

# The market foundation and development prospect of Chinese folk house

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**Abstract:** In recent years, with the continuous economic development, the tourism industry has developed rapidly in China. Different from previous express inn, residence inn has emerged as a new accommodation style. Residence inns allow tourists to be personally on the scene using unique geographical environment and original folk customs, satisfy the tourists' needs of being close to nature and returning to nature, and have a broad market basis. But because residence inn starts late in China, is still in its infancy at present, therefore it has many problems in the development process. In order to solve this problem, this paper analyzes the development situation of residence inn and the problems existing in its operation, and researches residence inn using electronic technology, so as to put forward suggestions contributing to sustainable and healthy development of residence inn in China.

**Key words:** Residence inn; market basis; development situation; management strategies

There are large populations, large national land area and many landscapes in China. Nowadays tourism becomes a choice for relaxation and entertainment by increasingly more people. As the unique local style and the affordable price, residence inn gradually becomes a choice for tourists. Tourists living in residence inn can enjoy humanized and considerate services, personally integrate into the local culture, feel the enthusiasm of the local people and experience unique local conditions and customs. However, residence inn develops late in China, and has some problems in its operation process: residence inn is characterized by small quantity and small scale, and is relatively scattered. In addition, residence inn lacks local characteristics as well as system management methods. To solve these problems, this paper puts forward some improvement measures: providing convenient services for tourists by running inns using modern science and technology; establishing brand awareness, building residence inn with local characteristics, and then improving the management level to promote sustainable and stable development of residence inn.

## 1. Concept of residence inn

Residence inn mainly refers to the family hotel with Chinese characteristics. Residence inn aims to provide tourists with services integrating accommodation and play using the house of the owner, and with the household as the subject, so as to obtain certain economic benefits. Different from the previous express inn, residence inn has abundant cultural

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connotations, small scale, low price and the unique local cultural deposits, so that tourists feel to be personally on the scene, experience the local folk customs and feel the local conditions and customs of the local residents. Residence inn is a way to return to nature, so that tourists are away from the urban hustle and bustle, return to the original nature, forget the life pressure, and experience another way of life.

## **2. Status of residence inn**

With the tourism development in China, the tourist demand is increasingly more diverse. The tourists are no longer merely content with appreciating the scenery with their eyes, but pursue from the original sightseeing to leisure experience-based tourism, and then rise to look for personalized tourism with unique feel, which are three different levels of tourism. Since launching the adventure tourism of going across Lop Nor, the tourism style, such as experiencing the rural life of peasants, living in residence inn to experience the local culture, and feeling the local folk customs response, has aroused response of increasingly more tourists. Residence inn not only meets the accommodation needs of the tourists, but pursues to satisfy the tourists' psychology of exploration, thorough psychological relaxation, and experiencing civilian life of different ethnics. In fact, residence inns in many ancient cities have become a part of the tourism contents of tourists, and are the results of experience-based tourism that residence inn adapts to tourists.

## **3. Market basis of residence inn**

### **3.1 Regional structure**

In the old town of Lijiang, for example, tourists mainly come from Beijing, Shanghai, Sichuan and other places and the central region of Yunnan province. The residents in these areas have considerable income and relatively high living standards. People have leisure time to arrange tourism and love for the ancient city. Living in residence inn also becomes the choice for most people. In addition, foreign tourists also account for a large proportion. For example, Yangshuo West Street and Dali Foreigner Street are known for the massive influx of foreign tourists. In order for foreign tourists to better feel the local ethnic culture, and experience the authentic folk customs, residence inn with the local characteristics naturally becomes their first choice. The two parts of people are an important part of the tourist source of residence inns in ancient cities.

### **3.2 Occupational structure**

In recent years, more and more young students are involved in the tourism activities. Such tourists spend less, but are an undisregardable tourist source market for residence inn. Young students have much leisure time besides learning, can plan for tourism, and are on a small scale. Residence inn of low price becomes the choice for more and more young students. In addition, residence inn has strong cultural atmosphere, contains local cultural characteristics, and can further attract more young people full of romantic visions. Besides young students, white-collar workers and other office workers are also important tourist sources for residence inn. Such people have considerable income and usually have high working pressure. Tourism is undoubtedly the first choice for relaxation, and residence inn with local characteristics also becomes the choice for most white-collar workers. Here, they can get close to nature, return to nature, temporarily forget the annoyance of work, and enjoy the quiet and comfortable life. It serves to show the proportion of such tourists.

