

# *A study on the Economic Development Model of Rural B&B under the Perspective of Public Governance: Construction and Evaluation*

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**Abstract:** This study aims to examine the construction and evaluation of an economic development model for rural lodging, focusing on the perspective of public governance. Given the research background, rural lodging is an emerging economic model that significantly contributes to promoting rural economic development and improving farmers' income. The research utilizes a literature review method to comprehensively analyse the current research status of economic development in rural B&Bs. Moreover, it presents a model for rural B&B economic development from the perspective of public governance. The model takes into account the roles and relationships of diverse stakeholders, such as governments, enterprises, and social organizations. It further explores elements such as cooperation mechanisms and resource coordination. Additionally, this study establishes an assessment indicator system that covers economic, social, and environmental benefits. In conclusion, this study provides valuable theoretical and practical insights for constructing and evaluating the economic development model of rural lodging from the perspective of public governance. It contributes to promoting the sustainable development of the rural lodging economy, fostering economic prosperity, and driving social progress in rural areas.

## 1. Introduction

### 1.1 Research Background and Significance

With the acceleration of urbanisation and the improvement of people's living standards, rural tourism has become an area of great concern. In this process, rural lodging economy has become an important part of rural tourism development. Rural lodging economy not only provides tourism accommodation services, but also drives the development of local economy and increases the income of local residents. In addition, the development of rural B&B economy can also promote the promotion of local traditional culture and the sustainable development of local economy. Although the development of rural B&B economy has potential and advantages, it also faces some problems and challenges. Firstly, the development of rural B&B economy needs support in terms of policy,

capital, technology and talents. Secondly, the development of rural B&B economy requires the cooperation and joint efforts of all parties. Finally, regulatory measures and responsibility sharing are also important issues in the development of rural B&B economy. In order to promote the development of rural B&B economy, the development model of rural B&B economy and its influencing factors need to be studied in depth in order to propose corresponding policies and measures to promote the sustainable development of rural B&B economy. Therefore, this thesis will study the development model of rural B&B economy from the perspective of public governance to provide references and suggestions for the government and enterprises.

## **1.2 A Synthesis of Studies on the Economic Development of Rural B&B**

The term B&B originally originated in developed countries in Europe and the United States, with the United Kingdom as the representative. Foreign scholars commonly use "B&B" (Bed and Breakfast) to refer to B&B. In this paper, B&B is defined as a hostel that provides food and lodging services for tourists in a rural environment.

### **1.2.1 A Study on Policy Support and Financial Support for Rural B&B**

The sustainable development of rural lodgings needs to follow the laws of market economy development and explore the combination of effective market and active government. Guided by the market mechanism, rural lodgings should achieve autonomous operation and sustainable development, while the Government should also actively play a regulatory role to ensure coordination with issues such as brand building, rural environment and cultural heritage protection<sup>[1]</sup>. Social tolerance and respect for the rural B&B service industry is increasing, and the Government has also provided policy support for young people working in the rural B&B industry<sup>[2]</sup>. Analysed from the three levels of government departments, industry associations and B&B owners, there is a general demand to promote the sustainable development of rural B&Bs in the coordination of government planning and regulation, association assistance and leadership, and owner characteristics construction<sup>[3]</sup>.

### **1.2.2 A Study on Infrastructure and Public Service Development**

Rural tourism infrastructure is inadequate and lacks special construction funds. There are problems with tourism reception facilities (including car parks, hotels, restaurants, etc.), tourist shopping facilities, recreational facilities, and medical and rescue facilities. In particular, the construction of public facilities for rural tourism, which is close to nature and has a deep cultural heritage, is not in place, limiting the development of cultural tourism<sup>[4]</sup>. There are also problems with the normative nature of B&B tourism infrastructure and tourism service management, which pose greater challenges and problems for B&B operators and regional regulators. These problems cannot ensure the healthy and stable development of rural B&B tourism<sup>[5]</sup>. In recent years, the development mode of rural B&Bs has undergone a major transformation. In the past, rural B&Bs mainly provided tourists with accommodation and catering services with rural characteristics in the form of agro-parlours. As agro-parlours are generally operated by remodelling their own homes, the houses are simply decorated, the accommodation conditions are poor, and the consumer experience is yet to be enhanced<sup>[6]</sup>.

### **1.2.3 A Study on Socio-Cultural and Traditional Preservation**

The excellent traditional Chinese culture is rooted in the countryside, and in the process of developing rural tourism, it is necessary to inherit and carry forward the excellent traditional culture,

excavate the excellent local culture, and form the IP with unique tourism attraction<sup>[7]</sup>. However, there are certain problems in the cultural protection of rural lodging in China. First, the lack of planning to destroy the original rural landscape. The lack of supporting facilities for rural tourism construction, repeated development has destroyed the environmental landscape. Second, the lack of rural cultural connotation. China's rural lodging tourism construction there is the phenomenon of following the trend, many owners to acquire the old house converted into a lodging, detached from the essence of the rural lodging and cultural connotation. The result is that rural lodging and ordinary hostels are no different, and the product offerings are similar<sup>[8]</sup>.

