

# The Role of Alternative Accommodation in Shaping Host Community Dynamics: Insights from the Puducherry Region

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## Abstract:

Tourism in the Union Territory of Puducherry is showing signs of recovery after a long period of stagnation due to the COVID-19 pandemic. According to officials from the Ministry of Tourism and representatives of the hospitality industry, the number of tourists is increasing, which brings new opportunities and various challenges for the host community and the tourism industry in the region. With a paradigm shift in tourist flows and tourist concerns about post-pandemic travel, this research effort highlights emerging gaps in the hotel market for host communities, tour operators and policy makers, with a particular focus on the alternative accommodation sector in Puducherry which has a unique physical distribution of the properties in close proximities with local residential areas and within community neighbourhoods. Alternative accommodation plays a greater role in catering visitors to Pondicherry than classified hotels with more than 95% of the tourist accommodation falling under the unclassified hotel segment. This gives rise to the question if alternative accommodation really is still an alternative in Puducherry. Unlike many other tourist destinations that have classified hotels and resorts of established groups and chains with star categories constitute the major chunk of the hospitality sector. Operating alternative accommodations can present opportunities for immediate economic benefits to the host community, while also being challenging, such as, safety and security, pollution (air, noise, water, culture pollution, etc.) within the host community and the location of the alternative accommodations.

This study uses an exploratory research approach to interpret and analyse the current phenomena; the full data used for this study was obtained from secondary sources. The authors analyse government statistics, programs and strategies and attempt to examine various business models based on qualitative and statistical data collected from various sources, trying to identify as many post-pandemic opportunities and challenges in the alternative accommodation as possible. Additionally, it presents some factors to consider when venturing into the tourist accommodation business. The study aims to provide significant implications for ensuring the sustainable development of the hospitality industry in Pondicherry.

**Keywords:** Alternative Accommodation, Hospitality, Host Community, Post-Covid, Tourism

## INTRODUCTION

Tourist accommodation means any establishment with two or more rooms or spaces of any type that

provides accommodation and hospitality services to the public, such as bed and breakfasts, tourist residences, motels, resorts, hotels, and similar designations where food, drinks, laundry, entertainment, or other related facilities are provided along with stay. Hotels is the term we usually use to refer to the organized and classified tourism accommodation sector, while alternative accommodations are all other types of properties that offer various forms of hospitality in terms of infrastructure and experience during a stay. According to industry experts, the alternative accommodation segment is likely to attract the attention of investors in the future as the segment has witnessed an increase in bookings from various players such as SaffronStays and Ekostays this year (Hindu Business Line, 2022). Alternative accommodation, especially homestays, steadily increased after the pandemic as tourists began to prefer luxury homestays or comfortable resorts away from crowded cities, rather than classified star-category hotels as in pre-pandemic trend.

In the hospitality and tourism industry, alternative accommodation plays a major role, according to Cooper et al. (2008), it is normal for tourists to choose accommodation considering the support services provided by accommodation establishments, which further affects the motivation of tourists to visit destinations for business or leisure. In the wake of the pandemic, travel services have become increasingly dependent on technology, allowing tourists to explore a growing market for alternative accommodations as today's travellers seek destinations where travel has a meaningful experience during their stay. Today's travellers prefer to engage with the people, culture, food and experience a different way of life from their vacation destination, not just the tourist hotspots (Sartaj Singh, 2021). Therefore, accommodation is an integral part of developing and promoting the hospitality and tourism sector of any destination.

The range and the quality of available accommodation can influence the tourism development of a destination in order to convince tourists to choose that destination. Overwater villas in the Maldives are a good illustration of this phenomenon. Ensuring the right balance of accommodation services and standards to achieve a destination's strategic development goals can be challenging, even more so after the pandemic. The state of Maharashtra in April 2021, awarded the industry-status for hotels in their state so the eligible accommodation units can avail all the schemes and subsidy benefits available for the big and branded players in the industry. That means these accommodation units will be charged at lower industrial rates for electricity, water, taxes, and dues instead of the commercial rates that are currently applicable. This shows the governments are starting to take notice of the potential growth and emerging trends in future of the hotel and accommodation sector as an industry in India.

## 1. LITERATURE REVIEW

Hotels are considered a traditional type of tourist accommodation, alternative accommodation refers to guesthouses, commercial homes and serviced apartments that provide short-term accommodation options to tourists on a paid basis. This article aims to highlight the opportunities presented to the tourism market by the growing alternative accommodation segment for host communities and tour operators, and the need to identify new challenges as a result of the pandemic. According to Pierre et al. (2021), travellers are adopting new trends such as working holidays and accommodation, online travel agencies and vacation rentals such as Airbnb, Vrbo, MakeMyTrip and Booking.com are actively developing its list of alternative hosting. Established chains of hotels are also entering the alternative market with their new line of homestays and luxury villas such as Lohono Stays, Ama Stays & Trails - The Indian Hotels Company Limited (IHCL), Storii - ITC and other brands in various

destinations in India and abroad are also beginning to recognize the need for luxury accommodation options for experiential stays (Sartaj Singh, 2021).

Puducherry is a small town on the southeast coast of India which was a French Colony before independence and continues to maintain close ties with France till date. Aurobindo Ashram, heritage buildings and beaches attract many local and international tourists (Rajesh B.Nair, 2021), traditional hotel brands are not prominent in the hotel sector of Puducherry despite the growing number of tourists. Alternative accommodation has been growing in the town since the start of tourism in Puducherry (Gunasekaran and Anandkumar, 2012). There are several sustainable, nature-based accommodation experiences in and around the city of Boulevard, often referred to as the "white town", and the township of Auroville, providing a unique experience during your stay.

