

Traditional Village Resort: A Specimen of Rural Bangladesh

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Abstract

Bangladesh is a densely-populated country but her promising economic strength can be boosted up by considering the manpower as a remarkable resource and noteworthy asset of the country. The mass populations predominantly live in the rural areas. Therefore, rural development must have always been focused to achieve economic sustainability for an agro-based developing country like Bangladesh. Overpopulation and poverty in the rural areas are the crucial problems which hinder the economic sustainability and overall progress. Sustainable rural development can be achieved by empowering rural population substantially. Entrepreneurship in rural villages can be considered as an effective mechanism to alleviate poverty and curb off the tendency of rural-urban migration. Furthermore, rural entrepreneurship must be aimed to address social problem and to resolve it persistently. “Social Business” is an ideal approach of serving humanity and strengthening the rural economy where profits gained by the business are reinvested in the business itself with the goal of increasing social impact. The study has been based on developing a social business idea. Since Bangladesh has her own glory and pride in the historical background as well as the country is enriched with diversified elements of culture and is bestowed with natural beauty, “Traditional Village Resort; A Specimen of Rural Bangladesh” – a social business idea has been proposed. To check the feasibility of the project idea a field study by questionnaire survey and focus group discussions have been carried out through which manifold dimensions of aspects and findings are identified and analyzed sequentially.

***Keywords:** Traditional Village Resort, Rural, Tourism, Social Business*

1 Introduction

“Rural Development” connotes the concept of improving the living standard of impoverished people living in the rural area and strengthening themselves economically (Coombs and Ahmed, 1974). The prime focus of Rural Development is to enhance the management of existing resources for achieving sustainable development in the long run. Social Business is an instrument to alleviate poverty from the rural areas of Bangladesh (Goetz and Gupta, 1996).

An ideal form of social business model can be based on rural tourism. Robust prospect of operating a social business that intends upon rural tourism, is present here in Bangladesh. Furthermore, community based tourism is an effective step to empower the rural people and to set the stage for Bangladeshi Culture in international platform. There was a project of Yunus social business named Ruralive in Columbia. Hence, in Bangladesh similar type of project can be undertaken.

1.1 Objectives

1. To assess the suitability of village people and feasibility of project for promoting rural development and social business.
2. To identify the SWOT of the project and analyze them in the perspective of social business and rural development.

1.2 Idea of the project

To provide people the chance of feeling the authentic rural life the idea of “Traditional Village Resort; A Specimen of Rural Bangladesh” is introduced. The idea is basically incorporating the village people to establish a village resort and then operate it. The consumers will be the local and international tourists who will come to visit the ancient historical sites of Bogra district, they will have the homestay opportunities in the traditional

houses in the rural area and they will be guided to visit the historical sites by good transportation facilities and will enjoy traditional foods, cultural activities, traditional sports, village walk sessions etc. Everything will be offered by the resort and the employees will be the village dwellers. There will be provision of selling souvenirs to the tourists which will be made and crafted by the creative minds and people with special skills of the village like blacksmiths, potters, basket makers, curved glass bottle makers, Nakshi Katha (tapestry) makers directly. There will be a co-operative society of the villagers to initiate the business and skill development sessions will be carried out before launching the business. The consumers will be able to come close to the nature and to perceive the life of the rural people, additionally they will get to know about the historical significances and evidences. The idea aims to empower the rural people by providing employment opportunities and enhancing their skills. The idea considered the potential of rural eco based tourism and address to reveal the historical significance and exclusive cultural background to the entire world.

2 Literature review

2.1. Social business

Social business is a business which is created and designed to address a social problem and a non-loss, non-dividend company which is financially self-sufficient and the profits realized by the business are reinvested in the business itself or used to start other social businesses, with the aim of increasing social impact, for example expanding the company's reach, improving the products or services or in other ways subsidizing the social mission (Yunus, 2009).

2.2 Social business in rural development

Social business is the new focal point and it can be an effective tool for rural development which is the consent of around 2000 rural policy officials and experts of the world. As part of social business, the goals of the company are determined and led by social benefits rather than financial returns. (Rahman, 2013).

