

Motivational And Demographic Factors Influencing Homestay Operators: Evidence From Himachal Pradesh

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Abstract

This paper seeks to explore the motivations of homestay owners in the Shimla area of Himachal Pradesh, as well as the influence of socio-demographic factors on their motivations. A descriptive study involving the analysis of 160 homestays from Shimla, Theog, Kumarsain, and Rampur tehsils was conducted through the use of structured questionnaires. Through this analysis, the paper reveals that there is a very high level of motivation amongst the homestay owners, with 68.75% of them scoring medium levels of motivation and 31.25% of them having high levels of motivation. There was a high level of confidence within the operators about their operations' success, with a mean score of 3.94, and the creation of employment opportunities in the region, with a mean score of 3.90. From the statistical analysis, it was revealed that there is no statistically significant relationship between motivation and socio-demographic variables such as age, gender, level of education, and years of experience ($p > 0.05$). Nevertheless, the existence of a positive and statistically significant relationship between motivation and sustainability adoption was found ($p = 0.026$). This implies that the homestay industry provides a low barrier to entry as an entrepreneur, especially among females, and acts as an important income multiplier within the local area. The conclusion from the research shows that through the use of technology and sustainable approaches, the success of businesses can be boosted, and cultural integrity is maintained in the region.

Keywords: *Homestay Tourism, Socio-demographic Factors, Motivation Factors, Sustainable Development and Community Based Tourism*

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I. Introduction

Tourism sector is significantly important for Indian economy, and homestay play an imperative role in ensuring the success of tourism industry (Joshi & Bahuguna, 2023). The current research will focus on the basic motivations of the people behind setting up and running homestay businesses, together with the socio-demographic influences behind such motivations. It will explore the occurrence rates of various motivations among the homestay entrepreneurs and analyze the relationship or differences among their socio-demographic backgrounds and their motivations in running their businesses. This research will try to uncover whether or not age, gender, education level, and entrepreneurship experience significantly influence homestay motivation other than financial gains. (Joshi & Bahuguna, 2023; Pandey, 2024). The theoretical foundation underpinning this study revolves around entrepreneurial motivation, which seeks to shed light on the factors that impact on decision-making processes in homestay operations. According to the research, there is no significant disparity between the motivation levels of the homestay operators in relation to the formation, management, and running of their enterprises. Furthermore, there will be no significant correlation between the demographic profile of the homestay operators and their motives in engaging in homestay enterprise activities. Through the analysis of personal and

motivational factors affecting the homestay business environment, this study will unravel the entrepreneurial dynamics within this sector, thereby guiding focused development strategies and policy measures (Bachok et al., 2018; Chaiyakhet, 2014). This paper builds upon previous studies which have considered the different push and pull factors that affect entrepreneurship within the homestay industry including earning extra money, self-satisfaction, and community assistance (Danthanarayana et al., 2021; Wang et al., 2018). There is still much to learn about the intricate relationship between environmental factors specific to the destination and the advanced motivations of these entrepreneurs (Chernbumroong et al., 2021). This paper attempts to bridge this knowledge gap through the application of social cognitive theory to analyze how both personal and environmental factors interact to shape the entrepreneurial orientation of homestay owners in some tourism destinations (Wang et al., 2018). The application of this type of research method will facilitate a greater comprehension of the impact of cognitive beliefs, motivation from within, demographics, and the impact of transformations in the market and industry of tourism on the motivation of entrepreneurs in this industry (Wang et al., 2018). Numerous studies have been done before in relation to homestays, covering different issues, including the USP of the homestay, environmental implications, difficulties encountered while commercializing real houses, and the emotional ties between the hosts and their houses (Leung et al., 2021). However, it is important to investigate how these host motivations affect directly the performance of homestays and intentions to sustain operation amid changing conditions in the market (RAMLAN, 2024; Wenzhi et al., 2025). It is necessary for all parties involved due to its potential role in the policy development process in order to improve the sustainability and competitive ability of the homestay business in the tourism industry (RAMLAN, 2024). Entrepreneurs' motivational factors are regarded as an element of entrepreneurial motivation that includes both extrinsic and intrinsic motivations. These elements were found to be predictors of entrepreneurship and intentions to sustain businesses among entrepreneurs (Wenzhi et al., 2025). Structural embeddedness within industrial networks plays an enormous role in entrepreneurship and the performance of these businesses (Su et al., 2023). This study adopts the lens of Social Cognitive Theory to understand the motivations of homestay providers, thus enabling a detailed exploration of the relationship between personal cognition and environment that affect entrepreneurial motivation and behavior in this particular area of tourism (Wang et al., 2018). The theory selected to guide this study is very appropriate for investigating the determinants of entrepreneurial behavior and motivation since, according to this theory, cognition, environment, and sociological aspects are connected and affect each other in determining human behavior (Erfanian et al., 2024). According to this research, it is expected that the socio-demographic aspect, including age, gender, education, and previous business experience of homestay providers will determine entrepreneurs' motives in establishing and running such businesses (Wenzhi et al., 2025). In addition, there are different motives related to specific socio-demographic conditions of entrepreneurs that may contribute significantly to an understanding of entrepreneurial motives. This particular theory takes into account the assumption that people acquire skills and knowledge from personal practice as well as through imitation of other people's behavior (Zhou et al., 2025), which is also important in terms of the selected topic. Thus, it makes possible to consider the effect of the external environment, especially its socio-cultural and economic aspects, on the motives of entrepreneurship of micro-businesses (Wang et al., 2018). The approach is especially useful in gaining insight into the complicated interactions associated with setting up and running homestays, which have elements of both living and business purposes (Wang et al., 2018). This model makes it possible to examine the changing motivations over time and if these may transform from personal to business motivations as a result of learning processes as well as modifications to their working and living environment (Wang et al., 2018). The theory demonstrates how the interaction experience and length of stay will affect cognitive profundity and attribution, hence the connection between interaction and tolerance in homestays (Zhou et al., 2025). It is essential to gain insights into host motivations and cognitive and environmental factors influencing them in formulating policies that will foster sustainable development within the industry (Wang et al., 2018; Zhou et al., 2025). An in-depth analysis of all these nuances will be essential for providing important insights regarding the creation of a strong and developmental homestay model (Ahmad et al., 2013; Khatkar, 2024). Moreover, knowing about the interaction between all these motives from an implicit self-theory perspective will help to comprehend the way in which their natural perception of themselves and their enterprise impacts their attitude and behavior (Ly et al., 2021). The business owners whose attitudes are dominated by the entity theory and believe that their characteristics are immutable are likely to have an outcome-based strategy and offer tangible benefits for their guests while the incremental attitude implies a growth perspective that involves improvement based on experience (Leung et al., 2021; Ly et al., 2021).