#### **1.2.4 A Study on Talent Development and Management**

The construction of rural tourism standardisation talent team needs to be strengthened urgently. Due to the weak ability of villages to attract outstanding talents, the rural B&B industry is difficult to attract high-level professional managers and service personnel. Many foreign investors are motivated by their personal feelings for B&Bs and the pursuit of capital, and lack professional B&B operation capabilities<sup>[9]</sup>. Therefore, cultivating a group of modern leading cadres and managers who know both the business of rural tourism and the theory and method of standardisation should be one of the important contents of the construction of rural tourism standardisation personnel<sup>[10]</sup>.

### **1.3 Research Objectives and Research Questions**

This study aims to explore the rural B&B economic development model from a public governance perspective and to construct a framework that can be used to assess the model in order to promote the sustainable development of the rural B&B economy and to provide references and recommendations for local governments and businesses. In order to achieve this aim, this study will analyze the following research questions: first, to understand the development model of the rural B&B economy from the perspective of public governance. Second, to study the key elements of the rural B&B economic development model, the influencing factors, and the relationship between them. Then, a framework for assessing the rural B&B economic development model is constructed to provide reference and decision support for governments and enterprises. Finally, the assessment framework is applied to propose improvement strategies and policy recommendations to promote the sustainable development of the rural B&B economy.

## **2. Theory of Public Governance**

Rhodes is a professor at the University of Newcastle upon Tyne in the United Kingdom and one of the leading exponents of governance theory. He believes that there are six different definitions of governance, one of which is new public management<sup>[11]</sup>. Osborne, on the other hand, argues that the content of new public governance consists of two main aspects: the relations of production of public services are co-produced and not only provided by the Government; and the mechanisms of distribution of public service resources are inter-organisational network mechanisms rather than intra-organisational mechanisms of rights and accountability<sup>[12]</sup>. Stoker integrates governance theories and perspectives, pointing out two important points: first, that the subject of governance is not limited to government, but also includes actors in social institutions and group organisations; and, second, that the subject of governance is not limited to government, nor is it confined to government authority and dictation, implying at the same time that the ability to get things done does not derive from the power of government alone. Therefore, the subject of public governance includes not only the government, but also social organisations and individuals. Only with the participation of multiple actors can governance be optimised<sup>[13]</sup>.

### 3. Model Construction of Rural B&B Economic Development under the Perspective of Public Governance

In the model of rural lodging economy development, the participating subjects assume distinct roles, and their relationships and interactions are crucial to the entire economic system. As a key public governance entity, the government assumes the roles of regulator, policy maker, and resource provider in the development of rural B&B economy. To foster the sustainable development of rural B&B economy, the government must establish pertinent policies and regulations. Moreover, the government is accountable for providing resource support, including infrastructure construction, environmental protection, and public services, to ensure the smooth operation of the rural B&B economy. Enterprises, acting as economic agents, play a central role in offering B&B services within the rural B&B economy model. Enterprises can take the form of B&B operators, farmers' cooperatives, or property owners. Their primary responsibility is to deliver top-notch accommodation and tourist experiences that meet the needs of visitors. Simultaneously, enterprises are accountable for resource utilization, economic efficiency enhancement, and job creation. Social organizations, including non-profit, community, and volunteer organizations, play a vital role in advancing social welfare and community development within the rural B&B economy. Social organizations can offer training and support to assist B&B operators in enhancing their management capacity and service quality. Additionally, social organizations can foster activities like community engagement, cultural heritage preservation, and environmental protection. This is shown in Figure 1.

