

Original Research Article

Problems and countermeasures of rural homestay economy development under the rural revitalization strategy

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Abstract: With the in-depth implementation of the Rural Revitalization Strategy and the full arrival of the mass tourism era, the rural homestay economy, as a new business form connecting urban and rural areas and integrating primary, secondary, and tertiary industries, has become an important lever for activating rural resources, increasing farmers' income, and promoting rural industrial revitalization. However, along with rapid development, the rural homestay economy also faces multiple dilemmas such as severe product homogenization, lagging infrastructure, shortage of professional talents, weak brand building, and restrictive land policies. Based on the background of the Rural Revitalization Strategy, this paper systematically analyzes the current characteristics and prominent problems of China's rural homestay economy, and proposes targeted countermeasures in terms of improving infrastructure, cultivating distinctive brands, strengthening talent mechanisms, innovating business models, and optimizing policy environment, in order to provide theoretical reference and practical guidance for promoting high-quality development of the rural homestay economy and facilitating comprehensive rural revitalization.

Keywords: rural revitalization; homestay economy; rural tourism; problems and countermeasures

1. Introduction

Rural homestays refer to tourist accommodation facilities that utilize idle rural housing resources, combine local natural scenery, cultural characteristics, and production-lifestyle patterns, and provide tourists with lodging, catering, and rural experience services. In recent years, with the continuous upgrading of urban and rural residents' consumption and the sustained release of leisure vacation demand, rural homestays have gradually evolved from the initial "farm stay" (nongjiale) form into a composite business form integrating accommodation, catering, cultural creativity, wellness, study tours, and other functions. Thus the "homestay economy" has emerged.

The rapid quantitative expansion, however, has not been accompanied by effective qualitative improvement. In some areas, blind bandwagoning and rush lead to oversupply and resource waste; homogenized competition intensifies, serious lack of distinctiveness; service quality is uneven, and consumer experience is poor. How to resolve the structural contradictions in the development of the rural homestay economy and guide its transformation from "quantity expansion type" to "quality efficiency type" is not only a practical requirement for promoting high-quality development of rural industries, but also a contemporary issue that must be addressed to achieve comprehensive rural revitalization.

2. Current situation and characteristics of rural homestay economy development

2.1. Continuous expansion of development scale

Under policy guidance and market pull, China's rural homestays have experienced explosive growth. In terms of regional distribution, growth poles have formed around urban agglomerations such as the Yangtze River Delta, Pearl River Delta, Beijing-Tianjin-Hebei, and Chengdu-Chongqing, while spreading rapidly to the central and western regions and areas rich in tourism resources. Homestay clusters in Moganshan (Deqing, Zhejiang), Dali and Lijiang (Yunnan), Huizhou (Anhui), Xiamen (Fujian) and other places have developed strong brand effects and industrial agglomeration effects.

2.2. Increasingly diverse business models

From the early single model of "farmer self-operation," it has gradually evolved into a pattern where multiple models coexist, such as "farmer + cooperative," "company + farmer," "platform + farmer," and "village collective + operator." Some high-end homestays have introduced professional design and operation teams, pursuing boutique and branded routes; other homestays deeply integrate cultural creativity, wellness, study tours, parent-child activities, and other elements, extending the industrial chain and increasing added value^[1].

2.3. Richer investment entities

Besides local farmers, urban capital, returning entrepreneurial youths, and professional institutional investors have increasingly entered the rural homestay sector. Homestay investment exhibits the coexistence of "asset-light operation" and "asset-heavy investment": On one hand, OTA (online travel agency) platforms integrate scattered housing resources through leasing and trusteeship; on the other hand, some cultural tourism groups and real estate enterprises invest heavily in building high-end homestay clusters as an important part of comprehensive rural development.

2.4. Gradual demonstration of driving effects

The development of rural homestays has effectively revitalized idle rural housing and land resources, broadening farmers' income channels. Homestay operations not only bring direct operating income, but also drive the development of related industries such as agricultural product sales, handicraft development, catering services, and transportation. The effect of "one homestay driving one village" is increasingly evident. Moreover, the development of the homestay economy has also promoted the improvement of rural living environments, revival of traditional culture, and enhancement of rural governance^[2].

3. Major problems facing the development of rural homestay economy

Although the rural homestay economy is growing strongly, many deep-seated problems have gradually emerged during rapid expansion, becoming bottlenecks that constrain its high-quality development.

