Rural and Community Based Tourism Development in Malaysia: Prospects for Homestays as a Social Economy Enterprise

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Abstract: This paper is a conceptual study examining the implementation of the homestay programme as an establishment type in developing rural tourism in Malaysia focusing on rural community based tourism initiatives. It explores the policy background that encourages the growth of rural tourism in Malaysia. An illustration in the form of a homestay in Kedah, involved the investigation into regional planning and the establishment of social economy enterprises. Community-based tourism (CBT) is often considered as one component of a broad-based plan to improve rural and urban economies, which intertwines and sometimes overlaps with rural and urban tourism concepts. CBT development is characterised as a form of locally situated development that uses tourism to generate economic, social, and cultural benefits within a community. This process occurs through increased community participation in decision making and the sustainable development of both natural and cultural resources. These objectives of CBT are sometimes parallel to the objectives of rural and urban tourism development in Malaysia. The objective of this paper is to examine work in the field of rural tourism development in the form of a Homestay Programme as a Social Economy Enterprise. It aims to prove that social-economy enterprises can fulfil multiple areas of needs within rural communities as well as contribute to economic, social, and cultural goals. As opposed to services and businesses controlled by private or public interests, the social economy of the homestays programme is made up of community-based and mutually controlled enterprises that exist to serve the identified needs of a specific community. This paper attempts to examine the potential for homestay enterprises in contributing to the implementation of CBT within the scope of rural tourism development in Malaysia. Challenges and benefits of homestays are evaluated, areas for further research are outlined and attention is drawn to on-the-ground development of social-economy enterprises in the form of homestay programmes as CBT to support rural tourism development in Malaysia.

Key words: Community based tourism, rural tourism, rural communities, Malaysia, homestay programme.


Introduction

The importance of the travel and tourism industry as a major contributor to the economic and social health of regions and nations throughout the world has significantly increased.
Travel and tourism is now commonly viewed not only as a major source of employment, but also as a catalyst for urban and rural regeneration. Many rural communities have turned to tourism as a way to diversify their economic base (Briedenhann & Wickens, 2004; Busby & Rendle, 2000; Mair, 2006). In establishing or developing a tourism industry, rural communities seek to transform themselves from an economy of commodity production to a site of consumption (Gill & Reed, 1997). Tourism has the potential to make a positive economic contribution, yet the success of this industry is not guaranteed and the outcomes are not always positive. Tourism can sometimes be exploitative and culturally, socially, and ecologically damaging and it can at times, fail to provide a desired economic boost (Sharpley, 2002). These negative impacts of tourism can be particularly severe in rural areas, where temporary visitation is more visible in the landscape, compared to urban areas (Lane, 1994). In efforts to develop tourism in a way that is more compatible with the rural context, the approach of community-based tourism (CBT) has been proposed (Murphy, 1985).

CBT is different from traditional top-down tourism planning approaches because it emphasises local input and control over the type, scale, and intensity of tourism development. By retaining or proactively obtaining control over tourism decision making, communities can dictate development according to their local interests (Gill & Reed, 1997; Mowforth & Munt, 2003). A defining characteristic of CBT is that it is a process generated from bottom-up community engagement to develop tourism products and services or to craft and implement a tourism strategy (Hall, 2000; Murphy, 1985). CBT policies are to support community-appropriate types of tourism and equitable distribution and retention of benefits within a local area, thus presenting an alternate response to traditional forms of tourism development driven by a focus on profit maximisation (Blackstock, 2005; Hall, 2000; Hatton, 1999). Though, the benefits of CBT as a way of developing the tourism industry are generally recognised (Hall, 2000; Nyaupane, Morais & Dowler, 2006), its actual benefits to the community can be difficult to achieve (Becker & Bradbury, 1994; Briassoulis, 2002; Laverack & Thangphet, 2009). Blackstock (2005) regards CBT as naïve and unrealistic, claiming it fails as a community-based approach for the following reasons:

(a) It is too focused on industry development compared to community empowerment;
(b) It ignores the internal dynamics of communities.
(c) It ignores external barriers, such as inequality between developers and community members that affect the degree of local control.

