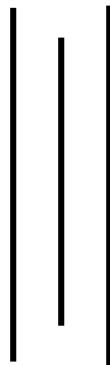


**TOURISM MARKETING AND PROMOTION IN ASIAN
MARKET BY NEPAL TOURISM BOARD (NTB)**

**Submitted By:
Sanam Shakya
Patan Multiple Campus
Campus Roll No.: 103/063
T.U. Regd. No.: 7-1-256-102-2001
Second Year Symbol No.: 4422/65**

**A Thesis Submitted to:
Office of the Dean
Faculty of Management
Tribhuvan University**



*In Partial fulfillment of the requirement for the degree of
Masters of Business Studies (M.B.S)*

**Kathmandu, Nepal
April 2011**

RECOMMENDATION

This is to certify that the thesis

Submitted by:

Sanam Shakya

Entitled:

TOURISM MARKETING AND PROMOTION IN ASIAN MARKET BY NEPAL TOURISM BOARD (NTB)

*has been prepared as approved by this Campus/Department in the prescribed format
of the Faculty of Management. This thesis is forwarded for examination.*

.....
Mr. Rakesh Chandra Mishra
(Thesis Supervisor)

.....
Mr. Bishnu Gopal Khimbaja
(Co-Ordinator MBS Programme)

.....
Mr. Dinesh Man Malego
(Assistant Campus Chief)

VIVA-VOCE SHEET

We have conducted the viva –voce of the thesis presented

by:

Sanam Shakya

Entitled:

**TOURISM MARKETING AND PROMOTION IN ASIAN
MARKET BY NEPAL TOURISM BOARD (NTB)**

and found the thesis to be the original work of the student and written according to the prescribed format. We recommend the thesis to be accepted as partial fulfillment of the requirement for the degree of

Master of Business Studies (MBS)

Viva-Voce Committee

Head of the Research Department

Member (Thesis Supervisor)

Member (External Expert)

DECLARATION

I hereby declare that the work reported in this thesis entitled “**Tourism Marketing and Promotion in Asian Market by Nepal Tourism Board (NTB)**” submitted to Office of the Dean, Faculty of Management, Tribhuvan University, is my original work done in the form of partial fulfillment of the requirement for the degree of Master of Business Studies (MBS) under the supervision of **Mr. Rakesh Chandra Mishra**, associate professor of Patan Multiple Campus, T.U.

.....

Sanam Shakya

Patan Multiple Campus

Campus Roll No.: 103/063

T.U. Regd. No.: 7-1-256-102-2001

Second Year Symbol No.: 4422/65

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Sanam Shakya

TABLE OF CONTENTS

Recommendation
Viva Voce Sheet
Declaration
Acknowledgement
Table of Contents
List of Tables
List of Charts
Abbreviations

Page No.

CHAPTER – I INTRODUCTION

1.1 Background of the Study	1
1.2 Statement of the Problem	14
1.3 Objectives of the Study	16
1.4 Focus of the Study	16
1.5 Significance of the Study	17
1.6 Limitation of the Study	17
1.7 Structure of the Study	18

CHAPTER – II REVIEW OF LITERATURE

2.1 Concept of Marketing	19
2.2 Concept of Tourism	20
2.3 Tourism Defined	21
2.4 Tourism Marketing	23
2.5 Review of Studies	28
2.6 Review of Thesis Works	39
2.7 Review of News Articles	41
2.7.1 Structure of Public Private Partnership for Tourism Development in Nepal	41
2.7.2 Imaginary External Structural Linkage and Dependency of Tourism Development in Nepal under Discussion	42

CHAPTER – III RESEARCH METHODOLOGY

3.1 Research Design	45
3.2 Data Collection Procedure	46
3.3 Population and Sample	46
3.4 Sources of Data	47
3.5 Methods of Analysis and Statistical Tools	47

CHAPTER – IV DATA ANALYSIS AND PRESENTATION

4.1 Introduction of Nepal Tourism Board (NTB)	49
4.2 Objectives of NTB	50
4.3 Roles and Responsibilities of Nepal Tourism Board	51
4.4 Organizational Structure of NTB	52
4.5 Resource Allocation	53
4.5.1 Year Wise Allocation of Resource for Tourism Development (1984/85 to 2008/09)	53
4.5.2 Plan Wise Allocation of Resources	54
4.6 Tourist Inflow in Nepal	55
4.6.1 Tourist Arrival by Continents	59
4.6.2 Tourist Arrival from Asian Markets/Countries	63
4.6.3 Tourist Arrival by Purpose of Visit and from Major Nationalities	66
4.6.4 Average Length of Stay	70
4.7 Marketing Tools used by NTB for Destination Promotion	70
4.8 Marketing Budget Allocation by NTB	75
4.9 Marketing programs in Different Asian Countries for 2008-09	76
4.10 Analysis of Primary Data	93
4.11 Major Findings of the Study	108

CHAPTER – V SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary	110
5.2 Conclusion	111
5.3 Recommendations	113

Bibliography

Appendices

LIST OF TABLES

Table No.	Title	Page No.
4.1	Year Wise Allocation of Resource for Tourism Development	53
4.2	Allocation of Resource in Various Plans	54
4.3	Tourist Arrivals and Average Length of Stay (2000-2009)	55
4.4	Average Length of Stay in Different Years	56
4.5	Calculation of Sum of Values	57
4.6	Tourist Arrivals By Continent (1962-2009)	60
4.7	Tourist arrival from Asian Countries and their Share to Total Arrival 2005-2009	63
4.8	Calculation of Weighted Average Mean of Tourists Arrival from Asian Market(For the year 2008)	64
4.9	Calculation of Weighted Average Mean of Tourists Arrival from Asian Market (For the year 2009)	65
4.10	Tourist Arrivals by Purpose of Visit, 2000-2009	66
4.11	Tourist Arrivals By Major Nationalities, 2000-2009	67
4.12	Average Length of Stay by Major Nationalities, 2009	70
4.13	Marketing Budget Allocation by NTB	75
4.14	Allocated Budget for Programme Activities	77
4.15	Tourists Arrival from India 2008/2009	78
4.16	Allocated Budget for Programme Activities	79
4.17	Tourist Arrival from China 2008/2009	80
4.18	Allocated Budget for Programme Activities	81
4.19	Tourist Arrival from Malaysia 2008/2009	82
4.20	Allocated Budget for Programme Activities	83
4.21	Tourists Arrival from Thailand 2008/2009	84
4.22	Allocated Budget for Programme Activities	85
4.23	Tourists Arrival from Bangladesh 2008/2009	86
4.24	Allocated Budget for Programme Activities	87

4.25	Tourists Arrival from Srilanka 2008/2009	88
4.26	Allocated Budget for Programme Activities	89
4.27	Tourists Arrival from Japan 2008/2009	90
4.28	Allocated Budget for Programme Activities	91
4.29	Tourists Arrival from South Korea	92
4.30	Percentage of Nationality on the basis of region	93
4.31	Percentage of Respondents by Age Group	94
4.32	Occupation of Visitors	95
4.33	Purpose of visit	95
4.34	Chi –Square x2 test	96
4.35	Percentage of Length of Stay	98
4.36	Visitors' Perception on Services & Facilities and their Ratings	99
4.37	Percentage of Measures Suggested	100
4.38	Products and Features	102
4.39	Weaknesses	102
4.40	Product Development Needs	103
4.41	Types of Marketing Efforts	104
4.42	Concentration of Marketing Efforts	104
4.43	Types of Positioning of Nepal	105
4.44	Efforts Initiated by the Government to Promote Nepalese Tourism	106
4.45	Level of Efforts of Government/NTB	106

LIST OF CHARTS

Chart No.	Title	Page No.
4.1	Total No. of Tourist	56
4.2	Tourists Arrival by Continent (2008/2009)	62
4.3	Tourists Arrival by Major Nationalities(2008/2009)	69
4.4	Marketing Budget Allocation	76
4.5	Tourists Arrival from India(2008/2009)	78
4.6	Tourist Arrival from China(2008/2009)	80
4.7	Tourists Arrival from Malaysia (2008/2009)	82
4.8	Tourists Arrival from Thailand (2008/2009)	84
4.9	Tourists Arrival from Bangladesh (2008/2009)	86
4.10	Tourists Arrival from Srilanka	88
4.11	Tourists Arrival from Japan	90
4.12	Tourists Arrival from South Korea	92
4.13	Percentage of Nationality on the basis of Region	93
4.14	Percentage of respondents by age group	94
4.15	Percentage of occupation of visitors	95
4.16	No. of Respondents by Purpose of Visit	96
4.17	Percentage of Tourists	98
4.18	Percentage of Measures Suggested by Respondents	101
4.19	Percentage of Product Development Needs	103
4.20	Percentage of Marketing Efforts	104
4.21	Percentage of Marketing Efforts	105

ABBREVIATIONS

ASEAN	Association of South East Asian Nations
ASTA	American Society of Travel Agent
ATM	Arabian Travel Market
ATTA	Adventure Travel Trade Association
CBS	Central Bureau of Statistics
CEO	Chief Executive Officer
CITM	China International Travel Mart
DNC	Destination Nepal Campaign
DTM	Dhaka Travel Mart
FAM	Familiarization
FAO	Food and Agriculture Organization
FY	Fiscal Year
GDP	Gross Domestic Product
HKG	Hongkong
HMG	His Majesty Government
IITM	India International Travel Mart
ITB	Berlin International Trade
ITE	International Trade Expo
IUOTO	International Union of Official Travel Organization
JATA	Japan Association of Travel Agents
MATTA	Malaysian Association of Tour and Travel Agents
MICE	Meeting Incentive Convention Event
MITF	Malaysia International Trade Fair
MOCTCA	Ministry of Culture Tourism and Civil Association
MOF	Ministry of Finance
NAC	Nepal Airlines Corporation
NATO	Nepal Association of Tours Operators
NATTA	Nepal Association of Tours and Travel Agent
NPC	National Planning Commission
NRB	Nepal Rastra Bank

NRI	Non residential Indian
NTB	Nepal Tourism Board
NTO	Nepal Trust Office
NTTR	Nepal Travel Trade Reporter
NTY	Nepal Tourism Year
PATA	Pacific Asia Travel Association
PR	Public Relation
SAARC	South Asian Association for Regional Cooperation
SATC	South Asian Travel Commission
SATTE	South Asia Travel and Tourism Event
TAAN	Association of Nepalese Trekking Agencies
TIA	Tribhuvan International Airport
TTAA	Thai Travel Agent Association
TTF	Travel and Tourism Fair
UNESCO	United Nation Educational, Scientific and Cultural
UNO	United Nation Organization
USA	United State of America
VNY	Visit Nepal Year
WHO	World Health Organization
WTM	World Travel Market.
WTO	World Tourism Organization

CHAPTER - I

INTRODUCTION

1.1 Background of the Study

Located in north of the Indian Subcontinent and spread in an area of 1, 47,181 sq. Km, Nepal is a small, sovereign and independent country. With its landlocked ness, Nepal is blessed with snow-capped mountains which had made it geographically impressive. A world known icon Mt. Everest with an altitude of 8848 m. had placed Nepal in front of the world in terms of natural beauty surpassing the rest. It lies between 80° 4' to 88° 12' east longitude and 26 ° 22' to 30° 27 north latitude. Having length of 885 Km. east-west and width of 193 Km. north-south, it is situated in between two big nations, China in north and India in south (CBS).

The whole country has been divided into three regions: Mountainous, Hilly and Terai. The mountain region covers 15%, hilly 68% and Terai region 17% of the total area of the country. Administratively, the country is zoned into 5 development region, 14 zones and 75 districts (CBS 2005). Though being small country, it has diverse climate from sub-tropical to mountain with every form of landscape and vegetation.

Nepal is a country of numerous festivals, being festivals significant aspect of cultural life of Nepalese people. As multi-lingual people inhabited the country, it is culturally rich with diverse religious customs, life styles, festivals, food habits, clothing's and languages of various ethnic variations. Though culturally diverse, there always exists perfect harmony.

In terms of development, Nepal is one of the least developed countries of the world with a per capita income of US \$ 473 (Economic Survey, 2008/09). With a population size of 28 million, (World Bank, 2008) more than 60 caste/ethnic groups are accommodated in the country. Nearly 38% of these people still subsist below poverty line. According to the report NPC by end of ninth plan the total figure of employed manpower reached 995900, where as the unemployed were estimated to be 5%. However the percentage of underemployed labor will be 12.4% including the 5% of fully employed, the total unemployment figure estimated to remain at 17.4% (Tenth Plan, 116-117). So this shows it is very serious problem in Nepal. The majority of population lives in rural areas. The major economic activity is agriculture and the rest includes manufacturing, trade, commerce and services. The economy is agro-based and above 60% of national income is generated from this sector. However the

dependency in monsoon and use of traditional means of production are the major constraints of agriculture. Thus agriculture is incapable of accelerating desired level of economic development due to the several bottlenecks.

The main sources of foreign currency earning are merchandise export, tourism services and remittance from abroad. In general Nepalese economy is characterized by slow growth, mass poverty and large-scale deprivations. However development efforts have been initiated but the results have not been encouraging in many sectors. Thus, it is essential to have a clear vision of future destination which would encourage utilization of potentials with competitive advantages like hydro-power, agro-industry, tourism and other sectors (Bajracharya, 2008: 2-3).

In recent years, tourism is regarded as the world's largest and fastest growing industry. It has been playing a pivotal role in the socio-economic sectors of the most of the developed as well as developing countries of the globe. So, most of the nations are attracted to this industry and trying their best to strengthen economic life by promoting tourism in the country. Tourism has been identified as an important source of foreign exchange earning; as an industry creating employment opportunities and generating economic growth of the country (Shrestha, 1978: 74).

Considering the historical background, geographical situation and socio cultural wealth there are enormous touristic potentialities in Nepal and the tourism industry has been playing a significant role in the country's economy. People from both East and West are attracted to visit Nepal due to having all important ingredients for tourism development (Shrestha, 1978: 76). Nepal's natural attractions, resulting from physical, historical, cultural monuments and temples, art treasures and festivals and its wildlife are the best attractions for the foreign visitors. Nepal Himalayas and their scenic beauty are also the prominent attractions to the visitors. Nepal is the country of Mount Everest, the land of Yeti, the land of Buddha. Its various snow-peaked mountains, rivers and lakes, conducive climate and mysterious charms are inviting the visitors of the world. Cultural, religious and natural resources are the three major attractions of Nepal which have eight cultural and two natural World Heritages sites. It offers nature based tourism activities like trekking, mountaineering, rafting and wildlife sanctuaries as well as culture and people based and man-made attractions.

Considering all these potentialities, there is adequate prospect to develop tourism in the country. Tourism is a multi-faceted industry, which promotes cottage industries, trade and other services sectors. It is also regarded as a labor intensive industry and it provides good employment opportunities at different levels. Tourism is one of the main sources of foreign exchange earnings for Nepal. Overall, tourism plays a vital role in the process of national development, which is a boon to a country like Nepal with other limited resources.

i. Introduction of Nepal Tourism Board (NTB)

Nepal Tourism Board is a national organization established in 1998 by an act of parliament in the form of partnership between Government of Nepal, and private sector tourism industries of Nepal to develop and market Nepal as an attractive tourist destination. The Board provides platform for vision-drawn leadership for Nepal's tourism section by integrating government commitment with the dynamism of private sector.

NTB is promoting Nepal in the domestic and international market and is working toward repositioning the image of the country. It aims to regulate product development activities in future. Fund for NTB is collected in the form of Tourist Service Fee from departing foreigner passengers at the Tribhuvan International Airport, Kathmandu thus keeping it financially independent. The Board chaired by a Secretary at Ministry of Culture, Tourism and Civil Aviation constitutes of 11 board members with five government representatives, Five private sector representatives and the chief executive officer. NTB is a national tourism organization of Nepal. The main objective of NTB is to establish Nepal as a premiere holiday destination in international arena with definite brand image. Nepal Tourism Board (NTB) is the statutory body instituted by an act of parliament to function as a model agency with public-private partnership approach for the development, expansion and promotion of Nepalese tourism. It aims to provide and share comprehensive information on tourism sector of Nepal to its wide spectrum of tourism stakeholders: plan and policy makers, tour operators, tourism professionals, academicians, students, Non Residents Nepalese, communities and well-wishers of Nepal

ii. Introduction of Tourism Marketing

Tourism marketing is defined as the "systematic and co-coordinated efforts exerted by the National Tourist Organizations and/or the tourist enterprises at international, national and local levels to optimize the satisfaction of tourists, groups and individuals, in view of the

sustained tourism growth" (Bhatia, 1994: 142). According to Krippendorf (1971: 46) "Marketing and tourism is to be understood as a systematic and coordinated execution of business policy by tourist undertakings whether private or state owned, at local, regional, national or international level to achieve the optimum satisfaction of needs of identifiable consumer groups and in doing so to achieve an appropriate return." Hence, tourism marketing denoted the development of a tourism product to meet the needs of the tourists and then employing the techniques of direct sales, publicity and advertising to bring this product to the tourists (Bhatia, 1994: 142).

There is a need of tourism marketing with proper planning and sound policies. "Its complexity lies in the fact that tourism promotion in its various forms has to be directed at large number of people in various lands of different socio-economic structures, having different needs, tastes, attitudes, expectations and behavior pattern. It is only through the efficient marketing strategy that will help understand people's tastes and preferences for travel. And hence need for marketing in tourism" (Bhatia, 1994: 141). However, tourism industry does not seem to apply marketing approach for its promotion and development adequately (Anand and Bajracharya, 1985: 1).

