



# Acknowledgements

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# Introduction

This manual shares the experiences of developing community-owned and managed marine ecotourism projects, with particular emphasis on family-run homestays as providers of accommodation, guiding and related services. As there is no fixed model for community ecotourism, this manual sets out a number of key strategic considerations that local communities, and their partners in government and civil society, might wish to take into account when deciding whether and how to develop a community ecotourism venture.

This manual draws chiefly on the testimony of the Raja Ampat Homestay Association (PERJAMPAT)<sup>[1]</sup> in the Indonesian province of West Papua (Papua Barat). PERJAMPAT represents approximately 100 family-run homestay businesses and has nearly ten years of experience in the sector. The manual compares this experience with that of other and newer initiatives such as the Atauro Homestay Association (AHA) in Timor-Leste and the *Hébergement Vezo* in southwest Madagascar. It also shares lessons learned by the community of Tun Mustapha Park, Sabah, Malaysia, who are just beginning to enter the homestay sector. First inspired by a set of exchange visits over 2017 and 2018 between community representatives from Raja Ampat, Atauro and Tun Mustapha Park and funded by WWF, the manual is jointly authored by Seventy Three Pte. Ltd. social enterprise, Blue Ventures, Yayasan Barunastra and WWF Malaysia.

## The manual is divided into three parts

Part 1: Explores the homestay product as it has evolved in Raja Ampat, and in other places such as Atauro. It identifies what motivated communities in those places to pursue this idea and what contribution homestays make to local conservation and sustainable development. Based on this experience, it reflects on when

homestays might make the right entry point for conservation projects and when not.

Part 2: Explores four essential components of a successful community homestay sector, as an economic activity that might help to sustain highly biodiverse land and seascapes, spanning (1) the ability to build and sustain a viable business in the hospitality sector; (2) what it takes for a community homestay sector to access the global ecotourism market; (3) the enabling governance that ensures such market engagement genuinely strengthens community and ecological integrity; and (4) supporting products and services that communities might develop, alongside homestays, to spread benefits and enhance the guest experience.

Part 3: Consists of further guidance for community facilitators working to build a sustainable homestay business. This includes additional notes on (1) identifying the right entry points for dialogue; (2) working flexibly and adaptively to the specific circumstances of each place; (3) building understanding of the risks associated with rapid growth in a sector such as tourism; (4) transforming gender relations; and (5) the duty of care that facilitators bear to ensure new dependencies are not created in the communities they serve.

Finally, the manual looks at community exchanges as a useful tool for critical reflection and for sharing and developing best practice in the community homestay and ecotourism sectors.



## PART ONE

WHAT ARE HOMESTAYS? WHAT CONTRIBUTION CAN THEY MAKE? ARE THEY ALWAYS THE RIGHT ENTRY POINT?

## 1. What is a homestay?

A “homestay” is often understood to be a room in a family house, often in a village. This definition is widely accepted in Timor-Leste, Madagascar and many parts of Indonesia. In Raja Ampat, however, one or more beach huts, built, owned and managed by a local family but separate from the family house are also covered under the homestay model.

In some jurisdictions, legislation specifies what homestays are, with the government having more control over homestay programmes. In Malaysia, for example, the Ministry of Tourism and Culture (MOTAC) defines a homestay programme as “giving tourists the opportunity to stay with a chosen family, interact and experience the daily life of their homestay family and learn the culture and lifestyle of the rural community in Malaysia. A homestay programme cannot be classified as a lodging facility. It focuses more on lifestyle and experience, including cultural and economic activities”.

In this manual, we use the term “homestay” to describe all the possibilities outlined above. We assume, however, that a homestay is a self-sufficient, family-run business; in addition to accommodation and food it might also provide other supporting services such as guiding and transport.



## 2. The story of the Raja Ampat Homestay Association (PERJAMPAT) in Indonesia

Over the past eight years, Papuan communities in Raja Ampat have created an entirely new niche in the islands' ecotourism market by offering traditional-style accommodation or homestays. Homestays offer an alternative to higher-end resorts and live aboard operations that are primarily owned by people from outside the islands. That does not, however, mean that local homestays cater to lower-end, mass tourism, as their prices are generally too high for that market. Instead, their target market consists of visitors who can afford independent travel in an area as remote as Raja Ampat and who also wish to see their money going to local families and communities.

The standalone beach huts in Raja Ampat are predominantly constructed out of traditional building materials, often at some distance from the nearest village, but in areas where local families have ancestral rights. To Papuan communities in Raja Ampat, these places are as much “home” as their villages and they traditionally shifted between them to garden and fish. The decision to use separate huts came from the community's insight that guests do not enjoy the noise and lack of privacy associated with staying in a family home.

Locating their businesses away from villages extends the area of reef and forest that homestay owners are able to easily protect. These areas are frequently situated in places which communities might otherwise struggle to monitor on a daily basis. For example, local communities and protected-area managers in the Dampier Strait in Raja Ampat report how incidences of illegal and destructive fishing have been almost completely eliminated where homestays are concentrated.



Each homestay is a business owned by an extended family with shared rights over the land on which the homestay is built. One individual might initiate the business, but he or she does so with the agreement of the family and on the understanding that the benefits are shared. The role of the extended family in this homestay model contrasts with some other, externally-driven attempts to establish community businesses as cooperatives or village enterprises, and which have since failed.

The establishment of homestays in Raja Ampat was driven by local communities, who chose to set up homestay businesses through their own initiative. Having learnt some of the skills needed while working for tourist resorts, a number of pioneering individuals wanted to prove that they could run businesses of their own. They wanted to become “masters on their own land” rather than become wage labourers for outsiders. The loss of customary land to resort owners traumatised communities and they saw homestays as a means to secure their land, to earn a living from that land, and to prevent any more from being sold or licensed by others in their communities and by government.

The community had also lived in poverty that in many cases, had forced people into the illegal logging and wildlife trade, as well as destructive fishing using fish bombs and poisons. They saw the opportunities presented by tourism as a way to escape this legacy and to earn the money needed to pay for healthcare and their children's education.

While communities in Raja Ampat may have understood the reasons for marine conservation, many also felt that it had not made enough of a difference to their ability to make ends meet. As homestay owners, however, communities have now begun to see conservation as a positive selling point which can help them economically through ecotourism and take conservation into their own hands through the autonomous creation of no-take zones and forest protection.

Raja Ampat's communities arguably have the greatest intergenerational stake in the health of their reefs and island ecosystems. Notwithstanding the effects of climate change, their support and agency will have a major influence on whether the islands' marine protected area legacy can be sustained over the next 50 or even 100 years.

The homestay businesses in Raja Ampat have been a huge success. In the space of just seven years from 2011 to 2018, the sector has grown from less than 10 businesses to over 100. This is partly due to a surge in interest in Raja Ampat on the international travel market as a new destination for diving and marine ecotourism.

This success is also a result of the decision to work together as an association (PERJAMPAT), to pool resources for marketing through a dedicated website and booking system [Stay Raja Ampat](#) to agree and enforce standards, acquire skills in business and hospitality, and undertake wider community and government advocacy work.



Raja Ampat's homestay owners did all this with the support of the Bird's Head Seascape (BHS) Initiative, funded by the Walton Family Foundation, and with technical assistance from Seventy Three Pte. Ltd., a social enterprise with experience in community business. With a focus on building self-sufficient businesses, homestay owners did not receive any cash or material assistance. Support was given instead for business development, leadership and organisational skills training, and for developing and managing their booking system in order to attract guests.

Given Raja Ampat's considerable market profile as a diving destination, it is possible to argue that the story of PERJAMPAT would be hard to replicate elsewhere. The efforts of Raja Ampat's communities to get ahead of the ecotourism market and to ensure that they are its primary beneficiaries are, nevertheless, a source of inspiration. Their experience of pioneering new ways of marketing community owned accommodation, and setting up and running a community organisation, is a useful source of lessons learnt and may serve to inform equivalent efforts elsewhere.

That said, PERJAMPAT's journey has been far from easy and it is important to point out that homestays and community ecotourism may not always be a viable option under every circumstance. Homestays are also not an end in themselves. PERJAMPAT exists as much to protect customary land, and to revitalise community, language and identity, as it does to support family businesses. The majority of the income that those businesses generate is spent on high school and college education.

### 3. Homestays and community-based conservation in Timor-Leste

Blue Ventures, a non-governmental organisation working in community-based conservation, has supported the development of a slightly different approach to homestay development in Timor-Leste and Madagascar. Here, homestays were developed as a way to spread the ecotourism benefits of locally managed marine areas (LMMAs) among local communities.

In each case, Blue Ventures has supported people in providing homestay accommodation within their own family homes. These were first geared to accommodating Blue Ventures' expedition volunteers who have joined a six-week ecotourism programme, diving and monitoring the impact of LMMAs.

The homestay programme on the island of Atauro, Timor-Leste, began in October 2016 and started with eight families in the village of Beloi. They took part in Blue Ventures' training programme, which covered food preparation, basic hospitality and hygiene standards, and received a small loan (a maximum of 500 USD) to remodel their houses according to agreed standards (including private rooms with basic furniture, mosquito nets and an electric fan).



By January 2017, these eight homestays had established the Atauro Homestay Association (AHA) and they received their first guests from Blue Ventures. The length of each expedition where volunteers' stay in the homestays was progressively lengthened over 2017, and guest feedback was closely monitored and shared with the hosts so that any issues could be quickly addressed. By the end of 2017, Blue Ventures started to market the homestays to independent tourists coming to Atauro from Dili, Timor-Leste's capital city, and to study groups coming from Australia.