Contribution of social business is a powerful intrinsic motivator that outshines the drive for money, prestige and power in building deep and lasting commitment and it combines all level of people in a platform that contribute *both* economic and social value. The most remarkable attribute of social business is its ability to make small look and act large (Rosenblatt, 2013).

2.3 Case Study: Ruralive in Columbia

There was a project of Younus social business named Ruralive in Columbia. The objective of the project:

- ✓ Improve the quality of life for rural families living in (extreme) poverty through rural tourism. Rural families improve their homes through a housing fund, which is financed by the tourists staying with these rural families.
- ✓ In this manner tourists get to experience the “real” Colombia by sharing the lifestyle of farmers and witnessing their activities.
- ✓ Develop an additional touristic destination that will focus on community development and increase the standard of life in these communities (within an integral community development framework).
- **Investment Proposal:** \$35,600 USD per tourist destination.
- **Business Model**
 - ✓ Through their virtual platform and marketing strategy, Ruralive connects tourists with families in the local community.
 - ✓ The tourist pays a basic fee of \$35 USD per night, which includes lodging, meals and the opportunity to experience traditional activities.
 - ✓ The proceeds are distributed accordingly: 65% of the profit goes straight to the community and 35% is used to cover operative, administrative and commercial costs.
- **Social Impact**
 - ✓ 6 families (24 beneficiaries) share a housing fund that averages \$111 USD per family.
 - ✓ 47 adults have received workshops about community building, business administration, entrepreneurship, and handcrafting.

3 Study Area Profile

The study area of this project was the villages near Mohasthangarh of Bogra. The total Mohasthangarh area including all historic places and adjacent potential villages to establish resort were selected as the study area.

3.1 Location of the Area

The villages where the social business model will take place are situated in Gokul union of Bogra Sadar Upazilla. Gokul Pashchimpara, Palashbari Dakkhinpara, Ramshahar are the villages surrounding the Gokul Medh (Lokhinderer Bashor Ghor).

3.2 Justification of the study area:

The three villages of Gokul union are situated surrounding the historic sites of Bogra, which annually attracts thousands of tourists. The historic places of Bogra are given below: 1. Mahasthangarh 2. Gobhindo Bhita (temple) 3. Khulnar Dhap (temple) 4. Mangalkot (temple) 5. Godaibari Dhap (temple) 6. Totaram Panditer Dhap, (monastery) 7. Noropotir Dhap (Vashu Bihara, a group of monasteries) 8. Gokul Medh (Lokhinderer Bashor Ghor, temple) (Department of Archeology, Ministry of Foreign Affairs, Government of People's Republic of Bangladesh, 2003).

4 Methodology of the study

The methodology of the study was fixed upon different steps. These are 1. Case Study Analysis and Literature Review 2. Project topic selection Idea of Social Business 3. Site Selection 4. Identification of Target Market 5. Producers, Consumer and Supply Line 6. Preparation of Co- Ordination Schema 7. Questionnaire Design 8. Questionnaire Survey 9. Data Analysis 10. Viability and Reflection of the project idea 11. Final Report.

Here, Questionnaire design, survey and data analysis all three of these steps were done into two separate parts. One is "Producers' Part" and the other one is "Consumers' Part". The viability and reflection of the Project idea step was sub divided into 3 parts. 1. Linkage of Human Component, Material Component 2. Business Strategy 3. Sustainability, Scalability, Replicability and S.W.O.T analysis. In business strategy segment three components were fixed; 1. Cost Estimation 2. Financial Modelling 3. Financial Modelling.



Figure 1: Mohasthangarh
Source: Field survey, 2014



Figure 2 : Gokul Medh
Source: Field survey, 2014

5 Reflection of The Project Idea and Viability

The project elements and findings have been categorized into two groups- Human components and Material components.

5.1 Human component

The survey has been conducted into two groups. Producer part and Consumer part.