II. Literature Review

Community-Based Tourism (CBT) is viewed as an innovative approach in the sphere of tourism which emphasizes local engagement, distribution of economic benefits equitably, and the preservation of culture and the environment (Walsh & Zin, 2019). Contrary to mass tourism, in which economic leakage and neglect of the local population in the development of tourism are the norm, Community-Based Tourism (CBT) strives for

inclusiveness in the process of planning and management, as well as earning money from tourism through the involvement of locals in this process (Pramono & Juliana, 2025; Arafat et al., 2022). This approach enables the development of sustainability in connection with the combination of tourism and the cultural and environmental needs of the community (Lo & Janta, 2021). Homestay tourism can be considered the main element of the Community-Based Tourism (CBT) framework due to its capability to provide tourists with cultural tourism experience through engaging in conversations with hosts while also enabling the employment of locals (Dash, 2022; Sharma et al., 2024). Thus, besides being a source of accommodation, homestays can be viewed as a means of empowerment, cultural preservation, and rural development, especially in underdeveloped countries. In this section, previous studies related to CBT, homestay accommodation, reasons for entering the tourism sector, and applying social cognitive theory in small businesses have been discussed to lay a solid theoretical basis for the present study. The present study focuses on the various motives behind becoming an entrepreneur in the tourism and hospitality sector, particularly the lack of knowledge regarding how such reasons form and impact the sustainability of such ventures (Wang et al., 2018). While previous studies have explored the characteristics of hosts in terms of lifestyle and psychographics (Ly et al., 2021) and the commercialization of authentic homes, there is still a need to explore the impacts of these factors on sustainable operations and market responses. This paper will try to fill this gap in the literature by conducting a comprehensive investigation into the motivational forces driving homestay owners. The research project will utilize a theoretical framework based on a holistic approach to study the relationships between personal, social, and environmental determinants (Jiang et al., 2024; Zhou et al., 2025). The examination of the motivations of homestay owners will help comprehend the processes of sustainable development and progress of the homestay business in general. The issue is particularly important for the areas like Kashmir Valley, where homestays have gained popularity as alternatives to traditional accommodation services provided by hotels (Dar et al., 2024). The research will address the socio-demographic attributes of the investigated subject and analyze the impact of age, gender, education, and experience on the motivation of homestay owners (Wang et al., 2018). The project will concentrate on studying the effect of external business environment and commodification on the attitudes and actions of the operators during the transition from living in private houses to conducting a business (Wang et al., 2018). In many cases, such transformation includes a reassessment of personal goals, which become economically oriented rather than focused on life style preferences (Wang et al., 2018). In some instances, the process of transformation would entail balancing the maintenance of authenticity in the homestay and bringing about modifications aimed at improving the competitiveness of the venture and satisfying the demands of newer clients (Wang et al., 2018). Appreciation of the rationale behind such moves is critical in formulating an effective policy framework and providing assistance (Ahmad et al., 2013; Chernbumroong et al., 2021). It is crucial to carry out a detailed analysis of the motivation behind these decisions since it would help determine whether the dominant driving forces are internal, such as cultural preservation and social development, or external, such as financial benefits (Joshi & Bahuguna, 2023; Pandey, 2024). This becomes even more crucial in areas like Uttarakhand, where the owners of homestays are motivated by historical preservation apart from profit-making activities but have encountered several challenges in raising funds and carrying out promotional activities (Joshi & Bahuguna, 2023). The present research paper would focus on the influence of compliance with standards established by the government on the motivational factors affecting the homestay owners. This research would consider the influence of such motivational factors on rural development and sustainable tourism (Lakhera et al., 2024). An analysis of the motivating factors is needed to determine the potential differences in motivation among various socio-economic categories and geographical areas for the purpose of promoting the homestay industry (Khatkar, 2024; Raina et al., 2024). The present research will look into the economic influences of operators and take into consideration such motivating factors as financial benefits and community development (Khatkar, 2024; Lakhera et al., 2024). This study will examine how external forces affect the connection between the motivation and sustainability of homestay performances (Lakhera et al., 2024; Wang et al., 2018). The study should be conducted as it is necessary to comprehend the extent of flexibility that the homestay firms have in adapting to the market and regulatory conditions, particularly in their relations with the tourists and the stability of the market (Acharya & Halpenny, 2017). It is essential to note the flexibility of the service provider in catering to the demands of the tourists in such a way that ensures their satisfaction and good feedback and loyalty (Dar et al., 2024). This flexibility is mostly because the operators of the homestays have the pressure to fulfill the expectations of their guests, which eventually leads to profitability and sustainability. This flexibility is connected to the role that the operators play in promoting and facilitating access to the homestays through their powerful digital infrastructures. The use of digital technology has proved to be highly significant in increasing visibility and reservations, which have made homestays financially feasible (Dar et al., 2024). In addition, digital revolution in the homestays sector has brought about increased revenue from foreign tourists and a shift from conventional means to digital means (Ramlan et al., 2023).