As the Beloi homestays provide guests with a room in a family house, guests share meals with the family, and are often invited to join the family in activities such as cooking, farming and fishing. They may also take part in family and community events such as weddings and religious celebrations, where they are generally regarded as the guests of honour.

AHA also provides a platform for members to engage in marine conservation efforts with technical advice from Blue Ventures. Homestay members are now a driving force for marine conservation in Beloi. They have pioneered efforts including weekly beach cleans, provision of rubbish bins to combat plastic pollution, participation in Blue Ventures' community-based habitat monitoring programme, and management of one of the many LMMAs surrounding the island.

Although still in its infancy, AHA has had two years of success in offering an alternative to larger tourism businesses on Atauro and has become a leader in community-based marine management and conservation.



## 4. Hébergement Vezo and the Women's Association of Andavadoaka, southwest Madagascar

Andavadoaka, in southwest Madagascar, is Blue Ventures' oldest field site, with over a decade of ongoing support for community-based marine management. The local homestay association, *Hébergement Vezo*, started hosting volunteers taking part in Blue Ventures' ecotourism diving programme in 2017. *Hébergement Vezo* is registered within the Velondriake Association, the governing body of Andavadoaka's LMMA.



Over ninety homestay owners within *Hébergement Vezo* began by hosting guests for one night only. They faced some basic challenges in achieving the standards required by Blue Ventures expeditions, most notably the lack of plumbing and a general lack of water. Given these obstacles, the association's development has been slow. Solutions have included the development of a communal toilet and shower block.

While these challenges are addressed, Blue Ventures is currently supporting the 150 members of Andavadoaka women's association,

most of whom are also members of *Hébergement Vezo*, in making regular income from other tourism opportunities. An agreement between Blue Ventures and the women's association means that women now provide regular meals to Blue Ventures' volunteers, staff and visitors, as well as staff from other organisations working in the community. With extensive food preparation and nutrition training, and with regular review and feedback sessions, the quality of the meals produced has been improving.



Blue Ventures is also working with *Hébergement Vezo* to develop activities where homestay owners can engage their guests in day-trips to nearby islands, fishing trips, collecting fuelwood in the baobab forest and cooking with the family. These activities, together with the catering work undertaken by the women's association, are steadily building the capacity of the community to provide tourism services and generate a regular income. *Hébergement Vezo* maintains informal links with the Velondriake Association; more formal engagement in conservation and marine management will be discussed as the development of *Hébergement Vezo* progresses.

## 5. Exploring the idea of homestays in Sabah, Malaysia

WWF Malaysia is working with communities and park authorities in the Tun Mustapha Marine Park in Sabah, Malaysia. They are assisting the development of conservation-based tourism in selected villages, and building the capacity of community members to provide ecotourism services such as homestays. This has included an exchange learning trip to Atauro, Timor-Leste, in November 2018, where community members from Tun Mustapha Park had the opportunity to learn from the experience of both PERJAMPAT and AHA. Box 5 provides a detailed description of the design of the exchange and participant feedback.

Following the exchange visit to Timor-Leste, community members from Tun Mustapha identified a number of next steps and are working on ways to establish how homestays will fit within a broader set of initiatives to secure sustainable revenues from community-based tourism. These include:

- Identifying the unique selling points of each village as well as potential ecotourism activities that take into account their traditional knowledge and customary livelihoods
- Upgrading current amenities and improving hospitality services
- Participating actively in any capacity building with regards to community-based ecotourism
- Further developing their existing tourism associations at village level
- Documenting community protocols with regards to ecotourism management emphasising the fair and equitable sharing of benefits, and the principle of Free Prior Informed Consent (FPIC)
- Establishing a sustainable ecotourism programme, including homestays, with support from other agencies and organisations
- Advocating for the development of Tun Mustapha Park's Sustainable Tourism Guidelines

## 6. Are homestays always the right entry point?

The relative success of the community homestay sector in Raja Ampat coincided with a surge of interest in the islands' uniquely biodiverse reefs from the global diving community. At the same time, and building on years of scientific research, a marine protected area network was established and was marketed by a handful of pioneering dive operators. Few other destinations enjoy the same levels of publicity.

Therefore, when initiating a homestay or community ecotourism effort, great care is needed in ensuring there is a viable market with the ability to generate income at a scale and that the business genuinely meets the health, education and other basic needs of local communities. The opportunity should be visible to communities rather than an abstract promise. It is more likely to have traction if, as in Raja Ampat, communities choose to enter the sector through their own initiative. If this is not the case, attempts to encourage communities into setting up homestays or other ecotourism businesses risk disappointment that could undermine development and conservation objectives.

Where the tourism market is still nascent, it may be prudent to first focus on livelihood interventions that community members are able to identify themselves, such as fishing and agriculture. In other cases, however, the opportunities presented by tourism may lead to unsustainable growth in the homestay sector beyond the capacity of communities to prevent environmental degradation and conflict. Here, care is also needed to ensure efforts are rooted in a shared understanding of what vision and purpose the community homestays are expected to serve - *why homestays, what kind of development will they support, and how much is enough?* Communities should consider how they shape the leadership and build the organisational capacity needed to ensure that the sector aligns with that vision.

It is also important to note that, in some places, the homestay sector is tightly regulated by government. This may or may not present a barrier to entry for local communities, depending on their organisational capacity and resources (see Box 1).



### Box 1: Homestay programmes in Malaysia

Community members from Tun Mustapha Park in Sabah were struck by the bottom-up approach to ecotourism development in Raja Ampat (Indonesia) and Atauro (Timor-Leste). In particular, they noted the freedom community members have had to design their own tourism programme, and to develop their own sustainable tourism guidelines taking into account international best practice. In Malaysia, by contrast, tourism management and guidelines are handled directly by government. Homestays may be run by local residents but, to operate, they must be officially licenced by the Ministry of Tourism and Culture (MOTAC) and comply with specific criteria. These include separate bedrooms and bathrooms, and accessibility to a main road. Homestays owners cannot have a criminal record, must not suffer from any communicable diseases, and have high standards of hygiene. Working in collaboration with state-level agencies, MOTAC issues directions, policies and guidelines for the development of its homestay programme, provides funds for tourism infrastructure development, grants to upgrade homestay owner homes, and markets them through Tourism Malaysia - an official government agency.

See also: Bachok et al. (2018). Homestay operation under the purview of the Ministry of Tourism and Culture of Malaysia: the case of Kelantan homestay operators. *Planning Malaysia: Journal of the Malaysian Institute of Planners* (Volume 16 Issue 2, 2018) Pages 175 – 185.

PART TWO

THE ESSENTIAL COMPONENTS OF  
A SUSTAINABLE HOMESTAY SECTOR

This section of the manual outlines four essential components to building a successful and sustainable community homestay sector. It covers business skills, access to global ecotourism markets, enabling community governance, and supporting products and services.

## 1. Business skills

### 1.1 Community businesses are the real private sector

In Raja Ampat, homestay owners have built businesses that provide a decent and growing income for their families. By creating new community assets, such as business and marketing skills and savings, these businesses also have the potential to improve community resilience. A profound consequence of becoming an entrepreneur is that it lights a pathway to self-improvement that emerges from within the community itself, instead of being handed out by government or NGOs.

Through working with a variety of communities, we have observed a number of preconditions to becoming a successful business owner, including curiosity, bravery and tenacity. These same qualities lead many local entrepreneurs to apply themselves to the different challenges faced by the community, emboldened by experiences that their individual efforts can have a material impact on the world around them.



In Raja Ampat, communities already had a keen sense for the market opportunity of homestays and ecotourism. The challenge was to help families capitalise on this insight by building a successful and sustainable business that fits with their existing commitments. It is important to treat family enterprises as real businesses from the start, with a training plan that assumes most people are capable of becoming entrepreneurs. The objective is to hone their attitude and skills as business owners, without undermining their ability to learn from their own mistakes and to use their own local knowledge to find the best pathway to building a successful enterprise.

For this reason, it is unwise for a business development project to grant money and materials to the enterprises, as this can inhibit business development and promote dependency. The experience from Raja Ampat shows that over time, families are capable of reinvesting their surplus income in their own businesses, without handouts. Support - if any - with the cost of setting up a homestay business should ideally be considered a loan.

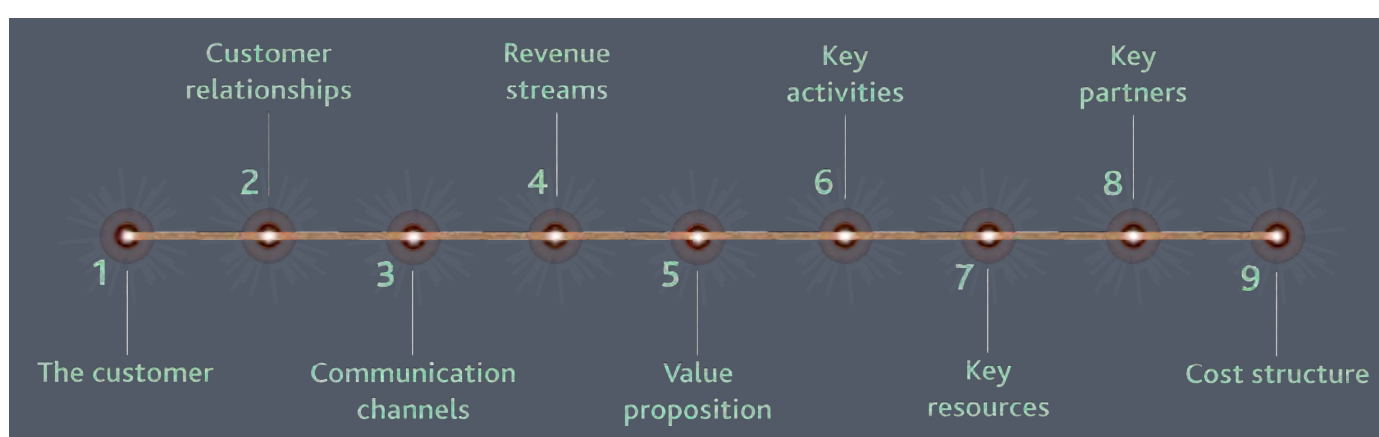
Developing a new business in a remote coastal community involves hard work, sometimes painful lessons and there are no honest shortcuts. In a rural setting, families often have the added complication of managing a number of different livelihoods that can overlap or even conflict. A family business creates a new level of complexity as it competes with other commitments that the family has. Over time, as the business grows, the family begins to drop any less rewarding activities and concentrate on the more profitable business, which in turn enhances its success. Thus business achievement is self-reinforcing. It can, however, be hard for partner organisations, and the family themselves, to detect this tipping point: Where the business moves from being an additional minor income stream, and becomes the family's core livelihood, and is relied on for income generation.