Producer Part: The education rate is satisfactory in the village and the drop off rate is not which shows the awareness of the people. Migration rate is very low. People are members of Grameen Bank from where they get micro credit through which they are combating the challenges of poverty successfully. Social awareness is higher. Women of the villages are concerned to be educated. As the "Behula Lokkhinder er Bashor" is visited by number of tourists every day, people are already used to deal with the tourists as well as to guide and welcome them properly.

Reflection of the project idea: Training needs to be provided to the rural people for enhancing skills comprising several sectors like technical, maintenance, security and management.

Consumer Part: All the foreigners are eager to visit Bangladesh to know more about her culture, art, tradition, history and heritage. The foreigners want to stay in the traditional houses of rural Bangla during their visit. They are willing to spend a good amount of money to stay in the rural villages and for purchasing goods from here which will lead to economic development in the villages. They also recommended that they do not have clear perception over the ancient history and its significance so global exposure of historic sites is needed. The local urban people are also willing to stay in the resort and come close to the nature.

5.2 Material components

- **Housing:** The selected villagers of the study area will share their housing with the guests. Total 40 rooms will be shared by the households of “Ramshahar” Village. After the producer survey and focus group discussions have been conducted, it has been found that the interest and willingness rate of the people is 76.1% among the total respondents (Field survey, 2014). So, the existing houses can be used for the business and no further construction is needed.
- **Infrastructure:** For road network facility, it has been found out from the secondary data source that approximately 19 k.m. road is Pucca, the main feeder road is Pucca as well. The well managed transportation and communication system has excelled the idea.
- **Utility Facility:** It has been found that the electrification is done by Rural Electrification Board in the whole village and 100% people have electricity connection. Every household has its own arsenic free tube-well.
- **Food Supply:** While conducting the survey it has been observed that the vast paddy fields beside the roadside supply crops all through the year and thus village is self- sufficient for food supply. So the total supply of the food can be obtained from the village in relatively lower price.
- **Souvenirs Selling and Entertainment:** In Ashugola village of Gokul Union, Blacksmith and traditional “Tapestry” makers’ women (Nokshi Kantha) are earning their livelihoods by their occupations. In Ramshahar and Polashbari village the women make traditional cane basket, glass frames, creative designed little glass bottles. The cultural minded people living in Gokul Union are found to be willing to sing “Bhawaiya” Songs and they want to perform in the cultural functions arranged by the resort for the entertainment of the guests.
- **Abundant Historic Sites:** The archaeological evidences of ancient civilizations of thousands of years ago are unequivocally significant to the enthusiastic tourists. To facilitate the visitors there will be arrangements of vans and battery operated auto vehicle which is environmentally safe.



Figure 3: Rice field and pucca road

Source: Field survey, 2014



Figure 4. Blacksmith area named ‘Ashugola’
Source: Field survey, 2014

5.2.2 Linkage

To elaborately enter into the tourism market, both “Business to Business (B to B) and “Business to Customers (B to C)” link will be established. For Business to Business link the project will register for the membership in both ATAB (Association of Travel Agents Bangladesh) and TOAB (Tour Operators Association of Bangladesh) to reach the customers travelling home and abroad. Advertisement and promotion part will be carried out through both of these two links.

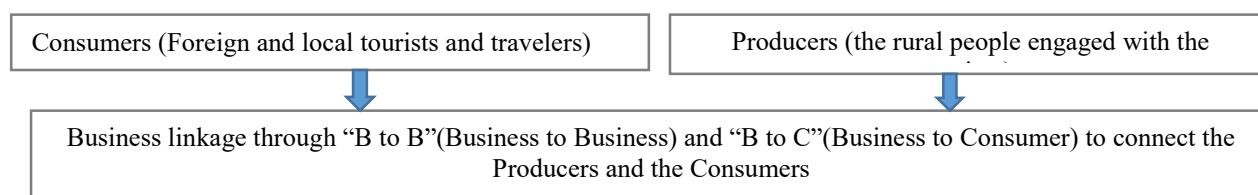


Figure 5. Linkage between the producers and the consumers
Source: Field survey, 2014

5.3 Business Plan and Strategies

5.3.1 Work plan: Phases of the Social Business

Phase 1: Producers' Part:

- Community Participation is the way of achieving collective strength to enhance the way of empowering the rural people. So a community co-operative society will be established.
 - Raising fund from Grameen Bank, Yunus Center, Donor Agencies.
 - Vocational Training on agriculture and integrating technology to improve existing situation and language skill development for enhancing communication skill.