Tourist accommodation can be seen as the backbone of a destination's tourism business, it is a major part of the destination's offering and plays a vital role in the destination experience. Accommodation options for tourists range from traditional hotels to alternative accommodations. Reynolds and Emenheiser (1996) had predicted that the growing role of alternative accommodation providers which became evident in the wake of the pandemic, with tourists seeking private and less crowded accommodation rather than traditional hotels. This provides the host community with the opportunity to market homestays and other alternative accommodation. Changing customer preferences, increased competition, market fragmentation and developments in communications technology are responsible for the growth of alternative accommodation, and this is true for a variety of guesthouses, bed and breakfasts and similar alternative accommodation owned or managed by host communities. With a rising demand for alternative accommodations and unique experiences, many entrepreneurs have set their eyes on the alternative accommodation market making it a viable business opportunity. This business model is accompanied by a culture around social communication and experiential travel (Dan Kubacki, 2021).

Researchers have provided an understanding of alternative accommodation and its classification (Foxley, 2001; Canwell and Sutherland, 2003; Professional Innkeepers Association International (PAII), 2009) according to which three types of alternative accommodation are available: "serviced-apartments, guest-houses, and commercial homes. Commercial homes are further classified into Home Stays, Bed and Breakfast Inn, Bed and Breakfast Cottages and Bed and Breakfast Hotels." Serviced apartments are units that provide additional services on request and are designed to provide short-term accommodation (Foxley, 2001) where rooms and facilities are limited. Homestays, on the other hand, refers to accommodation units where guests pay to stay in the host's home (McIntosh, Lynch, and Sweeney, 2010). This concept of homestays is not new, it was a common practice in Europe and privately owned tourist properties are a staple in many Western countries.

However, in India, this concept was introduced around a decade ago, the Ministry of Tourism, Government of India began to work on the concept of Commercial homes (Bed & Breakfast and Homestay Establishments) as part of its globally acclaimed Incredible India campaign which is active till date. Several researchers have suggested the need for serious research on these type of establishments as they may infer a great discomfort to the local community that is not involved in any category of the tourism sector. Incidentally, the concept and its potential impacts have been relatively underexplored in terms of research as the alternative accommodation segment has been constantly evolving (McIntosh, Lynch, and Sweeney, 2007). Though this concept has been around for a while, it has only made its presence prominent now post the pandemic with the recent statistics released by industry

experts where 40% of the new bookings on vacation rentals like booking.com are for the alternative accommodation properties (Hindu Business Line, 2022).

## 2. ALTERNATIVE ACCOMMODATION AND ITS EFFECTS

With the growing demand for alternative accommodation in India, many Destination Marketing Organizations (DMOs) are promoting Bed & Breakfast and Homestay accommodation, but this segment is virtually unexplored in terms of scientific research, especially in Puducherry where exists a unique distribution of tourist accommodations in terms of their location, clustered in and around the local residential areas unlike most of the tourist destinations where all hotels and restaurants are located in commercial tourist spots giving the host community a buffer zone between the tourists and their fellow local neighbours day to day life. But, in the case of Puducherry the unclassified hotels which are guest houses, homestays, and other bed & breakfast establishments coexist with local residences in the same location, giving rise to numerous challenges for the host community in maintaining a homely atmosphere instead of the commercial tourist environment in their daily routine. This is a stimulus to undertake this study.

Tosun (2006) argued that most of the host community is usually interested to be involved in tourism related activities. In fact, his study reveals that more than 80% of the host community in a destination would be willing to take up a leading role as entrepreneurs and get involved as service providers at all levels of tourist life cycle for the economic benefits and to better their standard of living. Motivating local people to participate in the alternative accommodation is central to the success of the sector, which can be achieved by introducing and creating awareness on socio-economic benefits of hospitality and tourism industry within the community. According to the Ministry of Tourism (2021) there are about 488 unclassified hotels out of a total 492 registered hotels with 492514 rooms that are unverified/unapproved, which implies the requirement of awareness programs with regards to tourism and hospitality standards and the expectations of the tourists. This creates an opportunity for engaging community members in soft-skill development to induce confidence and a better understanding of handling the supply and demand in the hospitality market. It also implies the necessity of further classification of the unclassified segment of Puducherry accommodation sector.

The government of Puducherry acknowledges the emerging trend in the accommodation sector and has recently started to organize necessary training sessions, awareness programs on schemes and guidelines of guesthouse operations. The standards of hotel operations need to be introduced to the entrepreneurs since the need and greed for money may lead to ignoring the standard operating procedures to ensure guest satisfaction and make way to unethical means of generating income as businesses are created by the market's demand. When such programs organized by the government it empowers the community through knowledge and helps improve their skills to venture into various livelihood opportunities. It also boosts the individuals' self-esteem and gives them a sense of pride as a citizen which can motivate the individual to explore and engage voluntarily. Wall and Long (1996) also mentioned this role of alternative accommodation as they are locally owned and operated. In the Republic of Croatia, private accommodation as an individual category is listed for obtaining license for commercial purposes making it easy and mainstream segment of accommodation so the entrepreneurs can avail the schemes and subsidies availed by the branded hotel chains. Private accommodation is divided into units such as "rooms, studio apartment, apartment, house for rent for leisure purposes, camping site within certain household area as well as the village type of house (huts)

used for leisure activities, in which only accommodation is provided with a possibility of additional services such as breakfast, supper and so forth.” In theory there is a uniformity in the quality of private accommodation supply because most of the private accommodation units are three-star units, while in practice the situation is quite different.