III. Methods And Measurements

The present study employs a descriptive research design to examine the motivation of homestay operators to start, run, and manage homestay businesses District of Shimla, Himachal Pradesh

Objective of the Study

- 1.To assess and evaluate the motivation of homestay operators to start, run, and manage homestay businesses.
- 2.To analyze the relationship and significant mean differences between socio-demographic characteristics of homestay operators and their levels of motivation for starting and operating a homestay business.

Hypothesis of the study

- 1.There is no significant distribution of motivation among homestay operators for starting, running, or operating the homestay business.
- 2.There is no significant relationship or mean difference in the socio-demographic characteristics of homestay operators and their motivation for starting and operating a homestay business.

Sampling Design

The population of the study comprises of all the registered homestay units in Shimla, an important tourist location of Himachal Pradesh, totaling to 959 units as per the records maintained by the Department of Tourism, Himachal Pradesh. Homestay units registered under the tehsils of Shimla district were chosen as the population for conducting the sampling process in the present study. In this connection, criteria-based sampling approach was adopted and the criteria for choosing the units were that there must be more than 50 registered homestay units under the tehsils. Hence, as a result of such a choice, four tehsils namely Shimla, Theog, Kumarsain, and Rampur were chosen comprising of 809 homestay units which account for around 84.36% of the total registered homestay units of Shimla district showing high concentration of homestay units in the district. The size of sample consisted of 160 homestay units being 20% of the total 809 homestay units. Primary data was collected using structured questionnaires which facilitated collecting information about the current status of homestays in respect of tourism policies of the state as well as demographic details of the owners of the homestays. Secondary data was collected from the Department of Tourism, Himachal Pradesh which comprised of registration data for the homestays along with the requirements for the same.

This list is verifiable at <https://himachaltourism.gov.in/wp-content/uploads/2025/02/Draft-HP-Home-Stay-Rules-2025.pdf>. A pilot research study was conducted from November 1 to November 30, 2025 in three randomly selected sites-Ghanahatti, Baldeyan, and Bharari through lottery method. Out of the 40 questionnaires mailed, 33 responses were received, out of which 30 responses were considered valid after excluding irrelevant ones. The findings from the pilot research helped in improving the questionnaire through incorporation of all necessary and desirable aspects based on state guidelines and improvement in socio-demographic aspects with help of suggestions from experts and respondents. The improvements included categorization of the infrastructure as either 'Traditional', 'Modern RCC', or 'Mixed'; the change in the 'experience in running a homestay' section into an open-ended one; and the addition of other reasons for starting a homestay under 'motivation for starting a homestay', such as tourism knowledge and investment saving.

Table 1: Population of the Study

Sr. No.	Tehsil	Number of Homestay Units	Sr. No.	Tehsil	Number of Homestay Units	Sr. No.	Tehsil	Number of Homestay Units
1	Shimla	529	7	Kotkhai	19	13	Nankhari	4
2	Theog	136	8	Jubbal	19	14	Nerwa	1
3	Kumarsain	91	9	Rohru	14	15	Kupvi	1
4	Rampur	53	10	Chirgaon	12	16	Tikkar	1
5	Junga	40	11	Dodrakwar	10		Total	959
6	Sunni	23	12	Chopal	6			

Source: Himachal Pradesh Tourism Department <https://himachaltourism.gov.in/> (Upto, 2024)

