



## ASSESSING THE SUSTAINABLE HOSPITALITY DEVELOPMENT THROUGH RURAL TOURISM: A CASE STUDY OF SWAT VALLEY

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### ABSTRACT

*Sustainability is a holistic word used in multiple disciplines. It is advocated in tourism to minimize the negative impacts and maximize the benefits. Fostering sustainable hospitality, Pakistan's tourism business may help to protect the environment, support local communities, and improve visitor and resident experiences. Implementing sustainable practices will help the community while also contributing to the long-term viability of Pakistan's tourist industry. Hotel is an essential component of the tourism business and job provider to the local communities. A survey of 34 hotels determined that the hotel industry in Swat valley is an SME business and plays a vital role in its economic sustainability. The Hotel industry is one of the largest structural, economic, and environmental segments in Swat valley. The suitable technique and acceptable practices are the keystones in sustainable tourism promotion. Swat's lodging business provides jobs, utilizing the local agricultural products, supporting ownership of the resources, and encouraging the adoption of sustainable tourism practices in the hotel business.*

**Keywords:** Sustainable tourism, Swat valley, sustainable practices, rural economy, local communities, sustainable hospitality

### 1. INTRODUCTION

Tourism is multidimensional, a complex economic activity with a vital social component. Numerous rural areas in developing countries are the main tourist attractions. Rural Tourism has an essential share of the tourism sector in Pakistan. It plays a significant role as the tourist travelling to avail the opportunities of these destinations' diversified products. The majority of tourist destinations in northern Pakistan are natural and rural areas. The five major tourist destinations of Pakistan, Swat valley, Kaghan valley, and Galyiat, Chitral valley, Dir Valley, and Hunza valley, are rural destinations. But the Tourism assets and resources in the rural area for recreation and services are waiting to develop. But the prosperity, development of natural and cultural awareness in these destinations are possible due to tourist flow.

Tourism is a synergic activity; it brings economic development and changes in other supplementary industries. The holidays' visits to one person is the bread earning for another person. The benefits of tourism can only be transferred when tourism is developed in a broad view through a holistic approach that includes nature, hospitality, gastronomy, culture, and other relevant aspects of the rural destination. However, much empirical evidence has also shown the adverse effects of tourism on the destination and community's environmental, cultural, and social aspects. Since first arising during the 1980s, sustainable tourism development is a widespread perception for tourism growth. The idea of sustainable development as a holistic vision allows us to meet the needs and aspirations of both present and future generations by considering eradicating poverty, social injustice, and inequalities in nations' relations. Sustaining the community is the essential element of tourism sustainability.



## 2. LITERATURE REVIEWS

Tourism is used as an economic development tool at a regional scale (Kim et al., 2013). As observed in many countries, tourism restores rural economies (Rastogi et al., 2015). Sustainable tourism evolved during the last two decades in response to the challenges posed by uncontrolled tourism. It sees tourism as a triangle interaction between host communities, tourists, and the business (Lane, B. 2005). According to Ahmad, H., Öztürk, M., Ahmad, W., & Khan, S. M. (2015) Tourism is made up of four major components: "Accommodations"( taking food & shelter) "Accessibility" (access to tourism resources), "Amenities" (facilities in tourist destinations), and "Attraction" (sites of interest with cultural, historical, natural, or recreational value). Tourism is essential in rural areas and plays an indispensable role in tourists' move towards tourist destinations (Sgroi, F, *et al.*, 2014). The natural or anthropogenic environment is the base resource for the tourism industry (Ionela *et al.* 2015). If the Tourism resources are not used reasonably, it can lead ultimately damage these vital resources. Tourism has an essential role in altering rural communities, particularly the environment, economic, socio-cultural practices.

Rural tourism is "tourism which takes place in a rural context; or as an economic activity which depends upon, and exploits, the countryside" (EURACADEMY, 2010), while rural tourism is a domestic phenomenon (Gao, S., 2009). Rural tourism is an economic tool and a rational approach to improving economic opportunities and employability (Egbali *et al.*, 2010). Tourism helps develop community development and its neighboring communities (Sirivongs & Tsuchiya, 2012).

