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KEY POINTS

- Alternative accommodations are an important part of Southeast Asia's tourism ecosystem—more than 300,000 properties were booked in 2022.
- Governments have taken different approaches to managing alternative accommodations depending on destination needs and the level of tourism industry development.
- Legally defining alternative accommodations and implementing online registration systems would lessen regulatory uncertainty among alternative accommodations property owners and help destinations better manage this rapidly growing economic activity.

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Alternative Accommodations in Southeast Asia

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INTRODUCTION

This brief examines the state of alternative accommodations in Southeast Asia and presents policy recommendations to strengthen their regulation and management in Cambodia, Indonesia, Lao People's Democratic Republic (Lao PDR), Philippines, Thailand, and Viet Nam.

In this brief, the term "alternative accommodations" refers to a range of non-hotel accommodation types that are often associated with commercial online platforms such as Airbnb, Booking.com, or one of the more than 20 similar global, regional, and national online marketplaces. In Southeast Asia, lodging is typically regulated by property type rather than by stay length, making a property-based description more appropriate than a length-of-stay-based description. The term includes short- and long-term rentals (i.e., more than 28 consecutive nights) which are a growing subset of the alternative accommodation ecosystem.

Most countries in Southeast Asia have not yet fully integrated alternative accommodations into their tourism policy and regulatory frameworks. The evolving situation presents opportunities and challenges to nurture this increasingly important economic activity.

BACKGROUND

In 2019, travel and tourism contributed 11.7% to Southeast Asia's gross domestic product (GDP) and sustained nearly 42 million jobs, with millions of workers engaged in the accommodation subsector (OECD 2023). Alternative accommodations, which include homestays, guesthouses, apartment rentals, villas, room rentals,

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camping, and even liveaboard boats are a rich subset of Southeast Asia's travel and tourism accommodations ecosystem. Such accommodations play an important role in bolstering a destination's tourism competitiveness by offering unique and flexible lodging options. Another benefit of alternative accommodations lies in their ability to cater to varying budgets and travel preferences, attracting a broader range of visitors and thus helping to diversify visitor markets. Moreover, visitors who choose alternative accommodations tend to immerse themselves in community activities, fostering authentic cultural experiences and generating positive local economic impacts. By supporting tourism accessibility, promoting community engagement, and generating supplementary income for property owners and residents, alternative accommodations complement traditional accommodation options like hotels and resorts and can contribute significantly to tourism diversification.

While the growth of platforms like Airbnb, Booking.com, and Agoda—and government programs supporting community-based tourism—have contributed to increased visibility, numbers, and the accessibility of alternative accommodations, such properties are often less strictly regulated than hotels and resorts. Governments have therefore begun to consider more robust regulatory and management approaches toward alternative accommodations to strengthen consumer protection, prevent negative externalities, and capture forgone tax revenues. Strengthening the alternative accommodations regulatory environment is also important to improve business confidence and enable property owners to access funding and other resources.

Alternative accommodations make up an estimated 45%–55% of the total official room supply in Cambodia, Indonesia, Lao PDR, Philippines, Thailand, and Viet Nam.[1] While some countries have yet to officially define alternative accommodations, others have an explicit definition or define them by exclusion from hotels and other property types (Table 1).