### **3.3 Types of tourists**

Lovers and backpackers are also an important tourist source market for residence inn. Lovers have low family burden, much leisure time, and relatively large probability of tourism. Residence inn characterized by affordable price and

unique landscape are selected by more and more people. Here, lovers can enjoy the services integrating accommodation and recreation, feel the local cultural characteristics, and experience the enthusiasm of the local people. In addition, backpackers are also an important tourist source for residence inn. Backpackers comprise many types of tourists, and have different disposable income for tourism, but most of them choose residence inn to rest. This is the distinctive feature of the backpacker group. As an important tourist source market, lovers, backpackers and other tourists have unneglectible influence.

## **4. Present situation of residence inn**

As one of the most beautiful natural landscapes in China, Dali is a first choice for many tourists to go on vacation and relax themselves. The continuously developing inns have created the unique inn culture of Dali. However, behind the prosperity, Dali inns still have some disadvantages.

### **4.1 High additional charges**

According to the related media reports, Yunnan Price Bureau and Dali are to jointly collect high protection money from inns near Erhai. This means that each residence inn of Linhai? will be charged as high as CNY 2000 per month. The "protection money" to be paid by residence inns each year may account for 10% of their business revenue, and is far higher than the protection money standard proposed by the Provincial Price Bureau. This behavior will bring a lot of pressure to the operation of residence inns. If the room rate is increased for tourists, it is not conducive to the sustainable development of residence inns.

### **4.2 Much potential safety hazard**

In recent years, with the development of the tourism industry, large quantities of residence inns are built, but the infrastructure is unable to keep pace. Most of the sewage from residence inns is directly discharged into seas, seriously polluting the Dali environment. In addition, many inns in Dali do not have business licenses, the health safety of residence inns can't be guaranteed, and the infrastructure is not perfect, which cannot meet many needs of tourists.

### **4.3 Lack of service-oriented personnel**

Residence inns in Dali have gradually developed relying on the unique cultural characteristics of Dali, but are short of service-oriented personnel, so that the overall service level of residence inns is low. Because of the high staff turnover, weak service consciousness of local people, and shortage and high introduction cost of professional talents at present, many residence inns lack service-oriented personnel, and suffer from poor management operation and high cost, thereby hindering the development and promotion of residence inns.

## **5. Management countermeasures of residence inn**

### **5.1 Skillful use of modern science and technology**

Tourism is based on service. Convenient and intelligent service is more advantageous to attract the attention of tourists. The most fundamental for future tourism e-commerce development is still the combination of services with science and technology. In recent years, the continuous development of tourism network marketing has attracted the attention of many tourists. Residence inn can also be run using e-commerce. The information, prices and included services of residence inns are released in the form of website, so that tourists can choose appropriate residence inns according to their own needs, and directly complete the transaction on line, which is simple and convenient. The boss of residence inn can also provide tourists with humanized and considerate online services that can't be seen but can be felt through the network platform, and by means of science and technology.

## 5.2 Set up the brand awareness

Residence inn can be built into a unique residence inn taking advantage of the local folk house style and unique local conditions and customs. In Lijiang, for example, residence inns can be built into buildings not only complying with the united image of the ancient city, but also having unique characteristics taking advantage of the culture of the ancient city. In this way, tourists can fully enjoy different experience from express hotels and other family inns, so that consumers can publicize the inns by word of mouth. In many of the ancient town in the whole China, the culture and folk customs of various ancient towns are different, but inn culture in the ancient towns has similarities in ancient times. With this characteristic, we can establish a chain brand of inns all over China, which is more conducive to the management and development of the residence inns.

## 5.3 Improve the management level

In terms of residence inn business, the biggest problem should be in the aspect of operation management. There is not a unified industry standard of management. For such problems, it is necessary to strengthen staff training, enhance the comprehensive quality of employees. Employees should keep the business philosophy in mind, provide tourists with humanized and considerate services, meet the reasonable requirements of tourists as far as possible, and set up the brand service consciousness of inns. In order to improve the management level, relevant departments also need to strengthen supervision of residence inns, formulate relevant regulations, followed by timely spot check, and supervise health, price, etc. of residence inns, so that residence inns are characterized by affordable price and sanitary safety.

Conclusions: In recent years, tourism industry has developed rapidly in China. Residence inn becomes the choice for more and more tourists by its affordable price, unique advantages, etc. Tourists in the residence inn can feel the charm of nature and experience the local ethnic characteristics. But in China, the residence inn is still in its infancy and has many problems in the process of operation and management. This paper analyzes the present situation of residence inn in China, and puts forward some improvement measures to promote the development of residence inn.

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