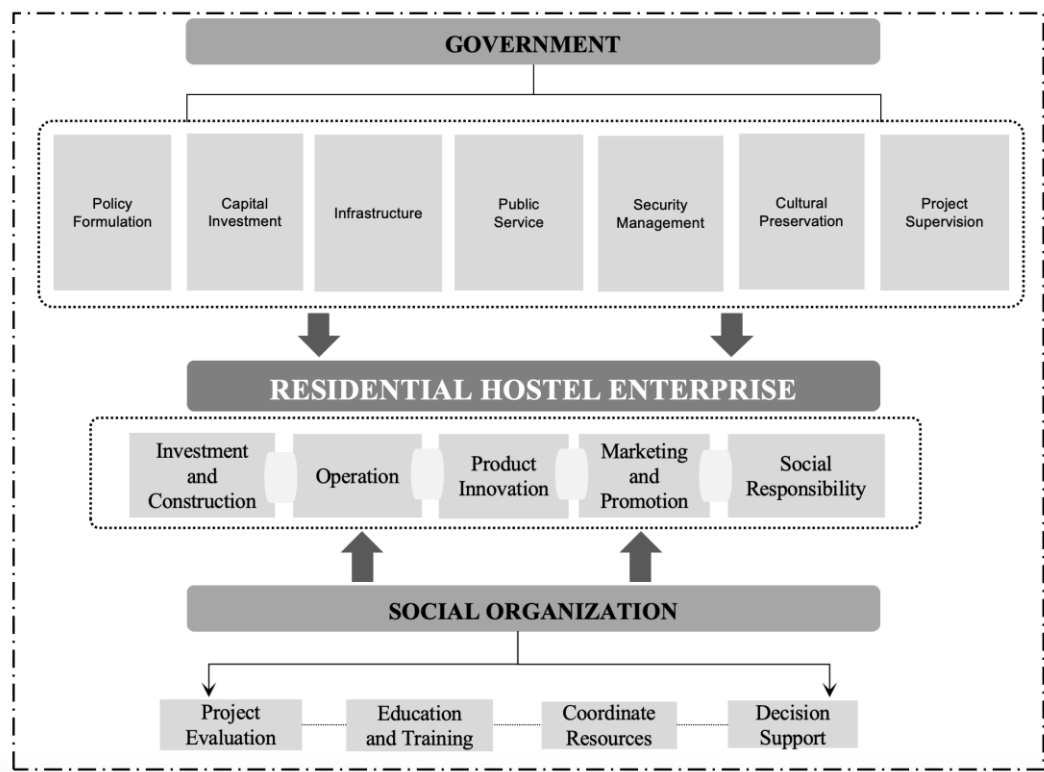


Figure 1: Relationship between surface tension and different graft with different concentration

## 4. Construction of Assessment Indicator System of Rural B&B Economic Development Model

### 4.1 Principles for the Selection and Construction of Assessment Indicators

To comprehensively assess the performance and effectiveness of the rural lodging economy, it is

necessary to construct a system of assessment indicators that consider various economic, social, and environmental dimensions. When selecting and constructing assessment indicators, the following principles should be considered: first, the indicators should be measurable and comparable. The assessment indicators should be quantified using available data and be comparable across regions and time to provide a comprehensive assessment of the development of the rural lodging economy. Second, the indicators should be representative and comprehensive. The assessment indicators should comprehensively reflect all aspects of the rural lodging economy, including economic, social, and environmental benefits, to ensure the comprehensiveness and accuracy of the assessment. Additionally, the selection of indicators should align with the principle of sustainable development. The assessment indicators should reflect the sustainability of the rural lodging economy, i.e., the coordinated development of the economy with society and the environment. Therefore, the assessment indicators should include indicators of economic, social, and environmental benefits. This is shown in Table 1.

Table 1: Evaluation Scale for the Rural B&B Economic Development Module (RBEDM)

	Type of Project	Evaluation Time	Assessment Score (1-10)
Assessment of Economic Benefits	Revenue growth Employment opportunity Return on investment (ROI) Local revenues Restructuring of the rural economy		
Assessment of Social Benefits	Rural tourism consumption Community integration Social equity and employment opportunities Social participation and democratic governance Social services and public facilities Social security and policing Socio-cultural preservation and transmission		
Environmental Benefits Assessment	Eco-environmental protection Resource efficiency Environmental pollution and waste treatment Value of ecosystem services Sustainable development index (SDI) Environmental education		

**Note:** The above times and results include both pre-tests and post-tests.

#### 4.2 Indicators for Assessing Economic Benefits

Economic efficiency is an integral part of the development of the rural B&B economy. The

income growth rate serves as an important indicator for assessing the economic efficiency of the rural B&B economy. By comparing economic data from different years or regions, it is possible to calculate the income growth rate of the rural B&B economy, thereby gaining insights into its development potential and economic contribution. The development of the rural B&B economy plays a crucial role in local job creation. Evaluation indicators can include the number, stability, and quality of jobs created by the rural B&B economy. By comparing investment and return, it is possible to calculate the return on investment of the rural B&B economy, thereby assessing its economic efficiency and sustainability. Additionally, it is necessary to assess the contribution of the development of the rural B&B economy to local fiscal revenues, as well as its role in adjusting and optimizing the rural economic structure and promoting rural tourism consumption.

