

# Study on the Rural Tourism Development Model in China

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**Abstract — The study of rural tourism development model is focused by more and more scholars, and the perspective of development and management is mostly used. In this paper, on the basis of existing researches, five types of rural tourism development models are summarized and extracted, and the operation mechanism, interest distribution mechanism, the evaluation of advantages and disadvantages, and suitable conditions are systematically analyzed, so as to provide a reference for different types of rural tourism destinations to choose an appropriate rural tourism development model.**

**Keywords:** *China; Rural Tourism; Development Model*

## 1. Introduction

Rural tourism not only provides tourists with many tourism products such as idyllic scenery and rural customs experience, but also helps increase the income of peasants and realize the interaction between primary and tertiary industries, thus promoting the rural social and economic sustainable development. Therefore, the rural tourism rapidly develops in the whole country. Different rural tourism development model has a close tie not only with whether the rural tourism sustainable development will be realized, but also with the rural tourism destination management effect, the participation of local residents, and the model of profit distribution. Therefore, the study of rural tourism development model is focused by more and more

scholars. Among the existing studies, the perspective of rural tourism development and management models is mostly by scholars such as Lu Yang (2005) [1], Pan Shunan (2007) [2], Peng Yanping (2007) [3], Liu Rui (2010) [4], Guo Jianying (2008) [5], Chen Zhiyong [6], Zhao Chenghua (2012) [7], and Wang Jin-na [8]. But the papers for systemically studying the operation mechanism, distribution mechanism, advantages and disadvantages evaluation, and appropriateness of various rural tourism development models are rare. In this paper, therefore, five types of rural tourism development models are summarize and extracted on the basis of existing domestic studies, and the operation mechanism, interest distribution mechanism, advantages and disadvantages evaluation, and appropriateness of various rural tourism development models are systematically analyzed, so as to provide a reference for different types of rural tourism destinations to choose an appropriate rural tourism development model.

## 2. Domestic rural tourism development models and evaluation

### 2.1 Peasants' self-support rural tourism development models

The self-support rural tourism development model gives top priority to peasants' spontaneous and retail management and mainly includes "household-household linkage" model and "individual farm" model. All the earnings from these two kinds of management models belong to the peasants. The two models can increase the

peasants' income and promote the tourism revenue to stay in rural communities, thus play a role in promoting the rural economic development and industrial structure adjustment to a certain extent. But the two models are with weak market competitiveness and also limited to the long-term development of rural sceneries.

## **2.2 Community organizations oriented rural tourism development model**

Community organizations oriented rural tourism development model mainly refers to the development model that rural community (village collective) organizations and villagers voluntarily participate in. It is referred to as "community organization +peasants' participation" model.

Profit distribution is as follows: the earnings from community management are distributed equally according to the interests of the peasants. The earnings from the tourist projects autonomously developed and managed by peasants are owned by peasants themselves.

Advantage and disadvantage evaluation is as follows: this model improves the village collective economic strength to a certain extent and provides condition for the improvement of the integrated environment and infrastructure of the rural communities and also helps increase villagers' income. In the meantime, rules are made by rural communities to protect the rural tourism resources and the local traditional culture. But this model is essentially still independently, dispersedly developed by peasants.

The model is appropriate for the rural areas possessing high-quality rural tourism resources, the low level of economic development, and the weak village collective economic strength.

## **2.3 Government-led rural tourism development model**

Government-led rural tourism development model refers to the "governmental leadership+the villagers' participation" model. The government provides preferential policies and authorizes and supports the local peasants to

independently operate the related catering and lodging reception projects such as happy farmhouse and family hotels, for the goal of expanding the peasants' income channels and improving their living standards.

Interest distribution is as follows: the peasants are required to pay the relevant taxes and management fees in the process of autonomously managing the tourism projects, and the remaining proceeds are owned by peasants.

Advantage and disadvantage evaluation is as follows: it is beneficial to increase the peasants' income and protect the rural tourism resources and local traditional culture; the low tourism products grades are not conducive to the long-term development.

This model is appropriate for the rural tourist destinations in the large tourist areas led by the government.

## **2.4 The rural tourism development model independently managed by enterprises**

The most significant feature of the rural tourism development model independently managed by enterprises is that rural tourism destination is independently developed and managed by a tourist enterprise. It is specifically classified into three kinds of models.

### *2.4.1 The "village enterprises" model*

The "village enterprises" model refers to the rural tourism model independently developed and managed by the enterprises financially supported by village collectives (or communities). In the model, the rural tourism development activities are controlled by villagers, and villagers can work in these enterprises.

Interest distribution is as follows: all the earnings deducting costs, dividends and welfare are owned by the village enterprises; villagers get wage income, year-end bonuses, and village collective welfare.