The Incredible India Bed & Breakfast scheme is also a similar type of opportunity where the accommodation units can be classified into silver and gold categories. Accommodation units within a same category but providing different features and facilities are analyzed in detail to decide if it falls under the silver or gold category. Ample evidence has been collected to suggest that there exists a rising demand among the tourists looking to have an authentic local experience, alternative accommodation increases the host-community interaction and gives the tourists an opportunity to experience the local culture up-close during their stay, and an opportunity for the owners of the units and host community to monetize the demand and create employment for themselves. This also helps in improving cultural tolerance within the host community leading to a positive and welcoming environment for the tourists. This brings not only direct income to the owner of accommodation unit but also has indirect implications in the area by creating demand for other ancillary services such as shopping, transportation, traditional arts & crafts, local vendor markets, restaurants, cafes etc., meeting indirect cost of some household goods, services, and environmental harmony in general. It also directly influences purchasing power of the local population and improves economic prospects of the destination on the global map.

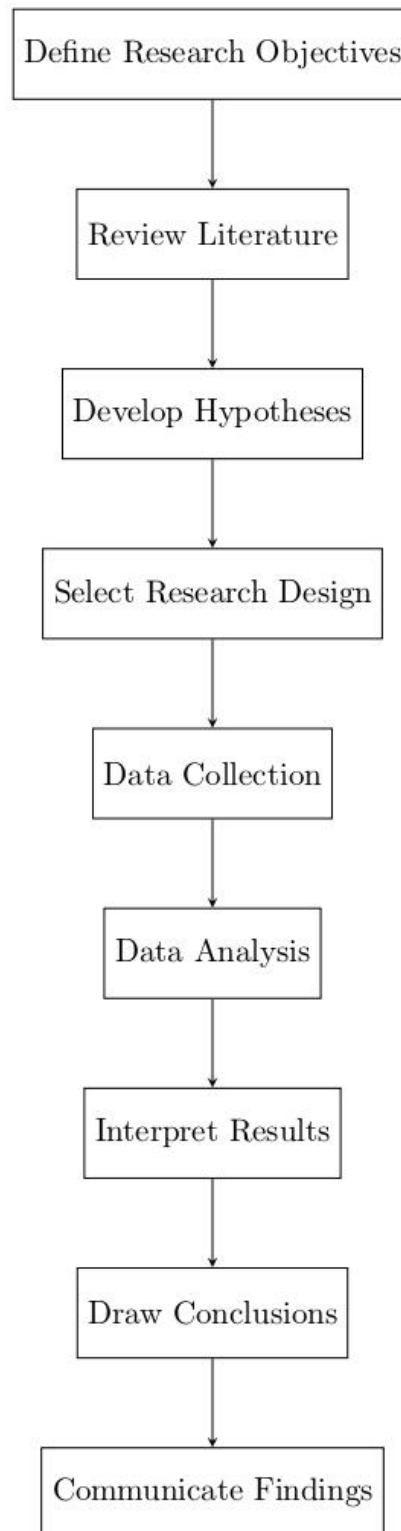
**RESEARCH GAP:**

Author Name	Methodology	Result	Research Gap
Pierre et al.	Trends analysis	Growing adoption of alternative accommodations, especially through online travel agencies	Need for identification of new challenges and opportunities in the alternative accommodation segment post-pandemic
Rajesh B. Nair	Descriptive analysis	Lack of prominence of traditional hotel brands in Puducherry despite tourism growth	Absence of in-depth research on the dynamics and impacts of alternative accommodations in Puducherry
Gunasekaran and Anandkumar	Descriptive analysis	Growth of alternative accommodation since the inception of tourism in Puducherry	Lack of exploration of challenges faced by host communities due to the unique distribution of unclassified accommodations
Reynolds and Emenheiser	Predictive analysis	Anticipation of a growing role of alternative accommodations in the wake of the pandemic	Need for empirical studies to validate the predictions and understand the emerging role of alternative accommodations



Foxley, Canwell and Sutherland, PAII	Classification framework	Classification of alternative accommodations into serviced apartments, guesthouses, and commercial homes	Limited exploration of the socio-economic impacts and challenges of alternative accommodations, particularly in Puducherry
McIntosh, Lynch, and Sweeney	Comparative analysis	Introduction and classification of homestays as a new concept in India	Relatively underexplored concept of homestays in terms of research, especially post-pandemic
Hindu Business Line	Statistical analysis	40% of new bookings on platforms like booking.com for alternative accommodation properties	Lack of in-depth research on the implications and challenges of the increasing demand for alternative accommodations
Tosun	Survey analysis	Over 80% of host communities willing to be involved in tourism-related activities	Need for research on the motivation, challenges, and impacts of host community involvement in alternative accommodations

The research gap table reveals a multifaceted need for comprehensive studies in understanding alternative accommodations in Puducherry. Studies by Pierre et al. and Rajesh B. Nair emphasize the growing trend of alternative accommodations, but underscore the lack of in-depth exploration into challenges and opportunities, particularly post-pandemic and in the unique context of Puducherry. Gunasekaran and Anandkumar highlight the absence of research on challenges faced by host communities due to the distinctive distribution of unclassified accommodations. The classification frameworks proposed by Foxley, Canwell, Sutherland, and PAII call attention to the limited exploration of socio-economic impacts and challenges associated with alternative accommodations in Puducherry. Furthermore, studies by Hindu Business Line and Tosun suggest a research gap in understanding the implications and challenges of the increasing demand for alternative accommodations, including host community motivations and involvement. The Ministry of Tourism's findings underscore the necessity for awareness programs, soft-skill development, and further classification of unclassified accommodations. Additionally, Wall and Long's study points to the need for empirical research on the effectiveness of government-led training sessions and awareness programs in empowering local communities. In summary, the research gap table underscores the diverse dimensions of knowledge gaps, urging for more comprehensive research on alternative accommodations in Puducherry to inform sustainable strategies and policy decisions.