This approach departs from conventional attitudes to the community-based economy,

which may treat small family businesses as weak and inferior to the real 'private sector'. Yet not only are the homestays in Raja Ampat the real private sector, with the fastest growth rate of any business sector in the district, they also have legitimacy. They have emerged from the community and are embedded in the islands' social, financial and cultural networks.

## 1.2 Building a business model

When starting a business, it is important to understand how different functions of the business relate to each other, how resources such as time and money should be allocated, and how to ensure the main efforts of the business are directed towards serving the needs of the customer. It is useful to illustrate the anatomy of a business using a simple model, such as the Business Canvas (see Annex 1). This provides a simple way to explore the strengths and weaknesses of every component of the business, such as:



It may seem eccentric to apply a professional business planning model, which has been used to design billion dollar businesses, to a family homestay in Raja Ampat. However, the principles of running a business are the same everywhere, and the routes to success are similar. The most important insight for the homestay owner is to start with the customer and build out from those needs and preferences. This is not always intuitive, as many new businesses tend to focus on the physical aspects of the enterprise, such as the buildings and inputs. The danger of this approach is that participants may be unable to anticipate the customers' needs and adapt accordingly. Encouraging homestays to put themselves 'in the customer's shoes', for instance through role play, is a useful way to illustrate the importance of viewing customers as more than a source of revenue, and instead to appreciate them as individuals with needs, preferences, hopes and fears. This approach helps to break down the barriers between homestay

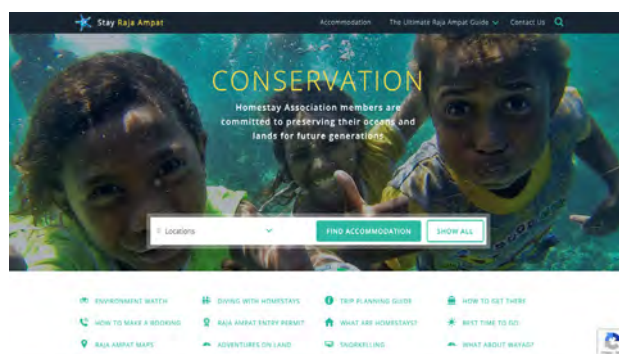
families and their, mainly foreign, guests, such as language and culture, enabling the hosts to see these guests as an opportunity to learn and improve the business.

## 1.3 Running a professional business

In order to elevate a business from a part-time side business into something likely to transform a household's ability to meet its fundamental needs, it is important to introduce some basic systems. This is especially useful where the entrepreneurs have only basic education and little experience of financial matters. Well-designed systems can overcome some of the barriers to learning business skills, whilst improving the customer experience, reducing complaints and, over time, supporting higher prices.

Technology must be used with care, as often homestay owners do not have the technical skills or access to infrastructure. Appropriate systems may use materials that would be considered outdated elsewhere, such as cash ledger books, guest reservation diaries and guest registration forms. These are often simple to use and should be introduced with training and mentoring.

Another way to improve the professionalism of the business is to set up a promotions and booking system that is able to compete with global hospitality businesses. No homestay business could do this on its own and this needs to be organised as a collective. Section 2 below explains the development of PERJAMPAT's dedicated web-based marketing platform in detail.



[Stay Raja Ampat website](#)

## 1.4 Setting standards

Customer feedback collected by PERJAMPAT's marketing service, including from the promotional [Stay Raja Ampat](#) website and through on-line surveys, suggested that most guests had a great stay in Raja Ampat and really enjoyed the homestay experience. However, there were some areas of concern, for example, waste management, hygiene, reliability of bookings, transport arrangements, variety and quality of food, and health and safety including specific concerns regarding diving and snorkelling, such as the standard of equipment. Local regulations already set out standards for dive operators and some basic standards for tourist accommodation (defined as hotels or resorts, not homestays), which requires them to attain

the 'Green Globe' standard for sustainability (although this is not strictly enforced by the local government).<sup>[2]</sup>

In response to these concerns, PERJAMPAT has set standards to govern the conduct of its members' businesses (see Annex 2). The aim is to adapt and apply the Global Sustainable Tourism Criteria (GSTC) to the homestay sector.<sup>[3]</sup> Even though local government may see homestays as exempt from standards that would be applied to hotels or guesthouses, PERJAMPAT members feel that they wish to be deemed as professional hospitality businesses.

These standards not only provide a means whereby homestay owners can start moving towards compliance with globally recognised standards, they also provide a roadmap for how to manage a successful homestay business. This outcome is likely to be more relevant to association members, than the possibility of a global certificate.

Homestays that manage to comply with these hospitality standards will see more satisfied guests, better feedback on the website and other sources, and therefore more bookings. They should be able to differentiate themselves from the competition and perhaps charge a slightly higher price. The standards naturally place emphasis on resource efficiency, yet are not expensive to implement, so the homestay's cost structure should benefit, leaving the homestay business in a more comfortable financial position.

## 1.5 Business training

Whilst there is a common understanding among homestay owners of the need for standards, there may be a significant gap between accepting the need for standards and having the management capacity and attitudes required to consistently apply them. Where some individuals might be tempted to take guests for granted, a significant change in behaviour is often needed to meet agreed standards.



At the very least, homestay owners should know what the agreed standards are, that they will require skills training to run their business in accordance with those standards, and that they will also be held to account for failure to meet them (see also Box 4 on sanctions for non-compliance).

In the case of Raja Ampat, PERJAMPAT worked with Seventy Three Pte. Ltd. to develop a set of training modules for homestay owners. These were based on materials developed by other organisations, which were translated and trialed in the first training module. From this initial trial the modules were adapted and a simple curriculum was designed to meet the needs of the homestay association.

### *Box 1: Training provided to the Atauro Homestay Association*

Blue Ventures' homestay model delivers training at the outset, covering food preparation, basic hospitality and hygiene standards. In Atauro, Timor-Leste, homestays also received a small loan (maximum 500 USD) to remodel their houses according to the agreed standards, such as providing private rooms with basic furniture, including mosquito nets and an electric fan. Further training opportunities were provided throughout their first year of operation to address any capacity gaps, most notably on food preparation and nutrition. By the end of 2017, feedback from guests visiting the Atauro homestays was overwhelmingly positive.

Following the first development phase, Blue Ventures continued to facilitate training opportunities by linking the homestay families to organisations and businesses providing support to Timorese communities. Training focused on business management skills, food preparation and English language. The women of the association developed a partnership with Agora Food Studio, a restaurant and social enterprise in Dili, to research traditional ingredients and develop innovative and nutritious recipes for their families and guests. Additionally, Blue Ventures continues to provide ongoing management support to the association, coordinating arrivals and departures, facilitating payments and supporting book-keeping, and promoting the homestays in Dili.

PERJAMPAT's curriculum is accompanied by a step by step training guide, which emphasises a continuous learning approach and utilises coaching and feedback. This learning approach enables homestay owners to analyse, problem solve and improve areas of concern highlighted from customer feedback on an ongoing basis.

The training provides an opportunity to understand the standards through experiential learning and demonstrations. The curriculum culminates with a 'Training of Trainers' module that aims to develop a team selected from the homestay association training of trainer programme. These trainers will assess and provide ongoing mentoring and monitoring of the standards.

PERJAMPAT's curriculum comprises three modules in total, the first two of which focus on the skills required to run a sustainable homestay business. **Module I** covers the following topics:

Understanding the elements that make up a sustainable homestay business, using the business canvas model explained above

Identifying and understanding the standards needed to achieve a sustainable homestay business

Understanding the customer service cycle from booking and preparation, to looking after guests and saying farewell. It also covers how to encourage more and/or repeat business through good impressions and word of mouth recommendations

Practical exercises on how to assess and implement standards

**Module II** builds upon Module I by reviewing the first module with a focus on the management skills required for maintaining standards, problem solving and financial management.

**Module III** focuses on 'Training of Trainers', introducing adult learning principles, followed by direct practice in delivering the first two modules.

Members of the PERJAMPAT management team have now been trained in the delivery of these modules, and offer training and support to other communities also seeking to enter the sector. Further information on the modules may be obtained on request to PERJAMPAT via the website ([www.stayrajaampat.com/contact/](http://www.stayrajaampat.com/contact/)).

## 1.6 Running a business as a family/collective

Running a family business, such as a homestay, can be an effective route towards financial independence, releasing funds for education and helping the family to grow in confidence. However, the day to day aspects of running the business can lead to disagreements regarding division of labour and distribution of profits. This is often the case when extended families are involved, where a core group within the family, especially women, are taking on the majority of the work, but other relatives are making claims on the income generated.