Table 1: Alternative Accommodations Definitions

Cambodia	• The Ministry of Tourism defines accommodations as (i) hotels, (ii) guesthouses, and (iii) homestays. Alternative accommodations are not specifically defined. • Informally, the term alternative accommodation implies a homestay, smaller guest house or boutique hotel rooms, and camping sites. • Properties can register as a guesthouse or hotel and the license fee depends on the number of rooms. Accommodations with one or few rooms register at the commune level, so are usually not included in national data.
Indonesia	• Alternative accommodations are defined at the national level by KBLI as smaller properties consisting of fewer than 10 rooms and are considered micro businesses. • The term covers youth hostels, villas, bungalows, cottages, campgrounds, caravan stops and trailers, guest houses, and liveaboards. • Homestays are also included in this category (*pondok wisata*), but the specific destination should offer at least five homestays to reflect community involvement and cohesion.
Lao PDR	• The term includes small guest houses, tree houses (prevalent in northern Lao PDR), homestays, farm stays, and campsites consisting of fewer than 15 rooms.
Philippines	• There are definitions for some, but not all non-hotel accommodation types. • The term covers homestays, apartment hotels, home sharing, and Mabuhay[a] accommodations.
Thailand	• Accommodations consisting of 8 or fewer rooms, or 30 or fewer beds. In 2023 this was updated from a previously defined 4 or fewer rooms, and 20 or fewer guests. • Accommodations not representing a primary source of income.[b] • The term covers tourist villas, campsites, villages, apartments, guesthouses, and houses with rooms for rent.
Viet Nam	• The term covers tourist villas, tourist apartments, cruise ships, tourist guest houses, houses with rooms for rent (homestay), tourist campsites, and other tourist accommodation establishments. Each of these terms is legally defined.

KBLI = Klasifikasi Baku Lapangan Usaha Indonesia, Indonesia's business classification system; Lao PDR = Lao People's Democratic Republic.

[a] Tourist inn, pension house, motel, bed and breakfast, vacation home, hostel, and other similar accommodation establishments. https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/10/90444.

[b] Thailand Ministerial Regulation 2551, Act 2547.

Source: Government consultations.

[1] Calculated based on AirDNA data and government accommodations supply estimates. Note some alternative accommodations properties are only available for rent during a portion of the year.

ALTERNATIVE ACCOMMODATIONS: BENEFITS AND CHALLENGES

Alternative accommodations bring social and economic benefits but can create management challenges for destinations. While benefits to visitors reflect the rise in popularity of alternative accommodations, destinations also benefit by integrating this accommodations type into their tourism supply chain. However, when not properly managed alternative accommodations can negatively impact a destination by straining public services, creating a nuisance for residents, and eroding tax revenues, among others.

Table 2 illustrates common benefits and challenges.

ALTERNATIVE ACCOMMODATIONS: SUPPLY AND DEMAND

Alternative accommodations are a significant component of visitor spending in Southeast Asia. Table 3 highlights how at just 40% annual occupancy alternative accommodations generated more than $1.8 billion in 2022. Since most governments do not track alternative accommodations or have incomplete market information, data obtained by the aggregator AirDNA is used as a proxy, which allows for consistent comparison across countries.

Table 4 shows the distribution of total accommodation rooms in the countries reviewed and percentages of "other" non-hotel rooms, here used as a proxy for alternative accommodations. The table includes only registered or licensed properties, so the actual number of rooms is likely higher.

Table 2: Alternative Accommodations Benefits and Challenges

Benefits	Challenges
Economic and employment benefits. Broadening accommodation options has positive impacts on the local economy and tourism employment (Dogru et al. 2020; Xu and Ye 2021).	**Government revenue.** Unregulated alternative accommodations may result in loss of government revenue via forgone taxes and licensing fees.
Reduced leakage. Most alternative accommodations revenue tends to be reinvested locally. Supporting locally owned businesses is an effective way to combat economic leakage (Airbnb 2018; Maneejuk, Yamaka, and Srichaikul 2022).	**Hotel industry health.** Uneven tax and regulatory requirements can negatively impact the hotel industry, particularly lower-priced hotels that compete with less-regulated alternative accommodations (Zervas et al. 2017).
Benefit distribution. Alternative accommodations tend to be more geographically distributed, diversifying tourism activity and spending, and economic opportunities for residents (Lodgify 2017).	**Housing affordability.** In housing-constrained destinations alternative accommodations may impact the residential housing supply or marginally increase residential housing costs (Harvard Business Review 2021; Harvard Business Review 2019; Colomb and Moreira de Souza 2021).
Increased visitor arrivals and diversified source markets. More accommodation options for visitors at different price points and in different locations increase destination competitiveness, lessen seasonality, and strengthen resilience (Dogru 2022).	**Safety and security.** Lack of oversight and accountability may reduce consumer safety. Frequent guest turnover in noncommercial areas also increases residents' safety and security concerns.
Access to unique experiences. Properties managed by locals provide visitors with opportunities for authentic experiences, boosting consumer satisfaction.[a]	**Infrastructure.** Unregulated alternative accommodations may also cause socio-spatial change and strain local infrastructure such as water supply, waste management systems, and transport (Municipal Research and Services Center 2017).
Lower barriers to entry. Lower risk and capital investment requirements make developing part- or full-time accommodations attractive to residents.	**Nuisance.** Visitors can create noise and other nuisances that disrupt residential areas not designed to support high numbers of tourists (Municipal Research and Services Center 2017).
Flexible asset use. Alternative accommodations can optimize infrastructure by (i) putting underutilized properties to use and generating revenue for property owners, and (ii) helping address overbuilt housing markets by absorbing excess inventory.	**Data issues and tourism planning.** Lack of occupancy and renter information due to informality makes governance, data disclosure, and tourism planning and monitoring more challenging.