These critiques were made with reference to the development context where external private investment organisations attempt to supplement rural community based efforts. For example, a private developer may purchase land in a community to build or open a tourism business, such as a hotel or resort, and then fail to seek cursory community inputs on the scale, design, and nature of the structure. The community feedbacks are totally ignored, thus the outcome of the infrastructure development are not based on consensus decisions between the community and the developer. Therefore rather than being an equal partner in the process of developing rural tourism, the community becomes mere onlookers and the concept of CBT is not adopted in this scenario.

This paper examines the realisation of CBT through the implementation of homestay enterprises to develop rural tourism in Malaysia. This alternate form of development is led by the community, using community resources, and usually in the absence of external private or public capital. This independent community-based development context is supported by policies.
that devolve the responsibilities of the state to individual citizens (Amin, 2005; Mair, 2006). As a community-based effort, the development of rural tourism provides an ideal situation where social-economy enterprises can be used to fill the gaps left by intervention by lesser state governments and local authorities. As opposed to services and products controlled by private interests, or publicly via government organisations, the social economy is made up of community-based and mutually controlled enterprises that exist to serve an identified need and return benefits accrued, back to the community (Lukkarinen, 2005). These needs often include health, employment, cultural enrichment and preservation, training, and small-scale or cottage industry like production of handicrafts (Amin, Cameron & Hudson, 2002). Examples of other social-economy enterprises in Malaysia include a variety of worker-owned cooperatives, credit unions, community-based training organisations, and volunteer-run projects.

Though often adopting some methods of private businesses, social-economy enterprises have a focus on engaging community members in the provision and development of their own economic, social, and cultural futures, valuing principles of engagement, mutual benefit, and people before profits (Lukkarinen, 2005; Quarter, 2000). The general objective of these CBT efforts in the rural context are parallel to those of the rural tourism objectives, with both aiming to create community benefits broadly defined as economic, social, and cultural through a bottom-up process of local involvement in decision making, capacity building, and neoliberal economic diversification (Blackstock, 2005; Koster & Randall, 2005; Mair, 2006; Simmons, 1994). This represents a shift from the increased entrepreneurial involvement of governments in economic development to a transition of this responsibility to the local and community levels and to the individual citizens (Harvey, 1989). Despite the philosophical similarities between CBT and rural tourism, there is still a lack of research and study into these different forms of tourism for the growth of rural tourism development in Malaysia.

This paper considers the potential for the social economy as a way to realise CBT by attempting to analyse how social-economy enterprises are currently used within the rural Malaysian context. The purpose of this paper is exploratory with the objective of tracing linkages between these two concepts and highlighting the specific application and linkages. This article defines two broad areas where the social economy enterprises can be associated with rural tourism and CBT. First; the Homestay Programme as the Social Enterprises concerned, acts as a support structure for rural tourism development and second; as a direct tourism product and service providers in the form of a community based tourism product. The example of a pioneer homestay village in Malaysia is used to investigate the benefits and constraints of the social economy enterprise in a rural tourism setting. This paper concludes with a discussion on the way forward for Malaysian rural communities to use these social-economy structures to facilitate and accommodate the objectives of rural tourism and CBT. Finally, the discussion focuses on what the implications are on the development of these sectors.

**Rural Tourism**

UNWTO defines Rural Tourism as creating a “rural environment” for the visitors, by offering a combination of natural, cultural and human experiences which possess typically rural characters. These “experiences” provide the visitors with authentic and traditional experiences which are the essence of rural life. It brings the visitors back to nature/roots/basics, and embraces the return to origins and originality. Rural tourism comprises a spectrum of activities and services
organised by the rural population which showcase rural life, art, culture and heritage. It is based on principles of sustainability. International trends suggest that rural tourism is becoming an increasingly broader concept and that the needs and expectations of domestic and international demand are becoming ever more sophisticated. Rural tourism has great potential due to a wide variety of natural, cultural, and special interest activities. It is a very active sector in Asian tourism and it is already contributing to the diversification of Asian rural economies.