Advantage and disadvantage evaluation is as follows: in this model, all the tourism income is accumulated in rural tourism areas, so that the purpose of increasing the peasants' income,

avoiding the unordered competition, expanding the village collective economy, and promoting the development of the rural tourist destinations is achieved. But long-term planning and market control are absent, and there are some limitations on the tourist product innovation and enterprise management.

This model is appropriate for the rural areas possessing powerful rural collective economic strength.

#### *2.4.2 The "foreign enterprises" model*

In the "foreign enterprises" model, foreign investors are attracted by the local government through invitation for bids or contract leasing to establish tourism enterprises, or foreign investment enterprises are directly introduced, so as to independently get involved in the rural tourism development and management activities. The rural tourism destinations developed in this model are agricultural or rural themed parks.

Interest distribution is as follows: all the earnings deducting costs and taxes are obtained by tourism enterprises.

Advantage and disadvantage evaluation is as follows: this model is conducive to promoting the value of rural tourism destinations and the continuous innovation of rural tourism products, but also easy to force the tourism enterprises to excessively make use of the resources and give rise to ecological environmental damages for the sake of the self-development needs.

This model is appropriate for the rural areas 1-2 hours far away from the urban economic circles, on two sides of the main traffic arteries and fast travel tracks, or where there are rich rural customs and agricultural resources, but no local people to live.

#### *2.4.3 The "joint-stock company" model*

The "joint-stock company" model means that a travel company is jointly established and shared by foreign investors (or enterprises), rural communities, and local residents. The development and management of rural tourism destinations are independently operated by this type of companies. In the model, the foreign

investors become a shareholder using elements such as capital, market, and technology. Rural communities and residents evaluate the owned tourism resources and land resources and convert into company shares [2], or can get shares through cash or labor investment and become shareholder to share interests.

Interest distribution is as follows: the earnings are distributed according to stock dividends and related work.

Advantage and disadvantage evaluation is as follows: community residents, as company shareholders and employees, directly get involved in rural tourism development decision-making, management, and the distribution of interests, community and peasants' rights and interests are protected, and the enthusiasm of peasants is easy to arouse, but the equity is dispersed so that the management decision-making is difficult.

This model is appropriate for the rural tourism destinations possessing the attractive rural tourism resources.

## **2.5 The mixed rural tourism development model**

The mixed rural tourism development model refers to the sharing tourism revenue model under the alliance or collaboration of many subjects, aiming to jointly develop and manage the rural tourism. According to different development subjects, this model is divided into two basic types of models.

#### *2.5.1 The "company + peasant household" model*

In the "company + peasant household" model, the interest communities for rural tourism development and management are constituted by tourism companies and peasant households, aiming to jointly carry out the rural tourism development and management.

Interest distribution is as follows: travel companies obtain revenues by collecting franchise fees and management fees from the contracted peasants; peasants make earnings by

providing the services such as sightseeing, catering, and accommodation for tourists.

Advantage and disadvantage evaluation is as follows: this model is helpful for standardizing peasant household management, improving service quality and brand image, and avoiding the generation of sunk costs, but is easy to make products simple and have no characteristics.

This model is generally appropriate for the rural tourism destinations (e.g. special tourism villages) providing standard services and tourism products.

#### *2.5.2 The "government + company + community (rural tourism association) + travel agency" model*

The "government + company + community (rural tourism association) + travel agency" model is a rural tourism development model featuring sustainable development. Specifically, the government is mainly responsible for rural tourism guide, planning, infrastructure construction, and rural ecological environment protection.

Interest distribution is as follows: government gets taxes; government, tourism companies, communities (tourism association for peasants), and travel agencies obtain the tourism revenues in accordance with the investment ratio; the earnings obtained by community residents mainly include three types: (1) travel company employees get salary income; (2) staking travel companies get stock dividend income; (3) tourism revenues are obtained based on the self-management catering and accommodation projects.

Advantage and disadvantage evaluation is as follows: this model is conducive to the full utilization of the rural idle labor force, idle assets, and unemployed rural culture, further promoting the adjustment of rural industrial structure, expanding the rural employment ways, increasing the peasants' income, and improving rural infrastructure services construction and environment.

This model is appropriate for the rural tourism destinations possessing abundant rural tourism resources and a certain social tourism development foundation.

### **3. Conclusion**

The operation mechanism, distribution mechanism, and appropriate conditions of any rural tourism development models will be different, but also there are advantages and disadvantages in each model. Therefore, rural tourism developers and operators need to choose an appropriate rural tourism development model in accordance with the different development conditions, different subjects and different development goals of rural tourism areas, for the ultimate goal of fostering strengths and avoiding the weaknesses, and promoting the development of rural tourism areas.

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