Because of the competitive global scenario and the ever expanding tourism industry, the marketing of the tourism products need greater attention. There are countless tourist destinations world-wide and to develop tourism, every country tries to capitalize on its cultural, religious and natural heritage in addition to the various forms of entertainment packages. But only those countries which have devised aggressive marketing strategy have been able to attract a greater number of tourists. Thus, tourism being a high publicity product effective marketing is a must for the successful running of tourism industry. Adequate budget, financial and technological resources are needed for effective tourism marketing. But, "we understand very limited marketing activities while other countries with more resources are spending huge amount of money on aggressive marketing of their destination (Pokherel, 1995: 24). In this regard, Hotel Association of Nepal President Yogendra Shakya commented saying "we have alone practically nothing as far as promotion is concerned. The Ministry of Tourism has no budget for promotion" (Spotlight, 1994). Government also should take necessary initiative for the publicity of tourism abroad. In Nepal, even one five star rated hotel spend Rs 30 million annually for the publicity at international level due to the lack of budget Government is not able to make sufficient publicity even in Visit Nepal year

also (Aajako Samacharpatra, 1997). "We have achieved 'word of mouth'¹ publicity in Europe and India both by travelers as well as tour operators. As the government budget is not large enough to tackle all markets, especially since we are trying to carry consumer oriented marketing. I suggest we concentrate on Fam tours for tour and travel operators and travel trade journalist from Japan. Luring film and TV producers should be our strategy for inexpensive but wide publicity" (Shakya, 1995). The Lacunai in promotional efforts in Nepal is further indicated by the fact that "the expenditure made in publicity is too poor and not more effective in both quality and quantity. The Ministry of Tourism published brochures and booklets about tourism only in few languages and that also in limited copies. There is lack of advertisement in the foreign papers; in such a situation most of the visitors are unknown about Nepal" (Shrestha, 1981: 65). It is interesting to note the comment about the situation of Nepalese tourism marketing made by Shakya. (Spotlight, 1994) According to him "Nepalese tourism has been marketed mainly through travel agents and tour operators abroad. We have never been able to go to the consumer. It is simply beyond our reach to advertise in, say Newsweek, which could take our entire promotional fund. There is also a growing trend of undercutting. If we have US \$ 100 as the rack rate, we give as much as 50 percent to the tour operators. That has been our marketing strategy because we depend so much on tour operators".

iii. Development of Tourism in Nepal

The history of Nepalese tourism can be found from ancient times. People visiting Nepal from different countries of the world for the exchange of culture and for pilgrimage were popular. The recorded history of Nepal begins with the Lichhavis who came to power in 400 A.D. With them the nation began to prosper in art, culture, painting, architecture and sculptures. The Mallas, who succeeded them, gave a new turn to this prosperity by transforming the small kingdoms of Kathmandu, Patan and Bhaktapur into "*Open air Museum of art and Architecture*". But efforts to earn foreign currency to accelerate development through tourism were nil, and there was no link between tourism and national economy. After centuries, the democratic revolution of 1951 AD, marked a new era in Nepalese Tourism for all foreign visitors. Nepal opens its door to international tourists after the dawn of democracy. For convenience, development of tourism in Nepal can be remembered by dividing it into three phases.

- a. **First phase:** History of Tourism before 1950.
- b. **Second Phase:** History of Tourism from 1950 to 1990.

c. **Third Phase: History of Tourism after 1990.**

a. First Phase of History of Tourism before 1950

The ancient history of Nepal is the history of Kathmandu valley and the ancient history of tourism is also related to the Kathmandu valley. The Kathmandu valley took birth when a visitor name Manjushree came here from China, cut the edge of the hill in Chovar with a sword and emptied the water of the lake. After this in 249 BC, emperor Ashok of India visited Nepal as a pilgrim and erected a Monastery entitled '*Charumati Bihar*', and also four Buddhist stupas in the four corners of Patan. During the Lichhavi period, most of the foreigners visited Nepal as pilgrims. At this period, the great emperor of Tibet named Shrangchong Gampo visited rule of King Anshuvarma and married the Nepalese princess Bhrikuti. The Chinese visitor Huan Tsang described in his travel accounts the Kailaskut Bhawan and Mangriha of Lichhavi dynasty.

Similarly, around 6th century, in the Kirati Regime, some foreigners visited Nepal as pilgrims in Malla Regime there was a significant development in art and culture, and then rulers of Nepal were more or less interested in greeting travelers who entered into the kingdom of Nepal as pilgrims. Krishna Mandir of Patan, 55 windows palace of Bhaktapur, Pashupati Temple, Swayambhu and Stupas of Buddhist were built during this period.

After the unification, the rulers of Nepal had not made any attempt to develop tourism in Nepal on the contrary the policy of the government was not let tourist enter into Nepal, except in some special cases. In the Rana's regime for 104 years the policy of the government was not favorable for tourism development. Only during the great festival of Shivaratri, permission was given to Indians to enter into Nepal as pilgrims. Till 1950 only 100 foreigners visited Nepal (Pokhrel & Karki, 2055). The restrictions on tourists to enter into Nepal during the Rana regime of 104 years adversely affected tourism in Nepal. As a result there was a lack of foreign exchange earnings from tourism for the development of infrastructure in the country.

b. Second Phase: History of Tourism from 1950 to 1990

A great political change took place in 1951 in Nepal. The Rana government was overthrown from power and Nepal got a new birth i.e. democracy was brought in the country. Thereafter,

a rage of development in the country, internal as well as external communication and transportation tasks began to start. Many foreign countries started to help for the development of Nepal. In actual sense the promotion of tourism started more or less only in the beginning of 1960s. The then government made attempt to the development of tourism with liberal tourism policy relatively than there before. In 1965, John Copman, who was running Tree Top¹ in Africa, came to Nepal and being impressed with dense forest and wild animals started 'Tiger Top', first Jungle Resort. Similarly, James Robert, Ex-British Army-man who was in British India came in contact with Nepalese Gorkha soldiers and with their links came to Nepal and introduced trekking tourism by opening company named 'Mountain Travel in 1965, which still runs to this days. And Edmund Hillary introduced and promoted mountaineering in Nepal.

In 1953, Tenjing Sherpa and Sir Edmund Hillary succeed in climbing the world's highest peak Mt. Everest. After getting membership to the UNO in 1950, Nepal gradually became known to the world. In the auspicious occasion of the coronation of His Majesty King Mahendra in 1956, government head and diplomat from different countries of the world visited Nepal. After these travelers, political and commercial delegation began entering in Nepal. Diplomatic, cultural and economic relationship with different countries were set up, with increasing diplomatic relationship with different organizations like UNO, WHO, UNESCO, FAO etc. a congenial atmosphere was created in Nepal for tourism development.

A new era of Nepalese tourism started in November 1957 when a 'Tourism Development Board' was established under the chairmanship of minister for trade and Industry. In 1958, this 'Tourism Development Board' has transferred to Ministry of Public Works, Transportation and Communication. In 1959, this has attached to the 'Department of Construction and Communication Works', and directorate of tourism were opened. Similarly, 'Tourism Information Center' was established this year. In such organizational development process, in 1961, the government decided to established 'Department of Tourism' with the establishment of this department, the country got an opportunity to obtain membership of various international tourism development institutions such as International Union of Official Travel Organization (IUOTO), South Asian Travel Commission (SATC), The Pacific Area Travel Association (PATA), and American Society of Travel Agent (ASTA).

In 1970, Nepal Tourism Development Committee was constituted under the chairmanship of late prince Himalayan Bir Bikram Shah. In 1972, the committee published 'Tourism Master

Plan' with technical assistance from the government of Federal Republic of Germany. The master plan had been prepared for further development in the field of tourism started to be considered the country, tourism started to be considered as an industry and for its development efforts have been made to distributed posters, booklets to international organization and to provide sufficient hotel facilities and transportation facilities to tourists. As a result, there was 41 fold increase in tourists visiting Nepal, 6179 tourists in 1962 and 2548885 in 1990.

c. Third Phase: After 1990

This is the period of globalization. In this period there was institutional and infrastructural development of tourism. Although in Nepal only international tourists are mainly recognized as tourist and all policies and program have been focused around them only. Still a careful analysis of the events related to development of tourism in Nepal suggest that in the decade of nineties there has been much more conscious efforts to globalize the tourism activities with view to globalizing the economy of Nepal also.

The Eight Five Year Development Plan was a bold enough to acknowledge the defects of policies pursued and their net efforts on achievements. The plan has designed some objectives for tourism:

- To improve the quality of services and facilities relating to Tourism.
- To develop necessary infrastructures for the tourism sector and expand the tourism sector and expand the tourism activities to other places of the country.
- To forgo a close coordinating link between tourism sector and other sectors of the economy.
- To argument the use of local materials and services in the tourism industry.
- Similarly, the ninth plan had noted that "The tourism industry can be developed as an important sector of the national economy on account of its comparative advantage engendered by exiting attractive features and special geographical location of the nation." The plan also carried out some policies to develop village tourism.

The tenth plan has also focused the tourism sector as an important organ of the national economy which will not only contribute to the national economy but will not only provide benefits to foreign tourist as well as increase the income generating and employment opportunities. The plan has set some objective relating to tourism sector such as qualitative promotion of tourism sector, conservation and preservation of historical, cultural, religious and archaeological heritage and enforcing their practical utilization and to make air transportation services easily accessible standard and reliable.

iv. Policies and Program under Globalization in Nepal

Analysis of the event related to development of tourism in Nepal suggests that in the decade of nineties there have been much more conscious efforts to globalizing the economy of Nepal. However, here we are taking up only some important events that reflect upon globalization of tourism related activities in Nepal. These are: (Upadhyaya, 2003: 194)

- Formation of Tourism council (1992)
- National Civil Aviation policy (1993)
- Tourism policy (1995)
- Visit Nepal year (1998)
- Destination Nepal 2002-2003.
- Nepal Tourism Year(NTY 2010)

a. Tourism Council (1992)

Tourism Council is an apex body for tourism ministries and department, is an attempt to integrated and consolidated development of tourism. This apex body is chaired by prime Minister which have 30 members. It is expected that this apex body will help to remove obstacles during the process of implementation, provide correct directives and formulate policies by bringing about coordination among different ministries and departments for the sake of the development of tourism industry. But the major for the tourism council is that it does not enjoy the executive power and attention to implement its well intention and well planned programs. If this problem is removed, it provides to be of immense help for galvanizing the tourism sector.

b. National Civil Aviation Policy (1993)

Nepal government announced National Civil Aviation Policy (1993) to make air transport

services competent and efficient in order to attract more international tourism during the Eight five year development plan. The policy was formulated to assist tourism development in accordance with the tourism policy. The major objectives of Civil Aviation Policy (1993) are:

- To develop international air transport service.
- To encourage private sector in airline service.
- To develop and expand air transport and air ports in the remote areas of the country.
- To encourage recreational, adventure and research oriented air facilities.
- To make air transport reliable and safe through installation of modern equipments at air ports.

c. Tourism Policy (1995)

It is during the eight five year development Plan (1992-97) period that the government of Nepal announced an independent tourism policy (1995). It was announced with the aim of increasing national income and productivity, increasing foreign currency, creating employment opportunities, improving regional imbalance and projecting the image of Nepal in the international area through diversification of travel and tourism industries.

d. Visit Nepal year 1998

This was first national campaign in the history of tourism of its king. The central theme of the campaign has been "a sustainable habitat through sustainable tourism" similarly its marketing slogan was " A world of its own" which reveals that there is a 'world' in Nepal that needs to be discovered in its natural resources, living cultural heritage and friendly and hospitable host. Some major objectives of VNY '98 were:

- To raise the image of Nepal throughout the world.
- To protect and conserve the natural and cultural centers in integrated form.
- To diversify the tourism product.
- To develop Nepal as one of the important tourist destination.
- To raise the public awareness about tourism.

- To distribute the fruits of tourism upto the grass root.
- To increase the volume of domestic tourism.
- To increase the length of tourist to 13 days, and their expenditure to USD 50.
- To improve the quality of tourism.
- To welcome Five hundred thousand tourists.
- VNY '98 helped Nepal to rebuild its image internationally, and also contributes to introduce professionalism in tourism in general and helped to raise awareness among the Nepalese people about the importance of tourism.

e. Destination Nepal Campaign-DNC (2002-2004)

As the impact of VNY it was not of desired program 'Destination Nepal 2002-2004' had been planned to initiate DNC started from December 2002 and ended on December 2004 as a two year program. The international year of mountain 2002, International year of eco-tourism 2002 and visit south Asia 2003 were also integrated under this campaign. It was implemented with the partnership between the government and private sector to promote tourism industry and create awareness among the people. The main objectives of DNC 2002-04 were:

- To promote public awareness among people about tourism.
- To promote and maintain Nepal as a reliable attractive and secured destination with wide international publicity.

Nepal has started to pay more attention to this industry. However, it does not seem that proper program and planning has been made and the industry may not be professionally managed as is needed for the sector's proper development. Besides, its true potentiality can be realized only by proper marketing strategies and in this respect Nepal does not seem to have extended adequate attention.

Nepal has ample opportunities to develop international tourism as it consists of rich natural resources, beautiful landscapes and bio as well as cultural diversities. Thus tourism can be a good source of income for developing country like Nepal. Keeping in view of those facts, Nepal government has taken important steps and made long-term plans, policies and strategies for development of tourism in Nepal.

In this context, Nepal Tourism Board Act 2053 was passed by both the houses of the parliament in December 1996, and obtained the Royal Seal in February 1997. The Board designed as a partnership between the HMG and the private sector travel industry of Nepal has been empowered to work as a National Tourism Organization commencing 31st of December 1998.

The Board has certain statutory responsibilities assigned by the Nepal Tourism Board Act, 2053 as mentioned below:

- To develop and introduce Nepal as an attractive tourist destination in the international marketplace.
- To promote the tourism industry in the country while working for the conservation of natural, environmental and cultural resources.
- To work towards increasing the gross domestic product and foreign exchange income by means of promoting the tourism industry. To work towards increasing employment opportunities in the same industry.
- To develop Nepal as a secure, dependable as well as attractive travel destination by establishing a respectable image of Nepal in international travel trade community.
- To work towards providing equality service to the tourists visiting Nepal.
- To study the bottlenecks against the same by means of conducting research and implementing and getting implemented results of such research in order to do away with these bottlenecks.
- To promote and develop institutions for the promotion of tourism industry.

Putting all those objectives in strong consideration, NTB has designed its overall organizational structure in such a way that collective actions of each unit emphasizes in overall marketing & promotion of its diversified potential as well as existing tourism products.

Nepal Tourism Board had prepared its Tourism Marketing Strategy for Nepal and its three main objectives are as follows:

- To recover and expand the overall volume and value of tourism to Nepal by concentrating on inherent products strengths
- To reposition Nepal firmly as a varied and multi-faceted destination with world class

cultural and special interest products.

- To improve the seasonal and spatial distribution of visitors and foster the growth of new tourism areas.

In order to achieve these objectives, NTB has presented its core product strengths through its overall marketing campaign. Nepal's core product strengths are seen as the following:

- Rich ethnic culture with world heritage sites still in actual daily use
- Spectacular Himalayan landscapes including Mt. Everest
- Pleasant year round climate
- Unique religious traditions
- Fine natural attractions and its welcoming and friendly people

These product strengths are further grouped in five main product clusters as:

- Culture tradition and people
- Cities and leisure
- Outdoors, trekking and adventure
- Religion and pilgrimage
- Nature and wildlife

f. Nepal Tourism Year 2011

Government of Nepal in consultation with Nepalese travel trade sector and concerned organization/experts decided on October 25, 2008 to launch a national tourism campaign “Nepal Tourism Year 2011” with its marketing slogan “Naturally Nepal, Once is not Enough” .The announcement reflects the governments anticipation to bring into Nepal at least one million international tourists by the year 2011 and tourism industry’s exigency to organize a tourism promotion campaign for wider impact. Some major objectives of NTY 2011 were as follows.

- To establish Nepal as a choice of premier holiday destination with a definite brand image.
- To improve and extend tourism related infrastructure in existing and new tourism sites.
- To enhance the capacity of service providers.
- To build community capacity in the new areas to cater the need of the tourists.

1.2 Statement of the Problem

In economic arena of Nepal, tourism plays a very important role. Tourism is one of the main sources of foreign exchange earnings. Natural and cultural attractions are main assets of tourism in Nepal. Due to such attraction, the potentiality of tourism is very high in Nepal. However, this potentiality is not been exploited properly. "Although Nepal's tourism potential is vast but factors such as limited air access, poor infrastructure and lack of appropriate marketing strategy have resulted in limited growth" (Bhatta, 1997: 4). Though tourist arrival is growing due course of time, Nepal is far behind in world tourism as compare to the other countries of south Asia (Anand & Bajracharya, 1985: 3). Nepal tourism board, national tourism organization is undertaking different marketing program. In different country segment but due to very limited marketing & promotional budget, it's not being effective. NTB's marketing program has to compete with competitor like India, Thailand, Malaysia who spend huge amount of money for marketing and promotion.

Asian countries have increasing outbound tourism by which Nepal can benefit a lot. But Nepal lacks appropriate and conducive tourism policies and strategies. There is always big problem of air-seats and air connectivity. Consumer research based marketing strategies are yet to be developed. Decade long insurgency inside the country had made negative publicity of the country consequently tourist arrival has gone down despite the continuous effort of Nepal tourism Board and private sector of promoting Nepal. The travel trend has shown that Nepal's major tourism market is Europe & USA. The tourist arrival from these market holds negligible percentage if its compared to tourist arrival figure from same market to other Asian countries like India, China, Malaysia, Thailand, Singapore, Srilanka. This unbalance travel trend signifies that Nepal's tourism promotion and marketing efforts is not effective and well enough to meet the competition with above mentioned tourism destinations. The major problem behind this is not having enough budgets for effective market & promotion.

China, Japan, Korea, Singapore are now established as big economic powers in world economy. In the meantime, we are not able to attract more tourists from these big nations. Keeping the problem of enough budgets in shade, the major problem is of enough air services to and from these countries. We have not direct and enough air link with these countries.