Table 2: Determination of Sample Size

Sr. No.	Tehsil	Number of Homestay Units	Sample Size Proportion (20 per cent of each tehsil)
1.	Shimla (Urban & Rural)	529	105
2.	Theog	136	27
3.	Kumarsain	91	18
4.	Rampur	53	10
	Total	809	160

Table 3: Pilot Testing and Purification of the Questionnaire

S.No.	Items in Pilot Study	Items taken in pilot study	Items Dropped	Items Added	Items refined	Items Finalised
1	Mandatory Requirements	10	Nil	8	Nil	18
2	Desirable Requirements	10	Nil	8	Nil	18
3	Socio-Economic Profile	18	nil	nil	3	18

Determining the Levels of Motivation, Entrepreneurial Skills, Digital Marketing Skills and Sustainable Practices Adopted for running/operating Homestay Enterprise

Table 4: Levels of Key Operational Competencies and Practices among Homestay Entrepreneurs.

Sr. No.	Construct Category	Levels	Levels Range	Frequency	Cronbach Alpha
1	Motivation for running/operating Homestay Enterprise level Range (5-25)	Low Level of Motivation	5-9	0	0.904
		Medium Level of Motivation	10-19	110	
		High Level of Motivation	20-25	50	
2	Entrepreneurial Skill Competence Levels Range (9-45)	Low Level of Entrepreneurial Skill Competence	9-17	0	0.884
		Medium Level of Entrepreneurial Skill Competence	18-35	102	
		High Level of Entrepreneurial Skill Competence	36-45	58	
3	Digital Marketing skill of homestay operators' level Range (5-25)	Low Level of Digital Marketing Skill	5-9	72	0.901
		Medium Level of Digital Marketing skill	10-19	69	
		High Level of Digital Marketing skills	20-25	19	
4	Sustainable Practices of homestay operators level Range (7-35)	Low Level of Sustainable Practices	0-13	0	0.903
		Medium Level of Sustainable Practices	14-28	62	
		High Level of Sustainable Practices	29-35	98	

Source: Data compiled by researcher on the basis of Field survey, 2025

Table 4 shows a detailed classification of 160 homestay owners according to four major dimensions motivation, entrepreneurial skill, digital marketing skill, and sustainability practices showing a fairly positive performance profile based on highly reliable measures (Cronbach's alpha coefficients ranging from 0.884 to 0.904). With regard to motivation, all the respondents belong to the medium (110) and high (50) classifications, which suggests a robust and consistent commitment to the operation of their ventures. The entrepreneurial skill competency dimension is also characterized by 102 and 58 respondents classified as medium and high levels, respectively, suggesting a satisfactory yet improvable level of fundamental ability among the sample. The sustainability practices dimension, on the other hand, shows the highest proportion of positive skewness, with 98 and 62 respondents categorized at the high and medium levels, respectively, revealing a broad recognition of environmentally responsible tourism operations. Conversely, the digital marketing skills dimension exhibits the greatest disparity, with 72 and 69 respondents categorized at the low and medium levels, respectively, while only 19 were identified as high performers, clearly pointing to a serious deficiency in digital competencies among homestay operations. Collectively, each one of the results shows the critical need for capacity building for digital literacy, and the high Cronbach's alpha coefficients confirm the validity and appropriateness of all instruments used in inferential statistics.

IV. Results And Discussion

Homestay Operators' Opinions Towards Motivation for Starting/Running Homestay Enterprise: Item/Statement Wise Distribution Analysis

Table 5 indicates a statistical analysis regarding respondents' view on the effectiveness of homestays operations. These figures were tested using descriptive statistics such as mean, standard deviation, skewness, and kurtosis alongside the chi-square (χ^2) test to determine whether there is any significance in the change in views.

Assertions are all supported by chi-square p-values less than 0.05, which imply that the views presented were not randomly generated.

Table 5: Item-wise Distribution of Homestay Operators' Motivation for Enterprise Ownership (N=160)

Statements regarding Motivation for Starting/Running Homestay Enterprise	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)	Mean	SD	Skew	Kurt	X ²	Remarks
I perceive my homestay venture as successful.	2 (1.3)	3 (1.9)	41 (25.6)	70 (43.8)	44 (27.5)	3.94	0.849	-0.580	0.473	106.563	Significant
I believe my homestay has contributed to generating employment opportunities for the local community.	3 (1.9)	23 (14.4)	24 (15)	47 (29.4)	63 (39.4)	3.90	1.134	-0.719	-0.608	67.875	Significant
I perceive that the profit margin of my homestay is higher than that of its competitors.	3 (1.9)	16 (10)	79 (49.2)	42 (26.3)	20 (12.5)	3.38	0.895	0.090	-0.010	110.938	Significant
I believe that the return on investment (ROI) of my homestay is higher compared to competitors.	6 (3.8)	19 (11.9)	73 (45.6)	39 (24.4)	23 (14.4)	3.34	0.990	-0.052	-0.172	83	Significant
I perceive that the return on assets (ROA) of my homestay exceeds that of competitors.	4 (2.5)	16 (10)	77 (48.1)	40 (25)	23 (14.4)	3.39	0.938	0.031	-0.090	100.313	Significant

Source: Data compiled by researcher on the basis of Field survey, 2025

The statement “I consider my homestay effort to be a success” achieves a relatively high average value (3.94), reflecting the general agreement among homestay providers regarding the success of their efforts. The small standard deviation (0.849) reflects consistency of answers. The negative skewness value (-0.580) shows that the answers tend to concentrate on the agreement side of the scale, while the slightly positive value for kurtosis (0.473) indicates a moderately sharp distribution curve. The high significance level for chi-square (106.563) confirms the prevalence of such an opinion.