[a] While apartments and homes are by far the most common type of alternative accommodations in Southeast Asia there are also 2,400 farm stays; 2,300 nature lodges; 630 earth houses; 350 campsites; 350 treehouses; 20 caves; and even 7 windmills.

Sources: AirDNA, academic research, and industry publications.

Table 3: Alternative Accommodations Characteristics, 2022

	Listings Booked	Average Annual Occupancy (%)	Average Length of Stay (Days)	Average Daily Rate ($)	Total Revenue ($ million)
Southeast Asia	317,300	40	2.4	112	1,898.0
Cambodia	3,000	29	2.9	63	6.0
Indonesia	73,700	44	2.7	179	752.0
Lao PDR	400	27	2.9	58	0.6
Philippines	63,900	36	2.2	70	221.0
Thailand	65,400	43	3.1	144	479.0
Viet Nam	44,300	32	2.4	68	110.0

Lao PDR = Lao People's Democratic Republic.
Source: AirDNA, accessed 16 April 2023.

Table 4: Total Accommodation Rooms by Country: Hotel and "Other"

	Total Rooms	Hotel Rooms	Other Rooms (Alternative Accommodation Proxy)	Other Rooms as a % of Total Rooms
Cambodia (2020)	80,200	44,400	35,800	45
Indonesia (2022)	788,500	358,400	430,100	55
Lao PDR (2021)	60,800	29,600	31,300	51
Philippines (2019)	270,900	...	...	...
Thailand (2022)	777,400	...	...	...
Viet Nam (2022)	780,000	454,600	325,400	42

... = data not available, Lao PDR = Lao People's Democratic Republic.
Sources: National tourism agency estimates, industry research. Figures may not sum precisely due to rounding.

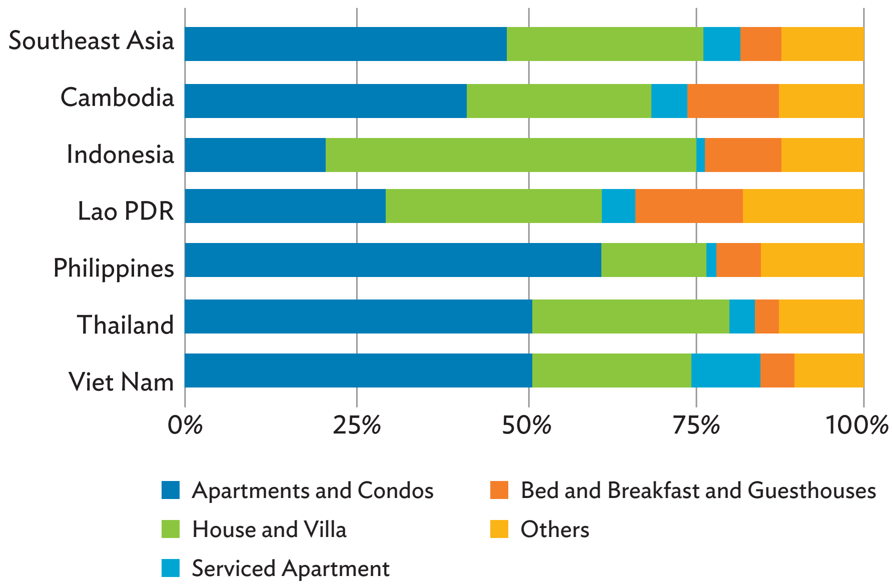
Alternative accommodations thrive because they offer a different experience from traditional hotels built for short-term stays. They are typically used for leisure rather than business travel, although this is changing as remote work arrangements become more popular. The figure shows that apartments and condominiums make up most non-hotel online listings overall, with wide variations by country. In the Philippines, more than 60% of properties tracked by AirDNA are apartments and condominiums, whereas in Indonesia, which has a strong house and villa marketplace, just 21% of properties are apartments and condominiums. Lao PDR has relatively few listings but the most diversified offerings. Almost 20% of properties tracked by AirDNA in Lao PDR fall outside of the predominant categories.