One way to approach this problem is to encourage families to treat the business as separate from the family finances, with its own bank account and identity. It also helps if family members see themselves as joint shareholders in the business, with an interest in its long term sustainability. This is especially important when a cash reserve is being held in the bank to meet future maintenance costs, as this money cannot be seen as profit to be distributed.

Where family members feel more involved in the planning of the business, they are more likely to support its aims. Discussing the business plan

and performance with the whole family is a way to reinforce the notion that the business is a separate entity from the family itself, whilst also inviting the family 'shareholders' to contribute their skills and resources to ensure the business is successful.

## 1.7 Sustaining a business over the long term

In places like Raja Ampat, where there is growing demand from tourists for affordable accommodation and an authentic travel experience, homestays are likely to see rapid growth in revenue once they have become established. This increase in income can be quite transformative for families, for instance it can finance further education options for children, which would have been unthinkable a few years previously. However, as the business matures the rapid increase in revenue starts to plateau, and may even decline or become more variable. This is the inflection point for most small enterprises in any sector, which will determine if they are going to survive for the long term, or experience decline and disenchantment.



There are some strategies and interventions that can help businesses navigate this transition:

- Working collectively, for instance through an association, can help family businesses build the support to see them through the tougher times
- Setting up a collective marketing effort not only ensures a flow of bookings, but also generates invaluable customer feedback that

- can guide the necessary improvements to the business
- Having a good grasp of the real profitability of the business enables the entrepreneur to set aside some of the surplus to cover the periods when business is slow, equipment needs to be replaced, or buildings maintained
- Constantly thinking of ways to refresh what the business has to offer and ensuring this is reflected in the promotional material (i.e. the website). This could be new facilities, improved catering, links with other activities, or special offer package prices

## 2. Access to markets

This section draws out lessons learned from the development of PERJAMPAT's dedicated web-based marketing platform '[Stay Raja Ampat](#)'. Association members agreed that a shared platform such as this would be the most effective means of accessing the international ecotourism market, and would overcome the problem of members lacking the language and the connections to do so themselves.

### 2.1 Understanding the customer interface: what are people looking for?

Potential guests fall into one of two broad categories:

- Independent travellers confident in arranging their own itineraries, flexible, and able to cope with unexpected events/delays
- Holidaymakers wanting to book packaged experiences, usually on tight schedules, averse to unexpected changes

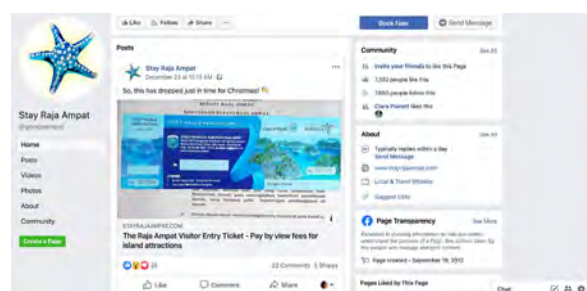
Both categories of guest seek:

- Accurate destination information
- Ability to reliably book accommodation and experiences
- Confidence that they will be supported in the event of any service failure

- A point of contact capable of providing quick and accurate answers to questions

The common questions potential visitors to any destination ask are:

- What can I do/see there?
- How do I get there?
- What services are available (e.g. telecommunications, banking, medical and transport etc.)?
- What are the accommodation facilities like?
- How do I organise a visit?
- What will it cost me, and how can I pay?
- Are there any health/personal security issues I need to be aware of?
- What support is available in the event of a problem, and how do I access it?
- What are other visitors saying about the experience(s) offered?



[Stay Raja Ampat Facebook profile](#)

Any successful online marketing platform must address all these questions and provide the services sought by potential guests.

To capture the majority of searches for the destination, a website promoting community ecotourism ventures should not focus solely on the services being promoted; it should aim to be the most comprehensive, up-to-date and reliable source of information for the destination in general. This will maximise the opportunity to convert website visits into bookings.

Best practice user experience (UX) design and search engine optimisation (SEO) is essential. There should be no hurdles to website users finding the information they are seeking, or to booking and paying for any desired services.

Social media channels should be used regularly and to their full potential in order to engage potential guests and further drive website traffic.

All contacts received via the website and social media channels should be responded to as quickly as possible. No one should wait longer than 24 hours for a reply.

## 2.2 Ensuring website information reliability/trustworthiness

Online marketing success is completely dependent on the promotional website being acknowledged and recommended by its users as accurate, reliable, responsive and trustworthy.

Achieving these aims requires constant effort, including regularly reviewing the destination and accommodation information provided and updating as necessary.

The ideal and most cost effective way of ensuring timely updates is to have a dedicated local data collection team responsible for monitoring all website information that is subject to change.

### The local team should

- Be well known by businesses promoted on the website ("members") as the contact point for notification of updates (members should call the team to advise on updates)
- Ensure that all members' data and standards compliance are checked **at least** once every 90 days
- Immediately notify the website administrators in the event of changes advised by members, or discovered during reviews
- Be able to supply good quality images for website use

Areas requiring regular monitoring by the local data team include:

- Price changes
- New facilities/services/accommodation options at member businesses
- Changes to contact details of member businesses
- Changes/additions to local transport schedules
- News of local events of interest to tourists (e.g. festivals)
- Immediate notification of local service disruptions for any reason (e.g. inclement weather, natural disasters and unscheduled power outages)

If the development of a locally-managed flow of data updates is not possible, then it is essential to contract outside resources to regularly verify and update information. For a travel website to remain respected as an authoritative source, updates should take place at least every 90 days.

## 2.3 Ensuring reputation

It is essential that community enterprise operators understand that a website is not a "magic bullet". It is not a guarantee of success and will not "send" members guests. A successful marketing website is a partnership between the website provider and the members the website represents. Success depends on the professionalism of both parties. No web marketing can make up for the negative publicity generated by unhappy customers.

## 2.4 Ensuring appropriate member pricing and communications strategies

### 2.4.1 Prices

For any business to be successful, it must offer potential customers an attractive value proposition.

Business costs will obviously vary according to destination, and the level of profit considered acceptable for the effort may vary between cultures, but there are two things that all potential homestays need to consider:

- For the guest, the value proposition is based on the total visit cost, not the price of any individual component (such as accommodation)
- Any perception of price gouging, market collusion or arbitrary or unreliable pricing will be judged harshly and subsequently negative opinions are likely to be widely publicised

As previously mentioned, it is essential that website prices always be honoured by advertisers, and that they communicate any changes immediately.

#### 2.4.2 Communications

In order to sell their services, it is essential that homestays are contactable. If based in an area without mobile telephone communications, then they would need to nominate an agent to act as a contact.



#### [Stay Raja Ampat contact website](#)

**It is also essential that any communications methods advertised are actually in use by homestays.** In Raja Ampat, for example, it is widely believed that an email address is essential to success in business, so many businesses provide one. This has happened even when their technical and/or language proficiency precludes actual use of the medium to communicate with potential guests. This is counter-productive, as unanswered emails frustrate and discourage guests.

It is critical that homestays are aware of the importance of notifying customers and web administrators of any changes in contact methods immediately. Especially if booking requests are being forwarded by SMS messages.

Website advertisers should know exactly who and how to advise of changes to phone numbers, and other contact methods.

It is also important that a mechanism is developed to ensure all requests for changes to website contact data are received from verified sources. Experience in Raja Ampat has shown that unscrupulous actors will sometimes seek to 'hijack' a homestay's business by taking control of the contact method.

## 2.5 What it takes to run a booking platform

### 2.5.1 Tailor the solution to local circumstances

There are many options available when it comes to providing the ability to book and pay on a website. Selection of the appropriate systems will depend on:

- The budget available for investment in website systems development (e.g. design and coding)
- Local organisational and technical capacity
- Local challenges

The most common challenges faced by indigenous ecotourism ventures in new destinations include:

- Lack of both the hardware and knowledge required to make use of digital tools and systems
- In many locations, lack of telecommunication infrastructure capable of providing internet access
- Lack of spoken or written English
- Lack of financial means for independent digital marketing
- Exploitation by unscrupulous agents and middlemen

- Lack of standardised pricing of services necessary to enable configuration as “products” for automated website sales processing



A further challenge faced in Raja Ampat is that Indonesia is rated as a high-risk country by financial institutions. This greatly complicates the provision of a website payment gateway, as many international financial institutions will not authorise card payments to Indonesian bank accounts.

For most new ventures, the capital investment required to build a fully scalable online booking and payment system that can address these challenges is prohibitive.

The Stay Raja Ampat website, which was created specifically for the Raja Ampat homestays, uses fully scalable platforms to deliver a solution which can be manually integrated until such time as an income capable of financing full system automation is achieved.

### **SMS booking system**

As many new entrepreneurs in Raja Ampat lack both the hardware and knowledge required to make use of digital tools and systems, it means that it is impossible to track accommodation availability in real time. Stay Raja Ampat has addressed this challenge by designing and delivering a fully automated SMS booking service.