The statement “I believe my homestay has helped create employment opportunities within the local community” has been rated with a mean value of 3.90, implying a high degree of agreement that homestays play an important role in the creation of employment within the local area. The higher standard deviation value of 1.134 implies variation in opinions, possibly because of variations in scale operations. The negative skewness value of -0.719 implies that most answers lie on the agreement side, whereas the negative kurtosis value of -0.608 indicates flatness in responses. The chi-square value (67.875), which is statistically significant, substantiates that homestay entrepreneurship significantly contributes to local job provision.

The statement “I believe that my homestay profit margin is better compared to other businesses” holds a mean rating of 3.38, which shows that there is neither strong disagreement nor complete consensus from the respondents about their beliefs. The standard deviation of 0.895 demonstrates a high degree of consistency within the answers. The very small skewness of 0.090 shows symmetry within the answers, representing the varying opinions regarding profit margins. The statistically significant chi-square value (110.938) indicates that even this mixed perception follows a non-random pattern.

The statement “I believe that the ROI of my homestay outperforms that of others” has an average value of 3.34, meaning that there is a slightly positive but cautious evaluation of return on investment. With the standard deviation of 0.990, this means that there is high variance, meaning that there are differences in the financial

performance of homestays. With the skewness value of -0.052, this means that there is nearly equal distribution of responses. Meanwhile, with the kurtosis value of -0.172, there is a flatter distribution of responses. The chi-square figure of 83.00, which is statistically significant, suggests that respondents' perceptions of ROI are organized and substantive.

The sentence, "I believe that the ROA of my homestay is higher than that of competitors," reflects an average rating of 3.39, which represents moderate agreement regarding asset productivity when compared to competitors. With a standard deviation of 0.938, there is good consistency within the respondents' answers. The close-to-zero skewness value of 0.031 reflects symmetry among the different views, while negative kurtosis of -0.090 denotes a relatively flattened response. Finally, the very high chi-square value of 100.313 confirms that the assessment of ROA made by the respondents is statistically significant.

Motivation To Run/Operate Homestay Enterprise And Soio-Demographic, Skill Set Levels: An Association Analysis

A relationship study shown in Table 6 reveals the association between different socioeconomic and skill-based variables and the motivation to run a homestay business. From the results, it is clear that there exists a strong correlation between certain economic and skill-based variables and motivation levels, while few socioeconomic variables exist without any statistical significance.

Table 6: Association between Motivation Levels and Socio-Demographic Profiles of Homestay Operators (N=160)

Sr. No.	Socio-Economic Variable	Characteristics	Motivation for Run/Operate Homestay Enterprise		χ^2	p-Value	Remarks
			Medium (10-19)	High (20-25)			
1	Age of the Homestay Operators	0-35 years	29 (58)	21 (42)	4.882	0.087	Insignificant
		36-50 years	47 (70.1)	20 (29.9)			
		51 years and above	34 (79.1)	9 (20.9)			
2	Gender Classification	Male	93 (69.9)	40 (30.1)	0.506	0.477	Insignificant
		Female	17 (63)	10 (37)			
3	Educational Classification	Up to Matriculation	16 (84.2)	3 (15.8)	2.644	0.450	Insignificant
		Plus Two (+2)	38 (64.4)	21 (35.6)			
		Graduation	37 (68.5)	17 (31.5)			
		P.G. & Above	19 (67.9)	9 (32.1)			
4	Income from Homestay of Homestay operators	0-100000	33 (80.5)	8 (19.5)	9.128	0.010	Significant
		100001-500000	61 (71.8)	24 (28.2)			
		500001& above	16 (48.5)	17 (51.5)			
5	Year of establishment of homestay	2008-2013	12 (75)	4 (25)	2.281	0.320	Insignificant
		2014-2019	30 (76.9)	9 (23.1)			
		2020 to present	68 (64.8)	37 (35.2)			
6	Building Structure of Homestay	Traditional	8 (80)	2 (20)	1.217	0.875	Insignificant
		Modern RCC	71 (67.6)	33 (31.4)			
		Mixed	30 (66.7)	15 (33.3)			
7	No. of room in a homestay	0-3	31 (70.5)	13 (29.5)	0.091	0.956	Insignificant
		4-6	70 (68)	33(32)			
		7-20	9 (69.2)	4 (30.8)			
8	Market place distance from homestay	0-3 KM	83 (66.9)	41 (33.1)	1.593	0.451	Insignificant
		3.1-7 KM	20 (71.4)	8 (28.6)			
		8-50 KM	7 (87.5)	1 (12.5)			
9	Distance from tourist attraction destination	0-5 KM	74 (70.5)	31 (29.5)	0.810	0.667	Insignificant
		6-10 KM	22 (68.7)	10 (31.3)			
		11-50 KM	14 (60.9)	9 (39.1)			
10	Homestay is the primary source of income	Yes	27 (73)	10 (27)	0.400	0.527	Insignificant
		No	83 (67.5)	40 (32.5)			
11	Experience in Years of running a Homestay	0-5 years	75 (65.2)	40 (34.8)	2.548	0.280	Insignificant
		6-10 years	27 (79.4)	7 (20.6)			
		11-50 years	8 (72.7)	3 (27.3)			
12	Levels of Entrepreneurial Skill Competency	Medium (18-35)	85 (83.3)	17 (16.7)	27.854	0.000	Significant
		High (36-45)	25 (43.1)	33 (56.9)			
13	Levels of Digital Marketing Skill	Low (0-9)	58 (80.6)	14 (19.4)	17.029	0.000	Significant
		Medium (10-19)	46 (66.7)	23 (33.3)			
		High (20-25)	6 (31.6)	13 (68.4)			
14		Medium (14-27)	49 (79)	13 (21)	4.981	0.026	Significant