### **4.3 Indicators for Assessing Social Benefits**

The rural B&B economy has significant economic and social impacts. The level of community integration serves as an indicator to assess the impact and integration of the rural B&B economy on the local community. The social benefits of the rural B&B economy can be assessed by examining its interaction with local residents, their level of participation, and their contribution to the preservation of the community's cultural heritage. The development of the rural B&B economy is closely linked to the preservation and protection of local cultural heritage. Evaluation indicators can include the preservation and promotion of local traditional culture, the protection and utilization of cultural resources, and other factors to assess the social benefits of the rural B&B economy. The rural B&B economy can contribute to tourism by engaging in social welfare activities that benefit society. Assessment indicators can include the rural B&B economy's engagement in social welfare activities and its contributions to the local community. Additionally, it is essential to assess the impact of the rural B&B economy's development on social safety and security conditions.

### **4.4 Indicators for the Assessment of Environmental Benefits**

The development of the rural B&B economy should prioritize environmental protection and sustainable utilization, with particular emphasis on the conservation and effective utilization of natural resources. Indicators for assessment may encompass the conservation and management of local natural resources by the rural B&B economy, as well as its impact on the ecological environment. When evaluating the environmental benefits of the rural B&B economy, an important indicator to consider is the assessment of energy consumption and emissions. By examining aspects such as energy utilization efficiency and the implementation of emission reduction measures, it is possible to evaluate the environmental impact and contribution of rural. Additionally, the assessment should encompass the preservation and enhancement of ecosystem services' value resulting from the development of the rural B&B economy, as well as its impact on sustainable development indicators such as carbon emissions and water usage.

## **5. Conclusions and Policy Recommendations**

### **5.1 Summary of Research Findings**

This study aims to deeply explore the construction and assessment of the development model for the rural lodging economy from the perspective of public governance. The study provides a detailed analysis of the participating subjects, role division, and interrelationships within the rural B&B economy. Through analyzing the roles of the government, enterprises, and social organizations in the rural B&B economy, we uncover their significance and interconnections. Additionally, we

explore the limitations of rural B&B economy development and propose recommendations. Firstly, the development model of the rural B&B economy involves multiple entities, including the government, enterprises, and social organizations, each with distinct roles. The close interrelationships among these entities are vital for the smooth functioning of the entire economic system. Secondly, the government plays a crucial role in the development of the rural lodging economy. Hence, it is imperative for the government to formulate appropriate policies and regulations that foster the sustainable development of this sector. Moreover, the government should provide resources and support in infrastructure construction, environmental protection, and public services to facilitate the seamless operation of the rural B&B economy. Simultaneously, enterprises serve as the economic backbone of the rural B&B economy and carry the primary responsibility of delivering B&B services. Hence, enterprises should devote themselves to offering high-quality accommodations and tourism experiences that cater to customer needs. Furthermore, enterprises should utilize resources efficiently to enhance economic efficiency and generate employment opportunities. Additionally, social organizations play a vital role in the economic development of rural B&Bs. They can offer training and support to assist B&B operators in enhancing their management skills and service quality. Moreover, social organizations can promote activities like community engagement, cultural preservation, and environmental conservation. Thus, the government, enterprises, and social organizations collaborate closely to foster the sustainable development of the rural B&B economy.

## **5.2 Policy Recommendations for the Development of Rural B&B Economy**

Firstly, the Government should strengthen its supervision of the rural B&B economy to ensure its healthy and orderly development. The Government should formulate relevant policies and regulations to regulate the operation of the rural B&B economy and improve the sense of responsibility and service quality of operators. In addition, the government should provide more resources to support infrastructure development, environmental protection and public services. The government can increase investment in the rural B&B economy, improve infrastructure conditions, protect environmental resources, and raise the level of public services in order to enhance the attractiveness and competitiveness of rural B&Bs. At the same time, the Government should also strengthen cooperation with enterprises and social organisations in order to form a good cooperation mechanism. The government can sign co-operation agreements with enterprises and social organisations to jointly promote the development of the rural B&B economy, and provide financial support, technical training and other assistance to promote the development of enterprises and social organisations. In addition, the government should strengthen the publicity and promotion of rural B&B economy. The Government can attract more tourists and investors to participate in the rural B&B economy and promote its rapid development by holding exhibitions, organising training and introducing preferential policies.

## **5.3 Research Limitations and Future Research Directions**

In this study, we conducted a preliminary analysis and discussion of the rural B&B economic development model, but there are still some limitations. Firstly, our study primarily focuses on the roles and functions of the government, enterprises, and social organizations in the rural B&B economy. However, further in-depth research is still needed to analyze other factors. Future research could explore the regional characteristics, consumer demand, and market competition of the rural B&B economy. Additionally, this study can further delve into the sustainable development of the rural B&B economy. Future research can explore topics such as improving the resource utilization efficiency of rural B&Bs, reducing environmental impacts, and protecting cultural

heritage. Finally, this study can incorporate empirical research methods to study the model of rural B&B economic development through field surveys and data analyses, aiming to more accurately assess its effects and influencing factors.

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