### *SMS booking service ten-step process*

1. Booking request:  
Guests request bookings by submitting an English language web form
2. Receipt of request:  
The system sends an acknowledgement of receipt of request to the guest's email address and, if the guest has submitted a local mobile phone number, to the guest's phone
3. Request translation:  
The request is translated into Bahasa Indonesian and sent to the homestay's phone
4. Confirm or reject request by provider:  
The homestay responds 1 to confirm a booking request or 2 to reject it
5. Guest email reply:  
The homestay's response generates and sends the appropriate email reply to the guest. If the guest has submitted a local mobile phone number, confirmation/rejection notices are also sent by SMS to the guest's phone
6. Request cancellation by the system :  
If the service supplier does not respond to the request within 48 hours, the system cancels the request and sends appropriate notifications to guest email and phone
7. Guest booking reminder:  
One week prior to check-in date, the system sends guests a booking reminder email and text message. A cancellation link is provided for use in the event that plans have changed
8. Request cancellation by the guest:  
If the guest clicks the cancellation link, the system sends a cancellation notification to the homestay's phone
9. Guest arrival reminders:  
48 hours before guest check-in date, the system sends arrival and pick-up reminders to homestays

#### 10. Homestay feedback:

A week after departure, the system sends the guest a follow-up email or SMS requesting homestay feedback

#### 2.5.2 Skills and staffing required

Provision of an effective, locally managed website booking platform requires capacity in three areas:

- Website/booking system administration
- Local support services
- Homestay understanding of the basics of accommodation booking

#### Website & booking system administration

##### The Stay Raja Ampat website:

Represents over **100** homestays

Has over **13,000** unique users per month

Processes over **300** booking requests per month

Together with associated social media channels, generates over **200** personal interactions per month

All of the Stay Raja Ampat's website and associated social media channel content creation and maintenance requirements are currently handled by a single, full-time web administrator.

The web administrator role in Stay Raja Ampat's case is multidisciplinary, and requires proficiency in all aspects of website design, site and site server maintenance and security, and back end operations as well as social media skills.

A broad knowledge of the facilities, services, conditions, and social and cultural norms in the promoted destination is also required, to enable provision of informed responses to queries received via website and social media channels.

All websites require programming work at some point during their life cycles. If an organisation considering provision of a website, such as Stay Raja Ampat has no IT department or in-house digital capacity, then such programming work would need to be contracted externally.

#### Local support services

For a website and online booking system to function smoothly, two local support roles are required:

- On-site data collection services
- On-site guest services team

Roles and responsibilities for the local data collection team are described in section 1b above.



The role of the guest services team is to provide support for guests at the destination and includes functions, such as:

- Meet and greet services
- Transport organisation
- Booking accommodation and organising tours for guests arriving without prior bookings
- Local information services and enquiry desk functions
- Translation services for guests and homestays
- First point of contact to resolve any problems encountered by guests and/or homestays

How such services are delivered will depend on local conditions and requirements. In Stay Raja Ampat's case, the community enterprises being supported are based on many different islands which are widely geographically dispersed.

Guest support services in Raja Ampat need to be delivered at the port of entry used by most guests, and require a permanently staffed and publicly accessible kiosk. Data collection requires regular visits to remote island locations, which can entail journeys of 48 hours or more, this means that data collection cannot be combined with guest support services.

In other markets, combining the roles may be possible, and doing so would deliver the most practical and cost effective solution.

### Homestay understanding of accommodation booking basics

Obviously, for any booking system to succeed, local homestays must understand the fundamental requirements of booking accommodation.

Homestays must recognise the need to keep reservation books and to check them before accepting a booking request.

Training must be provided to ensure everyone understands exactly how the SMS booking system works, the importance of responding promptly and appropriately (don't just say "yes" to every request!), and the fact that the system messages are being sent by a machine. Local language manuals and intensive personal training, including live demonstrations of the technology, are recommended.

## 2.6 The pros and cons of building an independent platform versus using existing booking providers

PROS	CONS
Provides opportunity for true independence/self-reliance for operating entity notification of updates (members should call the team to advise of updates)	Establishment costs
Provides opportunity to develop financial profit for operating entity	Operating costs
Complete control of prices and policy	Competencies required to establish and maintain platform
Able to market homestays in households who lack the skills or equipment needed to manage their own listings	Legal entities required to own and manage platform
Provides adaptable and responsive niche marketing opportunities unavailable from large market aggregators	Time required to establish and maintain platform
Can provide responsive member support unavailable from large market aggregators	Training required to establish and maintain platform
Has local knowledge unavailable to large market aggregators	Social ramifications of failure
No risk of spurious listings by bad actors	Potential legal liability
Has the potential to deliver far greater levels of guest satisfaction than large market aggregators can	-



## 2.7 Covering the costs of a booking service

A booking service, such as the one described here, needs to be able to cover its own costs otherwise, it is unsustainable. It is therefore crucial that, before any such service is provided, homestay owners understand what it costs to run and agree to pay a subscription that goes to, at least partly, covering those costs from day one. Without that agreement it is extremely difficult to shift such a service from one subsidised by external funding to one that is self-sustaining.

- Promote themselves, where most lacked any experience in engaging the international tourism market
- Access basic skills in developing and managing hospitality businesses
- Uphold a commitment not to sell customary land, and encourage other community members not to do so either
- Protect the reefs and forests on which their businesses depend
- Present a common front in securing regulatory and financial support from government

## 3. The capacity to govern a community homestay sector

### 3.1 Working together and what it takes

However successful they might be as a means of income generation, homestays may not work to protect and nurture the ecosystems and communities on which they depend unless owners collaborate, make decisions together and hold each other to account, both as businesses as well as in relation to the wider communities in which they are situated.

Early entrants to the homestay sector in Raja Ampat quickly understood that, in order to secure their market niche, they would have to work together to:

To manage these challenges, the community of Raja Ampat established an association (PERJAMPAT). However, in order to build an organisation capable of accomplishing these aims, three things are needed:

- A shared vision and values by which homestays and their constituent communities self-identify
- An organisational structure that supports dialogue, accountability and conflict resolution
- Collaborative leadership with skills in listening, giving and receiving feedback, and speaking truth to power

In comparison to business skills and market engagement, the capacity for self-governance is arguably the hardest to achieve. In many cases, traditional forms of community governance have been eroded by histories of colonisation and top-down development. In these cases, the challenge lies in remembering, revitalising and sometimes even reinventing community institutions to work



in a modern, market context. PERJAMPAT is one example of a reinvented community institution, capable of bridging the island's different customary clans and villages, as well as their relations with government, and the tourism industry. The following sections describe its experience in relation to each of the three areas of community governance outlined above.

### 3.2 Shared vision and values

Governance is much more than technical management. It includes the ability to deliberate and agree on the desired outcomes and values that guide decision-making behaviour. The process of shaping the vision and values of a homestay organisation is therefore as important as the final agreement in revitalising community governance. It may involve challenging and dislodging forms of internalised oppression in the community, such as highly authoritarian understanding of leadership and the suppression of women's customary status. These are often the legacy of colonisation, poverty and top-down government, and it is a process that cannot be rushed if it is to genuinely change communities' outlook.

The guiding vision and values of PERJAMPAT were shaped over two years in which community members were encouraged to:

- Critically reflect on their existing development pathway, its impact on their survival, on social cohesion, and ecosystem services
- Envision an alternative development pathway that better matches their identity and needs as a society, and to sustain their environmental assets
- Explore why collaboration is essential to achieving such a vision, and to recall elements of their traditional way of life that helped to bind community in the past

This work resulted in three guiding statements - a vision, mission and constitution. Together these seek to communicate the ultimate purpose of

PERJAMPAT, and acknowledge that homestays are merely a means rather than an end in themselves.

Box 3 summarises PERJAMPAT's vision. This describes a sustainable island society fifty years into the future as a radical alternative to Raja Ampat's existing development trajectory. Its narrative detail seeks to convey as clearly as possible the outcomes that PERJAMPAT's members hope to achieve.

**In order to achieve that vision, PERJAMPAT's mission statement defines six priorities**



Protecting Raja Ampat's **land and sea** from waste, unsustainable fishing and illegal logging



Sustaining Raja Ampat's **traditional culture**



Improving **education, health** and **community capacity**



Convening and **supporting members** who wish to work together in support of PERJAMPAT's Vision, Mission, Values and Principles



Improving the **economic prospects** of local people



Protecting **local homestay businesses**

PERJAMPAT's mission is explained further in their constitution (see Annex 3), which dedicates the organisation to shaping a community that is free to determine its own future and build a better life. The constitution also binds the organisation to the customary and religious values and culture of Raja Ampat. In particular, to the principle of mutual love between people and for the

environment and to the protection of land and sea, as the collective source of life for the people of Raja Ampat, which means that these elements cannot be bought or sold.

PERJAMPAT's internal bylaws go on to define a number of guiding values supplemented by four principles of decision making.

VALUES	PRINCIPLES OF DECISION MAKING
1. <b>Transparency</b> in decision-making	a) The participation of all parts of Raja Ampat society b) Just, proportional and accountable representation of members c) Equal opportunities for women and men in all aspects of the organisation's work d) Unity within the organisation in order to achieve its objectives
2. <b>Professionalism</b> as reflected in the knowledge, standards of behaviour and skills of association members	
3. <b>Openness</b> to all differences in thinking, ideology, religion, race and colour	
4. <b>Responsibility</b> to oneself, the environment and the community	
5. <b>Mutual respect</b> towards one another	
6. <b>Moral integrity</b> as reflected in the ability not to compromise on agreed values and principles	
7. <b>A commitment</b> to fulfilling one's responsibilities towards oneself, the community and PERJAMPAT	
8. <b>Maintain a service</b> to guests and the wider community	

### Box 3: A vision for life in Raja Ampat

*"Fifty years into the future, we the people of Raja Ampat will have achieved the highest possible quality of life. We will have become wise. The homestay businesses that we are pioneering will have given us enough to live on. We will have passed the responsibility of leadership to our children, as our heirs, and we will have created opportunities for others in our villages. Our people will be healthy and intelligent, with schools and hospitals in our villages. Our people will be able to meet all their needs for food, grown naturally and in our own gardens; for healthy homes built with local materials; for clothing; and for sufficient energy that we will produce ourselves and from renewable sources. Our people will continue to cultivate our gardens with care and only with organic fertilisers. Our children, our families and other community members will live in support and care of each other, in peace, order and unity. We and other community members are aware that we can achieve a high quality of life because of the very rich, intact and beautiful environment in which we live. Our forests will be protected so that there is no uncontrolled logging or poaching of wildlife. Our forests will continue to provide us with enough wood, clean water and other goods to meet our needs for free, so that we will not have to buy these things. So it shall be with our marine resources. We will only catch fish sustainably and with environmentally friendly technology. There will be no environmental destruction and our environment will be free from waste. Our environment is our identity as the people of Raja Ampat and we are proud to be from Raja Ampat. We, and all our people, will use our environment only to meet our needs and not wastefully. We will build with local and natural materials. Our settlements will be laid out according to our traditions. Our lives will be sustainable. Our environment will be secure, guaranteeing that all our future generations will enjoy a high quality of life, forever."*

Finally, PERJAMPAT's standards, that were inspired by the Global Sustainable Tourism Criteria (GSTC), seek to reflect its vision, values and principles in the products and services that its individual member homestays deliver for their guests (see Annex 2).