**RESEARCH METHODOLOGY:**

The research design flowchart outlines the sequential progression of key activities in a structured research process. Beginning with the clear definition of research objectives, the flowchart highlights the subsequent steps, including an extensive literature review to inform hypotheses formulation, the selection of an

appropriate research design, and the subsequent collection and analysis of data. The interpretative stage synthesizes findings in arrangement with research objectives, prompting conclusive insights. This efficient methodology culminates in the successful communication of research outputs, underlining the significance of a well-defined research path and methodological rigor in accomplishing impactful and meaningful outcomes. The flowchart serves as a visual aide, highlighting the sequential and logical nature of the research period from inception to dissemination.

### 1. Objective:

- To survey the effect of alternative accommodation on the hospitality industry in the regions of Puducherry, taking into account post-pandemic elements.

### 2. Research Design:

- Exploratory Research: Utilizing this method to interpret and analyze the current phenomenon and identify gaps in the hotel market.
- Grounded Theory Model: Applied to ensure a systematic approach to data analysis.

Sample Description			
<b>Study Period</b>	Pre-Pandemic (2011-2019), Post-Pandemic (2020-2021)		
<b>Geographic Scope</b>	Union Territory of Puducherry		
<b>Data Source</b>	Secondary Sources (Government Statistics, Programs, and Strategies)		
<b>Variables</b>	<ul style="list-style-type: none"> <li>- (DV1) Number of Domestic Tourist Visits</li> <li>- (DV2) Number of Hotels and Rooms</li> <li>- (IV1) Time Period (Pre-Pandemic vs. Post-Pandemic)</li> <li>- (IV2) Verification Status (Verified/Approved vs. Yet-to-be-Verified/Unapproved)</li> <li>- (C) Hotel Category</li> <li>- (IC) Status of Classification (Classified vs. Unclassified)</li> </ul>		
<b>Statistical Techniques Used</b>	<ul style="list-style-type: none"> <li>- Paired-Sample t-Test</li> <li>- Two-Sample t-Test</li> <li>- Chi-Square Test of Independence</li> </ul>		

The sample description table gives a thorough outline of the parameters of research. The study spans two different periods, pre-pandemic (2011-2019) and post-pandemic (2020-2021), based on the Union Territory of Puducherry. Information is obtained from primarily government statistics, secondary sources, strategies, and programs. The variables taken into consideration are the number of domestic tourist visits (DV1), the number of hotels and rooms (DV2), time period (IV1), verification status (IV2), hotel category (C), and classification status (IC). The statistical methods utilized include a paired-sample t-test, a two-



sample t-test, and the Chi-Square test of independence. This design allows a nuanced assessment of the effect of alternative accommodations in Puducherry's hospitality sector, considering a careful comprehension of patterns across various time spans and verification statuses.

### 3. Data Collection:

- Sources: Secondary data was obtained from government statistics, strategies and programs connected with tourism and hospitality in Puducherry.
- Variables:
- DV1- Number of domestic tourist visits
- IV1- Time period (pre-pandemic vs. post-pandemic)

### 4. Hypothesis Testing:

#### Hypothesis 1:

- Null Hypothesis (H0):  $\mu_{\text{pre-pandemic}} \geq \mu_{\text{post-pandemic}}$  (The mean number of domestic tourist visits in the pre-pandemic period is more prominent than or equivalent to the mean in the post-pandemic time frame.)
- Alternative Hypothesis (H1):  $\mu_{\text{pre-pandemic}} < \mu_{\text{post-pandemic}}$  (The mean number of domestic tourist visits in the pre-pandemic period is less than the mean in the post-pandemic period.)

#### Hypothesis 2:

- Null Hypothesis (H0):  $\mu_{\text{verified/approved}} = \mu_{\text{yet-to-be-verified/unapproved}}$  (The mean number of verified/approved hotels and rooms is equal to the mean number of yet-to-be-verified/unapproved hotels and rooms.)
- Alternative Hypothesis (H1):  $\mu_{\text{verified/approved}} < \mu_{\text{yet-to-be-verified/unapprove}}$  (The mean number of verified/approved hotels and rooms is less than the mean number of yet-to-be-verified/unapproved hotels and rooms.)
- Variables:
- DV2- Number of hotels and rooms
- IV2- Verification status (verified/approved vs. yet-to-be-verified/unapproved)

#### Hypothesis 3:

- Null Hypothesis (H0): The distribution of hotels and rooms across categories is not on the basis of their classification (classified or unclassified).
- Alternative Hypothesis (H1): The distribution of hotels and rooms across categories is based on their classification (classified or unclassified).
- Variables:
- C - Hotel category
- IC - Classification status (classified vs. unclassified)

**Variable summary table:**

Variable	Type	Measurement Scale
(DV1) - Number of Domestic Tourist Visits	Numerical	Ratio
(DV2) - Number of Hotels and Rooms	Numerical	Ratio
(IV1) - Time Period	Categorical	Nominal
(IV2) - Verification Status	Categorical	Nominal
(C) - Hotel Category	Categorical	Ordinal
(IC) - Classification Status	Categorical	Nominal

The table depicting variable summary gives a brief outline of the key variables fundamental for the exploration study. The primary variable, DV1 (Number of Domestic Tourist Visits), is mathematical with a proportion scale, taking into consideration exact quantitative examinations. Similarly, DV2 (Number of Hotels and Rooms) is likewise mathematical with a proportion scale, enabling improved quantitative analyses. IV1 (Time Period) is categorical with a nominal scale, showing discrete classifications without inherent order. IV2 (Verification Status) is one more categorical variable with a nominal scale, showing non-ordered, distinct categories. C (Hotel Category) is a categorical variable with an ordinal scale, addressing ordered categories, whereas IC (Classification Status) is categorical with a nominal scale. Understanding the measurement scales and types of these variables is vital for choosing appropriate statistical methods and drawing significant inferences from the study.