3.1. Severe product homogenization and low distinctive identification

A large number of rural homestays have fallen into the trap of "copy-paste" — White walls, black tiles, antique furniture, floor-to-ceiling windows, and infinity pools have become "standard features." Design styles are monotonous, lacking deep exploration of local cultural genes and personalized expression. Many homestays merely stay at the functional level of "providing accommodation" failing to transform local resources such as farming culture, folk customs, and intangible cultural heritage skills into experiential content. Consequently, tourists "stay one night and leave without impression," resulting in poor repurchase rates and word-of-mouth communication. This phenomenon of "one thousand homestays, one face" essentially reflects a lack of innovation capability and blind following of traffic logic.

3.2. Severe shortage of professional talents

Rural homestay practitioners are mainly local farmers and returning entrepreneurs, generally lacking systematic professional knowledge in hotel management, service etiquette, marketing, etc. Some homestays have worrying hygiene conditions: Bed linens are not washed properly, catering safety is not guaranteed; service awareness is weak, reception procedures are arbitrary, and complaint handling ability is poor; marketing methods are single, mainly relying on referrals and platform traffic, lacking content operation and private domain traffic building capabilities. More critically, due to limited rural living amenities and career development space, young people are unwilling to come or stay, and the structural contradiction of "cannot recruit, cannot use well, cannot retain" professional management talents persists^[3].

3.3. Obvious land policy constraints

Land issues have always been a "bottleneck" for rural homestay development. Under the current land management system, the market entry and transfer of rural homesteads and collective construction land still have many restrictions. New construction or renovation of homestays faces difficulties such as shortage of land use quotas and complicated approval procedures. Some homestays illegally occupy land or exceed

allowed construction areas to expand scale, incurring legal risks. Moreover, unclear property rights also lead social capital to "dare not invest, unwilling to invest"—Short lease contract terms and high renewal uncertainty make the investment return period difficult to guarantee, suppressing enthusiasm for high-quality, long-term investment^[4].

3.4. Lack of unified standards

Currently, there is no special national-level regulation for rural homestays, and standards vary across regions. Homestay operations involve multiple regulatory authorities in areas such as fire protection, hygiene, public security, food safety, and environmental protection, but the boundaries of authority and responsibility—"Who approves, who supervises, who is responsible"—Are blurred, leading to coexistence of "multiple dragons controlling water" and "regulatory vacuum." Some unlicensed "black homestays" with prominent safety hazards operate outside regulation, harming consumer rights and impacting the interests of compliant operators, disrupting market order.

4. Countermeasures and suggestions for high-quality development of rural homestay economy

In response to the above problems, efforts should be made in multiple dimensions such as infrastructure, product innovation, talent development, brand marketing, and institutional supply, to promote the orderly, healthy, and sustainable development of the rural homestay economy.

4.1. Solidify the foundation and fill infrastructure gaps

Governments at all levels should incorporate rural homestay development into the overall plan for rural revitalization, and increase infrastructure investment in homestay cluster areas. In transportation: Implement rural tourism road improvement projects, solve "dead-end roads" and passing difficulties, and improve tourist signage systems. In municipal facilities: Promote extension coverage of water supply networks, power grids, and communication networks; encourage the use of small-scale sewage treatment facilities and waste sorting systems to ensure environmental carrying capacity matches the scale of homestay development. In public services: Set up tourist service centers, medical emergency points, and micro fire stations in homestay-concentrated areas, and establish peak-season emergency response mechanisms. Meanwhile, explore a multi-investment model of "government-led, social participation, market operation" to guide social capital in infrastructure construction and operation maintenance.

4.2. Highlight distinctiveness and cultivate differentiated products

The key to breaking homogenization lies in returning to the essence of "homestay" — Host-guest sharing and local experience. On the one hand, deeply explore cultural cores. Encourage homestay operators to transform local intangible cultural heritage skills, traditional festivals, farming customs, specialty cuisines, etc., into experiential projects, allowing tourists to shift from "sightseeing" to "living the life." For example, the "ancient village homestays" in Songyang, Zhejiang, combine rammed-earth old house renovation with intangible cultural heritage handicraft experiences, creating an unreplicable cultural competitiveness. On the other hand, promote "homestay +" integration and innovation. Based on resource endowments and market segmentation, develop themed homestays such as parent-child study tours, wellness and healing, art and creativity, and pastoral vacations, to form differentiated competition. Furthermore, it is suggested to establish a product grading system for rural homestays, guiding basic, comfortable, and boutique homestays to each find their place and avoid low-level repetitive construction.