Nevertheless, when tourism is practiced unorganized, it leads to the destruction and depletion of natural resources (Rastogi et al., 2015). The uncontrolled growth of tourism lays additional pressure on local resources (UN Environment, 2017). It is an option for small businesses that cannot contend with international organizations (Goebel *et al.*, 2012). Sustainability is not only a subject of respect to the environment, but it is also shared with all four 'pillars' of rural development people, economy, environment, and institutions (EURACADEMY, 2003). The current approach of sustainable tourism is to evaluating the tourism effects from both short-term and long-term perspectives, not just the environment but also on economic and social to the host community (Spilanis, I: 2009). The demand of the tourists will be satisfied by conserving the destination environment and cultural heritage, meeting the needs and improved standards of living the host population (Nijkamp, P, Verdonkschot, S: 1995).

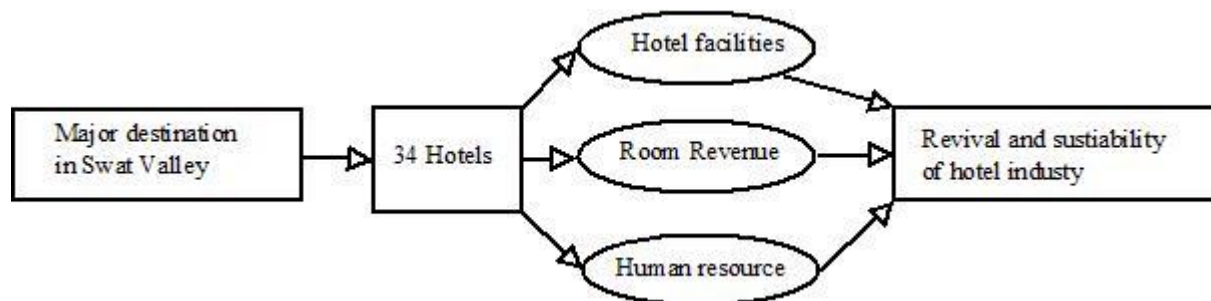
Sustainable hospitality and the promotion of responsible tourist practices (Vu et al., 2020). In many studies, hospitality is regarded as a virtue inherent in human nature or intimately associated with certain religious or cultural beliefs. However, commercial hospitality is basically based on a host-guest relationship established through a business transaction between two parties (Melissen, F. 2013). Hotels are developed as part of hospitality, and it's now a vital part of the tourism industry (Pender & Sharpley, 2005). Lodging is an inclusive term that defines the different accommodation types available to travelers (Anderws, 2007). It is the largest and most abundant sub-sector within the tourism economy (Cooper et al., 1998). Hotels are the most significant and widely recognized form of overnight accommodation (Pender & Sharpley, 2005). Hospitality represents a travel and tourism product with accommodation and catering (Evans et al., 2003). In many western countries, hotels have evolved as extensions of domestic hospitality, and it is now an essential element of the domestic and international tourism industry (Pender & Sharpley, 2005). While many hotels are gradually promised with specific aspects of sustainability (Cavagnaro, E., Düweke, A., & Melissen, F.

2018). Hotels and restaurants buy their food from local farmers or suppliers, use local artisans for maintenance, or the tourists buy souvenirs. Local shops, transportation services, and other vital resources to life are flourished, and the host community's economy expands due to the tourists' spending. The tourism industry is one of the most important sectors in the Swat valley's economy, providing revenue, circulation of money, and employment throughout the area. Swat is also considered Pakistan's Switzerland was once a great attraction for foreign and domestic tourists (Alam, M, 2014). The scenic beauty and rich heritage made Swat a favorite destination for national and international tourists, where the hotel industry became a significant contributor to Swat's economy (Khan, 2009). Many lovely hotels were constructed in all major towns in Swat valley (Alam, M, 2014). According to the statistics published by the Ministry of Tourism in 1985, the number of hotels was 63 with 801 guest rooms with 30.7% occupancy (Alam, M, 2014) while in the year 2000 numbers of hotels were 182 hotels with 2887 guest rooms with 34.8% (Alam, M, 2000). About 40,000 people are associated with hotels to earn livelihood in Swat (Ali. 2010).