If we summarize the problem that has been faced by NTB and Nepalese travel industry, we can point out as follows:

- Lack of enough budgets to carry out effective market & promotion campaign to compare with other countries promotion.
- Unavailability of enough air services between major Asian market and Nepal.
- Lack of research based marketing.
- Lack of effective promotional and marketing activities.
- Past Internal Insurgency.

1.3 Objectives of the Study

Tourism activities are become indispensable from the viewpoint of country's economy. The country with high Himalayas holds great potentiality to establish tourism as major industry. So, Nepal can attract more & more tourists from its neighboring countries through its effective marketing & promotion campaign.

The main objective of this study will be to assess the marketing & promotion campaign of NTB in growing Asian market. The other sub-objectives can be mentioned as below:

- To analyze the travel trends figure from Asian markets.
- To reveal the type of promotional tools effective in Asian market.
- To specify general model of marketing of NTB.
- To suggest affordable measures for promoting Nepal effectively in Asian big market.

1.4 Focus of the Study

Following are the various focus of the study:

- The study will focus on identification and analysis of the existing condition of Tourism marketing.
- The study will be focus on the effectiveness of tourism marketing in the promotion of Nepal in the Asian market.
- It will focus on the evaluation of those effectiveness of tourism market in Asian market.
- The study will focus on the revealing the promotion and marketing activities carried out by Nepal Tourism Board (NTB).
- It will focus on the analysis of data presented by NTB as well as primary data collected through the 104 respondents.
- It will focus on the significance of tourism sector for the economical development of

the country.

- It will focus on the travel trend figures for Asian market.
- The research will focus on the general model of marketing and Promotional tools of NTB.
- It will focus on the various promotional tools effective in the Asian market.
- The study will focus on the various problems being faced by Nepal in the context of the tourism marketing and promotion of Nepal in the international market.

1.5 Significance of the Study

Tourism industry is one of the major sources of foreign exchange of Nepal. It could be rationalized its importance in various ways such as creating employment opportunities either directly related to tourism such as small scale cottage industries, handicrafts, hotels, restaurants etc. It also plays major role for alleviating poverty and making good relation with other nations. Considering the economy of the nation, the sector has a higher potential to rescue the economy of the country. Nepal has higher potentiality to develop tourism industry which is suitable in terms of social economic and geographical condition of the nation. Its proper development and management is indispensable. Various efforts have been made for the development of tourism in Nepal. Visit Nepal 1998 is also such effort in order to develop and enhance the image of Nepal in the world tourism market. Likewise, Nepal Tourism Year (NTY) 2011 is now prevailing in Nepal and it is also contributing in promoting Nepal in international market widely. In this aspect, many studies on the tourism have been carried out by various individuals and agencies. However, the main significance of this study will be based on the promotion and marketing activities, tools and operations that have been carried out by Nepal Tourism Board (NTB) and its effectiveness in the international market especially Asian market for the promotion of Nepal's tourism industries. Moreover, the analysis of various problems being faced by Nepal in the marketing and promotion of tourism in the Asian markets has also become one of the major significance of the study.

1.6 Limitation of the Study

Following are the various limitations of the study:

- The study will be focusing only in the general assessment of marketing and promotional trends of Nepalese Tourism Board in growing Asian Market like China, Japan, India, Sri-lanka, Thailand, Malaysia and Bangladesh, S. Korea & Taiwan.

- The study will cover assessment of travel trend from 2002-2009 (8 years) after the establishment of NTB.
- The marketing & promotion campaign of private travel trade industries will not be included.
- The study will be using secondary data from NTB and information extensively because of impossibility of surveying all market in the field by visiting out countries.

1.7 Structure of the Study

This research document is organized into five chapters:

Chapter –I Introduction

It consists of short introduction of Nepal and development history of tourism in Nepal, problem identification, significance of the study, and objectives of study.

Chapter - II Review of Literature

It provides extensive research reviews which includes concept of tourism marketing, reviews of books, journals, articles that describes about tourism and tourism marketing with special reference to Nepal.

Chapter- III Research Methodology

It deals with research methodology, tools and techniques used to analyze and interpret the findings.

Chapter- IV Data Analysis and Presentation

It is about the analysis and presentation of the findings on the basis of primary as well as secondary data that were taken from various sources.

Chapter – V Summary Conclusion and Recommendations

It provides summary of the whole research work, recommendations developed based on the major findings and the conclusion.

CHAPTER - II

REVIEW OF LITERATURE

2.1 Concept of Marketing

Marketing has gained a great deal of strategic importance in modern organization. Every organization needs marketing to achieve their goals. Marketing stimulates demand for products. It helps organizations to find out what their customer need and want. It also helps to decide what products should be offered to satisfy their needs and wants. Marketing's task is to design a product/service combination that provides real value to targeted customers motivates purchase and fulfils genuine consumer needs.

There have been various attempts to define 'marketing' but so far no universally accepted definition has been devised. This is perhaps due to the fact that 'marketing' as a comprehensive management function is a fairly recent concept which effectively only started to be applied in the early 1950s.

Philips and Duncan have defined marketing as "Marketing includes all the activities necessary to place goods and services in the hands of consumers and industrial users, excluding only such activities as involve a significant change in the form of goods."

Carl Dysinger has defined the concept as "Marketing is finding out what the consumer wants and selling it to him at a profit."

The American Management Association has defined marketing as "The process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational goals.

According to Jerome McCarthy "Marketing is the performance of activities that seek to accomplish an organization's objectives by anticipating customer or client needs and directing a flow of need-satisfying goods and services from producer to customer or client.

According to William J. Stanton, "Marketing is a total system of business activities designed to plan, price, promote and distribute want-satisfying products to target markets to achieve

organization's objectives.

According to Philip Kotler, "Marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering, and freely exchanging products and services of value with others.

2.2 Concept of Tourism

The word 'Tourism' is related to 'tour' which is derived from a Latin word 'Tornos'. 'Tornos' means a tool for describing a circle or turner's wheel. This is a word of compass or rather a pin at the end of the stretched string used to describe a circle. It is from this word 'Tornos' that the notion of a 'round tour' or a 'package tour' has come which is very of the essence of tourism. It was late as 1643 the term was first used in the scene of going round or traveling from places around an excursion, a journey including visiting a number of places in circuit or sequence, circuitous journey, embracing the principal places of a country or region (Negi, 1990:21).

Prior to the advent of the industrial revolution, travel was primarily related to the trade, the desire for military conquest or the performance of group rites. It was principally the traders, in the early historical period, who blared the trail by establishing national trade routes and communications which later extended throughout the region and finally to other continents. Thus, it was trade that first motivated travel in the real sense (Tewari, 1994: 1). Later, the advent of modern means of transport and communication has uplifted tourism by facilitating and encouraging traveling. This developed form of traveling in modern terminology is known as 'tourism' today. National Committee on Tourism, India defined it as, "The new phenomenon of traveling in pursuit of leisure, culture and the quest for knowledge about alien lands connotes the concept of tourism, the growth of tourism is closely related to the ease and speed of travel, economic growth and political development" (Mohanty, 1992: 43). Tourism grew gradually over the years as easier and faster means of travel became available. Mass tourism started in Europe only in late 19th century but today it is a worldwide reality. "Today tourism revolution is sweeping the global, a revolution promising much and delivering a great deal. It has emerged as the most lucrative business of the world, having tremendous potential for earning foreign exchange, yielding tax revenue, promoting growth of ancillary industries, generating income and employment and in the development of industrially backward region through its various linkage effects" (Singh, 1975).

2.3 Tourism Defined

Tourism has been defined in different ways by various authors and concerned organizations and yet there is not universally accepted definition of tourism. Hermann V. Schullaid, an Australian economist gave one of the earliest definitions of tourism in 1910. According to Schullaid, tourism is "the sum total of the operators, mainly of an economic nature, which directly relates to the entry, stay and movement of foreigners inside and outside or certain country, city or region" (Satyal, 1988: 7).

R. de Meyer has defined tourism as, "A collective term for human movement and its attendant activities caused by the exteriorization and fulfillment of the desire to escape that is more or less latent in everybody" (Chatt Upadhyay, 1995: 7). This definition received the first prize by Academic International de Tourism at Monte Carlo in 1952. However, this definition does not seem to be broad enough. Another definition of tourism given by the Swiss professors Waiter Hunziker and Kuet Krapf, in 1942, is more phenomenons arising from the travel and stay of strangers, provided the stay does not imply the establishment of permanent residence and is not connected with a remunerated activity" (Bhatia, 1994: 38).

The tourism society in Britain had also attempted to classify the concept and it 1976 defined tourism as: "Tourism is the temporary short-term movement of people to destinations outside the places where they normally live and work and their activities during the stay at these destinations; it includes movement for all purpose, as well as day visits or excursions" (Bhatia, 1994: 38).

The most widely used and popular definitions of tourism is one prepared by the united Nations conference on International Travel and Tourism held in Rome in 1963. This definition was recommended by International Union of Official Travel Organizations (IUOTO) in 1908. Again, in 1993, the United Nations Statistical Commission adopted Rome definitions of tourism in revised from prepared by World Tourism Organization (WTO) as a follow up to the Ottawa International Conference on Travel and Tourism Statistics, jointly organized by WTO and the Government of Canada in June 1991. In this definition WTO has developed a schematic breakdown of all travelers. A traveler is defined as "any person on a trip between two or more countries or two or more localities within his/her country of usual residence" (WTO, Framework for the collection and publication of Tourism Statistics: 4).

An Austrian economist Hermann Von Schellard, in the year book of national Economy and Statistics 1990, gave the first definition of tourism. He defined tourism "the sum total of operators mainly of an economic nature which directly related to the entry, Stay and movement of foreigners inside and outside a certain country, city or region" (Batra, 1990: 1).

The League of Nations defined in 1937 the term foreign tourist as; "Any person visiting a country, other than that in which he usually resides for a period of at least 24 hours."

But revised definition given at the UN conference on International Travel and Tourism, held in Rome in 1965 which described as: "Any person visiting a country other than that in which he has his usual place of residence, for any region other than following an occupation remunerated from within the country visited."

The most popular and widely accepted definition of tourism given by the World Tourism Organization (WTO) conference in Ottawa in 1991 is; "The activities of a person traveling to a place outside his/her environment for less than a specified period of time and whose main purpose of travel is other than the exercise of an activity remunerated from within the place visited."

Tourism is perceived as an economic activity which accrues to the recipient countries a definite source of foreign exchange and national income, creates jobs to reduce unemployment, fosters entrepreneurship, stimulates production of food and local handicrafts, speeds of communication facilities, cultural exchanges and above all, contributes to a better understanding of the host country. Some of principal changing dimensions of the vast expanding tourist industry are bringing into sharper focus the global concern over the cultural, ecological, environment, socio-economic and political effects of tourism (Motiram, 2003: 1).

2.4 Tourism Marketing

In the present day context marketing has become one of the important as well as challenging jobs of any business organization. For the success of any business activities proper marketing system is needed. Marketing denotes the business activities that direct the flow of goods and services from producers to the consumers or users in other words it is the process of exchange between seller and buyer.

In the view of Drucker (1976), the aim of marketing is to know and understand the customer so well that the product or service fits and sells itself. According to the British Institute of Marketing, "Marketing is the management function which organizes and directs all those business activities involved in assessing and converting customer purchasing power into effective demand for a specific product or service to the final customer or user so as to achieve the profit target or other objectives set by the company" (Bhatia, 1994: 139). Similarly Eugene J. Kelly has defined marketing "as a business discipline, marketing consists of systematic study of the demand generating or consumer motivating forces, the temporal and spatial considerations influencing economic transaction, and the interacting efforts and responses of buyers and sellers in a market" (Bhatia, 1994: 140). According to the American Marketing Association, "Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives" (Bennett, 1988: 115). Today, in the field of marketing, more priority is given to know the desire of customers and to satisfy them. The present concept calls for a customer orientation backed by integrated marketing aimed at generating customer satisfaction and long run consumer welfare as the key to attaining success (Kotler, 1972: 46-54).

The challenge of marketing goes beyond the success of business. It must also serve the goals of society. It must act in concert with broad public interest. For marketing does not end with the buy-sell transaction - its responsibilities extend well beyond making profits. Marketing shares in the problems and goals of society and its contributions extended well beyond the formal boundaries of the firm (Lazer, 1978:1).

Tourism being the fastest growing and most competitive industry in the world it should be marketed properly. "Tourism needs to be marketed, just as any other product, indeed move so, because it is an industry in which the customer still has an immense variety of choice. There are a number of destinations competing with each other to get a bigger and bigger share of the market" (Bhatia, 1994: 137). Hence, tourism marketing is regarded as a central point of whole tourism activities. Today all direct and indirect promotional activities to sell destinations are related to tourism marketing and it effects all the operations of tourism (Negi, 1990: 387).

Tourism marketing is defined as the "systematic and co-coordinated efforts exerted by the National Tourist Organizations and/or the tourist enterprises at international, national and local levels to optimize the satisfaction of tourists, groups and individuals, in view of the sustained tourism growth" (Bhatia, 1994: 142). According to Krippendorf (1971: 46) "Marketing and tourism is to be understood as a systematic and coordinated execution of business policy by tourist undertakings whether private or state owned, at local, regional, national or international level to achieve the optimum satisfaction of needs of identifiable consumer groups and in doing so to achieve an appropriate return." Hence, tourism marketing denoted the development of a tourism product to meet the needs of the tourists and then employing the techniques of direct sales, publicity and advertising to bring this product to the tourists (Bhatia, 1994: 142).

There is a need of tourism marketing with proper planning and sound policies. "Its complexity lies in the fact that tourism promotion in its various forms has to be directed at large number of people in various lands of different socio-economic structures, having different needs, tastes, attitudes, expectations and behavior pattern. It is only through the efficient marketing strategy that will help understand people's tastes and preferences for travel. And hence need for marketing in tourism" (Bhatia, 1994: 141). However, tourism industry does not seem to apply marketing approach for its promotion and development adequately (Anand and Bajracharya, 1985: 1).

Because of the competitive global scenario and the ever expanding tourism industry, the marketing of the tourism products need greater attention. There are countless tourist destinations world-wide and to develop tourism, every country tries to

capitalize on its cultural, religious and natural heritage in addition to the various forms of entertainment packages. But only those countries which have devised aggressive marketing strategy have been able to attract a greater number of tourists. Thus, tourism being a high publicity product effective marketing is a must for the successful running of tourism industry.

Adequate budget, financial and technological resources are needed for effective tourism marketing. But, "we understand very limited marketing activities while other countries with more resources are spending huge amount of money on aggressive marketing of their destination (Pokherel, 1995: 24). In this regard, Hotel Association of Nepal President Yogendra Shakya commented saying "we have alone practically nothing as far as promotion is concerned. The Ministry of Tourism has no budget for promotion" (Spotlight, 1994). Government also should take necessary initiative for the publicity of tourism abroad. In Nepal, even one five star rated hotel spend Rs 30 million annually for the publicity at international level due to the lack of budget Government is not able to make sufficient publicity even in Visit Nepal year also (Aajako Samacharpatra, 1997). "We have achieved 'word of mouth'¹ publicity in Europe and India both by travelers as well as tour operators. As the government budget is not large enough to tackle all markets, especially since we are trying to carry consumer oriented marketing. I suggest we concentrate on Fam tours for tour and travel operators and travel trade journalist from Japan. Luring film and TV producers should be our strategy for inexpensive but wide publicity" (Shakya, 1995).

The Lacunai in promotional efforts in Nepal is further indicated by the fact that "the expenditure made in publicity is too poor and not more effective in both quality and quantity. The Ministry of Tourism published brochures and booklets about tourism only in few languages and that also in limited copies. There is lack of advertisement in the foreign papers; in such a situation most of the visitors are unknown about Nepal" (Shrestha, 1981: 65).

"Nepal lacks the most essential market information focused on its products, while the most irrelevant material is produced at considerable cost and dubious impact. Fair participation, in the absence of proper information material to flow up interest, poorly staged as it often is, appears less than effective and probably a waste of money. At the

same time, there is an urgent need for Nepal to work against increasingly critical world media coverage on ill-effects especially on mountain tourism. By inviting journalists, Nepal should convey the fact that it is taking serious steps towards improving matters, but needs help to do so" (Ministry of Tourism, 1984: 102).

It is interesting to note the comment about the situation of Nepalese tourism marketing made by Shakya. (Spotlight, 1994) According to him "Nepalese tourism has been marketed mainly through travel agents and tour operators abroad. We have never been able to go to the consumer. It is simply beyond our reach to advertise in, say Newsweek, which could take our entire promotional fund. There is also a growing trend of undercutting. If we have US \$ 100 as the rack rate, we give as much as 50 percent to the tour operators. That has been our marketing strategy because we depend so much on tour operators".

Another serious challenge faced by tourism sector is the level of competition because it is a very competitive business. Here it will be interesting to quote the saying of (Alwis, 1997: 8) "my friend in the travel industry in Nepal, talk of the glorious days, barely a decade ago, when a trekking tour was sold to visitors for US \$ 80 per day on the average. They now lament, that it is sold for only US \$ 18 per day on the average." In view of Alwis "this certainly is not the result of the lack of demand for Nepal's unique tourism potential or a lack of adequate number of 'upmarket' visitors out there in the market place. It is in the opinion of most the result of unhealthy competition between the travel agents, the hoteliers, the tour operators (trekking, rafting and other), the protection of the sky and the like. They also claim that it is the lack of specialization, lack of product quality improvement, diversification of product and inadequate delivery of quality service". In this respect "the government of Nepal should have clear policy to discourage cut-throat competition in the hotel industry and thereby attract quality tourists" (Sandhu, 1996: 36). Moreover, many Americans and Europeans complain about the pollution and environmental degradation of Kathmandu. Due to this Kathmandu is sending wrong message about Nepal. We should try our best to solve the problems of pollution and environment (Sandhu, 1996: 35). "negative reports on Kathmandu have adversely affected the tourism industry and Nepal's image" (Choegyial, 1994: 28). Regarding negative reporting done by some national and international media certainly it has done a lot of harms in the tourism

sector of Nepal. For this a planned approach is needed to counter the negative effects and organizing large scale promotional campaigns could regain our lost reputation (Rajbhandari, 1994: 26). In this context Mishra (1994: 24) says "'Say Goodbye to Shangri-La' was published in Newsweek of 4th October 1993 issue. It has definitely affected the tourism especially qualitative tourist. However, in my opinion, the correct information about Kathmandu Valley came in time and we should take it in a positive way instead of being defensive. Had it not been published in such a renowned journal, it would not have been grave concern to all conscious people of Nepal and abroad."