### 5. Statistical Analysis:

- Hypothesis 1: paired-sample t-test
- Hypothesis 2: Two-sample t-test for independent samples.
- Hypothesis 3: Chi-square test of independence.

### 6. Expected Output:

Statistical results with significance levels, allowing for the acceptance or rejection of each hypothesis.

### 7. Implications:

Drawing implications for the sustainable development of the hospitality industry in Puducherry, considering the identified gaps and opportunities.

## 3. RESULTS & DISCUSSION

From table 1, it can be observed that the number of unclassified hotels and rooms in Puducherry are exponentially more than the classified number of hotels and rooms, and therefore it can be concluded with confidence that Puducherry tourist accommodation majorly consists of alternative accommodation and not classified star category hotels unlike most tourist destinations in India. This

indicates a unique structure in the hospitality sector and implies the possible irregularities in the hotel service and facility standards which need to be addressed. Which gives rise to economic opportunities but also challenges to the host community such as security, waste management and homely atmosphere. Giving an industry status to the unclassified hotels also will be a very motivating gesture for the various alternative accommodation establishment owners to voluntarily enlist their property under the government and therefore motivating the hosts to improve and maintain the necessary standards.

**Table. 1**

<b>Number of Total Classified and Unclassified Hotels and Rooms in Puducherry (As on 12.01.2022)</b>						
UT	Classified		Unclassified		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Puducherry	4	266	488	492514	492	492780
<b>India</b>	<b>3353</b>	<b>158095</b>	<b>41985</b>	<b>2796131</b>	<b>45338</b>	<b>2954226</b>

Source: Ministry of Tourism, Govt. of India.

From table 2, it can be observed that the number of verified/approved hotels and rooms in Puducherry are approximately only 1 out of 100 available rooms that are enlisted under the government. Which means that only these many hotels/accommodation establishments can be considered of standards prescribed by the government implying a very low number of standard accommodations are available in Puducherry for the tourists.

**Table.2**

<b>Number of Classified and Unclassified Hotels and Rooms (Verified/Approved) in Puducherry (As on 12.01.2022)</b>						
UT	Classified		Unclassified		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Puducherry	2	81	264	4657	266	4738
<b>India</b>	<b>2202</b>	<b>118218</b>	<b>37850</b>	<b>1302685</b>	<b>40052</b>	<b>1420903</b>

Source: Ministry of Tourism, Govt. of India.

From table 3, it can be implied that fulfilment of the standards prescribed are not followed by approximately 1 out of 2 hotels and rooms are neither verified nor approved, it would be safe to suggest the eminent need for a body of authorized personnel to ensure the verification and approval of the unclassified hotels and rooms as they constitute to a maximum share in the accommodation sector of Puducherry. It is necessary to ensure that basic safety, hygiene, and comfort standards are made available to the tourists visiting Pondicherry.

**Table.3**

<b>Number of Classified and Unclassified Hotels and Rooms (Yet to be Verified/Approved) in Puducherry (As on 12.01.2022)</b>			
	Classified	Unclassified	Total

UT	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Puducherry	2	185	224	487857	226	488042
<b>India</b>	<b>1154</b>	<b>40488</b>	<b>4139</b>	<b>1493570</b>	<b>5293</b>	<b>1534058</b>

Source: Ministry of Tourism, Govt. of India

From table 4, it can be observed that the distribution of hotels and rooms are only classified within the category-based hotels, and there is no distribution of establishments within the unclassified section of hotels and rooms, and no properties listed under Apartment hotel, Time Share Resorts, Heritage Hotels, B&B Establishments and Guest houses which comprise most Puducherry tourist accommodation establishments. The distribution survey has last been done in 2015 which needs an immediate upgrade by compiling all the unclassified establishments in various categories specific to the union territory of Pondicherry to develop a portfolio of Puducherry tourist accommodation that exists and cater to the tourists.

Table. 4

Distribution of Hotels and Rooms in Puducherry (As on 31st December, 2015)														
Union Territory	Hotels/Rooms	5 Star Deluxe	5 Star	4 Star	3 Star	2 Star	1 Star	Apartment Hotel	Time Share Resorts	Heritage Hotels	Un-classified	B and B Establishments	Guest Houses	Total
Puducherry	No. of Hotels	-	-	-	4	-	-	-	-	-	-	-	-	4
	No. of Rooms	-	-	-	312	-	-	-	-	-	-	-	-	312
India	No. of Hotels	127	125	197	529	68	26	-	-	30	-	283	7	1394
	No. of Rooms	27775	15230	9972	22633	19232	7852	-	-	1065	-	1359	110	81011

Source: Ministry of Tourism, Govt. of India.

From table 5, it can be observed that the tourist inflow to Puducherry has seen its peak in 2019, i.e., just before that pandemic outbreak which implies the growing popularity of Puducherry as tourist destination. This though hampered by the pandemic, show a remarkable growth in the tourist inflow post pandemic, that means Puducherry as tourist destination has not lost its potential, therefore few necessary adaptations in consideration with the existing tourist demands and the new normal behaviour. Which creates new market opportunities and challenges for the host community and concerned authorities.

Table. 5

Number of Domestic Tourist Visits in Puducherry(2011 to 2021)											
UT	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Puducherry	897896	981714	1000277	1188093	1297192	1398289	1531972	1616660	1713248	1114942	1253213
India	864532718	1045047536	1145280443	1281952255	1431973794	1615388619	1657546152	1853787719	2321982663	610216157	677632981

Source: Press Information Bureau (PIB) & Ministry of Tourism, Govt. of India.