### 3. MATERIALS AND METHODS

#### Locale

Swat is an administrative district of the Khyber Pakhtunkhwa (KP) in Pakistan. According to the statistics about 13.83% of Swat's population lived in urban areas while 86.17% lived in rural regions. According to the 1998 census, district Swat people were 12,57,602 persons, with 236 persons/km. The estimated population in 2009 was 18,11,425 persons (CPPR, 2010). The share of tourism in Swat's economy is 38 percent, whereas 31% depends on Agronomy. In the year 2000, the total sales in Swat Hotel Industry were estimated to Rs: 111 million (Hotel Industry Survey 2000). In Swat, more than 5,000 people linked directly to the hotel industry (Khan, 2011).



#### Methods

The data was collected from the hotels in Swat valley in Mingora, Fizaghut, Marghuzar, Baghderi, Mindam, Madyan, Bahrain, and Kalam. Primarily, thirty-four hotels were selected from five different destinations for this study. The study was consisting of non-random sampling from the hotel & restaurant directory Pakistan 2007-08. During the field, research interviews were conducted through personal meetings with the hotel industry practitioners and owners. A predesigned questionnaire from 34 hotels was collected through a convenient sampling method representing 14.4% as per the government listed directory and 8.4% as per the latest USAID survey. Only describe the hotel that is willing to provide the information. The data was captured in Microsoft Excel and then imported to the statistical software PASW (Statistical Package for Social Science)

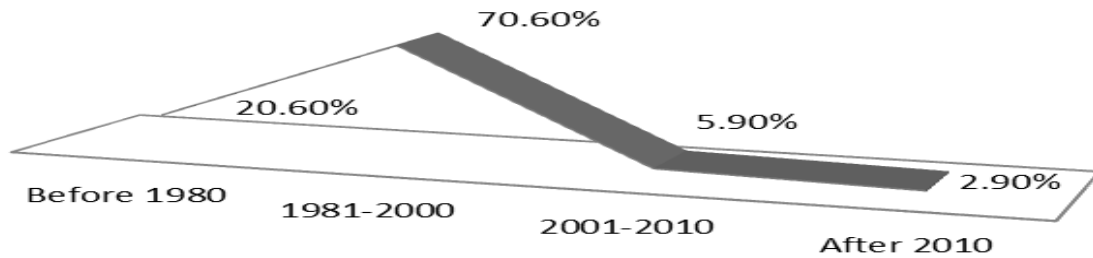


Statistics 18, release 18.0.0 (July 30, 2009). The descriptive statistical method was followed in the presentation of the data by using sample frequency distribution.

#### 4. RESEARCH FINDINGS

Based on the data collected, there are two separate competitive markets in Swat valley's lodging industry. The individual small properties are Hotel Competitive Market 1, and the medium size and systematized properties are Hotel Competitive Market 2. The paper reveals the following findings; The valley can be classified geographically based on tourist destinations from south to north; these destinations are Mingora, Miandam, Madyan, Bahrain, and Kalam, located on one route. Hotels in lower Swat remain open around the year, 84% of the hotels are members of the ASHA (All Swat Hotel Association), and 67% are listed with Govt hotel and Restaurant Directory, 82.4 % of hotels are owned by the locals. In contrast, the investors own 17.6 properties outside. The local people manage 61.8% of properties; 35.2% of hotel properties are leased or contracted as a hotel, while 2.9% are leased for other purposes. The year 1980-2000 is the essential hotel industry period; 70% of hotels are constructed during this period when the valley was regularly visited by foreigners, domestic tourists, and visitors. There is no well-defined booking and reservation system except in the competitive hotel market, two types of hotels. 70% of hotels still maintain the traditional registers method for guest entry. 41.7% of hotels are located in Mingora, followed by Kalam with 21%, Bahrain with 16.4% guestroom, Madyan shaped 11.2%, and Mindam is 9.5% in guestrooms.