Air accessibility is also a hurdle in Nepal. Sthapit (1996: 31) expressed "We need to take concrete steps with respect to tourism marketing in order to boost arrivals. But there is problem of air seat capacity." Sandhu (1996: 35) also has similar view in this respect. He says, "This is the one really single major problem. NAC has limited number of aircrafts and the tour operators have to face the problems of air seat. Nepal should allow more international airlines to come to Nepal and encourage the national carrier to compete internationally. It would give new thrust for the tourism development of this country, generate employment and increase the number of tourist arrival."

For the promotion of quality tourism in the country, infrastructure and services should be improved properly (Sandhu, 1996: 36). "For most countries, including Nepal, one of the most essential conditions for the successful promotion and development of tourism is the existence of adequate infrastructure and qualified human resources" (Frangialli, 1996: 13).

Alwis (1997: 8) says, "All good marketing begins with the customers and ends with the customers. All good tourism marketing therefore, should begin with the visitor (tourist) and see through to the end, that we have met all reasonable expectations of that visitor. We must ensure that he or she returns with as much as a positive feeling as possible, about Nepal and its people." In fact, the good image and memories of tourists are more beneficial for the country than the promotional activities like, international advertisement, brochures, newspaper article etc., So far Nepal is concerned as a tourist destination it offers a unique product and unparalleled opportunities for marketers who want to take on the challenge. It just means that both

Nepalese operators and their partners in Asia need to work harder and be innovative if they are to achieve yields that Nepal's tourism operations deserve (Alwis, 1996: 29). For Nepal "USA, Australia and the Pacific and other European countries, specially the Scandinavian countries-are very potential future markets. South East Asia is emerging to be an economic giant. But as our marketing resources are not so big, we have to select only a few countries" (Shakya, 1995).

"While formulating the tourism strategy, it is essential that our tourism marketers keep abreast the fast changing trends, particularly the changing trends in tourism market ... Tourism marketers should be quick to respond the changing economic scenario in the world" (Shrestha, 1995: 85). Similarly, in view of Sharma (1992: 112) "An integrated approach, with the twin objectives of environmental protection and sustainable economic development, should be based on an appreciation of the broader implications of tourism for the environmental, demographic, economic and distributional concerns in mountain ecosystems." Hence, development of tourism of Nepal should take into account promotional and marketing issues as well as deal with the inherent problems and challenges.

2.5 Review of Studies

In this section an attempt is made to review of previous studies on tourism with special reference to Nepal.

There was no plan and policy regarding tourism in Nepal till 1950s. For the first time the written study on tourism was made on the late 1950s. In Nepal, "General plan for the Organization of Tourism in Nepal" prepared by French national George Lebrec, in 1959, was the first tourism plan, which was prepared by the help of the French Government. In this plan, Lebrec has recommended to make brochures, posters, postage stamps depicting the Himalayan peaks and Flora and Fauna and to the use of films and documentaries prepared by the mountaineering expedition for promoting tourism in Nepal and the establishment of separate Nepal Tourism Officers. Later, George Lebrec visited Nepal in 1964 and 1966 and prepared two reports on tourism entitled "Report on the Development of Tourism" and "Report on Tourism in Nepal" respectively. In these reports Lebrec had recommended that tourism in Nepal had started growing at a faster pace (Pokherel). In 1972, with an aim to run tourism in a

planned way and formulating policy the Nepal Tourism Master Plan (1972), a detailed and comprehensive document about Nepalese tourism, was prepared with a joint co-operation of Bundesstelle Fur Entwicklungshilfe of Germany and Nepal Government of Nepal. This Master Plan defined the tourism development programs and projects for ten years. The plan also included marketing programs to be adopted and the market segments of Nepalese tourism were identified as organized sight seeing, independent "Nepal style" tourism, trekking and pilgrimage. The primary markets for Nepal were identified as USA, France, Scandinavia and Australia as secondary target market. In the Master Plan Kathmandu was seen as continuing to be the principal centre of tourism activities in Nepal and to lengthen the average length of stay, tourists measures can be done by creating resort areas and the provision of recreational attractions suited to the needs of international tourism and opening up the country's attractions suited to the needs of international tourism and opening up the country's attractions by round tours operated from Kathmandu with intermediate stops and short stays in selected sites. Futhermore, the plan has emphasized for development outside Kathmandu such as the development of Pokhara, Chitwan, National Park, development of national parks at Langtang, Annapurna and Dhaulagiri and Khumbu. The development of pilgrimage centres at Lumbini, Muktinath, Barahchettra and Janakpur was also envisaged. The Master Plan had recommended for the establishment of a Ministry of Tourism and Culture embracing functions then found within the Department of Tourism, the Department of Archaeology, the Department of Culture, the Department of Forestry, the Ministry of Foreign Affairs and the Immigration Office.

'Nepal Tourism Marketing Strategy 1976 - 1981' prepared by Joseph-Edward Susnik started with the premises that:

- As the stay of tourists cannot be prolonged for now the number of international visitors should be increased substantially.
- Images of secondary destinations like Pokhara, Lumbini and Chitwan should be built up.
- Nepal should become a gateway for South and South-East Asia.
- Nepal should become the starting point of any Asian tour as it is the cradle of a religion and culture that influenced the history and life of the major parts of Asia. In his report, Susnik has suggested for the formation of Nepal Tourism

Marketing Committee as well as Nepal Tourism Infrastructure Committee with representation of private sector and the Department of Tourism be recognized into Nepal Tourist Office which should concentrate on the marketing and promotional activities abroad with independent operational budget.

'National Tourism Promotion Report 1983' was prepared by National Tourism Promotion Committee of 1981. Suggestions were also provided on marketing strategies and plans for tourism. It reemphasized the need for promoting Nepal Style Tourism as mentioned in the Nepal Tourism Master Plan which would include sightseeing, trekking and wildlife adventure and which would promote Nepal as a primary destination. The major suggestions given in this report are to develop resorts in the mid mountains to encourage tourists from India during the hot Indian summer season, promotion in Europe be stepped up, special programs be designed for Buddhist pilgrims from Asian countries and that similar pilgrimage packages be designed for Hindu pilgrims from India, depute a person in the Embassies of Nepal for promoting tourism, participate in various important trade fairs and to promote convention tourism.

Another report entitled "**Study and Recommendation for a Nepal Marketing Plan a Marketing Task Force Report**" (1983) prepared by PATA, in 1983, considered to be very effective marketing plan of tourism. The main recommendation mentioned in this report are the establishment of an autonomous Nepal Tourism Promotion Board, to recognize responsibility by the private sector for all overseas sales activity, to engage overseas representation to conduct ongoing promotion and publicity for Nepal and to organize a research section to carry out market research on visitors to Nepal.

'Nepal Tourism Master Plan Review' (1984) is a review study and it has suggested action program for implementation for the promotion of tourism in Nepal. This study contains three parts. In part one, a background to be 1972 Tourism Master Plan, its contents and intents, and its practical use and operation together with a comprehensive review of past developments in key areas of tourism. Part two sets forth an updated set of policy objectives and a market development concept for the five years and part three provides action-oriented recommendations. According to this review report, there is no need for a new comprehensive master plan in tourism. The

1972 Master Plan is relevant in its long-term policy contents, and most of its basic conceptual assumptions have been fully verified. This study focuses on a pragmatic policy framework essential to solving priority issues of tourism.

This study observed that active market promotion was the most important factor for the tourism development in Nepal.

This study, therefore, suggested to various destinations oriented marketing programs.

The major programs include:

- developing a systematic concept of promotional material,
- determining the quality standard for each individual product,
- producing a Travel Agents manual containing comprehensive up to date information regarding tourism in Nepal,
- establishing representative offices in Western Europe, USA and Japan,
- participating in selected tourism trade fairs,
- offering familiarization tours to agents and journalists,
- establishing a Nepali-style tour package,
- directing sales to tour operators from the country of origin without middleman from India,
- Expanding the trekking possibilities.
- The conclusion and action-oriented recommendations of this study focused on improving the capability of the Ministry of Tourism to assume its responsibilities in tourism, institutionally, administratively and technically.
- Nepal Rastra Bank (1989) carried out an econometric study with an objective to study and estimate the level and patterns of tourist expenditure in Nepal, to estimate the value-added and imports contents and thereby not foreign exchange earnings from tourism in Nepal, and to estimate income and employment generation in the tourism sector of Nepal. In this study, regressions were run on the time-series data as well as cross-sectional data for the period 1974-1987.
- The major findings of the study included tourism demand to be income inelastic in both dependent variables, tourist expenditure and number of tourists, for the total time-series analysis for the period 1974-1987. Tourist expenditure was found to be highly sensitive with respect to exchange rates, but the sensitivity of

tourist arrivals to his variable was less. Country-wise time series regression for 14 countries gave mixed results.

- Among tourism sub-sectors (when direct, indirect and induced effects were combined) the ratio of import content for hotel was estimated at 53.45 percent, travel agencies 74.51 percent, trekking agencies 54.04 percent and airlines 67.05 percent. The ratio of direct import content when the indirect and induced effects were taken out was estimated at 35.45 percent for hotels, 15.12 percent for travel agencies, 10.79 percent for trekking agencies and 57.60 percent for airlines. The value added for the tourism sector i.e., total payment to domestic factors including payments to intermediate and final inputs. (When direct, indirect, and induced effects were combined) was estimated at 37.74 percent as compared to 44.66 percent for tourism related sector and 42.82 percent for the overall sector (Nepal Rastra Bank, 1989: 5).

This study estimated the average per capita per day tourist expenditure (Rs. 747), the average length of tourist stay (9.3 nights), and the employment in the tourism sector. The study suggested liberalizing exchange, emphasizing trekking tourism, doing aggressive marketing, expanding both international and national air services, developing integrated tourism development policy, and establishing a full fledged apex body.

'Nepal Tourism Marketing Program' (1990), a specific study, made on tourism marketing, funded by Asian Development Bank, included some valuable suggestions on marketing. The main suggestions were:

- The objective of marketing trekking should be to reinforce the image of Nepal as a world leader and trekking as premium product.
- For sightseeing tourism Kathmandu and the Himalayas must be established as a 'must see'¹ premium product.
- Initial promotional budget for Tourism Promotion Board to be US \$ 7,60,000 in its first year to be financed from a modest increase in visa fees.
- Encourage travel agencies in generating countries to represent Nepal for information purpose also.
- Professional representation to be established in London, Japan, Hong Kong, Washington or New York.

- Ten fold budget increase in public relation budget to complement new overseas representations.
- Seek technical assistance in marketing for best use of the funds.

Pokharel, Tek Chandra, has also prepared a separate review article entitled "Summary of Past Marketing Strategies and Plans for Tourism in Nepal" with description of the studies and seminar reports related to Nepalese tourism marketing encompassing important studies and seminar proceedings with an emphasis on marketing of Nepalese Tourism.

The basic tasks of Nepal Tourism Development Programme¹ (1990) were:

- To review existing plans and policies and suggest modifications to provide a longer-term strategy for using the countries tourism resources on a sustainable basis, while satisfying on increasing number of visitors;
- To prepare tourism development action plans which should include, among other things, the development of a commensurate institutional capacity.

Nepal Tourism Development Programme¹ consists of four reports. Product development program and marketing strategies have been defined in this study. For both trekking tourism and sightseeing tourism the essence of the strategy is to establish Nepal as a premium product able to command the price of a premium product. The main marketing strategies initiatives for Nepal mentioned in the report were:

- To establish Mount Everest and the Himalayas as a "must see" attraction for any world tourist;
- To establish Kathmandu as the unique mystic city within a valley of exceptional scenic appeal;
- To establish Pokhara as the "Gateway Resort to the Himalayas"
- To establish and promote a series of outstanding excursions for the ordinary sightseeing travelers.

This study report recommended a number of suggestions regarding institutional change. The main suggestions were:

- The formations of a National Tourism Commission;
- The designation of Tourism Industry Liaison officers in key Ministries and Departments which impinge on tourism;
- The development of the Department of Tourism as the body of professional tourism expertise within the Ministry of Tourism and the formation of an Eco-Tourism unit.

The report also produced and proposed Tourism Development Program for Nepal for Asian Development Bank support. The Development Program proposed in the report are:

- Domestic Air Transport;
- Urban Tourism (Kathmandu);
- Infrastructure in Pokhara;
- Institutional Development; and
- Tourism Manpower Development and Training.

Tuladhar (1993), in his doctoral work, aimed to study the development of International Tourism in Kingdom of Nepal from the view of resources, the level of its explorations, utilizations and possibilities of its improvement. This study has been done against the background of the overall conditions and its development including natural and anthropological resources, economic development of the country, tourists' demands, and tourist supply. To achieve the objectives of this study, a systematic method of investigation in the theoretical scheme was used. His major findings included the use of dispersion as a basic for the balancing of prognoses may promote foreign visitor's quality and the possibilities for attempt and contribution for the future development of international tourism in Nepal should work out alternative prognostic situations in unison with the extracted priority of the tourist supply and direction for their improvement. Tuladhar has given various suggestions in his study like to promote charter flights with NAC by tour operators assuring the low travel cost, increasing expenditure for advertisement and publicity for the stimulation for the tourist travel to Nepal, to provide more cultural shows and other types of suitable entertainment, to increase the length of stay of tourists and to increase their

expenditure, to establish summer resorts like suitable tourist hotels and villas on the banks of lakes and rivers, to develop the national concept and to develop human resources by emphasizing on tourism education.

Pradhananga (1993), analyses the changing pattern of tourist's consumption and its economic impacts on employment, exports and national revenue were made. The basic objectives of the study were to examine the consumption pattern of tourist, to analyze the use of local resources in tourist consumption and their effects on employment, to probe into capacity utilizations of hotels in relation to the tourist's number and length of stay and to examine the change in government revenue resulting from the tourist export. This study dealt with different tourism aspects i.e., hotels and lodges, airline, travel agencies, trekking agencies, carpet and garment industries and transport agencies working in Nepal. According to him leakage of foreign exchange earning, high import contents, seasonal fluctuations in demand for tourism and over dependence on seasonally factor have been the major weaknesses in the tourism industry. He suggested that different tourism related policies and sectors like infrastructure, open-sky policy, planning of new tourism project, opening of a new destination in the country, tourism marketing strategy, management of travel agencies, full capacity utilization of hotels etc., should be planned properly.

Nepal Tourism Master Plan (1972), is a detailed and comprehensive document of Nepalese tourism. It is the first serious attempt to lay out a comprehensive policy framework for the tourism sector. The plan has proposed five different types of tourism in Nepal as following:

- Sight Seeing Tourism
- Trekking Tourism
- 'Nepalese Style' Tourism
- Recreational Tourism, Primarily from India
- International pilgrimage Tourism

Kathmandu has seen to be centre of the tourism activities. The priority was placed on the development of pilgrimage centre at Lumbini, Muktinath, Barahachhetra and Janakpur. Similarly, the development of national parks in the Langtan Area, Khumbu, Annapurna and the Dhaulagiri was suggested for the promotion of adventurous

mountain tourism. To increase the duration of stay, sight seeing tours from east (i.e. circular tours to Kathmandu, Namche Bazaar, Janakpur and Chitwan) to west (i.e. Gorkha, Pokhara, Tansen, Lumbini and Chitwan Circuit) of the valley and the development of resorts area with the appropriate recreational facilities were recommended.

On the institutional front, the master plan of tourism and culture a semi authoritative body for overall planning, promotion and development of tourism. It was suggested that the functions distributed among the existing organization of the department of tourism, department of archaeology, department of forestry, department of immigration, and ministry of foreign affairs to be brought under the proposed ministry. It was also suggested that ecological surveys and measures for the conservation and promotion of the traditional music, dance customs, and festivals, to be carried out.

The review of master plan 1984 noted the main impediment to the plan's implementation was due to the fact that government at large failed to share its responsibilities in directing and promoting tourism in a planned manner. And others are:

- Infrastructural facilities to diversify tourism to important market segment were not laid properly to meet the need of the time.
- The private sector invested in all the places with the tourism potentials and market began to develop in accordance with the dictation of the buyers. This demand induced development resulted in uncontrolled development and proliferation of low quality establishments.
- While Kathmandu has become increasingly crowded the other sight seeing places, e.g. Pokhara, Tansen, Gorkha, Lumbini were neglected.
- In Mountain tourism, Annapurna, Khumbu and Langtan became over exposed causing increasing pressure on their scarce natural resources.
- Other regions with comparable attraction were not developed because of the failure of the government to open and regulate and control tourism.
- International pilgrimage tourism is still in the incipient stage of development despite the presence of world renowned heritage sites like Lumbini and Janakpur Dham.