In addition to different property types, alternative accommodations offer diverse amenities. More than 75% of alternative accommodations have kitchens and 17% are pet friendly. These amenities appeal to a broader range of guests, especially families, lifestyle migrants, seasonal residents, and domestic guests. Spatial analysis shows that alternative accommodations are widely dispersed across Southeast Asia and found in over 535 locations, of which more than 200 locations have 10 or fewer properties.[2]

Alternative accommodations enjoyed steady growth before the coronavirus disease (COVID-19) pandemic. Between January 2018 and January 2020, alternative accommodations listings in Southeast Asia increased by an average of 19% per year, varying between –5% to 40% per year (Table 5). After COVID-19,

[2] AirDNA, Active listings as of March 2023.

Figure: Alternative Accommodation by Property Type



Lao PDR = Lao People's Democratic Republic.
Source: AirDNA, accessed 1 March 2023

most countries saw alternative accommodations numbers dip temporarily, with 27% fewer listings in January 2022 compared to January 2020. Cambodia, Lao PDR, and Thailand were hit the hardest, whereas Indonesia, the Philippines, and Viet Nam were less affected. However, as of January 2023, most countries have recovered or surpassed pre-COVID-19 levels. Only Thailand and Lao PDR are still in the process of rebuilding supply.

The data in Table 5 reflect low barriers to entry and the ability of alternative accommodations operators to quickly respond to demand changes. The occupancy rate for alternative accommodations properties in Southeast Asia was 40% in 2022 or 90% of the 2019 occupancy rate.[3] In comparison, the regional hotel occupancy rate was 58% in 2022, only 79% of 2019 occupancy rates (STR 2022).

Table 5: Alternative Accommodations Online Listings (2018–2023)

	2018	2019	2020	2021	2022	2023	Compound Annual Growth Rate (2018–2020) (%)	January 2023 compared to January 2020 (%)
Southeast Asia	210,200	268,600	299,400	254,800	219,200	301,200	19	101
Cambodia	4,300	4,700	4,000	3,000	2,500	4,000	(5)	100
Indonesia	45,200	54,200	60,900	56,200	50,500	68,400	16	112
Lao PDR	350	560	620	570	400	500	33	80
Philippines	33,600	44,000	48,400	41,700	40,500	63,700	20	132
Thailand	60,300	72,000	76,700	62,400	49,400	55,800	13	73
Viet Nam	23,600	38,900	46,000	41,400	36,700	...	40	...

... = data not available, ( ) = negative, Lao PDR = Lao People's Democratic Republic.
Source: AirDNA, accessed 16 April 2023. Numbers may not add up due to rounding.

[3] AirDNA. Occupancy rates, March 2022–February 2023. *https://www.airdna.co/vacation-rental-data*.

As occupancy rates rise, countries are setting ambitious tourism growth goals that may strain the existing accommodations infrastructure. For example, Thailand has set a target of 80 million international visitor arrivals by 2027, about double the number of 2019 arrivals. Thailand also has more than 100 million domestic trips per year. Destinations' ability to achieve their growth goals will depend on meeting the needs of changing traveler demands and accommodations preferences. These include unique and unfamiliar cultural experiences, well-managed nature-centered destinations, reconnecting with family and friends, and a continued blending of work and leisure travel (Booking.com 2023), all of which favor alternative accommodations.