### 3.3 Organisational structures that support dialogue, accountability and service

Establishing a community organisation such as PERJAMPAT is neither fast nor linear. It can take years, and multiple organisational crises, for community members to fully appreciate why the long-term success of individual homestay businesses ultimately depends on their ability to continue working together and holding one another to account.

We have seen that the more successful a homestay is at the outset, the faster their owners are likely to lose interest in collaborating, unless and until they experience a genuine existential threat to their business. This risk demonstrates the importance of agreeing and upholding the types of values and principles identified in PERJAMPAT's constitution.

For a rural community with little experience of running a professional organisation, however, it requires a great deal of iterative practice and reflection to reach a point where the community is able to internalise, articulate and apply these

values and principles consistently. Those related to mutual accountability are among the hardest to institutionalise.

Therefore, it is important to establish a space for structured learning and shared dialogue among homestay owners and the communities in which they are situated. Such a space may already exist or may need to be introduced and built. In either case, it would need to transcend the different administrative, customary and religious institutions with a bearing on decisions in the community.

PERJAMPAT evolved from a quarterly learning forum convening men and women from homestay businesses across 12 different villages, over a period of six years. The forum, each a facilitated process spanning five days, constituted the locus by which PERJAMPAT shaped its vision and values, as well as an organisational structure designed to ensure rigorous and appropriate decision making.

Organisational structure will vary depending on context. In the case of Raja Ampat, it consists of the following, nested arrangement.

#### Raja Ampat's organisational structure:

An **annual general meeting** (AGM) of association members, constituting the highest decision making body



A **board of directors** consisting of member representatives elected by and reporting to the AGM



A **management team** appointed by the Board of Directors to run the day-to-day affairs of PERJAMPAT



A **supervisory council**, elected by and reporting to the AGM, with responsibility for ensuring PERJAMPAT's constituent groups comply with its vision, mission and constitution



A **board of independent advisors**, also elected by and reporting to the AGM

The only people within the structure to be remunerated for their services are the management team. Everyone else works voluntarily.

This arrangement partly reflects the requirements for legal registration of an association under Indonesian law. It has, however, been adapted to reflect the specific requirements of the organisation, including the appointment of a paid management team where members elected onto the board each run their own homestay businesses and so have little time to dedicate to the running of the association.

The work of the management team covers a number of core functions in support of members, such as:

- Ensuring the vision and values that bind PERJAMPAT are embedded within the association
- Training, mentoring and monitoring of hospitality and others standards, and sanctioning of members where standards have not been met (see also Box 4)
- Ensuring the smooth flow of information between members and the marketing team, including regular updates on destinations, experiences, accommodation and transport, as well as guest feedback
- Core services such as data collection, meet-and-greet and transport services for guests
- Supporting programmes in the community on conservation and ecosystem restoration
- Ensuring that the benefits of the homestay sector are widely shared, including opportunities for fishers and farmers to supply homestay businesses which produce



### *Box 4: Sanctioning non-compliance*

PERJAMPAT has learnt that it requires more than persuasion to enforce its values, principles and standards, and there have to be consequences for non-compliance. PERJAMPAT's rules and regulations therefore incorporate a series of sanctions. This includes temporary suspension from the Stay Raja Ampat website for poor service such as late pick-ups and failure to provide guests with the rooms that they booked, failure to pay monthly subscription fees, and behaviour that otherwise damages PERJAMPAT's reputation.

In theory, such a structure, in combination with sanctions, should deliver a high degree of accountability and service to members. In reality, it also means that the management team must have the discipline to:

1. Convene regular (at a minimum quarterly) cycles of meetings, for directors, managers, supervisors and advisors to give and receive feedback
2. Create regular (at a minimum six-monthly) opportunities for giving and receiving feedback with members, beyond the annual AGM.

These meetings ensure that organisational learning can continue once external facilitation is withdrawn. The ability to convene and propose the use of such a regular cycle of dialogue however, also depends on the qualities of those elected by members to lead the organisation.

### 3.4 Leaders with the ability to give and receive feedback, and speak truth to power

The ability to give and receive feedback is fundamental to the health of a community organisation. It is what enables people to call out abuses of power, to hold one another to account, and to anticipate and resolve conflict.



Without this ability, it is likely that a community organisation will become corrupted and will ultimately fail.

Giving and receiving feedback is, however, among the hardest skills to institutionalise where individuals feel embarrassed to speak the truth to elders or where histories of top-down government and development mean that people feel afraid to question those in authority. It demands deep investment in the qualities, and in particular the moral bearings, of those appointed to lead the organisation, and in their ability to collaborate with one another.

In the experience of PERJAMPAT, this included learning about the following four qualities:

1. What it takes to listen respectfully to the experiences and opinions of others, and to provide clear and constructive feedback irrespective of rank and status
2. The spirituality and practice of servant leadership including through fresh interpretation of the scripture and customary practices that community members are familiar with
3. Corporate ethics including the meaning of conflicts of interest, the practices that create such conflicts such as gratification, and why it is so important to eliminate such practices
4. Basic teamwork including the ability to delegate tasks, to be open and honest with one another and simple time management

A combination of all four of these qualities is, in our view, the glue that binds a community organisation together and, ultimately, the governance of a healthy and sustainable community enterprise sector such as homestays. In Raja Ampat, work on these qualities has encouraged association leaders to iteratively reflect on their vision, mission and constitution, and to better understand the values and principles defined in these statements such as responsibility, mutual respect and moral integrity.

## 4. Supporting products and services

A homestay business in a remote island or coastal area could prove to be the biggest source of local income generation in the community. It does not, however, operate in isolation and is unlikely to succeed if it tries to do so. Without the support of the extended family or wider community, a homestay owner might find him or herself in dispute over land rights or profit sharing, and will not be able to protect the ecosystems that his or her guests have come to enjoy.



Managed properly, a homestay business can serve as a multiplier in the local economy. In addition to jobs in the homestay, it creates opportunities for other community members to supply a range of products and services including the supply of traditional construction materials, guest transport, fresh fish and vegetables, traditional cuisine, craft and performances, as well as activities such as diving, trekking and birdwatching.



In Atauro, for example, homestays have created business opportunities for other households to provide laundry services, food catering for groups and small to medium sized events, and community members are offering snorkelling trips to Atauro's reefs. This is reducing pressure on fisheries, and diversifying livelihoods on the island.



These services and products give legitimacy to the homestay in the eyes of family and community. They create pride in place and identity and serve as a selling point for a homestay; the more thought and effort it gives to such relationships, and how they enhance guests' overall experience, beyond accommodation, the more successful it will be in building strong market reputation. In the experience of the Raja Ampat homestays, packages that combine accommodation with opportunities for diving, snorkelling and trekking are particularly attractive and guests continue to demand more in the way of handicraft and exposure to traditional culture.

Providing these services demands active investment to ensure that the family and other community members have the ability to supply a range of products and services. This could be through professional dive or guide certifications, for example, or the organisation of supply lines for locally grown fruit and vegetables. This level of organisation is much easier for a homestay association to pool resources for than for an individual homestay working on its own.

PART THREE

FURTHER GUIDANCE FOR  
FACILITATING ORGANISATIONS



It requires an experienced team of community facilitators to deliver the four components described above. Ideally, one that blends professional qualifications in adult popular education with hands-on experience in business and organisational development, and the ecotourism market. Where so much is at stake in terms of people's struggle to meet basic needs, the necessity to guarantee high standards of service and safety, and the potential impacts on wider communities and the environment, a decision to support the homestay and ecotourism sector should never be undertaken lightly.

This section outlines further guidance for a facilitation team. It covers what it takes to initiate dialogue with local communities, working flexibly and adaptively to the specific circumstances of each place, ensuring understanding of the risks associated with rapid growth, what it takes to transform gender relations, and, above all, a duty of care not to create further dependency in local communities on external subsidy. The section closes with recommendations for community exchange as a powerful medium for shared learning across different contexts.

## 1. Initiating dialogue with local communities

The experience of PERJAMPAT suggests that the most effective entry points for dialogue around conservation and sustainable resource use are the things that community members feel strongest about, not the things that we might think are important as outsiders. Initially, people did not want to talk about conservation. They really wanted to talk about the loss of customary land, that they felt like bystanders in a growing tourism industry, and their inability to pay for healthcare and their children's further education. They wanted to self-actualise as "masters in their own land".

This energy, or ambition, motivated pioneering individuals in the community to then test the idea of homestays, based on their own observations and experience of the tourism sector. Once they began to attract guests, homestay owners quickly began to appreciate their reefs and forests as their unique selling point. Their efforts to protect their land, reefs and forests in turn helped them to understand the importance of working together, and to spread the benefits of their businesses as widely as possible across their communities.