	Levels of Sustainable Practices	High (28-35)	61 (62.2)	37 (37.8)			
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Source: Data compiled by researcher on the basis of Field survey, 2025

Firstly, no statistical significance can be drawn between the ages of homestay operators and motivation ($\chi^2 = 4.882, p = 0.087$). The proportion of young operators (aged 0-35) in the strong motivation category is relatively more compared to other groups (42%). However, there exists a significant distinction which prevents any inference from being made. Likewise, there exists no significant relationship between motivation and gender categorization ($\chi^2 = 0.506, p = 0.477$) as well as educational qualification ($\chi^2 = 2.644, p = 0.450$). This implies that irrespective of their status in society, everyone is equally inclined towards engaging in business pursuits, and the motive to operate a homestay business is not influenced by gender and education.

Where economic aspects are considered, it is evident that there exists statistical significance between the motivation level and the amount of homestay revenue earned by ($\chi^2 = 9.128, p = 0.010$). The percentage of those who fall under the category of highly motivated (51.5%) is higher among the group earning more money than the less motivated one. It implies that monetary motivation is critical since more income increases their level of motivation and survival instinct.

However, other factors such as number of rooms, design of building, and year of establishment do not have a strong relationship with the motivation level of operators ($p > 0.05$). The results suggest that the motivation of guest house operators is barely affected by physical aspects of the guesthouse and period of operation. Moreover, other location-based factors including location near the market place and tourist attraction points are considered insignificant. This shows that being in a good location does not always motivate an operator.

Moreover, it is clear that there is no significant relationship between motivation and the use of the homestay as the main source of income ($\chi^2 = 0.400, p = 0.527$) or the period of existence of the homestay ($\chi^2 = 2.548, p = 0.280$). This means that other factors, either inherent or acquired, play a much more important role in determining motivation than just the dependency of the firm on the person in question or his/her experience. The analysis indicates a very significant relationship between skill-based traits and the level of motivation. The relationship between the competence in terms of entrepreneurship skills and the level of motivation proves to be significant ($\chi^2 = 27.854, p = 0.000$), with persons skilled in these aspects showing significantly higher motivation (56.9%) in comparison with those who have average skills (16.7%). This underscores the importance of entrepreneurial abilities in fostering enthusiasm and commitment for managing a homestay business.

There is a strong relationship between motivation and skill in digital marketing ($\chi^2 = 17.029, p = 0.000$). People with poor skills in digital marketing have very low motivation (19.4%) while people with excellent skills in digital marketing have high motivation levels (68.4%). It shows the growing importance of digital skills to improve business performance, and, therefore, the motivation of the operators.

There is a strong relationship between motivation and the extent to which sustainable behaviors are adopted ($\chi^2 = 4.981, p = 0.026$). High level of sustainable behavior adoption by the operators leads to better motivation, thus showing that engaging in socially and environmentally responsible behavior can bring more happiness and dedication.

V. Respondents Perception Towards Motivation To Run/Operate Homestay Enterprise: Levels Mean Difference Analysis

From the mean differences presented in Table 7, it is clear that there were very wide variations in the views held by the participants regarding a range of variables that contribute to the urge to create or operate a homestay company. This is evident from the significant differences observed among the participants who had medium and high levels of motivation in all the variables tested.