LEGAL AND POLICY ENVIRONMENT

The regional alternative accommodations legal and policy environment is nascent, with regulations typically set at the national level. This approach is useful for standardization but becomes difficult when local destinations have unique needs and objectives. In some of the countries reviewed, national agencies set and enforce regulations, while in other countries, enforcement is delegated to local government agencies. There is no standard template fit for all destinations. Appropriate solutions incorporate national and local objectives, for example, tourism growth, product diversification, skills development, optimizing taxation, public safety, and destination livability. Table 6 summarizes select alternative accommodations policy issues raised by government stakeholders during the preparation of this brief.

Definitions. As shown in Table 1, alternative accommodations terminology and definitions in Southeast Asia broadly encompass property type and sometimes occupancy limits. All jurisdictions would benefit from defining alternative accommodations in laws governing accommodations or related subordinate legislation.

Registration. Mandatory business registration is a minimum requirement for improving alternative accommodations regulation. Registration provides the government with the basic information needed to manage accommodation supply and understand supporting public infrastructure and service needs.

Effective registration systems should be simple and online to reduce friction and encourage compliance. Countries reviewed in this brief have business registration systems in place, however, varied compliance and the limited availability of digital information impede government efforts to integrate alternative accommodations data into planning frameworks and tourism statistics.

Quality standards. The safety and well-being of guests are paramount for all types of accommodation businesses. Alternative accommodations should be required, at minimum, to meet government safety standards for residential properties. Governments can also incorporate sustainability requirements or incentivize alternative accommodations registration to support broader development objectives. Collecting location data as part of the business registration process would help governments map alternative accommodations and screen potentially risky operations in disaster-prone areas. Safely located properties can be integrated into government emergency planning, supporting safety for all.

Taxation. Fair taxation across the entire accommodations sector can prevent alternative accommodations from gaining a price advantage over hotels or other heavily regulated and taxed accommodation types. This minimizes unfair competition and ensures that guests pay taxes regardless of where they stay. Efficient and effective alternative accommodation taxation can be supported through partnerships with online accommodation platforms (OECD 2022). While several countries in Southeast Asia impose value-added tax and other tax obligations on alternative accommodations, in 2023 only Malaysia was using online platforms to collect and remit tourist taxes directly to the government on behalf of property owners (Mysoftinn 2017). Partnerships like these can help reduce tax evasion and ease compliance for registered properties.

Interagency coordination. A challenge faced by all countries is that alternative accommodations regulation and management are spread across multiple agencies and levels of government. This complicates interagency coordination and collaboration to address the issues discussed in this section. Delegating

Table 6: Alternative Accommodation Policy Issues

	Cambodia	Indonesia	Lao PDR	Philippines	Thailand	Viet Nam
Definitions	✗		✗	✗		
Registration	✗			✗	✗	
Quality Standards		✗	✗	✗	✗	✗
Taxation	✗		✗	✗	✗	✗
Interagency Coordination	✗	✗	✗	✗	✗	✗

✗ = issues directly identified by the government and private sector, Lao PDR = Lao People's Democratic Republic.
Source: Government consultations.

enforcement to provincial and municipal governments also presents challenges, as they may be insufficiently resourced or incentivized to coordinate with national agencies on regulation and management issues.

Table 7 provides a snapshot of how alternative accommodations are regulated and taxed in the six countries reviewed. Most countries require registration or a license to operate legally, with varying tax regimes. Requirements to follow building codes and safety regulations differ by country and location. For example, in Cambodia, alternative accommodation operators must comply with fire safety and health standards established by the local authorities, while in the Philippines, operators must comply with national building codes.

Alternative accommodations regulatory approaches beyond Southeast Asia also vary considerably by country (Box). Commonalities in Australia, the Republic of Korea, and Spain include mandatory registration and compliance with building safety codes. Regulations are complex in the Republic of Korea and Spain and are seen by many property owners as challenging and expensive to comply with, thus dampening alternative accommodations investment in some destinations. While congested destinations may see this dampening as a desirable outcome, those pursuing growth may not. Restrictions pertaining to the number of nights a property can be rented and property types eligible for rental are other common tools used to regulate supply. In cities like Barcelona, Spain, these restrictions play an important role in helping the city address its main concerns: housing shortages and over-tourism. Similar restrictions in other destinations would have different results.