## HOTEL CONSTRUCTION PHASES

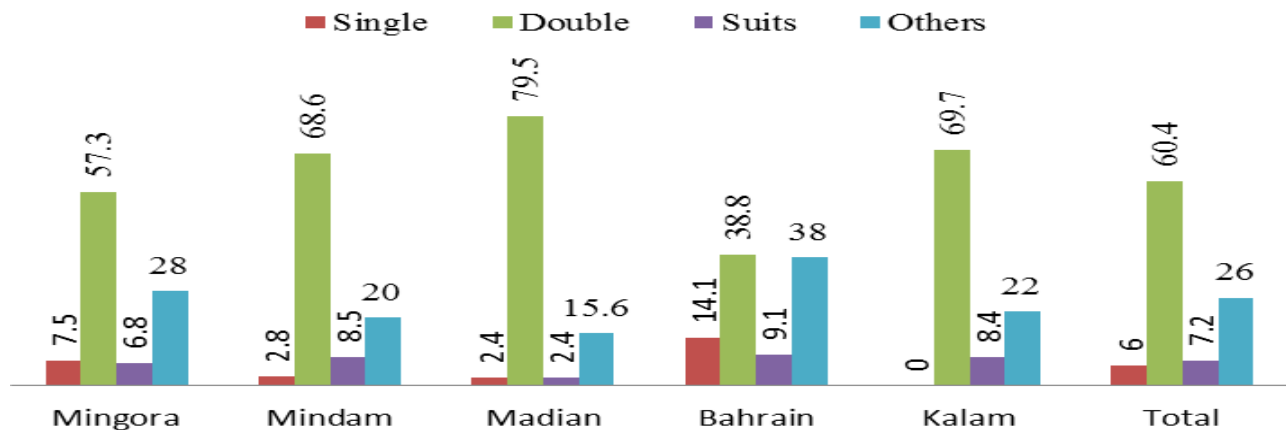


**Figure 2:** Hotel development phases

Hotel properties 11.8% are those with 1-10 Rooms, 35.3 % have 11-20 rooms, again 35.3% having 21-30 Rooms, 17.7% having more than 31-40 guest rooms. Hence combined, the hotel establishments having 11-30 rooms formed 70.6% of the total establishments. The size distribution of the lodging industry in Swat mostly consists of medium-sized units of 11-30 Guestrooms. The average employment ratio in the Swat lodging industry is 13.9 person per establishment. It is high 20.6 persons in Mingora, 14.8 persons in Kalam, ten people in Bahrain, seven persons in Miandam, and 5.5 persons per establishment in Madyan.

Swat Valley shows that most of the hotels, 85.3% of the establishment having the provision of Hotel Restaurants in the Hotel. In comparison, 14.7 % have no functional restaurant or facility at all in the

## ACCOMMODATION AND STRUCTURAL RELATIONSHIPS



**Figure 1:** Rooms Types



hotel. About 50% of the hotel has less than 20 employees, while 64.7% of establishments have at least one trained employee before the conflict. After the conflict, 88.3% of hotels having at least 1 professionally trained employee. Manager monthly salary in 40% of the hotels range between Rs; 15000- 20000 and 20% above Rs: 20000. For 91% of the establishment gives 6000-8000 per month to waiters, room boys, helpers. The highest salary is observed in a government hotel followed by elite hotels known as hotel competitive market 2. The lodging industry is providing employability to the local and non-locals. It is observed that 73.5% of hotels having at least six employees from Swat, 26.5% of hotels having 1-5 local staff but 17.7% of hotels having at least 1-10 employees from other districts of KP, while 23.5% of hotels providing employability to at least 1-10 persons from Punjab. For 87% of hotels using PESCO & LPG cylinder as a source of energy, 32% of the hotel disposes the solid waste into a river while 30% give it TMA. 29% have a pet system on the premises. The number of rooms available for sales was decreased from 2006 to 2009, while due to insurgency hotels were close only a few hotels were open and again after in 2010 to 2012 in increasing by providing rooms for sales in the market.

## 5. CONCLUSION

Three approaches emerged; Swat is a rural economy and depends on agriculture and tourism. At the same time, tourism has a significant share of economic development. The Lodging Industry in Swat is dominated by SME businesses, owned and managed by locals (over 80%), provide employability and economic sustainability. Tourism is vital for the financial sustainability of the area, which leads to socio-cultural development. Swat's lodging industry is still managed conventionally, lacking centralized management, marketed and customer focus. The destination branding, marketing, and technology use will increase the skills and professionalism in services and attract more tourists. It is recommended to provide specific training in hospitality skills to modernize and professionalize the lodging industry. Lodging affects the income level of people and the tourism industry or vice versa. In Swat's period of terror was marked from 2007-2009, the situation leads to many socio-cultural turmoils in Swat valley. The revival of tourism made economic and social stability. Again it is tourism through which life is sustained in Swat, and the business is flourished back.

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