In other words, people came to embrace conservation, and the homestay sector, through their own process of enquiry. The discussion was never initially billed as being "about conservation" or "about homestays". This journey of discovery could be described as peeling an onion: each layer exposing new connections; it gradually revealed the possibility of an alternative development pathway, and that worked to embrace conservation without ever having to frame it as a conservation programme.

By working with what communities in Raja Ampat most wanted to talk about (i.e. land, equal opportunity and education), and by supporting what they most wanted to try as a solution, there is, arguably, now broader support for the conservation agenda than there has ever been. Previously, many community members understood conservation in terms of things that were allowed and not allowed, they have since come to see it as something integral to their livelihoods and have begun to take it into their own hands.

We conclude that, in facilitating such a process, it is important for facilitators to:

Actively listen and gauge what issues or challenges spark the most discussion in local communities

Work with peoples' own instincts and powers of observation in identifying solutions to those challenges, rather than to impose our own ideas

Support people in pursuing their proposed solutions, be these innovations in ecotourism or another sector

Work creatively with people to help them make the link between the success of these innovations, their communities and their natural environment

Such an approach may seem circuitous and time consuming. It takes patience to allow people to explore their own possibilities, and to resist the temptation to short-circuit their cognitive journey. In time, however, such an approach is more likely to generate an authentic, local constituency for environmental stewardship than one that simply focuses on environmental awareness-raising or presents communities with alternative livelihood strategies that outsiders think might best suit them.

## 2. Working flexibly and adaptively

Homestays happened to be an opportunity that a few pioneering families in Raja Ampat had made a success of and others wanted to try. The same may not be the case in other places.

People might see more sense in first improving access to markets for their fisheries and agriculture, before turning to ecotourism at a later stage (if at all). Even where ecotourism is a viable option, people may want to put their time and energy into other activities and may wish to organise themselves in ways different to PERJAMPAT in Raja Ampat.

Facilitators, therefore, not only need to be guided by what communities most want to talk about

and the opportunities they see around them. They also need to work flexibly and adaptively in order to apply any of the lessons identified in this manual in a way that best matches the local context. There is no fixed homestay or ecotourism model into which communities can be placed.

## 3. Ensuring that the risks associated with rapid growth are understood

Over the first six years of its operation, the annual gross revenue of businesses represented by PERJAMPAT was growing by up to 80% a year. Success rates such as these can give communities the impression that the “sky’s the limit”, and individuals may be tempted to take the current situation for granted, because there will always be another guest.

Rapid growth places strains on the ability of a homestay organisation to ensure standards that safeguard the overall reputation of the sector are met. A few negative guest comments on social media can have serious consequences. High growth also raises questions over the carrying capacity of the very ecosystems that give homestays’ their unique selling point.

To ensure that a community has thought through these issues, it is essential to also build consensus around:

- What type of tourism do communities wish to support: low density and high value, or high density and low value?
- How much is enough to meet people’s needs and aspirations, without compromising their commitments to sustainability?

For a community first entering the ecotourism sector these questions might appear somewhat abstract. As the sector grows, however, and more and more families enter the business or expand

their homestays then the question needs to be asked again, and again - “what type of tourism?” and “how much is enough?”

An individual's conceptual understanding of risks and limits can be enhanced by collectively identifying what negative impacts their businesses might be having, monitoring those impacts over time, in areas such as **coral health, forest cover or waste**, and then helping people to reflect on any trends they observe, what the future implications might be and what actions they can take.



Key decisions that communities need to take include:

- Whether homestays focus on improving the quality of their offer at a higher price instead of keeping prices low but expanding the number of rooms they build
- Actions to mitigate impact, such as waste water treatment, and how to pay for and organise these
- Limiting the density of homestay accommodation in any one location, or even visitor numbers

Homestay owners will also need to advocate any agreements with government, such as on the type and scale of future tourism investment so that it does not undermine conservation and sustainability.

## 4. Transforming gender relations

The patriarchal beliefs that subordinate women in a community are often deeply entrenched and affect the division of roles, property and inheritance. Women are expected to be submissive, to obey their husbands and refrain from argument. They are shut out from important areas of decision making, such as land rights. In the words of one homestay owner in Raja Ampat, “Women’s role is to give birth and to raise children. This has been made clear in the Bible.”

Challenging such perspectives requires active facilitation and the courage to pose difficult questions. Who interprets scripture as justification for the subordination of women, who sets the rules in the community and who enforces them?



In Raja Ampat, a significant barrier to change lay in how women had come to perceive themselves and their reluctance to challenge the *status quo*. It proved essential to create spaces for women where they could ask and seek answers to these questions. This process of enquiry helped them to critically reflect on gender disparity as a genuine issue affecting wellbeing in the community, and to name it as a problem.

One man has since testified that he had learnt to respect his wife as a business partner, not merely as a helper in the background, and how this has transformed both their relationship as well as

the prospects of their homestay. It has become apparent that many of the more successful homestay businesses in Raja Ampat treat women as equals with a real stake in decision making. In some cases, women are the principal actors and now play a critical role on PERJAMPAT's Supervisory Council, in its management team and in the operations of its bookings service.

## 5. Avoiding dependency

Members of PERJAMPAT regularly say and take pride in the fact that they built their homestays with little to no assistance other than support with promotion. Indeed, the most successful businesses have been those that families created on their own, using savings from other activities such as fishing or agriculture to purchase building materials and furniture.

This experience challenged an ingrained pattern of dependency on external actors. Community members with traumatic memories of poverty had come to harbour a very negative image of themselves as not capable. The mindset is further entrenched by a steady flow of cash and material assistance from government in the form of grants, credit, subsidised rice and equipment.

Such dependency can be a source of shame that community members feel unable to escape from. It also constitutes a profound obstacle to the development of self-sufficient, sustainable business that any homestay or community ecotourism effort should aspire to.

It is essential that facilitators support community members in naming dependency as an issue, in exploring its root causes and its impacts, and in identifying actions that build people's confidence to look to themselves rather than to outsiders for answers, such as setting up a small enterprise. In Raja Ampat, the initial successes that people had with their homestays proved a huge source of pride, it confirmed that they were capable of changing their own circumstances and of determining their own development pathway.

Facilitators and programme managers also bear a duty of care not to do anything that compounds dependency. Learning from the experience in Raja Ampat, we conclude that it is important to:

- Establish a partnership with communities based on values of equality, and shared roles and responsibilities. Even where communities are unable to contribute financially, they can make other forms of in-kind contribution
- Avoid sitting allowances. There should be a strict understanding that community members attend training sessions purely out of their own desire to acquire knowledge and skills. At most, a project might wish to compensate participants for their transport costs
- Avoid handouts of any kind, to encourage the initiative and creativity needed to run a successful homestay business or community organisation. Occasional exceptions might be made for items, such as safety equipment that communities might otherwise find hard to obtain or afford; such things can also be provided "on credit", to be paid back by community businesses interest-free



- Ensure that membership of a community organisation, and the provision of a booking or other services, are strictly subject to payment of a subscription fee to cover running costs or other agreed purposes, and that such services are eventually transitioned to a self-sufficient business model

Failure to do these things can significantly undermine the sustainability of a community ecotourism initiative, create long-term financial liabilities and delay the withdrawal of facilitating organisations.

## 6. Sharing lessons across contexts through community exchange

Section 2 above argues that there is no fixed homestay or ecotourism model that fits every community. There are, nevertheless, likely to be many things that different homestay initiatives will share in common; most will face the same set of challenges, as individual families, as communities and in relation to the market. This manual tries to address some of the most important of these common challenges.

The difficulty lies in the ability of participating communities to name and internalise these challenges for themselves. If they can, they are far more likely to take ownership of problems than if they are simply told what to do. It is, however, hard for people to envisage what accountable leadership looks like if they have never had any role models to look to. Likewise, it is hard to picture a healthy community organisation or the risks associated with rapid growth, having never experienced these issues themselves.

This is where community exchange can act as a major accelerator in the learning process, even if that exchange takes place across very different settings, and, even if they are undertaken between communities that are still in the early

stages of homestay development, there is utility in being able to share and discuss problems with peers in a similar situation.

Such exchanges work best if they:

- Start with each participating community identifying the things they most want to learn about, and framing the questions they want to ask, and also what lessons they would most like to share, both positive and negative
- Consist of structured, facilitated dialogue over a period of around five days covering different aspects of the learning journey, such as the motivation for change, the vision and values that bind a sustainable homestay sector, experiences in business development and market engagement, what it takes to work as a community organisation and leader, challenges with environmental sustainability, and practical tools such as standards
- Create opportunities for each participating community to lead or facilitate sessions in topics in which they feel they have relevant experience and would like to share - such as hospitality standards
- Create space for “live-ins” for participants to spend time together in each other’s homestay businesses or communities, and to share experiences in greater depth
- Set aside sufficient time at the start or end of each day for each participating community to reflect on and internalise lessons learned over the course of the exchange. It is often tempting to pack too much into the agenda, leaving insufficient time for this kind of reflection
- Most importantly, create space for feedback at the end of the exchange where this might provide insights for other participants as well as lessons learned for future exchanges.
- This manual was developed after one such exchange between PERJAMPAT in Indonesia, AHA in Timor-Leste and the community of the Tun Mustapha Park in Malaysia. The story of this exchange is summarised in Box 5.



### *Box 5: Community exchange between PERJAMPAT (Indonesia), the Atauro Homestay Association (Timor-Leste), and Tun Mustapha (Sabah, Malaysia).*

In February 2017, with the support of Blue Ventures, a group of pioneering homestay businesses from the island of Atauro, Timor-Leste, visited PERJAMPAT in West Papua Province, Indonesia, to learn about the latter's experience in the ecotourism sector. The initial visit lasted three days and focused on the motivation, vision and values behind the efforts of homestay owners in Raja Ampat. Through "live-ins," the process also enabled participants to exchange ideas on hospitality and homestay construction.