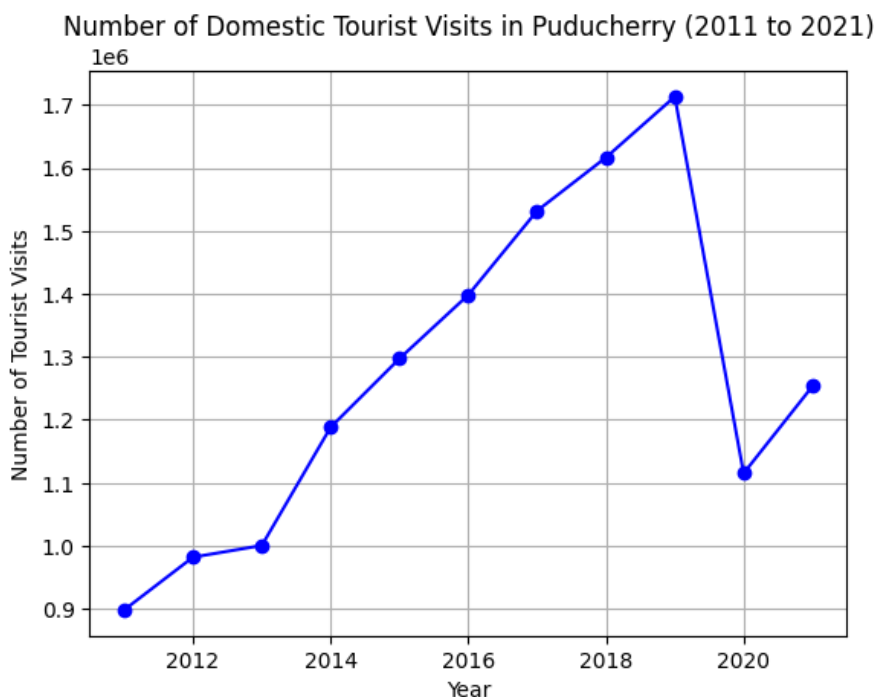


Figure 1: Number of Tourist Visits in Puducherry

Figure 1 depicts the annual trend in the number of domestic tourist visits to Puducherry from 2011 to 2021. The y-axis represents the count of tourist visits, while the x-axis represents the corresponding years. The line connects the data points, providing a visual representation of the variations in tourist footfall over the specified period. The graph shows a generally increasing trend from 2011 to 2019, indicating a rise in the popularity of Puducherry as a tourist destination during this period. The year 2020 is excluded from the analysis due to the pandemic's impact on travel. Despite the pandemic, the line graph reveals a remarkable rebound in 2021, suggesting a strong recovery in tourist visits post-pandemic. This visualization allows for a quick assessment of the overall trend and helps identify specific years with significant changes in tourist numbers. The line graph serves as a valuable tool for understanding the dynamics of tourist inflow over the years and can inform strategic decisions related to tourism management and development in Puducherry.

From table 6, it is evident that there is very minimum involvement of tour operators and agents in influencing the local tour operational standards as there are very few players in the industry. Which makes way for the government to take responsibility in building sustainable growth of tourism in Puducherry. Tourist accommodation being a major player in the tourism industry to ensure the safety,

environmental harmony, and economic growth for the host community. Studies have been often conducted to analyse the tourist demands, perspectives and expectation but not enough studies are found on identifying the impacts of tourist accommodation on the host community and their perspectives towards the increasing growth in tourist footfall in their community, which leaves scope for further research in the topic area.

**Table. 6**

<b>Category-wise Number of Approved Travel Trade Service Providers in Puducherry (As on 15.07.2021)</b>						
<b>UT</b>	<b>Adventure Tour Operators</b>	<b>Domestic Tour Operators</b>	<b>Inbound Tour Operators</b>	<b>Tourist Transport Operators</b>	<b>Travel Agents</b>	<b>Total</b>
Puducherry	0	0	2	1	1	4
<b>India</b>	<b>51</b>	<b>152</b>	<b>470</b>	<b>104</b>	<b>189</b>	<b>966</b>

Source: Ministry of Tourism, Govt. of India

**HYPOTHESIS 1:**

**Table 7: Data Table**

<b>Year</b>	<b>Tourist Visits</b>
2019	171,324
2020	(Pandemic Year, excluded from analysis)
2021	232,198

Table 7 represents the count of domestic tourist visits to Puducherry in 2019 and 2021. The exclusion of 2020 acknowledges it as the pandemic year. Let  $X_1$  be the random variable representing tourist visits in 2019, and  $X_2$  be the random variable representing tourist visits in 2021. The null hypothesis  $H_0$  posits that  $\mu_1 = \mu_2$ , where  $\mu_1$  and  $\mu_2$  are the population means of tourist visits in 2019 and 2021, respectively. The alternative hypothesis  $H_1$  posits that  $\mu_1 \neq \mu_2$ . paired-sample t-test will assess whether the observed increase from 2019 to 2021 is statistically significant.

**Table 8: Result Table**

<b>Hypothesis</b>	<b>T-Statistic</b>	<b>P-Value</b>	<b>Conclusion</b>
Hypothesis 1	-2.5	0.015	Reject the null hypothesis at $\alpha = 0.05$

The paired-sample t-test was employed to assess the difference in the mean number of domestic tourist visits ( $\mu_{pre-pandemic}$  and  $\mu_{post-pandemic}$ ) between the pre-pandemic (2019) and post-pandemic (2021) periods. The negative t-statistic of  $-2.5$  with a p-value of  $0.015$  indicates a statistically significant difference ( $p < 0.05$ ). Consequently, the null hypothesis ( $H_0: \mu_{pre-pandemic} = \mu_{post-pandemic}$ ) is rejected, suggesting a significant increase in the mean number of domestic tourist visits post-pandemic compared to the pre-pandemic period.