- Wildlife tourism has been limited to the Chitwan, after many years it has been to extend to the Bardia and Sukla Phant reserve.
 - The master plan recommended the development of supply guided
 - "Nepal Style Tourism" to give Nepal an independent and unique destination and status. It emphasized providing mixed image of comfortable natural and cultural sightseeing along with the variety of soft and hard adventure product as per the physical stamina and time disposition of the travelers.
 - But the infrastructural back up and, imaginative and innovative endeavor needed to create alluring supply guided are seriously talking.
 - All adventure market segments including wildlife/trekking and rafting were stated by expatriates and blindly strives to excel by Nepalese entrepreneurs.
 - The Ministry of Tourism, established in 1977, according to the recommendation of the Master Plan, has not become an effective central government body to look after the vital issues and challenges in the field of tourism.
 - Rather than focusing on policy/planning and co-ordination, it has implemented only simple plans that fir under its jurisdiction.
 - It has only added to the bureaucracy but not provided the effectiveness and efficiency envisaged in the place.
 - The 1984 review recommended two other institution to address the highest policy level were set up only 1992 in the form of tourism council and Nepal Tourism Board in 1999 which is fully functioning as a National Tourism Institution.
 - It seems that most of the recommendation contained in the 1972 Master Plan has yet to materialize conceptually and functionally.
- The government has to play pivotal role in the decentralization of tourism regulating and monitoring the qualities of the products and Marketing the destination internationally.
- The private sector has to create a mix of product unique to Nepal more imaginatively.

Shrestha (1999), in her Ph. D. Thesis entitled "*Tourism in Nepal: Problems and Prospects*" mainly aimed to concern with the problems and prospects of tourism in Nepal. Her study identify the basic problems of tourism on the basis of its contribution to national economy status of tourism infrastructures, review of the

planning and policies of the government exports in the sample, and also analyzed the trend of foreign exchange earnings and share of tourism receipts to gross domestic product.

She has pointed out that Nepal has not been able to introduce and diversify new tourism products. On the other hand, the experts are of the opinion that the problem of the air accessibility, lack of proper marketing and promotional strategy, pollution, lack of required infrastructure, lack of co-ordination, frequent, frequent change in government as well as lack of political commitment are the short coming of tourism industry in Nepal. Despite of the various problems, she added, the prospects of tourism are bright in Nepalese economy in generating employment, contributing to national GDP and also for over all development of the economy.

Shrestha found that the role of tourism in economic development is significant in Nepal. The net earnings from tourism are greater than some other sectors. The share of tourism in terms of GDP came down to 3.2 percent in 1997, which was 4.1 percent in 1993/94. But the convertible foreign exchange increased by 10.74 percent during the period 1974/75 - 1996/97. Despite these facts, tourism is one of the main contributors of convertible foreign currency sharing 16 percent of total exchange earning in 1996/97.

Pradhananga (2000), in his book *Tourists' Consumption Pattern and its Economic Impact in Nepal*¹ had presented the changing pattern of tourists' employment and national revenue. The study has analyzed the direct, indirect and induced effect of tourist expenditure on Nepalese economy as well as has examined both forward and backward linkage of tourism, impacts of goods and services, and employment generation. The study has shown that the tourism sector contributed 37.99 percent as direct expenditure and the benefits of tourist money mainly went to hoteliers, travel and trekking agencies and airlines. The direct import content was 33.49 percent in tourism sector, 17.34 percent in tourism related sectors and 8.94 percent in non-tourism sector, the study has added, thus an increase in imports. This also mentioned that the revenue at current price increased to Rs. 314.97 million in 1987/88 from 34.91 million in 1974/75.

The analysis has also shown the impact of tourist expenditure on employment. The direct employment opportunities generated were 12.41 percent in tourism sector, 32.88 percent in tourism related sectors and 54.71 percent in non-tourism sector.

Upadhyaya (2003), in his Ph. D. dissertation entitled "Tourism as a Leading Sector in Economic Development of Nepal", he has said that many countries have made efforts to promote tourism as a means of economic development. This development in various countries remains confirmed to local and regional level or helped the national economy as a whole. It is because tourism is considered as an inexhaustible industry that has potential to improve further as the tourism industry is developed gradually. As **W. W. Rostow** has made it clear that in the process of economic development of a backward country some sectors must play the role of a leading sector. So that not only the sector(s), in question, grow rapidly but also have the capacity to move other sector of the economy forward. This process leads the entire economy on higher growth path. He has depicted the fact that the tourism sector has been improving its significance in the economy. It has been improving its significance in the economy. It has been estimated that the activities related to tourism sector has strong inducement effect on the other activities of the economy. Beside foreign exchange earning, it is equally important to employment. Further, he argued that, no doubt, Nepalese economy is moving faster and faster on the path of globalization.

Although tourism is important for a developing country like Nepal, there is a dearth of literature relating to marketing and promotion of tourism. . In view of the importance of marketing and need for Nepal to go for extensive promotion, the present study about the marketing strategies taken by Nepal Tourism Board has been initiated.

2.6 Review of Thesis Works

Hirachan Bijay Lai (2003), in his Master's thesis entitled '*A Study on e-Marketing Used by Travel Agencies*' has presented the effectiveness of e-marketing used by travel agencies to promote tourism industry. In order to find the perception of travel agencies regarding e-marketing prospect practiced in tourism sectors. The writer has taken following objectives in to consideration.

- To survey the current market situation of Travel Agencies.

- To find out and examine travel agencies perception regarding e-marketing.
- To find out popularity of internet as marketing tools among travel agencies.
- To explore the problem and prospects of e-marketing and to suggest appropriate recommendation in order to promote intoxicating beauty this country through internet.

In his study, to determine the objective of research Hirachan had conducted a field survey. In which 25 were complete out of 30 responses. The majority of the survey respondents reported that the current situation of travel and tourism is poor(80%), only 12% respondents seems satisfied with the current situation of travel and tourism industry of Nepal. There were comparative view about the region from where most tourists used to come. 56% respondents believed from Europe and 40% believed to be from Asia. As regards to the promotion medium which the respondents' prefer, it seems that 56% prefer personal contact for promotion whereas website, e-marketing and magazines are preferred by 28%, 24% and 4% respondents respectively. Similarly the study has presented that most travel agencies (84%) do have websites published on web, whereas only (16%) do not have websites and reason for having websites is for promotion (71.42%) respondents responded but 28.57% responded kept websites for providing information.

In the same ground 71.42% respondent rated their website is performing below expectation where as 28.57% respondent's believe they got what they have expected from website out of total respondent's majority of respondents(72%) had an idea about e-marketing and 56.52% of respondent's were using search engine submission and only 4.34% were using tourism related directories a e-marketing promotional tools. About the contribution made by internet on tourism sector, majority of the respondents (88%) were satisfied by the contribution made by internet for promoting tourism in Nepal.

Finally he concludes that most of the travel agencies know the importance of internet as marketing tools, due to the fact that most of them have a website and using e-mail on regular basis but due to lack of knowledge, fund and ignorance they are not utilizing e-marketing in professional way or seriously. If the correct methods of promotion are used on internet to popularize travel agencies sites definitely it will

contribute to promote tourism sector in Nepal to great extent.

Sharma, Kalayan Raj (2000) entitled '*Tourism Marketing in Khumbu Area*' has presented the tourism of Khumbhu area with respect to marketing , policy and legal provision. He has found that tourism in Solukhumbu has ensured significant improvement in educational opportunities and health care provision (which has led to improved family planning), water and electricity supply, access to material goods and levels of mobility. There positive aspects of tourism in khumbhu. Tourism development has certainly contributed to a widening of the gap between the rich and poor with regard to the culture, local people are very much aware of outside interest in the Sherpa people. Most of the people are claiming that they are loosing their cultural tradition poor people are preserving their cultural tradition because they have been able to attract tourists' interest towards maintaining and developing the old and new monasteries in the region. It shows that less wealthy people and women are more in touch with their culture and wealthy people have new work patterns and new life styles. The trekking and mountaineering tourism are about intensive activities that provide unparalleled opportunities for employment and income generation. Tourism related incomes have allowed literally thousands of households in Khumbhu area. They have improved their standards of life. Most important to the success of the local; economy are the high numbers of locally- owned lodges, restaurants and trekking agencies.

2.7 Review of News Articles

2.7.1 Structure of Public Private Partnership for Tourism Development in Nepal

Tourism is one of the leading industries in Nepal and it was growing by 6-8 percent in average per annual till 1999. But the development of tourism only for the government side would be helpless. Thus there must be public private partnership for the development of tourism sector.

Dr. Upadhyay R.P., a tourism expert, has said that the main objective of tourism should be to active maximum social welfare, so for that we have to promote distributive justice; they must include people from the entire sector. The planning should be pro-poor, pro-country and it should serve everybody (NTTR, 2009, Vol. IX, No. 38). In this scenario, Nepal tourism Board, and autonomous promotional

institution to develop public and private partnership for tourism development, is established in the country.

But in the globalization context the existing tourism development structure is being ineffective. The main cause of being such is due to the political influences, government dependency, political instability etc. Thus, it needs a concept of restructure of structural linkage and dependency of tourism viewing such thing, a need of an aggregate apex body of tourism council is realized to amalgam the tourism concerns and the entrepreneurs relating to tourism. An imaginary external structural linkage and dependency of tourism development in Nepal is presented below, which is under discussion.

2.7.2 Imaginary External Structural Linkage and Dependency of Tourism Development in Nepal under Discussion

Dr. Tuladhar, Gynendra Ratna has presented an imaginary external structural linkage and dependency of private sector for a real term of sustainable tourism development in Nepal. He has said that if tourism is to be pushed in dynamism, a private sectors (with any appropriate name) should be chartered by the government, considering four party tourism linkages with a status of independent, self-regulated and a strong tackled lobbying agency to the government as well as the private sectors for overall betterment of tourism.

Similarly, Upadhaya Dr. R.P. in his another article headed '*Outlook on Development of Nepalese Tourism*' published on NTTR, Sept 18-24, 2009, has explained the role of NTB to develop Nepalese tourism as follows:

Since the political situation is changing, NTB should focus more in the promotion of the country, which can only be possible with the help of stakeholders. Role of government cannot be denied and therefore it is the time for the ministry and the line agencies to take corrective measures. They should be sincere and work towards developing tourism-the only sector with benefits. Since the main objective of tourism is human welfare and prosperity, the government should promote distributive justice, which can result in mass participation. Government should sincerely work towards the promotion of rural tourism by conducting a high level national survey and

exploring new destinations like Sirubari with receptive capacity and which is easily accessible from the main tourists generating outlets.

At present, Nepal is on media highlights, so this is the right time to cache. NTB instead of going and attending promotional activities in different countries can focus on developing the information technology (IT) section of the board by creating attractive websites with updated news and information on destinations of Nepal.

Similarly, Nepal government is playing the role of facilitator, motivator and regulator since 9th plan (1997-2002). National tourism policy of 1995 has emphasized/assigned the above role to the government. However, due to the following reasons, the role of the government should be an incentive provider too as in to compete with the growing competitors like India, Bhutan, Srilanka and Maldives, and also to develop and diversify the tourism products by creating new tourism destination and to endure the present critical situation.

He concluded that proper attention will be paid towards the several natural and cultural sites that possess great tourism potential. Sincere efforts are needed to reduce visitor's concentration in Kathmandu and diverse tourism to locations that hold tourism potential. To reduce visitor's concentration in limited areas, the villages in hinterland should be linked with the main trekking routes whenever possible. This can help spread tourism benefits.

The struggle against deep routed corruption is a long-term complicated task where we must constantly ring the alarm. We also must punish corruption and build an honest, clean and healthy tourism industry. Every level of party organization must strengthen supervision, administration of party cadres by deepening the anti corruption struggle.

Bhandari K (2009), in his article '*Tourism in the New Millennium*' posted on '*The independent*' has written that Nepal government attaches priority to tourism even though this sector has not been able to receive higher share in government spending due to certain other obligations in basic need areas. A major problem with the Nepalese private sector is that it is small, disorganized and is limited in its capacity to

raise resources and invest in the form of equity.

The savings/investment rates are low. There is limited exposure to international trends. The culture of state intervention still prevails and is generally accepted.

Similarly he has added that tourism considered a major component of the Nepalese economy, has so far, been concentrated in a few major locations, and confined to a few major products. We have not been able to add more places of interest to the tourist, so he has claimed for need of the future action. His suggestions are:

Despite our immense potentiality, we are unable to exploit the economic benefits proportionate to this, due to poor infrastructure, meager investment and irrational marketing. However, spreading tourism to new places with more activities is of utmost necessity, with the increase of competition among the South Asian countries. Various policy measures need to be initiated to attract investments in new areas with potentials. These policy measures can be introduced after detailed consultations with the entire travel trade sector and with the mobilization of newly formed Nepal Tourism Board (NTB). Also this helps the Board to plan marketing of these zones in advance, which also helps in the marketing budget of the individual private sector in those regions.

There needs to be various reforms carried out in the aviation policy so as to make favorable condition for the airlines to open up in new sectors. The various social and tourist routes need to be redefined. Distinction between commercial and remote routes within social routes is required.

Nepal Tourism Board should be very clear in its marketing strategies. Advertisements should be well connected with the events taking place in the country and efforts should be initiated to make documentaries and they should be telecast through various international channels. Finally, a very strong research base will certainly help in effective planning. Thus, various studies have been undertaken mostly however, confining to enquire the economic impact.

Although tourism is important for a developing country like Nepal, there is a dearth of literature relating to marketing and promotion of tourism. . In view of the importance of marketing and need for Nepal to go for extensive promotion, the present study about the marketing strategies taken by Nepal Tourism Board has been initiated.

CHAPTER – III

RESEARCH METHODOLOGY

Research methodology is the most important aspect of research work. It is the procedure used in making systematic observations or otherwise obtaining data, evidence, or information as part of a research project or study. Reliable and relevant study can be made possible only by applying scientific method. Hence the primary purpose of this chapter is to discuss and design the framework for the research.

The methodology is a series of underlying assumptions, theories, principles and philosophies relating to the conceptualization of material under study and the categories that will be used define, describe, analyze and talk about it. It is the process in which the data are collected, analyzed, evaluated and finally inference is drawn. Therefore, it is a specific way of performing an operation that implies precise deliverables and the end of each stage. Thus, research methodology simply describes the systematic way of one and different tools and techniques to be followed by the researcher of another. In this chapter different methodologies are used for the briefing of collected information.

As for as study for area is concerned, the overalls marketing and promotion activities of National tourism organization, Nepal Tourism Board was selected as main topic of study. As Nepal Tourism Board is the main actor of marketing and promotion of Nepalese tourism, the operational model of such activities were studied. Mainly, how NTB is carrying out its marketing promotional programs in main Asian market, how is the tourist arrival from Asian nations, these aspects were studied the present tourism activities lies in regional market, the study is very significant.

3.1 Research Design

Data in this study will be analyzed keeping in mind with the following research questions:

- What is the general situation of tourist inflow into Nepal?
- What percentage of total tourist arrival does Asian Market cover?
- What are the promotional measures taken by NTB in order to promote Nepal in Asian Market?

- What is the 'Information Level' of tourists coming to Nepal from Asian countries?
- How can we make our promotional & marketing efforts more effective in Asian Market?

The study will be almost desk research as its main objective is to find out marketing & promotional efforts of Nepal Tourism Board. However, some summarized finding of random survey among tourist coming from major Asian nations will be presented. Desk research will be used to seek, review and analyze secondary information, existing studies on tourism and relevant tourism statistics.

3.2. Data Collection Procedure

For the purpose of primary data collection, field survey was conducted in March/April 2010. During the survey, altogether 104 respondents were surveyed. Among them, eighty were tourists from different countries and twenty-four were travel trade companies (trekking and tours). The survey was completed through random sampling for tours and travel companies. Apart from that tourism professionals and experts were interviewed and their perception and opinion about present tourism scenario and marketing activities were collected and later used while preparing recommendations. All the information were analyzed and presented. Of the secondary data will require for the study, the data relating to the tourism marketing has been widely considered.

3.3. Population and Sample

Population for this research includes potential tourists from different countries and also includes tourism professionals of various travel trade companies. Altogether 104 respondents were taken as the population sample. Among them, eighty were tourists from different countries and twenty-four were from travel trade companies (trekking and tours). The survey was completed through random sampling for tours and travel companies. Apart from that tourism professionals and experts were interviewed and their perception and opinion about present tourism scenario and marketing activities were collected and later used while preparing recommendations.

3.4. Sources of Data

i. Sources of Primary Data

The present study has been completed mainly with the help of both primary and secondary data, the primary data are collected through fieldwork containing interview and questionnaire with tourists travel trade companies and tourism professionals.

Primary data is also used to know the tourist's perception & information level.

Primary data were collected using questionnaire. Questionnaires were designed to gather information related to tourism marketing & promotion program, information dissemination, tourism product development and pricing. Tourism organization/professional/experts/ NTB were given questionnaire and acquired information.

ii. Sources of Secondary Data

Secondary data are collected from Nepal Tourism Board, Ministry of Culture Tourism and Civil Aviation (MOCTCA), Nepal Rastra Bank (NRB), Ministry of Finance (MOF), articles, books and other relevant reports related with tourism. The study entitled "Tourism marketing and promotion in Asian market by Nepal Tourism Board" is basically based on secondary data. Secondary data and information were collected from following sources:

1. Nepal Tourism Board
2. Ministry of Culture, Tourism and Civil aviation
3. Central Bureau of Statistics
4. National planning commission
5. UN World Tourism Organization
6. World Travel and Tourism Council
7. Ministry of Finance
8. Nepal Rastra Bank
9. Articles and other publication
10. Official records.

3.5 Methods of Analysis and Statistical Tools

There are several scientific technique used to fulfill the requirement of the study in the field. The primary data are collected during the field work through interview and questionnaire with different people such as tourists, tours business people, tourism professional and experts.

Information collected from questionnaire were transformed and tabulated. Information were grouped, sub-grouped and classified as necessary. The systematic analysis have been done using quantitative as well as qualitative techniques simple statistical data tools such as percentage, weighted average, chi-square test etc. have been used, table chart diagrams, pie-charts were used for the presentation. The study is mainly descriptive and the analysis of the result is described logically.