The most common perception of rural areas is associated with “low population densities”, “open spaces” and “small-scale settlements” (Lane, 1994). When a rural community considers tourism as a development tool, unspoiled environment and rural characteristics are advantages and attributes. Tourism establishments of any kind undoubtedly bring in income possibilities to supplement traditional sources of income. However, tourism benefits or even employment opportunities disseminate narrowly within the locality. This is especially the case when the concepts of rural, agro- or eco-tourism are seen as the creation of leisure opportunities rather than as part of diversification strategies for rural economy. In developing rural tourism, a holistic view is required to view the rural resource base as a multifaceted environment capable of accommodating a wide range of uses and values which also compete with other uses and values (Roberts & Hall, 2001). The Malaysian Homestay case study clearly points out that it should not be assumed that tourism ultimately functions as income alternatives to rural dwellers. Or that local participation is a natural outcome of the completed tourism project, or that tourism is necessarily the answer to rural problems. Malaysia’s tourism interests in rural areas are diverse and yet commonly supported with a benign view that tourism is an effective development vehicle. However, tourism has not always been integrated well into the rural development strategies to contribute to the betterment of the rural communities. As illustrated in the article’s case study, the development approaches for rural tourism tend to lean towards the collection of attractions and predominately operate based upon a vague concept of accommodation provision. Limited success of the tourism development approaches in rural areas arises because of failure to address the strengths and constraints represented by rural areas. The associated development irony is that the involvement of the local population and the appropriate integration of local settlements do not receive adequate attention in tourism planning endeavours. As a result, tourism often becomes an unfulfilled promise in terms of employment generation and as a supplementary household income source. The positive benefits to the rural residents, in both economic and social terms, become minimal simply because of their lack of involvement in the tourism developments as well as their inability to respond to the new employment opportunities brought in by tourism. This problem arises because of the planning approach that does not cater to the changes induced by tourism in the labour market, including necessary skill requirements. Under these circumstances, human capital resources are complicated by difficulties related to rural communities in terms of labour deficiencies in both quantity and quality. The adopted tourism development approach in rural areas in Malaysia, involving local entrepreneurship, further complicates the task of developing human resources for the growth of rural tourism in this country.

Identifying the Role of Homestay Enterprises Within Rural Tourism

The social-economy factor in the form of rural community enterprises has been used to develop capacity in many areas of the rural economy and to deliver community services (Ninaac & Toye, 2002). According to Laverack & Thangphet (2009), capacity building refers
to the increase in ability and skills of a community to facilitate development actions. A key way in which the social economy can be used to build capacity for rural type of Community Based Tourism is through the development of a unified industry or destination focus, such as local tourism advocacy or development organisations. These types of organisations consist of community stakeholders, ranging from individual citizens to tourism business owners, and often have a mandate to pool resources to develop the local tourism industry. A tourism advocacy group provides a base from which many other initiatives can be developed, such as quality-assurance programmes, new product development, and operator training sessions. These organisations are also flexible, in that they can grow with the scale of the tourism industry, from being just on a volunteering basis to hiring a paid manager and employees. Tourism advocacy organisations can act as a conduit through which the local connects to provincial, national, and international partners with government programmes such as development grants. These activities fulfill many of the goals of Community Based Tourism. By cooperating and consolidating, community members are able to proactively gain control of tourism development in their area thus reinforcing the ability of local people to solve problems without depending on outside experts (Murray & Dunn, 1995). In the Malaysian experience, the local tourism advocacy does exist to assist the local communities in developing their social economy enterprises but nevertheless due to constraints and limitations in terms of politics and funding, the assistance sometimes is scarce or even does not exist. These external factors sometimes determine the sustainability and growth of rural community based tourism in Malaysia.