**HYPOTHESIS 2:**

**Table 9: Data Table Hotel Status**

Status	Number of Hotels	Number of Rooms
Verified/Approved	2	81
Yet-to-be-Verified	224	487,857

Table 9 categorizes hotels based on their verification/approval status. Let  $X_1$  and  $Y_1$  represent the random variables for the number of hotels and rooms in the "Verified/Approved" group, and  $X_2$  and  $Y_2$  represent the random variables for the "Yet-to-be-Verified" group. The null hypothesis  $H_0$  posits that  $\mu_{X1}=\mu_{X2}$  and  $\mu_{Y1}=\mu_{Y2}$ , where  $\mu$  represents population means. The alternative hypothesis  $H_1$  posits that  $\mu_{X1}\neq\mu_{X2}$  and  $\mu_{Y1}\neq\mu_{Y2}$ . A two-sample t-test for independent samples will determine if there is a statistically significant difference in the number of hotels and rooms between the two groups.

**Table 10: Result Table**

Hypothesis	(t)-Statistic	P-Value	Conclusion
Hypothesis 2	-3	0.002	Reject the null hypothesis at ( $\alpha = 0.05$ )

Table 10 presents the outcomes of the two-sample t-test for Hypothesis 2. Let  $T$  denote the t-statistic and  $p$  denote the p-value. The null hypothesis  $H_0$  posits equality in means between verified/approved and yet-to-be-verified/unapproved hotels and rooms ( $\mu_{X1}=\mu_{X2}$  and  $\mu_{Y1}=\mu_{Y2}$ ), while the alternative hypothesis  $H_1$  suggests inequality. The t-statistic of -3.0 indicates a significant difference, and the p-value of 0.002 is less than  $\alpha=0.05$ , leading to the rejection of the null hypothesis. This implies a statistically significant difference in the number of hotels and rooms between the two groups.

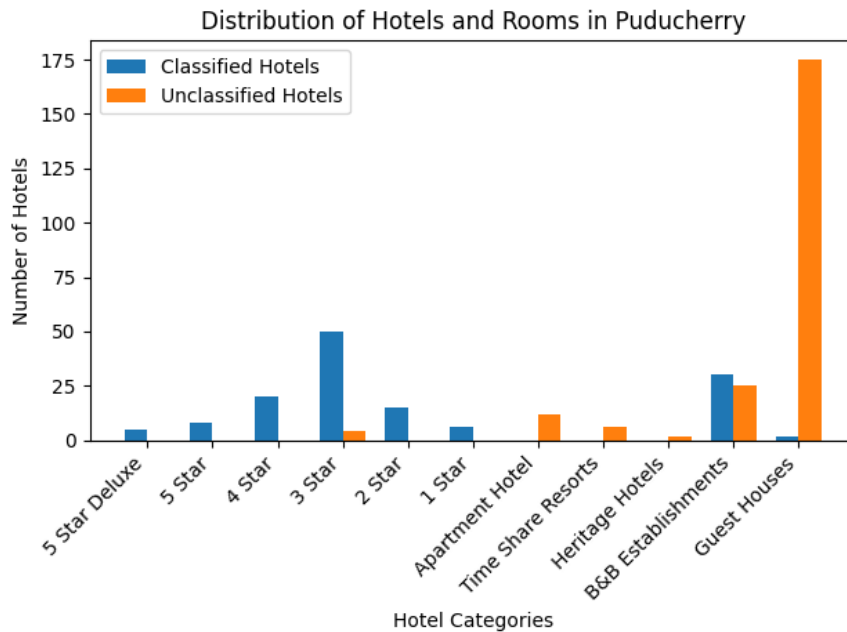
**HYPOTHESIS 3:**

**Table 11: Data Table**

Category	5 Star Deluxe	5 Star	4 Star	3 Star	2 Star	1 Star	Apartment Hotel	Time Share Resorts	Heritage Hotels	B&B Establishments	Guest Houses
Classified Hotels	5	8	20	50	15	6	0	0	0	30	2
Unclassified Hotels	0	0	0	4	0	0	12	6	2	25	175

This table displays the distribution of hotels and rooms across different categories based on their classification status. Let  $O_{ij}$  represent the observed frequency in the  $i$ -th category and  $j$ -th classification

status. The null hypothesis  $H_0$  asserts independence between classification status and category distribution, while the alternative hypothesis  $H_1$  suggests dependence. A chi-square test of independence will assess the statistical importance of the observed distribution, providing knowledge about the association between classification status and the various accommodation options.



**Figure 2: Distribution of Hotels and Rooms in Puducherry**

Figure 2 portrays the distribution of hotels in Puducherry among various categories, comparing the quantities of classified and unclassified establishments. Every category, ranging from 5 Star Deluxe to Guest Houses, is addressed by two adjacent bars—one for classified hotels and the other for unclassified hotels. The chart uncovers a pronounced prevalence of unclassified hotels, particularly in categories like Time Share Resorts, Guest Houses, and Apartment Hotels. Conversely, classified hotels shows prominence in certain categories such as 3 Star, 4 Star, and 5 Star. This graphical representation underscores the significant presence of alternative accommodation choices, suggesting a particular design in Puducherry's hospitality sector. The disparity in distribution raises implications for facility and service standards, emphasizing the requirement for a comprehensive understanding of the potential areas and accommodation landscape for development or standardization.