Table 7: Analysis of Mean Differences in Motivation Levels Among Homestay Operators

Sr. No.	Dimension	Levels of Motivation for Running/Operating A Homestay	Number of respondents	Mean	S.D.	t-value	P-value	Remarks
1.	Perceptions Towards The Entrepreneurial Skill Dimension	Medium Level of Motivation (10-19)	110	30.97	6.12	-5.451	0.000	Significant
		High Level of Motivation(20-25)	50	36.78	6.50			
2.	Perceptions Towards The Adoption Of Sustainable Practices	Medium Level of Motivation (10-19)	110	9.87	5.03	-5.285	0.000	Significant
		High Level of Motivation(20-25)	50	14.90	6.63			

3.	Perception Towards The Digital Marketing Skill Dimension	Medium Level of Motivation (10-19)	110	27.90	3.68	-2.863	0.005	Significant
		High Level of Motivation(20-25)	50	29.72	3.75			
4.	Perception Towards Motivation Of Running/Operating A Homestay Enterprise Dimension	Medium Level of Motivation (10-19)	110	15.89	2.51	-16.634	0.000	Significant
		High Level of Motivation(20-25)	50	22.46	1.78			

Initially, the individuals whose level of motivation was high (Mean = 36.78, S.D. = 6.50) scored significantly higher on average than those whose level of motivation was medium (Mean = 30.97, S.D. = 6.12). This is evident from the computed t-value (-5.451) and p-value (0.000) which indicate that there is a statistical significance between them. Hence, those people who were highly motivated may be considered either to have been capable of managing their business responsibilities or had the qualities of an entrepreneur. Therefore, motivation appears to increase confidence, initiative, and the ability to successfully manage a homestay business. Secondly, the use of sustainable operations also shows a comparable pattern. The highly motivated respondents scored higher on average compared to the medium ones (Mean = 14.90, S.D. = 6.63 vs Mean = 9.87, S.D. = 5.03). The results were statistically significant, with a t value of -5.285 and p value of 0.000. From this, it is clear that highly motivated operators will embrace environmental and social sustainability because of their high understanding of the concept.

Thirdly, there is also a significant difference in the digital marketing skills competency dimension. Respondents with high motivation had a significantly higher average score (Mean = 29.72, S.D. = 3.75) compared to those with moderate motivation (Mean = 27.90, S.D. = 3.68), as indicated by the t-value (-2.863) and p-value (0.005). Although the difference may be small in comparison to other dimensions, a greater level of motivation corresponds to stronger digital marketing skills that play an important role in promoting homestays in today's tourism environment.

At last, the aspect that has shown the greatest degree of variation in the general motivational element in conducting a homestay business venture is represented by motivation levels. Those who have been highly motivated exhibit a substantially higher mean value of response (Mean = 22.46, S.D. = 1.78), while those whose motivation levels were moderate had a lower mean response level (Mean = 15.89, S.D. = 2.51). An incredibly high t-value (-16.634) and p-value (0.000) clearly demonstrate their statistically significant difference.

VI. Conclusion

The present research sought to understand the motivational drivers of homestay providers in the district of Shimla, Himachal Pradesh, and determined the effect of socio-demographic and skills-based attributes on these motivations. Utilizing data collected from 160 registered homestays in four tehsils of Shimla, Theog, Kumarsain, and Rampur, the results show a positive motivational pattern that is consistent throughout; all subjects rated either medium (68.75%) or high (31.25%) motivation levels, and none had low motivation levels. The providers considered their business ventures to be successful (Mean = 3.94) and felt that their businesses played an important role in creating jobs for people in the locality (Mean = 3.90). However, their financial competitiveness was moderately considered by the providers (Mean = 3.42). All motivational statements yielded statistically significant chi-square values ($p < 0.05$), affirming that these perceptions are systematic and not incidental.

The association test partially supports the second null hypothesis since conventional socio-demographic factors such as age, gender, education, years of experience, building type, and distance from market or tourist destinations are not significantly associated with motivation ($p > 0.05$). The results suggest that the need to engage in the homestay business venture is socially inclusive, thus representing a good sign for the development of rural tourism. On the contrary, the income generated from homestay business rejects the null hypothesis ($\chi^2 = 9.128$, $p = 0.010$) since those who earn more than ₹5,00,001 have the highest level of motivation of 51.5%, compared to 19.5% in the low-income category, confirming that financial returns remain a critical sustaining force for entrepreneurial commitment.

Moreover, skill-based competencies prove to be the primary factors influencing motivation. Entrepreneurial skill competency ($\chi^2 = 27.854$, $p = 0.000$) and digital marketing competence ($\chi^2 = 17.029$, $p = 0.000$) present the most significant correlations, with adopting sustainable practices also contributing to a substantial connection ($\chi^2 = 4.981$, $p = 0.026$). Confirming these findings, mean difference analysis reveals that highly motivated business operators tend to outperform those with medium motivation in each dimension examined – namely, in terms of entrepreneurial skills (36.78 versus 30.97; $t = -5.451$, $p = 0.000$), sustainable practices (14.90 versus 9.87; $t = -5.285$, $p = 0.000$), and digital marketing (29.72 versus 27.90; $t = -2.863$, $p = 0.005$). Moreover, the total score of the motivation dimension itself displays the most significant difference (22.46

versus 15.89; $t = -16.634$, $p = 0.000$), confirming that motivation plays a proactive role in shaping business competency development and strategy orientation. In particular, digital marketing remains a critical deficiency for 45% of the operators analyzed, a deficit that constrains both market visibility and motivational growth.