Consumers' Part:

- A website, facebook and twitter page, travel blogs at Tumblr etc. to attract the online customers will be introduced.
- Creating bank accounts, bKash accounts to ease the payment and booking systems for the customers.

Phase 2:

- New Cottages will be built for the guests on the uncultivated land and the waste land.
- Train up the van and the battery automated drivers to assist the guide and the tourist.
- Develop app for the tourists for navigations, guideline, history.

5.3.2 Social business model canvas

A business model is highly needed to operate a successful business as it is helpful for creating visions over a business.

Table 1. Social business model canvas

Key Resources: People of Ramshahar village of Gokul Union, funding raised by organizations	Key Activities: Establishing resorts for the tourists where they can stay and feel the traditional rural life, providing foods for them, and providing packages to guide them visiting the historical sites, facilitating transportation facilities.	Type of Intervention: As Service homestay package, guided package for historical sites will be provided. As Products foods and traditional souvenirs will be provided.	Segments : The beneficiaries will be the rural people of Gokul Union. The consumers will be the local and international tourists.	Value Proposition : The rural people will be empowered and get employments which is the social value. Impact measure will be done by rural development As the customer value proposition; the tourists will know about traditional rural Bangladesh and her history and culture.
Partners + Key Stake Holders: The rural people of Gokul Union, local and international tourists, archaeological department, UNO of Thana, NGO.		Channels: by tour operators, facebook page, website, embassies, twitter page.		
Cost Structure: Expenditure for the resort, food expenditures, transportation and guiding the tourist.		Surplus: Will be used to scale up the project for more rural people to be involved with project, rural development and historic site preservation	Revenue: All will be used for scaling up the project and the welfare of the rural people.	

Source: Field survey, 2014

5.4 Economic Viability

5.4.1 Cost Estimation

For initialization of the project, some costs have been determined as fixed cost which are necessary for homestay of the tourist. Per unit costs of all the elements have been calculated and total calculated fixed costs will be 8,05,000 BDT to initiate the project. After initialization, the cost for running the business is identified as variable

cost per month. For example, security cost has been determined by assuming ten people needed for security job by paying BDT 3000 each person and then total amount has been fixed for the expense of security. Similarly, BDT 10,000 has been fixed for cooking expense for six person team. There will be total fifteen person management team paying into two classes according to their position. There will be 10 guides for tourist attending. Then, transportation and food costs per month are also identified for the project. Then the variable cost for the project has been calculated 9,05,000 BDT. Total monthly cost including 30% for safety measure= $(805000+905000) + 30\% (805000+905000) = 22, 23,000$ BDT.

5.4.2 Cost Recovery

Assumptions for the project: **1.** Consumers are assumed to be available for two weeks in a month. **2.** 40 persons of a group per week. **3.** From the tourist, 25 of them are foreigner and 15 of them are Bangladeshi. The room rent has been fixed as \$80 only per day for foreigner including all costs like transportation, food etc. And BDT 1500 for Bangladeshi people. Thus, the cost recovered in the project from the room rent is total BDT 25, 55,000 per month where the estimated cost for our project is BDT 22, 23,000. Then, the conclusion of the calculation of the economic viability comes to the point that the project is viable and feasible to initiate and run successfully.

