

Homestay and COVID-19: Challenges and Opportunities for Recovery in New Normal Conditions

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The global COVID-19 pandemic has engulfed the tourism industry, putting a calamitous effect on the global economy to witness one of the most devastating economic recessions in the 21st century. Sri Lanka is undergoing a downturn in the sector due to international travel restrictions, suspension of international air flights and social distancing, resulting in zero tourist arrivals and closure of accommodation facilities. Homestays are currently struggling to carry out their operations and it is important to recognize the existing obstacles and potential prospects for their better survival in post COVID-19. Considering the lack of available scientific studies expressly focused on homestays, this study aimed to identify the challenges and opportunities available for homestay operators in the new normal conditions of COVID-19 pandemic. Entrusting a qualitative research approach, the primary data was collected from 8 homestay operators and 8 stakeholders in Ella Divisional secretariat and Mirissa which belong to the Weligama Divisional Secretariat, using the purposive sampling technique. Direct in-depth interviews were executed and thematic analysis was used to analyse the transcribed data. The study identified challenges and opportunities in terms of economy, environment, health and safety, socio-cultural and political aspects. Key findings revealed zero income generation, employment termination, lack of investment prospects and credit facilities, future low-price forecasts, and lack of readiness and training on health protocols. Regardless of the assumptions made by the scholars, it specifically exposed conflicting discoveries indicating that homestay operators do not want to get involved in the growing domestic tourism market to overcome their financial burden particularly influenced by the undesirable behaviours publicized by the domestic tourists leading to discrimination. The community is well-aware of the contribution of homestays to develop rural economy in new normal conditions, yet stresses on the proper screening of tourists and operators as they prioritize their safety. The study also observed a tendency in homestay operators shifting into non-tourism businesses due to the lack of revenue. It discloses opportunities such as moratorium, and loan services. Furthermore, the study recommends applying the “Safe and Secure” credential to homestays, to devise exclusive credit policies for homestays, and to plan post-COVID destination marketing campaigns emphasizing homestay operations while adopting diversification strategies and to extend the current market into new market segments at least in the short run to avoid the financial struggle.

Keywords: COVID-19, Challenges, Homestay, New normal conditions, Opportunities