

Abstract

“No Room at the Inn” The Role of the East London Bed and Breakfast Industry in the Promotion of Local Economic Development.

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This research report discusses the nature of local economic development (LED) in South Africa and how the pursuit of tourism and tourism related initiatives can potentially contribute to its achievement. The subsector of the East London bed and breakfast industry is the key focus area of this report as little has been written about B&Bs’ contribution to tourism- driven LED despite their dramatic growth in number over the past two decades. This research is important as it explores the assumption that any tourism-related development is good for a community and it shows that in many cases the alleged benefits of tourism are found wanting.

This report uses in depth interviews, surveys and questionnaires to gather data from B&B owners, staff and guests in order to formulate a comprehensive picture of the B&B industry in East London and thus try to understand it within a broader LED context. Cross-references are completed to better understand the revenue stream classifications of the different B&B owners while income spending analyses are also conducted on B&B workers to unpack the wealth flow patterns of their salaries.

The results of these analyses indicate the B&B sector does not significantly contribute to the achievement of LED and that enforced regulation is needed for it to be more economically helpful in the long term.