A further exchange took place over a week in November 2018 with the support of WWF Malaysia, in which representatives from Raja Ampat visited Atauro, along with community representatives looking to enter the homestay sector in Tun Mustapha Park, Malaysia. The dialogue built on the results of the first exchange, with a more in-depth exploration of the motivations for entering the homestay sector, such as the structures that create poverty and dependency, the importance of forging a self-sufficient and sustainable development pathway, as well as the importance of spreading the economic footprint of homestays to benefit others in the community. Visitors from Raja Ampat also delivered training in hospitality standards, and participants from Atauro shared their experience of environmental monitoring.

Participants from both Raja Ampat and Atauro felt that the experience provided powerful affirmation of their work, and those from Raja Ampat shared the experience with others in

their community after returning home. Feedback from the community of Tun Mustapha Park offers an insight into the value of such exchanges. Three things stood out for them: (1) how communities in Atauro were widely knowledgeable of LMMAs, how they had established these under customary law and were now able to generate revenues from these conservation efforts, through their homestays; (2) the importance of delivering the right types of support, such as finance, capacity building in tourism management, business mentoring, and marketing and promotion using the internet; and (3) how important it is that women and men in the community play equal roles in running their homestays and tourism programmes.

Learning from Atauro and Raja Ampat, participants from Tun Mustapha also pointed out that the challenges that homestays owners face in terms of respect from their wider community, including jealousy. However, they took note of four factors that, from their observations, underpin the success of homestay businesses in Atauro and Raja Ampat: willpower, perseverance, persistence and spirituality.

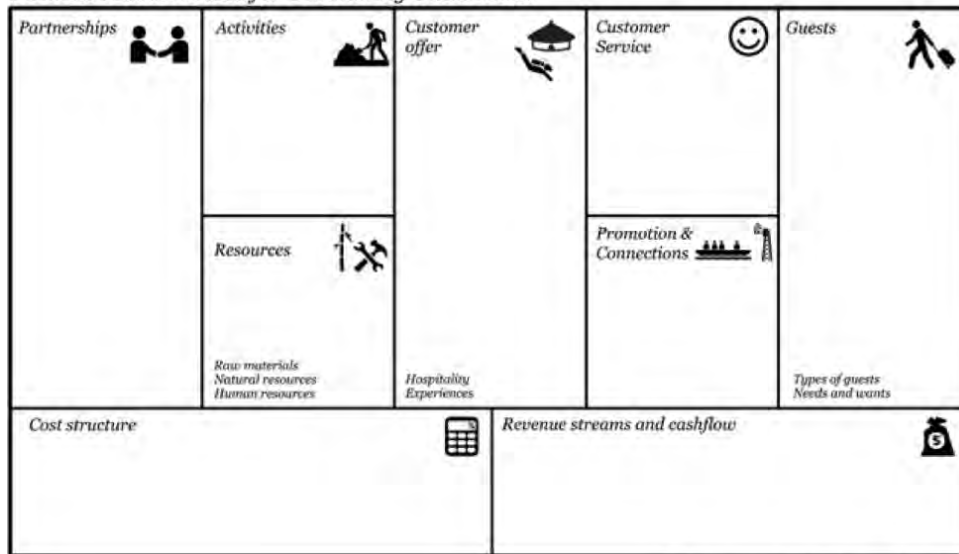
Finally, participants highlighted a number of areas for improvement in planning future exchanges, in particular: equipping participants with reading materials for reference during and after the exchange, allowing more time for interaction, opportunities to learn about the kinds of tourism packages that other communities provide, as well as more attention to safety.

ANNEXES

# Annex one

## The business canvas for homestay development

*Business Model Canvas for Community Guesthouses*



Revisi Amman Homestay Association, Purwokerto, Indonesia (2016)

Based on Alexander Osterwalder and Yves Pigneur, 'Business Model Generation', available at <https://www.strategyzer.com/books/business-model-generation>



# Annex two

## Minimum standards of the Raja Ampat

### Homestay Association

NATURE AND ENVIRONMENT	
1	If there are cultural heritage sites, sacred sites or ancient sites located around the homestay, the homestay must help to preserve those sites
2	The homestay must protect coral reefs, wildlife and habitat located around the homestay by not damaging or moving it
3	The building blends with the natural surroundings by maintaining the traditional concept, and building does not diminish the scenic beauty of the land or sea
4	Land use and activities do not seize the property rights of others
5	No garbage piling up around the homestay, except in the rubbish bin
6	The entire area around the homestay, on land and on the beach, looks clean and tidy and maintains the natural environment
7	No wildlife kept as pets in violation of national and international laws
8	Guests dress decently and have a general understanding of the natural and cultural environment around them
SAFETY	
9	Safe electrical installation, no wiring is open or loose
10	First aid box available in the homestay and always within date
SERVICES AND FACILITIES	
11	The bed should be clean and in good condition (mattresses, pillows, sheets and blankets)
12	Spring bed or foam mattress (thickness min 150 mm)
13	The beds are equipped with mosquito nets and are checked every week to check for damage or replaced if necessary
14	The door in the guest room can be closed properly and can be locked from the inside
15	Each room should have a separate light switch (can be either a switch or plugs) so guests can control the lamp themselves
16	The bathroom/WC is not waterlogged. WC is connected to a closed septic tank or composting toilets
17	The bathroom/WC is equipped with bins, extra toilet paper, toilet brush with a handle, soap and hand wash
18	Guest privacy is assured, the bathroom door can be closed with no holes in the wall
19	Breakfast, lunch, and dinner made with sufficient quantity so that all guests can enjoy a full and varied menu
20	Clean and safe drinking water for consumption is always available and is provided in gallons/carafes (not in plastic cups/bottles) to reduce plastic waste

21	The food provided offers a balanced diet: proteins such as fish/eggs, carbohydrates such as rice/cassava/sweet potatoes and vegetables are varied each day
22	The dining room is equipped with tables and chairs, which is comfortable to use by all guests
23	Food hygiene rules are followed, such as: use of food covers, hand washing before cooking/preparing food
<b>MANAGEMENT</b>	
24	The homestay maintains a reservations book, where the entire reservation/booking list is recorded
25	There is a guest book that lists all of the guests, with a description of the reservation and guest PIN (entrance fee) number
26	Women have a voice and influence in the management of homestay. If children help with the homestay then they should only be engaged in light work and this should not interfere with school, homework or play
27	Bookings do not overlap, and misunderstandings should be resolved quickly, with other appropriate accommodation offered if necessary
28	Staff, family, friends or acquaintances are not allowed to drink alcohol around the homestay
29	The homestay does not tolerate sexual harassment in any form. Complaints about inappropriate behaviour towards guests, either by staff, or by the other guests, must be followed up seriously and quickly
30	At least one member of the homestay, whether family or staff, can be contacted 24 hours a day



# Annex three

## Constitution of the Raja Ampat Homestay

### Association (Perjampat)

We are the Raja Ampat Homestay Association (Perkumpulan Usaha dan Penghidupan Raja Ampat), which seeks to shape a community that is free to determine its own future and build a better life. We base ourselves on the customary and religious values and culture of Raja Ampat by upholding the principle of mutual love between people and for the environment. We believe that the land and the sea are the collective source of life for the people of Raja Ampat. Because of that, the land and sea must be protected, and cannot be bought or sold. With this we ask our children, grandchildren and future generations to maintain this shared commitment.

### Further information

For further enquiries about the experience of the communities described in this manual, readers can direct enquiries to:

Raja Ampat Homestay Association:

<https://www.stayrajaampat.com/contact/>

Atauro Homestay Association:

<https://www.facebook.com/AtauroHomestays/>

Tun Mustapha Park Community:

<https://www.facebook.com/tunmustaphapark/>

### About the organisations contributing to this manual

Seventy Three Pte. Ltd. is a social enterprise with a focus on innovative forms of community ownership and control for sustainable development. Seventy Three blends practical business skills with popular education techniques to support communities in tourism, fisheries, renewable energy and agroforestry. Blue Ventures develops transformative approaches for catalysing and sustaining locally

led marine conservation. We work in places where the ocean is vital to local cultures and economies, and are committed to protecting marine biodiversity in ways that benefit coastal people.

Yayasan Barunastra is an Indonesian network bridging research and policy on maritime affairs, and with particular focus on strengthening the governance of nearshore fisheries in Indonesia as a key economic buffer for the development of coastal and small-island areas.

WWF Malaysia is a national conservation trust affiliated to the WWF global network, working to promote harmony between human beings and nature, under a diverse range of conservation initiatives, from protecting endangered wildlife to protecting our highlands and forests, and also our rivers and seas. We undertake scientific field studies, public awareness campaigns, business and industry engagement, environmental education as well as policy advocacy. We also work hand in hand with local communities to improve their livelihoods while enabling their participation in conservation as well as capacity building and supporting other environmental protection organisation.

[1] Perkumpulan Penggerak Usaha dan Penghidupan Masyarakat Asli Raja Ampat.

[2] The Green Globe Standard relates to the sustainability performance of travel and tourism businesses and their supply chain partners. It includes forty-four core criteria and third-party independent auditors are appointed to work with tourism operators to guarantee compliance. For further information see: <https://greenglobe.com/green-globe-certification/>

[3] The Global Sustainable Tourism Council manages the Global Sustainable Tourism Criteria for destination managers and tourism operators. The Criteria set the global baseline standard for sustainable travel and tourism. The Council also acts as the international accreditation body for sustainable tourism certification. For further information, see: <https://www.gstcouncil.org>



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# COMMUNITY HOMESTAY ENTERPRISES

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