**The Development of Homestay as Rural Tourism Social Economy Enterprises in Malaysia**

Homestay refers to one segment of tourism of hospitality and services with emphasis on ecotourism and rural community based tourism in which visitors will stay with foster families in rural areas. The host families have to treat the tourists as their own families and involve them in their daily activities to share the experiences and to learn the life styles of the local community as well as to experience the local cultures. The usage of the term “homestay” might be diverse in different countries. For instance, some countries describe homestay venues as private homes in which unused rooms are rented for the purpose of supplementing income and meeting people. In some countries, it is known as bed and breakfast premises. In the United Kingdom, traditions of hospitality and providing food for seasonal farm workers contributed to the development of farm-based holidays where recreation and tourism have become significant forms of business diversification for the farmers in many parts of the country.

Transforming existing residences into homestay facilities is a common strategy for generating extra household income for a rural dweller. In a destination area, homestay facilities generally emerge in the vicinity of tourism establishments or destinations and depend greatly on surrounding attractions. They provide not only an alternative choice for cheaper accommodation to the tourists but also a supplementary source of income to the hosts. In Malaysia, the homestay establishments that have emerged recently do not have such a traditional reliance on geographical proximity to major tourism attractions or large tourism establishments for clientele sources. As part of government rural development strategies, they are typically village-based and sustain themselves as independently as possible, usually using local endowments such as social elements, cultural endeavours and natural resources.
Table 1 refers to some examples of rural tourism products described by the New Zealand’s Ministry of Agriculture and Fisheries (1994) which can be compared to rural tourism development in Malaysia.

The homestay programme in Malaysia was initially promoted to provide tourists with cultural experiences of Malaysia's multi-ethnic lifestyles and economic benefits to the local people as quoted by the former Minister Culture, Arts and Tourism (MOCAT), Dato’ Sabbaruddin Chik's, in the first Malaysia Homestay Programme Directory. Homestay operations have become popular in rural areas because of Malaysia’s rural development approach which gives higher priority to villages. Malaysia expresses a desire for multi-cultural manifestation from its tourism products, but the political element plays a central role resulting in the dominance of the Malay villages in the recent expansion of homestay programmes. Apart from the external factor of politics, the Malay hosts are more eager about the project. One crucial determining internal factor is that they cook food that can be eaten by any type of visitor. With their eagerness and suitability, they dominated the Social Economy initiative. The homestay programme was started at national level in 1995 by the Ministry of Culture, Art and Tourism Malaysia with the collaboration of the Ministry of Rural Development Malaysia. Homestay is