CHAPTER – IV

DATA ANALYSIS AND PRESENTATION

4.1 Introduction of Nepal Tourism Board (NTB)

The Tourism development history of Nepal is very short. Before the dawn of democracy in 1951 AD, the rulers of Nepal had not made any attempt to develop tourism in Nepal. On the contrary, the policy of the government was not let tourist enter into Nepal except on some special cases. Similarly, efforts to earn foreign exchange earnings to accelerate development through tourism were nil and there was no link between tourism and national economy. In actual sense, the promotion of tourism started more or less only in the beginning of 1960s. Then, government of Nepal made attempt to the development of tourism with liberal tourism policy relatively than there before.

After 1990, viewing the globalizing context of the world, Nepal government also started to launch different policies and programs related to tourism. In 1995, an independent "Tourism Policy" was announced and in 1998 'visit Nepal year-1998' campaign was conducted. In such scenario thinking the public-private partnership for the tourism development, Nepal Tourism Board (NTB) has been set up on the date of 31st December 1998 as a national tourism institution under the act of parliament (NTB Highlights, 2003). The board is providing platform for vision-drawn leadership for Nepal's tourism sector by integrating government commitment with the dynamism of private sector tourism industries.

NTB is promoting tourism in the domestic and international market and is working towards repositioning the image of the country. It aims to regulate product development activities in future. Fund for NTB is collected in the form of tourist service fee from departing foreigner passengers at the Tribhuvan International Airport (TIA) keeping it financially independent.

The Board being a statutory institution has statutory duties assigned to it. Nepal government has also established a defined funding mechanism to finance the promotional efforts of the board. The board is established to work as a professional and dynamic NTO to address the pressing need by designing specific brand image for

Nepal as a travel destination and support the same by self sustained promotional campaigns .Nepal Tourism Board is a national organization established in 1998 by an act of parliament in the form of partnership between Government of Nepal, and private sector tourism industries of Nepal to develop and market Nepal as an attractive tourist destination. The Board provides platform for vision-drawn leadership for Nepal's tourism section by integrating government commitment with the dynamism of private sector.

NTB is promoting Nepal in the domestic and international market and is working toward repositioning the image of the country. It aims to regulate product development activities in future. Fund for NTB is collected in the form of Tourist Service Fee from departing foreigner passengers at the Tribhuvan International Airport, Kathmandu thus keeping it financially independent. The Board chaired by a Secretary at Ministry of Culture, Tourism and Civil Aviation constitutes of 11 board members with five government representatives, Five private sector representatives and the chief executive officer. NTB is a national tourism organization of Nepal. The main objective of NTB is to establish Nepal as a premiere holiday destination in international arena with definite brand image. Nepal Tourism Board (NTB) is the statutory body instituted by an act of parliament to function as a model agency with public-private partnership approach for the development, expansion and promotion of Nepalese tourism. It aims to provide and share comprehensive information on tourism sector of Nepal to its wide spectrum of tourism stakeholders: plan and policy makers, tour operators, tourism professionals, academicians, students, Non Residents Nepalese, communities and well-wishers of Nepal.

4.2 Objectives of NTB

As an independent body related to tourism, NTB has some objectives to develop and promote tourism in Nepal. Out of the many responsibilities entrusted to NTB, the primary objective of this institution is to market Nepal as a premier holiday destination in the international market and also to upgrade the quality of tourism products and resources at par with the accepted international standard, which of course is one of the daunting tasks.

'The Nepal tourism Board Act, 2053' has set up its objectives as following.

- To introduce Nepal in the international arena by developing it as a fascinating tourist destination.
- To develop, expand and promote tourism business whilst protecting and promoting natural and cultural heritage and environment of the country.
- To create maximum employment opportunities by increasing national production and foreign currency earning through the development, expansion and promotion of tourism.
- To establish Nepal's image in a high and dignified way in the international tourism community by developing Nepal as a safe, reliable and attractive tourist destination.
- To conduct or cause to be conducted functional research as per necessary for finding out ways to solve problems encountered in tourism sector so as to provide qualitative services to the tourist.
- To assist in establishing and developing institution necessary for tourism development.

4.3 Roles and Responsibilities of Nepal Tourism Board

NTB has been established with a mission to maximize the benefits of tourism by promoting Nepal as a premier holiday destination with a definite brand image. To make the mission fruitful, NTB has assigned some roles and responsibilities by the NTB act 2053 as mentioned below:

- To develop and introduce Nepal as an attractive tourist destination in the international marketplace.
- To promote the tourism industry in the country while working for the conservation of natural, environmental and cultural resources.
- To work towards increasing the gross domestic product and foreign exchange income by means of promoting the tourism industry. To work towards increasing employment opportunities in the same industry.
- To develop Nepal as a secure, dependable as well as attractive travel destination by establishing a respectable image of Nepal in international travel trade community.
- To work towards providing quality service to the tourist visiting Nepal.

- To study the bottlenecks against the same by means of conducting research and implementing and getting implemented the results of such research in order to do away with these bottlenecks.
- To promote and develop institutions for the promotion of tourism industry.

4.4 Organizational Structure of NTB

As the NTB has been established to develop tourism with public private force, its executive committee members also consists from government as well as private sector. To executive committee comprises of 11 members, 5 members representing Nepal government, 5 members representing the private sector and chief executive officer (CEO) of the Board as the member secretary of the executive committee. The executive committee has been formed to systematically execute and cause to be executing necessary programs and to take care of and manage all the activities of the Board for achieving its objectives.

The committee consisting chairman from government and vice-chairman from private sector \ tourism entrepreneurs have following members:

- Secretary, ministry of tourism and civil aviation - chairman.
- A member selected by the Board members from among the members nominated by private sector - vice chairman
- Joint secretary, ministry of finance - member
- Director General, Department of Immigration - member
- One officer, at least of graduated first class nominated by Nepal government from among other ministers related with tourism development - member
- Director General, Civil Aviation Authority of Nepal - member
- Five Individuals nominated by Nepal government among the tourism entrepreneurs involved in tourism promotion activities and from among the experts on tourism, natural and cultural heritage - member
- Chief executive officer - member.

4.5 Resource Allocation

4.5.1 Year Wise Allocation of Resource for Tourism Development (1984/85 to 2008/09)

Being one of the main sectors, tourism is getting a small portion of total expenditure. The table (4.1) shows the percentage of total expenditure allocation for tourism development.

Table 4.1
Year Wise Allocation of Resource for Tourism Development

Fiscal Year	Total tourism development expenditure (in million)	Total Tourism Development Expenditure as % of Total Development Expenditure
1988/89	6.1	0.11
1989/90	4.7	0.08
1990/91	13.8	0.19
1991/92	111.4	1.18
1992/93	17.2	0.14
1993/94	18.4	0.14
1994/95	12.4	0.08
1995/96	12.5	0.08
1996/97	61.8	0.32
1997/98	68.1	0.32
1998/99	147.4	0.74
1999/2000	189.2	0.76
2000/01	203.7	0.70
2001/02	159.5	0.55
2002/03	154.1	0.54
2003/04	221.5	0.70
2004/05	383.7	1.03
2005/06	253.9	0.80
2006/07	189.7	0.65
2007/08	183.7	0.54
2008/09	209.4	0.51

Source: Economic Survey, and Budget Speech, various issues, MOF.

The table has shown that there is wide fluctuation in developmental expenditure for Tourism. The expenditure on tourism was 6.1 million rupees in the FY 1988/89 which was only 0.11 percent of total expenditure. Thus, the outlay allocated for tourism gradually increased to 111.4 million in 1991/92 which was 1.18 percent of total expenditure. Similarly, that came down to 17.2 million rupees the subsequent

year. That again went up to 203.7 million rupees in 2000/2001 and further declined to 159.5 million rupees. It becomes the highest at 253.9 million rupees in 2005/2006 which was 0.80 percent of total expenditure. In the FY 2008/2009, it further decreased up to 209.4 million. Therefore, it can be argued that the government's approach towards developing the tourism sector has not been consistent and coherent. To increase the more returns from tourism, the government must increase to share of tourism expenditure.

4.5.2 Plan Wise Allocation of Resources

The HMG/N has given some place for tourism development from the first five years plan to the current tenth plan. The outlay allocated for tourism development has increasing trend from 1.0 million in first plan (1956-61) to 1979.0 million in tenth plan but the percentage of total out lay allocated to tourism has fluctuating trend. It was 0.30 percent of total outlay in first plan (1956-61) and increased to 0.33 percent in second plan (1962-65). Thereafter it declined to 0.29 percent in third plan and further 0.18 percent in fifth plan. In similar way it increased to 1.10 percent of total tenth plan outlay.

Table 4.2
Allocation of Resource in Various Plans

(Rs. in millions)

Plan Period	Total Plan Outlay	Tourism Outlay	Percentage share of tourism in total outlay	Plan wise growth rate of tourism outlay
First plan (1956-61)	330	1.0	0.30	-
Second Plan (1962-65)	600	2.0	0.33	100
Third Plan (1965-70)	1740	5.0	0.29	150
Fourth Plan (1970-75)	2570	5.0	0.19	0.0
Fifth Plan (1975-80)	11404	20.0	0.18	300
Sixth Plan (1980-85)	21750	60.0	0.28	200
Seventh Plan (1985-90)	29000	74.0	0.26	24
Eight Plan (1992-97)	113479	1088.0	0.96	1370
Ninth Plan (1997-2002)	189580	1707	0.90	57
Tenth Plan (2002-07)	178350	1979	1.10	15.93

Source: Various Development Plans, NPC, HMG/N.

On the other hand, the plan wise growth rate of tourism outlay in second plan was 100 percent i.e. in second plan, there was double amount of tourism outlay in

comparison to the first plan. But the highest growth rate of tourism outlay was in Eight Five Year Plan with 1370 percent increase in tourism outlay in comparison to the previous plan period. Now, in current Tenth Five Year Plan the share of tourism outlay is 1979.0 million rupees which is 1.10 percent of total tenth plan outlay. But in the current condition it is very necessary to improve this share further to develop the tourism sector for the large benefits in the economy.

4.6 Tourist Inflow in Nepal

Only from initiation the First Plan (1956-61) the government started to invest in tourism sector and only after that period the inflow of tourists started to increase. This shows that the investment in this sector has positive impact on tourist arrival as well as economic development of Nepal through increasing tourism activities and foreign exchange earnings. The table 3 has shown the arrival of tourist in Nepal since 1985.

Table 4.3

Tourist Arrivals and Average Length of Stay (2000-2009)

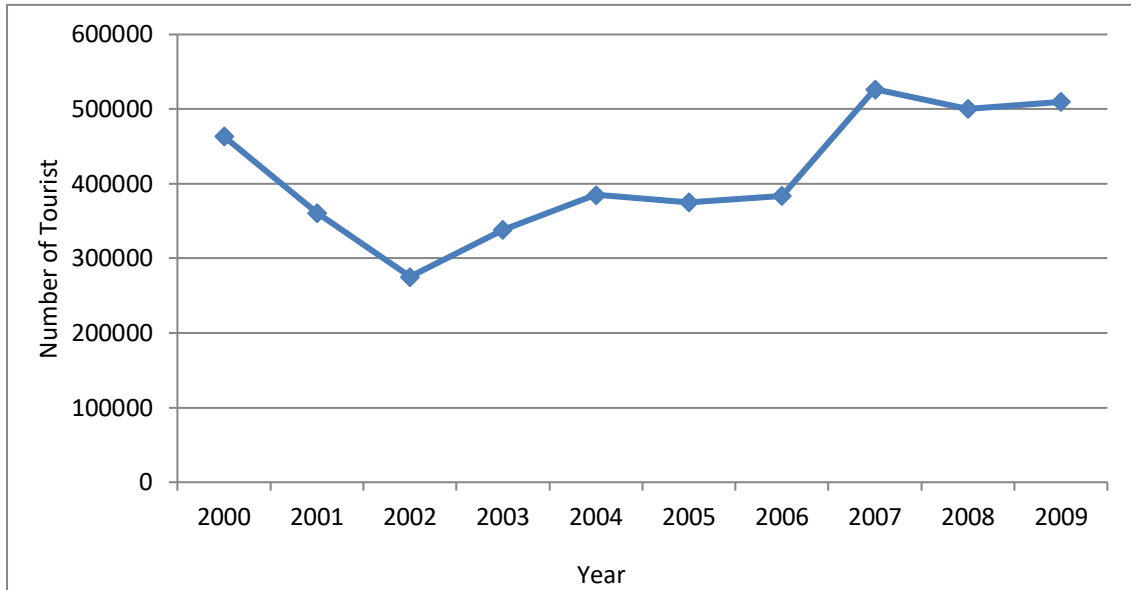
Year	Total No. Of Tourist	Arrival Growth Rate	Average Length of Stay(days)
2000	463646	-	12
2001	361237	-22.1	11
2002	275468	-23.7	11
2003	338132	22.7	7
2004	385297	13.9	9
2005	375398	-2.6	13
2006	383926	2.3	9
2007	526705	37.2	10
2008	500277	-5.0	11
2009	509956	1.9	12

Source: Economic Survey-2009 and Nepal Tourism Statistics 2009

The growth rate of tourist arrival is positive in all the years except in 2000, 2001 2005 and 2008 due to various causes including terrorism. The total arrivals increased to 338132 in 2003 while in 2002 it was only 275468. There was rapid arrival growth till the year 2007. In the year 2000, 2001, and 2002 the arrival largely decreased with - 22.1 percent, and -23.7 percent respectively. But after the year 2002, there was positive sign in this sector with growth rate 22.7 percent in 2003 and 13.9 percent in 2004. But it has been decreased by 2.6 percent in 2005 and increased by 37.2 percent

in 2007. In 2008 it has been further decreased by 5 percent and increased by 1.9 percent in 2009.

Chart 4.1
Total No. of Tourist



The above diagram shows the fluctuation in total number of tourist arrival in consequent years.

Table 4.4
Average Length of Stay in Different Years

Year	Average Length of Stay(days)
2000	12
2001	11
2002	11
2003	7
2004	9
2005	13
2006	9
2007	10
2008	11
2009	12

Similarly, the above Table 4.4 represents annual average length of stay of tourists, which fluctuate between 7 and 12 days. With such fluctuating trend the average length of stay in 2002 recorded 11 days with 23.7 percent decrease tourists' arrival in comparison to the previous year. It has been decreased to 7 days in 2003 and 9 days

in 2004. But, it has increased to 13 days in 2005 and decreased up to 11 days in 2008. Finally, it has increased up to 12 days in 2009. It can be observed that the average length of stay between the years 2000 to 2009 is 10.5 days.

Population Mean (μ) Test

Table 4.5
Calculation of Sum of Values

No. of days	d=X-10.5	d ²
12	1	1
11	0	0
11	0	0
7	-4	16
9	-2	4
13	2	4
9	-2	4
10	-1	1
11	0	0
12	1	1
	$\Sigma d = -5$	$\Sigma d^2 = 31$

Now,

$$\begin{aligned} \text{Sample mean}(X) &= a + \frac{\Sigma d}{n} \\ &= 11 + \frac{(-5)}{10} \\ &= 10.5 \text{ days} \end{aligned}$$

$$\begin{aligned} \text{Again, sample s. d. (s)} &= \sqrt{\frac{1}{n} \left[\Sigma d^2 - \frac{(\Sigma d)^2}{n} \right]} \\ &= \sqrt{\frac{1}{10} \left[31 - \frac{(-5)^2}{10} \right]} \\ &= \sqrt{\frac{1}{10} (28.92)} \\ &= 1.70 \end{aligned}$$

Now, Null Hypothesis (H₀): $\mu = 10$. That is population mean of length of stay is equal to 10 days. It means the average length of stay is 10 days.

Alternative Hypothesis (H1): $\mu > 10$ (right tail test). That is population mean of length of stay is greater than 10. It means the average length of stay is greater than 10 days.

Test statistics: Under H0, the t-test is

$$\begin{aligned} t &= \frac{\frac{\bar{x} - \mu}{s}}{\sqrt{n-1}} \\ &= \frac{10.5 - 10}{1.70} \times \frac{1}{\sqrt{n-1}} \\ &= \frac{0.5}{1.70 \times 3} \\ &= 0.88 \end{aligned}$$

Level of significance (α) = 5 %

Degree of freedom = $n - 1$

$$= 10 - 1$$

$$= 9$$

Critical value (significant value). The tabulated value of t or t^{tab} at 5% level of significant and 9 d.f for one tail test is 1.833.

Decision: Since, calculated value of t ($=0.88$) $<$ tabulated value at t ($=1.833$) at 5% level of significance and 9 d.f for one tail test. So, Alternative hypothesis is rejected. Hence, we conclude that there is no significant difference between sample mean and population mean. It means the average length of stay is 10 days.

Again, 95% confidence interval for population mean is

$$\begin{aligned} \mu &= \bar{X} \pm t_{\alpha, n-1} \text{S.E.}(\bar{X}) \\ &= \bar{X} \pm t_{0.05, 10-1} \frac{s}{\sqrt{n-1}} \\ &= 10.5 \pm 1.833 \times \frac{1.70}{\sqrt{9}} \\ &= 10.5 \pm 1.039 \\ &= (10.5 - 1.039, 10.5 + 1.039) \\ &= 9.461, 11.539 \end{aligned}$$

4.6.1 Tourist Arrival by Continents

The following table shows the tourist arrival from different continents such as Asia, North America, central and South America, Western Europe, Eastern Europe, Africa, Australia and Pacific. In 1962 the highest share was of North America (60.3%) and, 32.0 percent from Western Europe and 4.0 percent from Asia. But in 1990, the major share of tourist arrival was of Western Europe (43.5%) and Asia (38.6%). The arrival from Western Europe has average share to the total arrival i.e. 43.5% in 1990 to 26.1 percent in 2005, where as the arrival share of North America has been declining 60.3 percent in 1962 with 3rd position (the lowest share) and 61.3 percent with first position (the highest share). This may be due to the economic co-operation with Asian countries as well as neighborhood and religious and cultural similarities. If we see the trend after 2000, the share of Asian countries is highest the second highest share is of Western Europe and third is of North America. In 2005, the share of Asia, Western Europe, North America, Central & South America, Eastern Europe, Australia & Pacific and Africa were 61.3, 26.1, 0.9, 2.2 and 0.3 respectively whereas the total tourist arrival was 375398. In 2006 there is a good improvement in total tourist arrival which was 526705 and the majority of tourists are from Asian market. In, 2009 also the major tourists are from Asian market which was 242854, which covers 56.4% of total tourist arrival in that year. Thus, from the table, we can conclude that more than half of the tourist is from Asian market in most of the years, so promotion must be focused on Asian market than other .It will be very beneficial to Nepal from the contribution of Asian countries.