Table 7: Alternative Accommodations Regulatory Requirements and Taxes

	Regulatory Requirements	Taxes
Cambodia	• Smaller hotel and guesthouse properties under eight rooms are required to register under the Law on Tourism (1999), Sub-Decree on Classification of Hotels and Guesthouses, and receive a license at the commune/district level. • Guesthouses with fewer than 20 rooms register with the provincial government. Properties with more than 20 rooms register with the Ministry of Tourism.[a] • Other alternative accommodations operate in a legal gray area. • Apartment units or other types of properties with one to two rooms are not required to register. • All businesses in Cambodia are required to register with the Ministry of Commerce to get a business and tax number before they get a license from the relevant ministry.	**National:** **VAT:** 10%, remitted to the government, at the level with which the property is licensed (commune, provincial, national) **Accommodation Tax:** 2%
Indonesia	• According to the Ministry of Tourism and Creative Economy Law No. 4 of 2021,[b] all accommodation types are required to apply for a permit with the national government, via the Online Single Submission. • Depending on the type of accommodation and its associated risks, properties are monitored by different levels of government. Most alternative accommodations are domestically owned and managed by provincial, district, or city governments. They are considered "low risk" due to their size. • The permitting process also includes standards requirements.	**National:** **VAT:** 11% **Homestay Tax:** 0.5% applied to homestay accommodations **Local:** **Hotel and Restaurant Tax:** 10% for costs associated with rooms, collected by the local or provincial government
Lao PDR	• Tourist accommodations are regulated by the 2013 Tourism Law No. 32/NA and the 2017 Decree on the Organization and Operation of the Ministry of Information, Culture and Tourism No. 95/PM. • Most alternative accommodations register with provincial Departments of Information, Culture, and Tourism. • Provincial and district authorities are responsible for managing licensing requirements. • Most alternative accommodations do not need to apply for a special license; however, they are responsible for properly remitting required taxes to village and district authorities.	**National:** **VAT:** 10%, remitted to the national government **Accommodation Tax:** 3%, remitted to the national government

continued on next page

Table 7 *continued*

	Regulatory Requirements	Taxes
Philippines	• All accommodation types are legally required to be accredited and to have a business license under the Interim Accreditation Guidelines from the Memorandum Circular No. 2020 – 005. The Department of Tourism issues accreditation via an online application system, but also requires inspection by the department's regional office. • The local government issues business permits and ensures that accommodations and businesses are properly licensed. • Accommodation types that do not fit into an accreditation category, such as home sharing in condos, are still required to apply for a business license from the local government units, even if they cannot obtain Department of Tourism accreditation.	**National:** **VAT:** 12%, remitted to the national government, most transferred back to local government **Local:** **Business Permit Tax:** Local government tax associated with business permits
Thailand	• Hotels are regulated under the Hotel Act B.E. 2547. • Alternative accommodations do not need to comply with all hotel regulations; however, they do need to apply for a letter of registration (per the Hotel Act B.E. 2547). • Local administrative authorities are responsible for managing licenses and enforcing the above law. • Properties are required to register guests with immigration officials.	**National:** **VAT:** 7% remitted to the national government **Local:** ***Or Bor Jor* Tax:** The provincial administrative office may add a tax of up to 3% of accommodation revenue, collected by the local government
Viet Nam	• The Ministry of Culture, Sports and Tourism, Viet Nam National Administration of Tourism oversees 4–5-star tourist accommodation establishments including hotels, tourist villas, tourist apartments, and tourist cruise ships, while the provincial departments of tourism oversee 1-3-star and equivalent types. • All accommodation types are required to register and obtain a license from the relevant national or provincial authorities. • Enforcement responsibility lies with the licensing government department. • The Law on Tourism 2017, Law No. 09/2017/QH14 establishes requirements for the minimum conditions on materials, technical facilities, and services for each type of tourist accommodation as well as requirements on security and order.	**National:** **VAT:** 10% remitted to the national government **Corporate Income Tax:** 20%, collected by the national government or **Personal Income Tax:** 2% for family businesses

Lao PDR = Lao People's Democratic Republic, VAT = value-added tax.