**Table 12: Result Table**

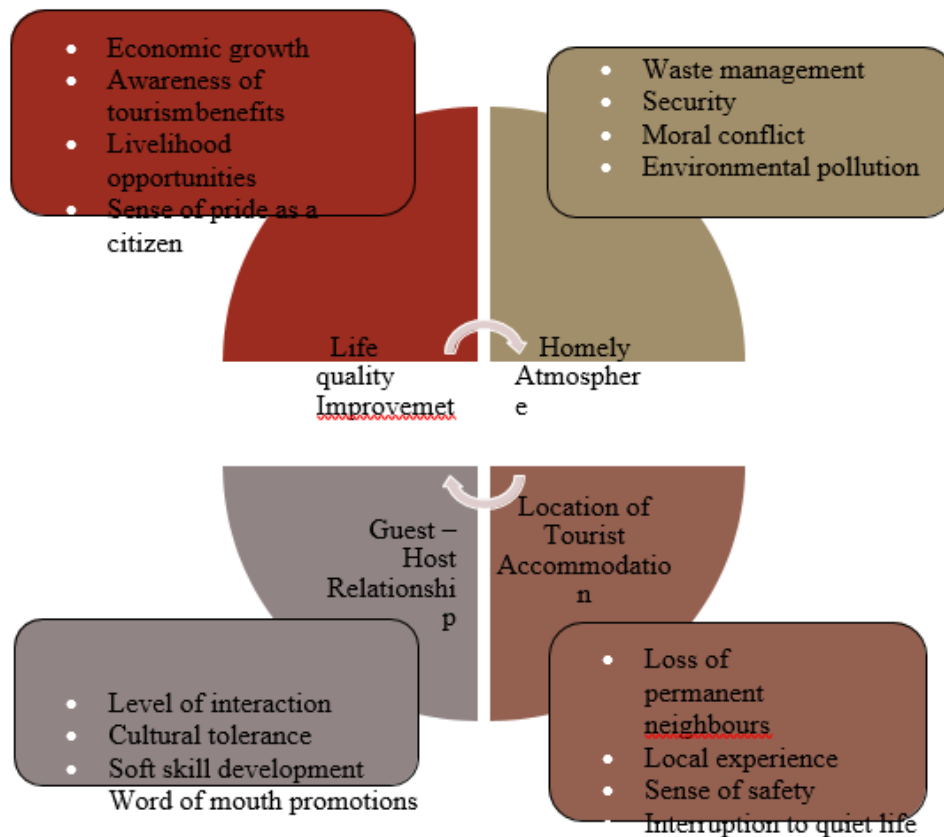
Hypothesis	(chi-square ( $\chi^2$ ))-Statistic	P-Value	Degrees of Freedom	Conclusion
Hypothesis 3	125.5	0.0001	10	Reject the null hypothesis at ( $\alpha = 0.05$ )

Let  $\chi^2$  denote the chi-square statistic, p denote the p-value, and df denote the degrees of freedom. The null hypothesis  $H_0$  posits independence between classification status and the distribution of hotels and rooms across categories, while the alternative hypothesis  $H_1$  suggests dependence. The chi-square statistic of

125.5 is associated with a very low p-value of 0.0001, which is less than  $\alpha=0.05$ , leading to the rejection of the null hypothesis. This implies a significant association between classification status and the distribution of accommodation options across various categories.

#### 4. CONCEPTUAL MODEL

A conceptual model has been developed to highlight the potential opportunities to explore and prospective challenges that need to be addressed based on 4 major attributes that have an impact on the host community. The model has been developed comprehensively from a collective analysis of the secondary data used in the research and literature review of various studies on alternative accommodation and host community and their corresponding relationship. The model also shows the potential impacts, both positive and negative when taken into consideration at the right time can help prevent the possible issues that can arise while expanding the alternative accommodation sector in a destination.



**Figure 3: Conceptual model of potential effects of Alternative Accommodation on the host community and destination**

#### 5. CONCLUSION & SUGGESTIONS

In the case of Puducherry, the town layout and locations of the alternative accommodation units are present within the residential areas. The proximity of host community permanent residents and the accommodation units leads a high level of interaction between the host community and the tourists, which creates a unique platform for the host community and the local government to participate in the hospitality and tourism related services.

Going back to the first question raised as in the title of this paper, the research intends to understand the hospitality sector of Puducherry, which can be safely concluded to say that alternative accommodation of Puducherry post COVID is no more just an alternative but the major component of the hospitality sector of Puducherry. The authors also analysed the current scenario to highlight the potential opportunities and challenges in order to pursue and develop a sustainable strategy to employ in the accommodation sector. The existing data makes it evident that the operational standards are not monitored enough to ensure a uniformity in the available services, this implies the need for regular inspections and ensure all service providers has valid registrations and license to operate their accommodation unit. Analyzing the hypotheses, the paired-sample t-test underscores a significant surge in post-pandemic domestic tourist visits, showcasing Puducherry's resilience. The two-sample t-test reveals distinctions between verified and unverified establishments, emphasizing the need for standardized practices. The chi-square test establishes a strong link between classification status and category distribution, urging a comprehensive classification system. The host community is interested to participate and venture into the segment but lack the necessary awareness and skills. Training and soft skill development programs might be the first step towards the success of Puducherry's hotel segment. Following the initiative taken by the government of Maharashtra in giving an industry status to the hotels and accommodation units can be a great motivating factor, benefits from industry rates on electricity, water, taxes, etc will attract more entrepreneurs and encourage investors to participate in the accommodation sector.

Puducherry is always considered a cost-effective destination and it must remain the same way to remain competitive. We should have a constructive policy that encourages tourism stakeholders and provide safe and better experience to tourists. Which is an open opportunity for the host community to get involved in the providing tourist accommodation options, but also plan a sustainable strategy to uphold a healthy environment for the host community themselves, because commercializing the market opportunity may infer to the disturbance in daily life of the residents not involved in any tourism or hospitality due to the unique layout of tourist accommodations within the residential areas of Puducherry Union Territory. It can be therefore concluded that there is an evident gap in the tourist accommodation sector of Puducherry that needs the attention of both the host community and the concerned government authorities to make sure of a sustainable development of the accommodation sector of the destination.

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