<table>
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<tr>
<th>Tourism Product</th>
<th>Description</th>
<th>Malaysia’s Rural Tourism Style</th>
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<tr>
<td>Farm stay</td>
<td>Bed, breakfast and other meals, accommodation and activities centred on a traditional pastoral farm where the visitor feels part of the ‘family’</td>
<td>Homestay programmes in Malaysia offer opportunities to tourists to stay with local people in a village or community. They will experience the close-knit family relationships, enjoy sumptuous home-cooked food and discover the simple lifestyle in the country. It offers chances for the tourists to experience the daily “kampung style” life and the multi-access cultures of Malaysia.</td>
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<tr>
<td>Country stays</td>
<td>B&amp;B but the focus is on the ambience of the setting with few farm-related activities</td>
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<tr>
<td>Rural self-catering units</td>
<td>Self-contained accommodation in converted shearing sheds, barns, workers cottages</td>
<td></td>
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<tr>
<td>Camp/caravan Sites</td>
<td>Attractive settings with level sites, suitable access and shade/shelter Trees and facilities to support visitors.</td>
<td>Malaysia has many nature based camp sites throughout the country. The sites are equipped with basic amenities such as fresh water and camping grounds. It is for the adventurous and nature lovers.</td>
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<tr>
<td>Adventure</td>
<td>Rural accommodation linked to specific adventure activities such as bushwalking, rock climbing, horse riding, hunting, etc. Heritage – properties that have a strong historical or heritage theme.</td>
<td>Malaysia has many sites for adventure activities as well. One is Mount Kinabalu, which is the highest mountain in Malaysia. The numerous national parks, forest reserves, caves and mountains, allow close and personal encounters with nature. Among the national and state parks that remain high in the list of Malaysia’s natural destinations are National Park in the state of Pahang, Endau-Rompin in Johor, Bako, Niah, Mulu in Sarawak; and Danum Valley in Sabah.</td>
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<td>Ecotourism</td>
<td>Properties that have natural or man-made sites of significant ecological attraction where the visitor expects to learn something as part of the experience</td>
<td>Malaysia is one of the twelve mega-biologically diverse countries in the world. Tourists can enjoy the various fresh local fruits like durians, rambutans, manggis and others apart from flora and fauna biodiversity in its vast natural habitats.</td>
</tr>
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Source: Modified from New Zealand Ministry of Agriculture and Fisheries (1994)
one of the rural tourism activities that was responsible for the introduction of the Malaysian traditional sports, games, arts and culture. The word homestay originated from English words of 'home' and 'stay' that were joined together. In English Language, home means house whereas stay refers to residing at a certain place. The concept of the 'live-together' programme is a niche accommodation/hospitality or lodging facility in the Malaysian tourism industry. The homestay programme is a tourism product that has been given special emphasis by the Malaysian government through the Ministry of Tourism as it is a product that differentiates Malaysia from its neighbours and carries the essence of local culture. The Ministry stated that the Malaysian homestay is a bed and breakfast facility based on community participation where the price of staying is relatively low and affordable but it must be packaged as experience-based hospitality services. It can be regarded as a rural-cultural-community based tourism product introduced as an effort to diversify the tourism products through the provision of an alternative accommodation for tourists. By the end of 2000, there were 612 home-stay operators scattered in 31 Malay villages registered with the MOCAT. However, MOCAT paid scant attention to the promotion and incorporation of the homestay programme as one of Malaysia's main tourism attractions. Initially, no information material was on display at the MOCAT's tourist information centre and even the representatives there appeared to be unfamiliar with the existence of the homestays. This lack of substantial support in the initial stages of the programme and the locations in rural areas where accessibility is sometimes difficult led to the village-based homestay programme targeting only niche segments and primarily catering only to special interests groups.

**Case Study: Homestay Relau, Kedah**

These authors investigated Homestay Relau, Kedah which is one of the earliest villages to venture and develop into this social economy segment. Visitors to this particular homestay have been predominately foreign students who come for cultural exchange and educational purposes. The involvement of Kampung Relau was the result of recommendations from a tourism planner of a government organisation primarily because it was regarded as being an exemplary operation model in Malaysia. Relau is an exclusively Malay village with about 3000 dwellers. As in most rural areas, the local community experience moderate standards of living in the Malay kampong with only 11% of the residents having a household income of 1000 ringgit and above. Over half of the village families earned less than 1000 ringgit per month at that time. Thus when one family mooted the idea of extra income to them, the villagers, though at first wary, went on with the proposal of giving out services to gain extra benefits in terms of increased income. The idea of homestay settlements in Relau originated from a local family's initiatives. They pioneered the tourism business because of their enthusiasm to promote authentic Malay culture and to help their village escape from the dilemma of being trapped in the under-development category. Relau's homestay operations were organised and managed by this family and the family members hold positions as programme co-ordinator and sales and marketing officers responsible for liaison with the clientele, tourism authorities, and other concerned agencies as well as distribution of visitors among the establishment. They also acted on behalf of the community for funding application from ministries for infrastructure upgrading and new infrastructures development. Initially only 19 families were motivated to join the programme. Though it was initiated as an income earner, all the participating families insisted that extra income was not the primary reason for their patronage. The idea of promoting
their village, as advocated by the co-ordinator, was the main motive that encouraged the participating families to be part of the Social Economy Enterprise. 

However, there were certain requirements and guidelines set by the Tourism Ministry for potential participants to qualify for patronage. The availability of sufficient space, the security of the house structures and level of quality and suitability, were important elements for eligibility to be a homestay operator. Many residents could not participate simply because of their shabby-looking condition of their houses. Ancestral wooden houses apparently were not considered suitable as operators for the homestay programme. Solid wooden houses and all-brick bungalows, both with large compounds, were selected to become operators as these facilities are considered as suitable to accommodate the tourists. The guidelines from the Ministry of Tourism Malaysia clearly stated that the homestay programme is a new product development and emphasised the facts that as the purpose is to attract tourists, there are certain standards and requirements that must be met. Only the houses that met the criteria set by the ministry were considered for homestay operation. Thus this element contradicted with the purpose of rural CBT to elevate the social and economy status of the core rural communities.