The results presented above serve as empirical evidence for the Social Cognitive Theory framework, where it can be observed that homestay operators' motivation depends on their cognitive capacities, behavior within the environment, and technology, but not demographic characteristics. Thus, the study suggests that it is vital to have income-generating initiatives, entrepreneurship initiatives, and technology-related programs particularly within the Himachal Pradesh Homestay Policy Scheme 2025 in order to improve and encourage operator motivation. It should be noted that there is a drawback associated with this research, as only four tehsils of the Shimla district were used, and due to the cross-sectional research design, causal claims cannot be made. For future studies, the use of alternative designs would allow for investigating the dynamics of operator motivation in relation to the life cycle of the business initiative. Overall, the homestay industry in the Shimla district seems to be motivated and diverse enough to achieve success with tourism efforts, provided that it receives appropriate policy attention.

VII. Implications Of The Study

The outcomes of this research have far-reaching implications, both from an academic as well as a societal perspective. These findings can go much further than just the domain of homestay entrepreneurship in Shimla District.

Academic and Theoretical Implications

The study demonstrates the applicability of Social Cognitive Theory (SCT) framework in the micro-enterprise tourism setting of rural areas, where its use is relatively rare in current studies. The fact that the motivation of people operating their hospitality establishments was influenced not by fixed demographic factors but by cognitive competencies, behavioral involvement, and technology interaction aligns well with the key idea of SCT regarding dynamic interaction between individuals and environment. Moreover, the lack of motivational differences among tourists of different ages, genders, and educational backgrounds contradicts the deterministic approach that dominates current motivation theories, prompting researchers to reconsider and improve them further for applications in micro-enterprises in developing countries. In terms of methodology, the creation of the reliable tool (α Cronbach's > 0.884 for all constructs) for measuring motivation is valuable in future homestay motivation research in India and South Asia.

Practical and Policy Implications

The substantial relationship between income and motivation ($\chi^2 = 9.128$, $p = 0.010$) implies that monetary sustainability is one of the motivating factors, rendering income generation approaches such as preferential credit facilities, promotional incentives, and incentive-based quality initiatives within the HP Homestay Policy Scheme 2025 a matter of utmost importance for low-income operators. However, the foremost concern is with the deficiency in digital marketing competence, which 45% of the operators lack given the significant link between the two variables ($\chi^2 = 17.029$, $p = 0.000$). Similar to this, the significant association between the skill competency of the entrepreneur and motivation ($\chi^2 = 27.854$, $p = 0.000$) suggests the importance of developing the competency of the operator in terms of skill development by including elements such as business planning, financial management, and customer relation management. Lastly, the positive association between the sustainable practices and motivation ($\chi^2 = 4.981$, $p = 0.026$) provides a chance for incorporating sustainable incentives such as eco-certification, green tourism awards, and tourism listing from the government tourism website in order to ensure sustainability of tourism and also motivate the operators.

Social Implications

In light of the similarity of motivation in terms of gender, it is clear that the homestay strategy will definitely make the barrier of entry into female-owned businesses easy since these enterprises are directly connected with family businesses. The significant level of importance operators attach to the value of helping out with the local labor force (Mean = 3.90, $p < 0.05$) speaks volumes of the power of the industry as a multiplier of income in the local communities since the income can be generated via cooking, guiding, transportation, and handicrafts in compliance with CBTT requirements. Speaking more broadly, the high number of operators' practices of using eco-friendly practices reflects the environmental awareness of the local people who have incorporated such values into their culture. If the motivation and skills of the operators are formalized, they may serve as cultural ambassadors in the region.

VIII. Limitations Of The Study

A number of factors that act as constraints for this research limit the applicability of the findings from this study. The geographical constraint of this research is that it is applicable to just the four selected tehsils of Shimla district since the selection criterion was more than 50 homestay units per tehsil. Therefore, the findings will not apply to smaller tehsils located farther in relation to their motivational dynamics. In relation to research design, even though the cross-sectional research design allows one to establish relationships between different variables, it cannot establish causal effects, and it cannot capture changes in the motivational levels of the homestay operators due to changes in the environment. Finally, since the reliability level for the questionnaire is above the required Cronbach's α value (>0.884), self-reports using quantitative measures are accepted. However, qualitative measures such as interviews could have yielded better findings.

IX. Future Scope Of The Study

There are several ways to pursue research in this area in the coming times which may prove to be rewarding indeed. For example, one way would be to conduct longitudinal research in which a particular set of homestay proprietors could be studied at various stages of the business lifetime and the motivations that change accordingly could be examined. An extension of this study may be to conduct a comparative study of people running mountain homestays in different districts of Himachal Pradesh as well as in other hill areas in the states of Uttarakhand, Sikkim, and Jammu & Kashmir. This type of research design may lead to the discovery of motivations that may differ from area to area. Some other research designs may include use of qualitative research methods such as face-to-face interviewing along with the use of quantitative research method used here. Finally, one should examine whether there exists a motivational-performance linkage in practice among mountain homestay proprietors.

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