5.5 Administrative Organogram

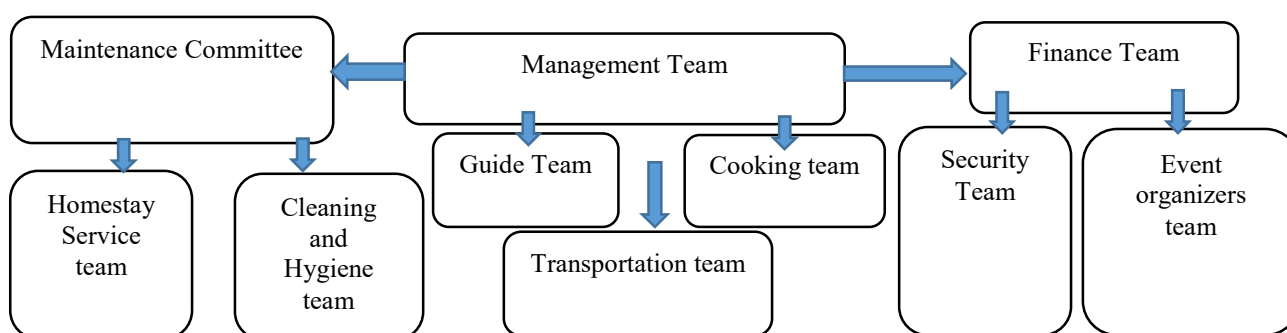


Figure 6: Administrative organogram depicting different business teams for the operation of business
Source: Field survey, 2014

5.7 Scalability and Replicability of the Project

The revenue which will be earned; will be focused to scale up the project. The prime objective of scaling up is to emerge the social business and engaging more rural people with the project. As a result, different types of employment opportunity will be generated and the empowerment of rural people will staged in the rural context. By building strategic partnership with government ministries and intergovernmental organizations the expansion of the project will be well achieved. Replicability is another aspect of the project. If the project will have been operated successfully in Gokul Union then this rural tourism can be taken as a model.

5.8 Sustainability

5.8.1 Economic sustainability

After the calculation of the cost estimation and cost recovery it has been concluded that the project is viable and feasible to initiate. The cost benefit from the project will be invested on the development and management of the resort.

5.8.2 Physical sustainability

The social business model will flourish the rural activities and resources and diminish the urban encroachment in the simple rural lifestyle.

5.8.3 Social sustainability

The project will be an efficient tool in alleviating poverty and creating employment opportunity. Sincere security and management team will be responsible for the security of the foreign tourist.

5.9 SWOT analysis

SWOT analysis is a structured planning method to identify the strengths (S), weaknesses (W), opportunities (O) and threats (T) of an organization, product, place or person. In this case, this technique is used to assess what this business idea can and cannot do, as well as its potential opportunities and threats.

Table 2. SWOT Analysis

Internal	Strength <ol style="list-style-type: none"> 1. Willingness to participate. 2. Abundant agricultural lands and adequate utility facilities. 3. Good condition of housing 4. Conserved Historical important sites. 5. Strong unity and cohesion among village people. 6. Already existence of many NGOs and community based organizations 7. Improved transportation facilities. 	Weakness <ol style="list-style-type: none"> 1. Absence of modern technologies. 2. Lack of confidence and dearth of risk taking mentality. 3. Presence of some fake multilevel marketing companies.
External	Opportunities <ol style="list-style-type: none"> 1. Satisfactory rate of education and literacy will be helpful for the people to adapt training. 2. Global exposure of the historical significances. 3. Inclusion of print and media sector. 4. Initial funding from NGO and IT Company. 	Threat <ol style="list-style-type: none"> 1. Risk of response of foreign tourist. 2. Luxurious hotels in towns may create distraction. 3. Tendency of people to adopt non-farm activities rather than farm activities to earn their livelihoods. 4. Existence of village politics.

6. Recommendation and Conclusion

6.1 Recommendations

- The Archaeological Department of Government should come forward to have collaborations with the project.
- The village people often cannot trust the people from outside to set up a business because a multi-level marketing company abused the money they collected from the village people. Government should take necessary steps to introduce laws and legislations to control the fraud companies.
- Government should take necessary steps to spread the news of historical significances and the value of archaeological evidences internationally.

6.2 Conclusion

The social business idea based on rural tourism is an initiative to address the rural impediments against development and to resolve those by incorporating the village people and the community. Resources of rural areas are abundant nonetheless these are to be organized and utilized to achieve sustainable development which has been identified through the study. A developing country like Bangladesh can never step ahead excluding the rural community. Thus, the social business idea of rural tourism will reveal a new dimension in the rural development context.

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