sites such as game courts can be used to provide various useful activities such as traditional games or futsal. However, for environmental quality such as traffic congestion, water pollution, and noise have a relatively low mean values. The mean values indicate that homestay development program does not seriously impaired the environmental quality such as air quality, water pollution, traffic congestion and noise.

Overall, homestay tourism program can improve the quality of environment with a mean value of 4.43. Good environmental quality would ensure the arrival of more tourists to enjoy the beauty of the homestays. The uniqueness of wild animals and plants found within the vicinity of the homestays will encourage the tourists to enjoy rural life. However, in contrast to the economic, social and cultural impacts, respondents were not so sure of tourism contribution to the environmental protection and to the range of negative environmental impact such as traffic congestion, noise or water pollution.

Table 8  
**Environmental impacts of homestay tourism development**

	Mean*	Standard error
Enhance community image and surrounding.	4.63	0.49
Encourage environmental preservation.	4.55	0.55
Improve cleanliness level in community.	4.14	0.67
Protection of wildlife such as migrating birds.	3.41	0.69
Establish more parks and recreational areas.	3.38	0.75
Improve in waste management system.	3.36	0.64
Encourage recycling activities.	3.19	0.53
Degradation of air quality.	3.03	0.89
Increase traffic congestion.	2.19	0.64
Produce water pollution.	2.15	0.60
Cause noisy environment.	2.06	0.60
In general, homestay development is improving environmental quality.	4.43	0.55

1 = Extremely disagree, 2 = disagree, 3 = Not certain, 4 = Agree, 5 = Extremely agree.

## Conclusions and policy implications

Tourism development is not only important to the tourism industry in Malaysia but is also capable in providing opportunities for the community to join the program and gain the various benefits from it. Therefore, this study reviews the involvement of local communities in homestay tourism development program in Johor and investigates the impact on the communities.

The study found that majority of farmers in Johor were involved in homestay tourism program as full time operators even though some of them have permanent jobs either in the private or government sector. About 58.8% of them draw a monthly income of below USD 1,000; and by their involvement as homestays operator, they can earn additional income.

There are various incentive providers that encourage community participation in the homestay tourism in Johor. However, among the most important sources that motivated the community involvement in this program were homestay associations and the initiative of the participants themselves. Meanwhile, other sources included encouragement from family members and the Government. In terms of motivation factors, they ranged from a desire to gain new experience, source additional income, occupy free time, enhance individual skills, and interests, and expand participation in SME business.

In terms of impacts, respondents agreed that tourism development program in the State of Johor has brought various beneficial impacts to their communities. Overall, the cultural heritage gave the highest impact followed by the economic, social and environmental impacts. This means with the development of homestay tourism program their traditional culture can be preserved, practiced and presented to tourists. Similarly with respect to economic impact, with the growth of homestay tourism they can generate additional income. This of course, in turn, will increase their purchasing power and result in better quality of life. Eventually this would lead to improvement in living standards of the local community.

As a whole this study found that homestay tourism program in Johor is successful. Nonetheless, aids from the Government and private organizations are still needed. Networking with travel agencies is still needed because these travel agencies are able provide consistent supply of tourists to the homestay. In addition, each homestay needs to have its own marketing network such as creating linkages and collaboration with schools and institutions which are capable in providing potential tourists to these homestays. These undertakings are important as to ensure the continuity of the homestay program in the State of Johor.

Since findings of this study were acquired directly from respondents with different backgrounds, to some extent they are subject to some degree of biases. Perceptions of homestay operators about the impacts of homestay program development namely economic, social, cultural and environmental impacts are very much subject to their background such as their gender, age, educational level, degree of involvement in this industry, awareness about community and others. Respondents with different background would give different level of perception about the same impacts as a result of homestay program development. Perception bias in this study can be reduced by taking the mean value of all respondent perception about the impacts of homestay development.

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