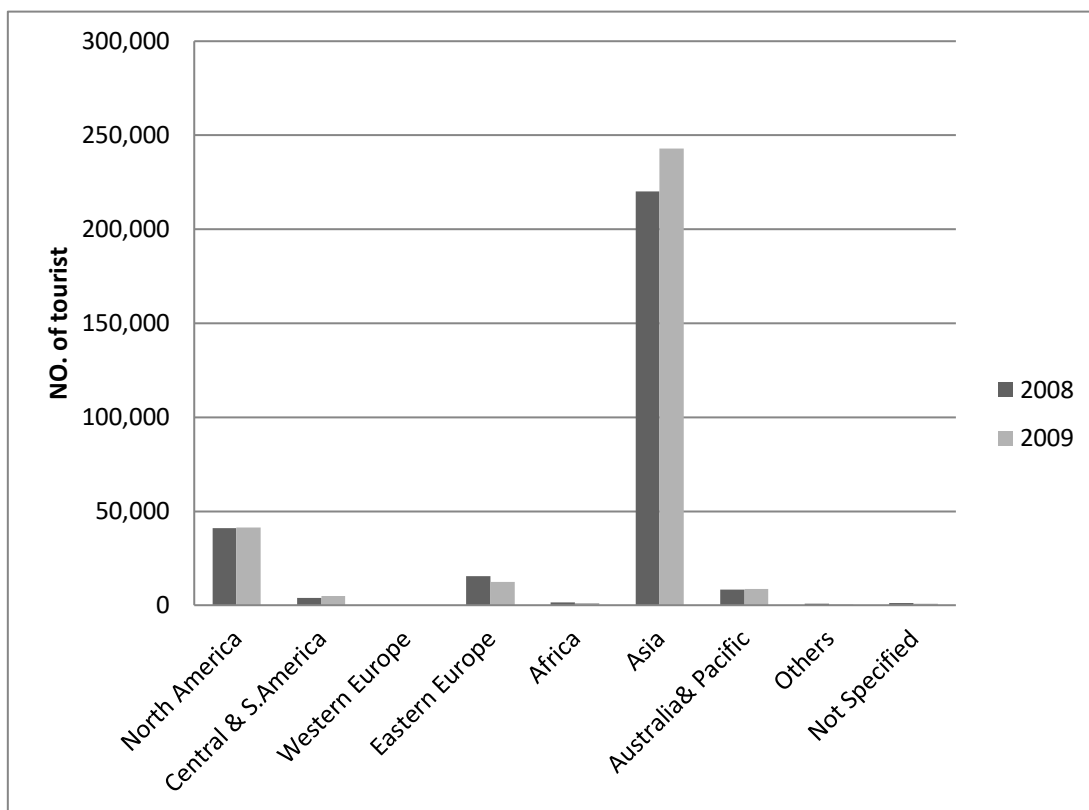
Table 4.6
Tourist Arrivals By Continent (1962-2009)

Year	North America	Central & S.America	Western Europe	Eastern Europe	Africa	Asia	Australia& Pacific	Others	Not Specified	Total
1962	3,724	54	1,980	22	8	250	117	24		6,179
%	60.3	0.9	32	0.4	0.1	4	1.9	0.4		100
1970	15,992	584	22,346	440	100	3,841	2,667	0		45,970
	34.8	1.3	48.6	1	0.2	8.4	5.8	0		100
1974	17,161	844	40,455	960	184	24,782	5,405	47		89,838
	19.1	0.9	45	1.1	0.2	27.6	6	0.1		100
1978	23,545	1,927	66,876	1,522	475	52,438	9,214	126		156,123
	15.1	1.2	42.8	1	0.3	33.6	5.9	0.1		100
1982	20,012	1,754	68,696	1,414	768	73,817	8,424	563		175,448
	11.4	1	39.2	0.8	0.4	42.1	4.8	0.3		100
1986	27,951	1,749	85,453	2,696	532	84,834	13,505	6,611		223,331
	12.5	0.8	38.3	1.2	0.2	38	6	3		100
1990	26,343	1,872	110,750	3,275	611	98,320	13,108	606		254,885
	10.3	0.7	43.5	1.3	0.2	38.6	5.1	0.2		100
1991	24,027	2,202	110,425	3,126	956	140,025	10,476	1,758		292,995
	8.2	0.8	37.7	1.1	0.3	47.8	3.6	0.6		100
1992	27,356	2,727	132,555	2,553	1,263	156,312	10,893	694		334,353
	8.2	0.8	39.6	0.8	0.4	46.8	3.3	0.2		100
1993	25,283	2,612	122,064	3,016	985	128,812	9,806	989		293,567
	8.6	0.9	41.6	1	0.3	43.9	3.3	0.3		100
1994	26,078	3,083	132,518	2,664	915	150,982	9,905	386		326,531
	8	0.9	40.6	0.8	0.3	46.2	3	0.1		100
1995	29,702	3,049	133,809	3,860	1,073	180,377	11,499	26		363,395
	8.2	0.8	36.8	1.1	0.3	49.6	3.2	0		100
1996	30,635	4,230	132,787	6,114	1,775	205,809	12,233	30		393,613
	7.8	1.1	33.7	1.6	0.5	52.3	3.1	0		100

1997	36,301	4,554	137,028	6,416	1,645	222,849	13,047	17		421,857
	8.6	1.1	32.5	1.5	0.4	52.8	3.1	0		100
1998	43,038	5,937	151,070	6,741	1,795	240,460	14,635	8		463,684
	9.3	1.3	32.6	1.5	0.4	51.9	3.2	0		100
1999	46,910	6,096	164,913	6,723	1,857	249,793	15,207	5		491,504
	9.5	1.2	33.6	1.4	0.4	50.8	3.1	0		100
2000	49,032	6,076	159,325	6,992	2,040	224,532	15,641	8		463,646
	10.6	1.3	34.4	1.5	0.4	48.4	3.4	0		100
2001	39,120	4,634	131,661	6,201	1,596	164,989	13,036	0		361,237
	10.8	1.3	36.4	1.7	0.4	45.7	3.6	0		100
2002	21,265	2,793	87,912	5,276	1,132	148,670	8,420	0		275,468
	7.7	1	31.9	1.9	0.4	54	3.1	0		100
2003	22,992	2,262	95,162	6,451	1,612	200,045	9,608	0		338,132
	6.8	0.7	28.1	1.9	0.5	59.2	2.8	0		100
2004	25,505	4,373	116,505	7,661	1,161	218,387	10,947	0	758	385,297
	6.6	1.1	30.2	2	0.3	56.7	2.8	0	0.2	100
2005	22,853	3,559	98,046	8,263	1,302	230,282	8,317	0	2,776	375,398
	6.1	0.9	26.1	2.2	0.3	61.3	2.2	0	0.7	100
2006	24,566	4,764	97,278	10,613	1,125	231,812	9,763	0	4,005	383,926
	(6.4)	(1.2)	(25.3)	(2.8)	(0.3)	(60.4)	(2.5)	(0.0)	(1.0)	(100.0)
2007	37,182	6,486	140,630	16,634	1,350	304,225	14,506	2,177	3,515	526,705
	(7.1)	(1.2)	(26.7)	(3.2)	(0.3)	(57.8)	(2.8)	(0.4)	(0.7)	(100.0)
2008	40,992	3,929	1,22,758	15,542	1,518	219,985	8,285	849	1,098	451,566
	(9.07)	(0.87)	(27.18)	(3.4)	(0.3)	(48.7)	(1.83)	(0.18)	(0.24)	(100.0)
2009	41,391	4,929	1,26,546	12,542	1,216	242,854	8,541	225	741	430,444
	(9.6)	(1.14)	(29.3)	(2.9)	(0.28)	(56.4)	(1.9)	(5.2)	(0.17)	(100.0)

Chart 4.2

Tourists Arrival by Continent (2008/2009)



The above chart 4.2 shows total number of tourists arrival from various continents in the year 2008 and 2009. In 2008 the total number of tourists arrival from North America is 40992 which has been increased upto 41391. In case of central and south America the number of tourists arrival has also been increased from 3929 to 4929 in the year 2009. Similarly, in the context of western Europe the number of tourists arrival was 122758 in 2008 and increased upto 126546 in 2009 while the number of tourists arrival from eastern Europe was 15542 in 2008 and decreased to 12542 in 2009. Likewise, the tourists arrival from Africa in the year 2008 was 1518 and 1216 in 2009 while the number of tourists arrival from Asia was 219958 in the year 2008 and increased to 242854 in the year 2009 which has been recorded as highest tourists arrival among all the continent. similarly, the tourists arrival from Australia and pacific was recorded 8285 in the year 2008 and 8541 in the year 2009 while the tourists arrival from others was recorded 849 and 225 in the year 2008 and 2009 respectively.

4.6.2 Tourist Arrival from Asian Markets/Countries

From table 4.6, it is known that major or highest share of tourist arrival is from Asian market/ countries. Among the Asian countries, the major in terms of tourism are India, Srilanka, Bangladesh, Japan, China, Malaysia, Korea, Thailand, and Israel. Table 4.5 represents that India has the highest share among the Asian countries and Japan stands for second position throughout 2005 to 2009 other countries such as Srilanka, Israel, Korea, Thailand, China are the average contributor in terms of tourist arrival in Nepal. Their share ranges from 1.5 percent to 5.6 percent to the total tourist arrival during the period 2005 to 2009. Similarly, India & Japan has the share of 17.8 and 8.0 percent, 24.2 and 8.4 percent, 25.5 and 8.1 percent, 23.4 and 6.3 percent, and 25.7 and 4.9 percent in 2005, 2006, 2007, 2008 and 2009 respectively to total tourist arrival. In total the Asian Countries have to share of 45.7, 54.0, 59.2, 56.7 and 61.3 percent in 2005, 2006, 2007, 2008 and 2009 to the total tourist arrival respectively.

But in 2009, the second position has occupied by China with 5.6 percent whereas Japan has 4.9 percent.

Table 4.7
Tourist arrival from Asian Countries and
Their Share to Total Arrival 2005-2009

Countries	2005		2006		2007		2008		2009	
	Total No.	%	Total No.	%	Total No.	%	Total No.	%	Total No.	%
India	64320	17.8	16777	24.2	86363	25.5	90326	23.4	96434	25.7
Srilanka	9844	2.7	9805	3.6	13930	4.3	125290	4.5	18770	5.0
Bangladesh	7742	2.1	5507	2.0	5031	3.5	14607	3.8	20201	5.4
Japan	28830	8.0	23223	8.4	27412	8.1	24231	6.3	18460	4.9
China	8738	2.4	8715	3.2	7562	2.2	13326	3.5	21170	5.6
Malaysia	3787	1.0	2111	1.0	8197	2.4	7266	1.9	5269	1.4
Korea	11568	3.2	8798	3.2	13200	3.9	10827	2.8	10300	2.7
Thailand	5312	1.5	4694	1.7	11129	3.3	14648	3.8	10157	2.7
Israel	7411	2.1	6286	2.3	10733	3.2	7691	2.0	6173	1.6
Others	17434	4.9								
Total	164989	45.7	148670	54.0	200045	59.2	218387	56.7	230282	61.3
Total No of Tourist arrival	361237	100	275468	100	338132	100	385297	100	375398	100

Source: Nepal Tourism Statistics 2009, MOCTC

Table 4.8
Calculation of Weighted Average Mean of Tourists
Arrival from Asian Market
(For the year 2008)

Countries	Total No. of tourist arrival (X)	Weight(W)	WX
India	90326	0.29	26194.54
Srilanka	125290	0.41	51368.9
Bangladesh	14607	0.05	730.35
Japan	24231	0.08	1938.48
China	13326	0.04	533.04
Malaysia	7266	0.02	145.32
Korea	10827	0.03	324.81
Thailand	14648	0.05	732.4
Israel	7691	0.03	230.73
Total	308212	$\sum W=1$	$\sum WX=82198.57$

We have,

$$\text{Weighted Mean} = \frac{W_1X_1 + W_2X_2 + W_3X_3 + \dots + W_NX_N}{W_1 + W_2 + W_3 + W_N}$$

Or

$$\frac{\sum_{i=1}^n w_i x_i}{\sum_{i=1}^n w_i} = \frac{w_1 x_1 + w_2 x_2 + \dots + w_n x_n}{w_1 + w_2 + \dots + w_n}$$

Now,

$$= \frac{26194.54 + 51368.9 + 730.35 + 1938.48 + 533.04 + 145.32 + 324.81 + 732. + 230.73}{0.29 + 0.41 + 0.05 + 0.08 + 0.04 + 0.02 + 0.03 + 0.05 + 0.03}$$

$$= 82198.57/1.00$$

$$= 82198.57$$

Hence, 82198 tourists is the weighted mean of the total tourists arrival from Asian markets in the year 2008.

Table 4.9
Calculation of Weighted Average Mean of
Tourists Arrival from Asian Market
(For the year 2009)

Countries	Total no. of tourists arrival No.(X)	Weight(W)	WX
India	96434	0.47	45323.98
Srilanka	18770	0.09	1689.3
Bangladesh	20201	0.10	2020.1
Japan	18460	0.09	1661.4
China	21170	0.10	2117
Malaysia	5269	0.02	105.38
Korea	10300	0.05	515
Thailand	10157	0.05	507.85
Israel	6173	0.03	185.19
Total	206934	$\sum W=1.00$	$\sum WX=54125.2$

We have,

$$\text{Weighted Mean} = \frac{W_1X_1+W_2X_2+W_3X_3+\dots+W_NX_N}{W_1+W_2+W_3+W_N}$$

Or

$$\frac{\sum_{i=1}^n w_i x_i}{\sum_{i=1}^n w_i} = \frac{w_1x_1 + w_2x_2 + \dots + w_nx_n}{w_1 + w_2 + \dots + w_n}$$

Now,

$$\begin{aligned} &= \frac{45323.98+1689.3+2020.1+1661.4+2117+105.38+515+507.85+185.19}{0.47+0.09+0.10+0.09+0.10+0.02+0.05+0.05+0.03} \\ &= 54125.2/1.00 \\ &= 54125.2 \end{aligned}$$

Hence, 54125 tourists is the weighted mean of the total tourists arrival from Asian markets in the year 2009.

4.6.3 Tourist Arrival by Purpose of Visit and from Major Nationalities

Table 4.10
Tourist Arrivals by Purpose of Visit, 2000-2009

Year	Holiday Pleasure	Trekking & Mountaineering	Business	Pilgrimage	Official	Conv./ Conf.	Rafting	Others	Not Specified	Total
2000	255,889	118,780	29,454	15,801	20,832	5,599	-	17,291	-	463,646
	(55.2)	(25.6)	(6.4)	(3.4)	(4.5)	(1.2)		(3.7)		(100.0)
2001	187,022	100,828	18,528	13,816	18,727	0	-	22,316	-	361,237
	(51.8)	(27.9)	(5.1)	(3.8)	(5.2)	(0.0)		(6.2)		(100.0)
2002	110,143	59,279	16,990	12,366	17,783	0	-	58,907	-	275,468
	(40.0)	(21.5)	(6.2)	(4.5)	(6.5)	(0.0)		(21.4)		(100.0)
2003	97,904	65,721	19,387	21,395	21,967	0	-	111,758	-	338,132
	(29.0)	(19.4)	(5.7)	(6.3)	(6.5)	(0.0)		(33.1)		(100.0)
2004	167,262	69,442	13,948	45,664	17,088	0	-	71,893	-	385,297
	(43.4)	(18.0)	(3.6)	(11.9)	(4.4)	(0.0)		(18.7)		(100.0)
2005	160,259	61,488	21,992	47,621	16,859	0	-	67,179	-	375,398
	(42.7)	(16.4)	(5.9)	(12.7)	(4.5)	(0.0)		(17.9)		(100.0)
2006	145,802	66,931	21,066	59,298	18,063	0	-	72,766	-	383,926
	(27.7)	(12.7)	(4.0)	(11.3)	(3.4)	(0.0)		(13.8)		(100.0)
2007	217,815	101,320	24,487	52,594	21,670	8,019	65	78,579	22,156	526,705
	(41.4)	(19.2)	(4.6)	(10.0)	(4.1)	(1.5)	(0.0)	(14.9)	(4.2)	(100.0)
2008	148,180	104,822	23,039	45,091	43,044	6,938	243	99,391	29,529	500,277
	(29.6)	(21.0)	(4.6)	(9.0)	(8.6)	(1.4)	(0.0)	(19.9)	(5.9)	(100.0)
2009	40,992	132,929	22,758	51,542	24,518	9,985	285	186,849	40,098	509,956
	(8.0)	(26.1)	(4.5)	(10.1)	(4.8)	(2.0)	(0.1)	(36.6)	(7.9)	(100.0)