Advantages and Constraints

The application of the social economy enterprises in rural tourism development in Malaysia can best be characterised as an emerging area of study. For rural economies with lesser involvement and investment in manufacturing, resources related industries and agriculture, the development of rural tourism as a tourism economy can be an attractive alternative (Mair, 2006). In exploring the potential role of the social economy enterprises within this development, several advantage can be identified. These include the support and utilisation of community capacity, the ability to overcome insufficient source of funding, the lack of reliance on traditional sources of private capital, the retention ability of tourism benefits within the community and finally the ability to support succession planning. Though not a complete and comprehensive list, these areas of benefit should be considered to justify further research on the use of the social economy enterprises in rural CBT. The first area of advantage to be discussed is how social-economy enterprises focus on community development and utilisation of community capacity. It is a fact that a core feature of CBT is the development of tourism for community benefit with control of tourism development in the hands of community members, rather than in those of private developers (Blackstock, 2005). The creation of the Social Economy Enterprises within the community is an example of how communities can develop a united voice for the industry and the community as well as to pool resources and expertise among members. This type of partnership approach can be leveraged to link across scales from the local to the national or international market while opening up to new opportunities, such as sources of investment and expertise (Milne & Ateljevic, 2001). These types of partnerships can sometimes expose a community to increased pressure from partners and involuntarily provide a pathway for unwanted or unsuitable development. It can also unknowingly indiscriminate exploitation of the community and its resources. 

A second area of advantage examined is the use of social-economy enterprises as a way to support rural CBT without the use of traditional sources of financial capital. Cooperatives are an example of a social-economy enterprise that provide loans to members that would otherwise not be made by conventional banks. In many rural communities, cooperatives represent the only local funding institutions available. Source of the local financial capital and
services is an important factor in the development of rural businesses. The use of outside financing and funding can lead to higher levels of leakage, loss of local control, and threats of higher potential for exploitation. This underlines a third area of benefit to social-economy enterprises which is to reduce the potential for leakages of economic benefits outside of the community. Social-economy enterprises such as the homestays were developed by locals to promote culture and generate employment, with the expressed objective of keeping tourism benefits within the community. This is contradictory to development via external tourism industry players where the risks of leakages are greater (Briedenhann & Wickens, 2004). The method of retention of benefits within the community is also evidenced in the community based tour operating system where house owners become tour operators in which benefits and revenue obtained through cooperative marketing and sales are accrued to members of the community. As entrepreneurial and community-based enterprises, these examples of the social economy fulfilled fundamental goals of CBT with the retention of community benefits within the community and the minimisation of economic leakages (Jamal & Getz, 1995; Lane, 1994).

A fourth area of benefit is the potential for social-economy enterprises to overcome challenges of succession in rural businesses. The continuity of rural businesses is a challenge tied to rural depopulation and changes in rural demographics, where small business owners, upon retirement, close a business rather than pass it on to children or sell it to other operators (Getz & Carlsen, 2000). Social-economy enterprises avoid this succession gap by having multiple generation owners such as in a cooperative. In a cooperative, ownership, risk, and financial benefits are distributed among the shareholders, so that resources may be pooled to achieve a scale of impact that would otherwise not be possible. This resources pool has been demonstrated by the development of the homestay programme as a case study of a social economy enterprise. This organisational structure is more fluid, providing the ability of members to leave and new members to join (Carpi, 1997). By spreading responsibility between many members, a co-op member who wishes to leave can sell or transfer his or her share to the other family members or to a new member and the cooperative can continue functioning. Despite the benefits of applying social economy enterprises to rural CBT, there are a number of constraints and challenges to their implementation. These challenges are generated by factors at the site of tourism production, including the specific community context and the process of developing a social-economy enterprise, as well as externalities over which communities may have little control (Milne & Ateljevic, 2001). At the community level, tourism development is a highly contextual process, and as such, the internal dynamics and attributes of each community can greatly affect the path of development. For example, CBT development in rural areas may be limited by these characteristics such as lack of infrastructures, basic amenities, accessibilities and talent resources.