[a] The government has plans to increase this limit to 30 rooms.

[b] Ministry of Tourism and Creative Economy Law No. 4 of 2021 - Standards For Business Activities in the Implementation of Risk-Based Business Licensing in The Tourism Sector.

Source: Government consultations, industry research.

Box: Alternative Accommodations Regulatory Approaches in the Republic of Korea, Spain, and Australia

Republic of Korea. The Republic of Korea has a series of laws that strictly regulate alternative accommodations. Key laws include the Tourism Promotion Act (2022) and associated decrees, and the Building Act (2013) which regulates single homes, multi-family homes, apartments, and townhouses, among others. These laws reflect the Government of the Republic of Korea's aim to balance the growth of the sharing economy with the need to protect local communities and housing markets.

Spain. Almost all of Spain's major cities have some form of alternative accommodation regulation. In cities such as Barcelona, Madrid, Bilbao, and the island of Mallorca, alternative accommodation laws have come about in response to concerns about housing shortages, promoting the right to housing, reducing the effects of gentrification and displacement, and the impacts of over-tourism on residents. Barcelona strictly regulates alternative accommodations in line with the Special Tourist Accommodation Plan (2015). The plan regulates the number of tourist-accommodations licenses, which had expanded from 81 in 2005 to 9,606 in 2015, and permissible activities (Ajuntament de Barcelona 2017). From October to March 2023, cities such as Cádiz, Toledo, San Sebastián, Girona, and Burgos also approved new restrictions or were in the process of doing so.

New South Wales, Australia. In 2021, New South Wales, Australia began implementing a statewide regulatory framework to improve alternative accommodations management (NSW Department of Planning, Industry and Environment 2021). The framework was introduced to provide more certainty and safety for locals and visitors while benefiting homeowners who want to take advantage of holiday rental income-generating opportunities. The framework includes four key components: a clear definition, a simple and online statewide register, a mandatory code of conduct, and an exclusion register. The simplicity of the registration system and streamlined requirements have led to high compliance and straightforward enforcement.

Source: Author's compilation.

POLICY CONSIDERATIONS

Make registration easier. Alternative accommodations should be clearly defined and have simple online registration systems and licensing requirements to foster the private sector's ability and willingness to register their property. The New South Wales, Australia approach, with its simple online registration system paired with codes of conduct, is a user friendly model. Some countries, like the Lao PDR, for example, already have guidelines detailing expected visitor and host behaviors that could be adapted in registration agreements. Critically, even simple registration systems require defined categories under which alternative accommodations can apply.

Support enforcement capacity. Almost all countries included in this assessment indicated that varying degrees of enforcement capacity are a challenge. Building government enforcement capacity (or if delegated to the private sector, capacity to self-enforce), streamlining the number of regulatory agencies to reduce friction, and establishing partnerships between the government and industry are important steps to address this challenge. Engaging private online alternative accommodations platforms to help enforce licensing and taxation requirements by listing only licensed properties and collecting and remitting accommodations-related taxes would create incentives to boost regulatory compliance.

Increase access to quality data. Formulation of quality regulatory solutions requires access to data and other information that may be managed by different government agencies or owned by private online platforms. Policies to strengthen collaboration across public sector agencies, both national and local, and with private platforms to access and analyze tourism and accommodations data is critical to developing a comprehensive understanding of the alternative accommodations ecosystem, and insights about how to better manage it.

CONCLUSION

Alternative accommodations are an important component of modern travel and tourism ecosystems. They represent a booming trend among consumers and entrepreneurs in Southeast Asia, offering diverse guest experiences that complement existing hotel options. To better harness the potential benefits and minimize negative impacts of alternative accommodations, destinations must have appropriate and effective regulations in place to maintain safety and quality standards, ensure fair competition, and strengthen destination governance in alignment with local socioeconomic development and environmental management objectives.

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