4.3. Combine recruitment and cultivation to solve talent bottlenecks

Talent is the primary resource for upgrading rural homestays. In the short term, strengthen skills training. Rely on vocational schools, industry associations, and professional institutions to carry out systematic training covering service etiquette, culinary skills, hygiene management, safety emergency response, new media marketing, etc., and implement a certified homestay housekeeper system. In the medium term, innovate employment mechanisms. Encourage "urban-rural shared employees"—During off-seasons, urban hotels send staff to rural homestays, and they return during peak seasons; promote the professional development of "homestay housekeepers" and open career advancement channels. In the long term, optimize the talent ecosystem. Use policy packages such as housing security, children's

education support, and entrepreneurship subsidies to attract college students, returning youths, veterans, and professional management talents to settle in rural areas. Draw on the experience of China Taiwan's "homestay mentor" system and Zhejiang's "homestay co-prosperity specialists" to establish expert village-stationing and paired assistance mechanisms^[5].

4.4. Take multiple measures to strengthen brand marketing

Brand building should adhere to a dual-drive model of "regional public brand + individual brand." At the regional level, local governments should integrate resources to build homestay regional brands of "one county, one product" and "one township, one charm" with unified visual identity, service standards, and promotion channels, forming a "fleet" effect. Moganshan's "Yangjiale" and Tonglu's "Slow Life" are successful examples. At the individual level, guide homestay hosts to tell good "host stories" and "village stories" establishing emotional connections through personalized narratives. In marketing promotion, build an all-channel matrix of "content + social + e-commerce": Make good use of short video platforms for scenario-based seeding, use live streaming for pre-sales and promoting products, deeply cultivate WeChat public accounts and mini-programs to build private domain traffic pools, while establishing deep cooperation with OTA platforms. Additionally, plan festival events such as "Homestay Life Festival" "Nostalgia Bazaar" "Rice Field Concert" etc., to create hot topics and expand communication reach.

4.5. Digital empowerment to improve operational efficiency

Digitalization is an important path for rural homestays to achieve "overtaking on corners." On the management side, promote homestay PMS (property management system) to achieve integrated and mobile management of room status, order processing, financial accounting, and member operations. On the service side, apply smart door locks, self-service check-in kiosks, smart voice assistants and other devices to reduce labor costs while enhancing the sense of technology and convenience. On the marketing side, use big data to analyze user profiles, implement precision marketing and dynamic pricing. In addition, explore new forms of "digital homestays" by using VR technology to provide online "room viewing and selection" and "cloud experience" services, expanding customer acquisition channels. In areas with conditions, build a "homestay industry digital brain" that integrates housing information, visitor flow data, consumption trends, environmental monitoring and other data, providing data support for government decision-making and merchant operations^[6].

5. Conclusion

The rural homestay economy is a rising star in the Rural Revitalization Strategy. It carries the multiple missions of revitalizing rural resources, activating rural economy, reviving rural culture, and meeting people's needs for a better life. At present, China's rural homestay economy is at a critical stage of transitioning from "quantitative accumulation" to "qualitative leap" It faces both unprecedented development opportunities and practical difficulties such as homogenized competition, weak infrastructure, talent shortage, and regulatory lag.

Solving these problems requires abandoning the impatient mindset of "dashing for large-scale development" and the lazy thinking of "copy-paste," adhering to the people-centered development philosophy, and taking a distinctive, high-quality, and sustainable development path. It is necessary to strengthen systematic thinking and balance the relationships between development and protection, market and government, efficiency and fairness, short-term and long-term; highlight local characteristics, making homestays windows to showcase rural beauty rather than "standardized products"; solidify the talent foundation, making "new farmers" and "homestay housekeepers" decent, dignified, and promising professions; optimize the institutional environment to provide stable and predictable policy guarantees for the healthy development of the homestay economy.

Looking ahead, with the deepening of urban-rural integration, continuous upgrading of residents' consumption structure, and comprehensive penetration of digital technology, the imagination space for the rural homestay economy will be further expanded. We have reason to believe that, under the joint efforts of government guidance, market drive, social participation, and farmer benefits, rural homestays will leave a brilliant mark on the magnificent picture of rural revitalization, becoming a vivid footnote to the concept that "lucid waters and lush mountains are invaluable assets."

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