To help overcome the challenges of implementing social-economy enterprises, partnerships and support should come from a variety of agencies. At the local, regional, and federal levels, support for social-economy enterprises in the form of start-up loans and grants as a component of a rural development strategy could be an appropriate way to encourage rural CBT. As indicated, financial capital can be difficult for social-economy enterprises to access, and a system of government grants or matching funds could spur further development of the social economy enterprises. Apart from financial assistance, efforts of non-governmental organisations are crucial for sustainability of this segment of the economy. These organisations will push the research and political agenda on the social economy and create networks of
experience and practices accessible by communities and individuals for the purpose of sharing knowledge and transferring expertise.

Despite the potential benefits of the social economy in developing rural CBT, there are several key challenges to its implementation. Like many approaches to economic development, the nature and process of implementation can greatly affect the success of a social-economy enterprise. Developing a better understanding of the process of social-economy enterprise implementation, including the constraints and challenges, is an important area of future study based on the findings presented in this article. The examples of social-economy enterprises which are the homestay programmes presented here should be considered as generally successful cases, but further research into the history and process of sustainable rural tourism development could be used to form a set of best practices to guide future rural CBT developments in Malaysia.

**Conclusion**

In addition to contextual CBT development challenges, there are numerous challenges in the path of creating and operating a social-economy organisation itself. The successful development of a social-economy enterprise is based on the willingness of participants to cooperate and work together for mutual benefit. As volunteer-run organisations, social-economy enterprises also face difficulties with attracting and maintaining volunteer interest and engagement (Irvin & Stansbury, 2004; Wilson, Fesenmaier & Fesenmaier, 2001). This type of collaboration may be difficult to accomplish due to a weak history of cooperation among members of the same community or among communities within a region (Markey, Halseth & Manson, 2009). Financial security is not a goal for all social-economy organisations, but for more market-oriented ones, becoming self-sustaining financially can be a struggle (Lukkarinen, 2005). In fact, in some cases, the social-economy enterprises may not turn in a profit. There are substantial challenges to the development of rural tourism that are often beyond the direct influence of communities. These types of externalities include global economic trends and fluctuations, such as the recent health issues in the Asian regions that greatly affected travel to Malaysia. These types of tourism development challenges are not unique to rural communities, but it is possible that social economy challenges in any form can affect the local rural tourism industry. The mutual, community-based ownership model of the social economy enterprises, coupled with profit to the community-driven motive, is a type of economic organisation that would be in better position to navigate these turbulent economic cycles (Novkovic, 2008). This paper outlines the potential for realisation of rural CBT through social-economy enterprises, providing example from a case study in Malaysia of the social economy enterprises in the form of the homestay programme. As an alternate form of economic organisation, the social economy enterprise responds to modern political trends that look to devolve economic responsibility toward grassroots organisations and individual citizens. Research on rural tourism and the social economy enterprises in Malaysia is relatively new. This article serves as a preliminary effort to merge such literature and identifies areas where the social economy in the form of homestays programmes can be best leveraged in rural tourism development. Future contributions from policy makers, practitioners, and academics can build on these identified areas and challenges, supporting efforts to frame tourism as a viable development option for rural communities. CBT has at times been dominated by an industry-first viewpoint, one that may include the host community but often just as an accessory within the development process.
(Blackstock, 2005). The social economy enterprise presents a flexible range of options for communities to implement this type of CBT by taking control of the development process and truly placing the community at the centre, as an entrepreneurial entity within and unto itself. Though this process is not without challenge, the social economy enterprise is a way for rural residents in Malaysia to develop the rural tourism industry in the form of community-based tourism efforts that are both more reflective of their desire and more rewarding to their communities.

References