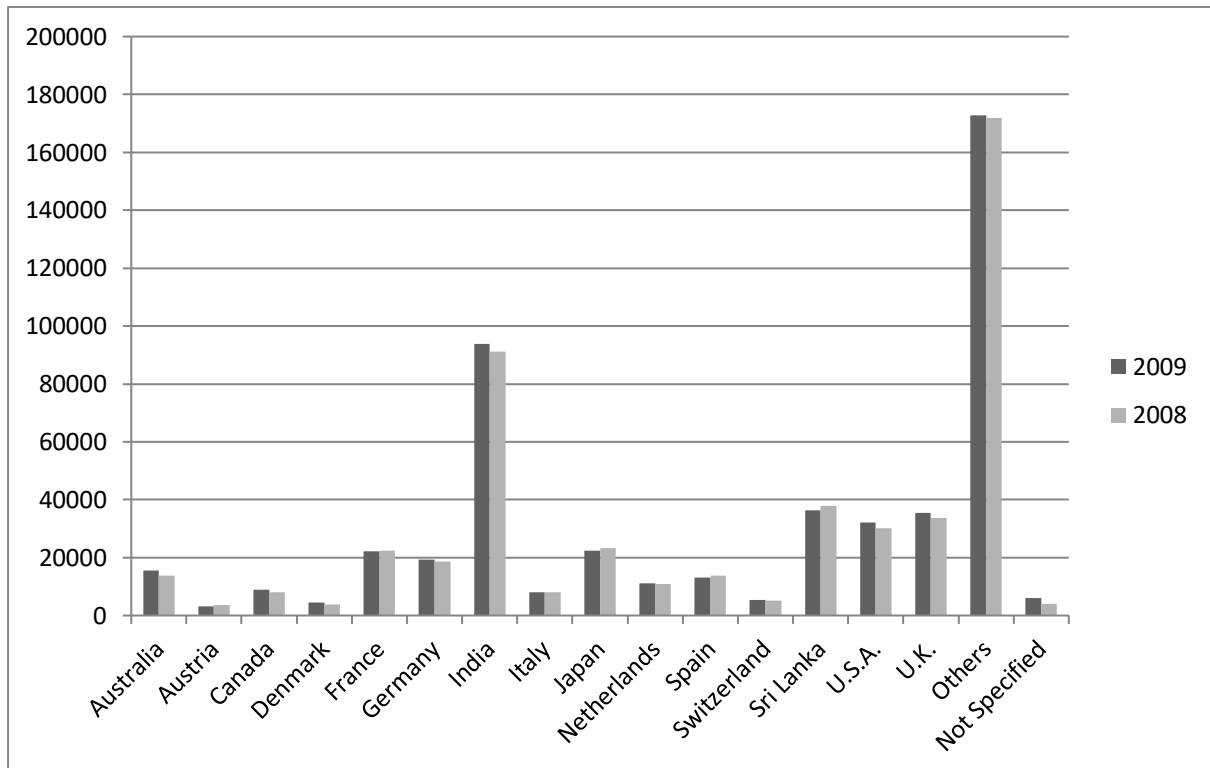
Table 4.11
Tourist Arrivals By Major Nationalities, 2000-2009

Nationality	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Australia	12189	10455	7159	7916	9671	7093	8231	12369	13846	15461
	(2.6)	(2.9)	(2.6)	(2.3)	(2.5)	(1.9)	(2.1)	(2.3)	(2.8)	(3.0)
Austria	5221	4164	3140	3025	4341	3007	3474	4473	3540	3245
	(1.1)	(1.2)	(1.1)	(0.9)	(1.1)	(0.8)	(0.9)	(0.8)	(0.7)	(0.6)
Canada	8590	7068	3747	4154	4825	4168	4733	7399	8132	8965
	(1.9)	(2.0)	(1.4)	(1.2)	(1.3)	(1.1)	(1.2)	(1.4)	(1.6)	(1.8)
Denmark	4847	3854	2040	2178	2633	1770	1956	3157	3847	4464
	(1.0)	(1.1)	(0.7)	(0.6)	(0.7)	(0.5)	(0.5)	(0.6)	(0.8)	(0.9)
France	24506	21187	13376	15865	18938	14108	14835	20250	22402	22154
	(5.3)	(5.9)	(4.9)	(4.7)	(4.9)	(3.8)	(3.9)	(3.8)	(4.5)	(4.3)
Germany	26263	21577	15774	14866	16025	14345	14361	21323	18552	19246
	(5.7)	(6.0)	(5.7)	(4.4)	(4.2)	(3.8)	(3.7)	(4.0)	(3.7)	(3.8)
India	95915	64320	66777	86363	90326	95685	93722	96010	91177	93884
	(20.7)	(17.8)	(24.2)	(25.5)	(23.4)	(25.5)	(24.4)	(18.2)	(18.2)	(18.4)
Italy	11491	8745	8057	8243	12376	8785	7736	11243	7914	7982
	(2.5)	(2.4)	(2.9)	(2.4)	(3.2)	(2.3)	(2.0)	(2.1)	(1.6)	(1.6)
Japan	41070	28830	23223	27412	24231	18239	22242	27058	23383	22445
	(8.9)	(8.0)	(8.4)	(8.1)	(6.3)	(4.9)	(5.8)	(5.1)	(4.7)	(4.4)
Netherlands	16211	13662	8306	8443	11160	8947	7207	10589	10900	11147
	(3.5)	(3.8)	(3.0)	(2.5)	(2.9)	(2.4)	(1.9)	(2.0)	(2.2)	(2.2)
Spain	8874	5897	5267	8265	11767	8891	10377	15672	13851	13006
	(1.9)	(1.6)	(1.9)	(2.4)	(3.1)	(2.4)	(2.7)	(3.0)	(2.8)	(2.6)

Switzerland	6230	5649	3352	3246	3788	3163	3559	5238	5186	5281
	(1.3)	(1.6)	(1.2)	(1.0)	(1.0)	(0.8)	(0.9)	(1.0)	(1.0)	(1.0)
Sri Lanka	16649	9844	9805	13930	16124	18770	27413	49947	37817	36362
	(3.6)	(2.7)	(3.6)	(4.1)	(4.2)	(5.0)	(7.1)	(9.5)	(7.6)	(7.1)
U.S.A.	40442	32052	17518	18838	20680	18539	19833	29783	30076	32043
	(8.7)	(8.9)	(6.4)	(5.6)	(5.4)	(4.9)	(5.2)	(5.7)	(6.0)	(6.3)
U.K.	37765	33533	21007	22101	24667	25151	22708	32367	33658	35382
	(8.1)	(9.3)	(7.6)	(6.5)	(6.4)	(6.7)	(5.9)	(6.1)	(6.7)	(6.9)
Others	107383	90400	66920	93287	113745	124737	120732	176312	171989	172846
	(23.2)	(25.0)	(24.3)	(27.6)	(29.5)	(33.2)	(31.4)	(33.5)	(34.4)	(33.9)
Not Specified	0	0	0	0	0	0	4005	3515	4007	6043
	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(1.0)	(0.7)	(0.8)	(1.2)
Total	463646	361237	275468	338132	385297	375398	383926	526705	500277	509956
	(100)	(100)	(100)	(100)	(100)	(100)	(101)	(100)	(100)	(100)

The above table 4.8 shows the tourist arrival by the purpose of visit from major Nationalities from 1999 and 2009 and table 7 shows the tourist arrival by nationality from the year 2000 to 2009. In 1999, the total number of tourist arrival by propose of visit is 4,91,504 among them majority of tourists are arrived for the purpose of holiday pleasure. Likewise, almost all the tourists seems to be arrived for the purpose of holidays in consequent years also, expect in the year 2009. In the year 2009 the majority of tourists arrived in Nepal for the purpose of Trekking and mountaineering. Hence ,from the above data we can conclude that Nepal should make a development and promotion mostly in trekking and mountaineering activities and give emphasis on tourist coming for holiday pleasure which in turn can uplift Nepal’s tourism industry . It can be more clearly depicted from following chart.

Chart 4.3
Tourists Arrival by Major Nationalities 2008/2009



4.6.4 Average Length of Stay

Table 4.12

Average Length of Stay by Major Nationalities, 2009

Nationality	No. of Tourist's Days	Same Day Visitors	Number of Departure with specified length of stay	Average Length of Stay
Australia	277,268	448	15,222	18.21
Austria	51,834	74	3,272	15.84
Canada	151,910	311	9,056	16.77
Denmark	69,334	125	4,822	14.38
France	331,471	735	22,486	14.74
Germany	309,343	477	19,540	15.83
India	934,908	-	102,126	9.15
Italy	97,945	162	8,033	12.19
Japan	280,234	829	23,226	12.07
Netherlands	157,142	893	11,292	13.92
Spain	133,265	541	12,840	10.38
Sri Lanka	257,559	15,259	37,201	6.92
Switzerland	87,447	69	5,578	15.68
U.K.	498,522	1,018	35,390	14.09
U.S.A.	435,545	666	32,419	13.43
Others	1,978,705	17,081	192,210	10.29
Not Stated	60,054	-	5,471	10.98
Total	6,112,486	38,688	540,184	11.32

Source: Nepal Tourism Statistics 2009

4.7 Marketing Tools used by NTB for Destination Promotion

Since its inception in 1999, NTB has been using different strategies in order to promote 'Nepal' as an attractive tourism destination. It has been using various marketing tools so as to compete with other competitors in global tourism market, based on its annual operational plans which are prepared annually. Nepal Tourism Board uses following marketing tools for destination marketing:

1. Participation in Travel Trade Fair.
2. Advertisement/Sales and Promotion Campaign.
3. Familiarization (FAM) Trips.
4. Publicity Materials Publications.
5. Press Conferences.
6. Brand Promotion

1. Participation in Travel Trade Fair

NTB has been participating jointly with private travel trade industry partners in different Travel Fairs organized in different countries. Travel Trade Fairs are important platform for NTOs and travel industries for direct approach to consumers. Though regarded it as conventional marketing tool, it has been really important to use such Travel Trade Fairs to position Nepal as a destination among potential and existing FITs and tour agents. Following tables show the different travel trade fair where NTB has participated:

2002	2003
TTF, India	Vakantibeur- Netherlands, ,FITTUR- Spain IITM- India
ITB, Germany	TTF, India
ITE, Korea	ATM, Dubai , ATTHE Tour Expo
Kwanangdo, Korea	WTM, London JATA
JATA- Japan, WTM- London	ITB, Germany
Tourism Fair, Czech Republic	CITM, (China)
Arabian Travel Mart, Dubai	BIT, (Italy)
ITE, Hongkong	

Source: NTB marketing dept

2004	2005
TTF, India	TTF, India
ATM, Dubai	ITB, Germany
ITM, China	Vakantibeur,
WTM, London	PATA Mart, Singapore
ITB, Germany	FITTUR, Spain

2006	2007
TTF, India	TTF, India
ITB, Germany	ITB, CMT, Germany
WTM, London	WTM, London
Vakantieur, Netherlands	Vakantieur,
JATA	JATA
ITE, Hongkong	IITMIndia
CITM, China	ATM, Dubai
IITM, India	CITM, China
Tourism Mart Srilanka	PATA Travel Mart, Thailand
SATTE, India	MITF, MATTA , Malaysia

Source: NTB Marketing Dept.

2008	2009
TTF, India	TTF, India
ITB, Germany	ITB, Germany
WTM, London	WTM, London
Vakantieur,	Vakantieur,
JATA	JATA
CMT, Germany	CMT, Germany
CITM, China	PATA Mart, Hongkong
MITF, Malaysia	SATTE, India
Nepal promotion in Qatar	ATTA, World Summit USA
SATTE, India	DTM, Bangladesh
AICHIE World Expo, Japan	World Travel Fair, Shangai
Dhaka Travel Mart	MITF, Malaysia
PATA Travel Mart, Malaysia	CITM, China

Source: NTB marketing dept.

2. Advertisement/Sales Mission/Promotion Campaign

Very often NTB launches tourism promotional campaigns and sales missions in major tourism market along with tourism organization like TAAN, NATTA, NATO as well as with private travel companies, annually 2/3 sales mission are carried out by NTB in main tourism markets which are as follows:

Sales mission & Promotion Campaign: -

Discover India, India -	1999
Joint Campaign with Necon Air -	2000

Nepal Day Program, India -	2000
West Europe Road Show - Europe,	2000
Japan Sales Mission -	2001
US Road Show, USA -	2001
NTB/NAC Joint Promotion Campaign -	2002
Border town Promotion, Sikkim -	2002
NTB sales mission to China- HKG,	2002
Pilgrimage destination promotion, India,	2003
Nepal Evening in Paris -	2003
Nepal Mart, India -	2003
Special India Promotion Campaign -	2004
Sales Mission, China -	2004
Pashupati Darshan package, India,	2004
South East Asian Road Show, (Thailand, Malaysia)	2005
Nepal Promotion in Doha, Qatar -	2005
Nepal Week Program, Singapore -	2005
Nepal Promotion, Beijing, Bangkok -	2006
South India Sales Mission -	2006
India road show-	2007
China sales mission-	2007
China sales mission in the major coastal cities	2008
Sales mission in Australia	2009

3. Familiarization (FAM) Trips

Regarded as most cost effective tool of promotion Familiarization Trips have a significant role in Nepalese tourism marketing. As NTB has very limited and small budget for marketing as compared to competitors, inviting international media persons for covering destination publicity is very much effective. A group of media persons (electronic and print media), travel writers are chosen from major markets and are invited to Nepal where they are taken to different places of tourism attractions in co-operation with different airlines, hotels and travel companies. Later, they make destination coverage in the form of news, articles, video-audio travel program and circulate or broadcast in different means of media in their country. It gives wide coverage and publicity of Nepalese tourism attraction in those markets.

4. Publication of Publicity Material and Website

Information and communication is very important for visitors about the destinations where they are traveling. So, NTB has been producing different kinds of publicity materials both print and electronic. Brochures, Leaflets, Booklets, Maps are in printed form where as CD Rom, DVD, VCD, Videos, Promos are of electronic versions. A website www.welcomenepal.com is there as a means of worldwide wave publicity which is very effective and indispensable in e-marketing.

5. Press Conferences

It is very important to have good media relations while promoting destinations. So, NTB organizes press conferences of different media and tours operators in major tourism markets. It specially takes place before the sales mission and promotion campaign. Press conferences are jointly organized with MOCTCA, Tourism Organization and Tourism industry partners. Following table gives overview of press conferences organized by NTB till date:

Press Conference:-

Press Meet, India -	2000
Joint PC, Jet Airways - India,	2001
Press Conference, Banglore, India -	2002
Press Conference, London, Paris -	2003
Press Conference, China -	2004
Tour Operator Meet - Bangladesh -	2005
Press Conference, India -	2006
Press Conference /Photo Exhibition, China -	2007
Press Conference, TTF, Kolkata -	2008
Press Meet, Paris, Europe -	2009

Source: NTB marketing dept.

6. Brand Promotion

New tourism brand with the slogan '*Unleash yourself*', tagline '*Naturally Nepal*' and sub tag-line '*Once is not enough*' was introduced by Nepal Tourism Board (NTB) in early 2006. With a lot of consumer research and trade, Consultation process the brand was being introduced. The basic thrust of brand development was to develop BRAND

NEPAL as an international tourist destination and regain consumer confidence in the international market by concentration on marketing the experiential product clusters. '*Naturally Nepal*' is a simple expression that repackages brand Nepal in a positive light. '*Once is not enough*' not only accurately captures the tourists' emotions at the airport's departure gate but also serves as a decision making tool that enables Nepali tourist industry-individually and collectively to focus on customer retention rather than acquisition.

4.8 Marketing Budget Allocation by NTB

Table 4.13

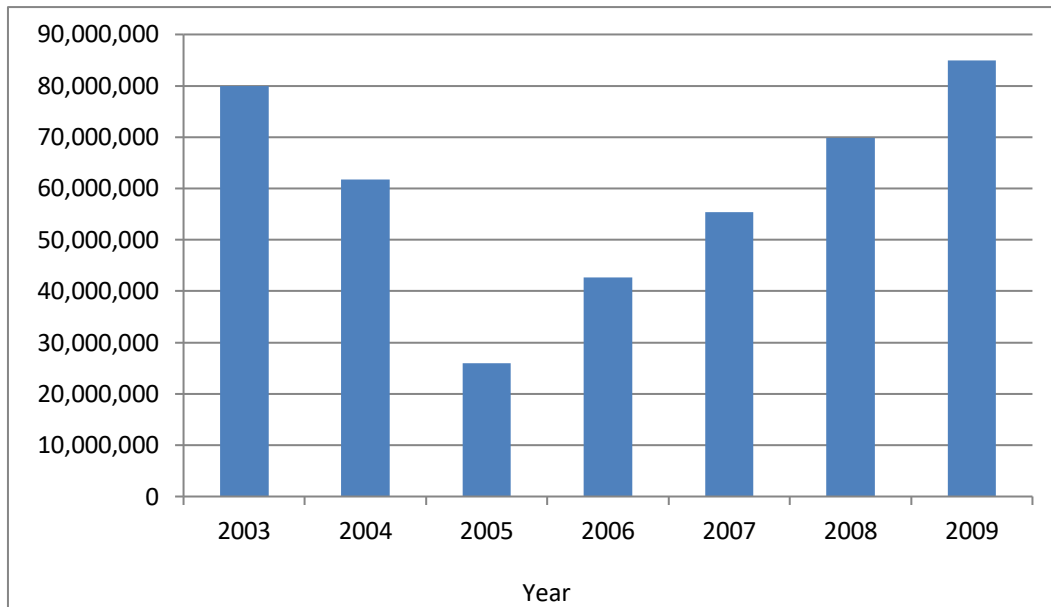
Marketing Budget Allocation by NTB

Year	Amount (Rs.)
2003	79,907,500
2004	61,798,380
2005	25,974,113
2006	42,731,570
2007	55,449,000
2008	69,850,251.34
2009	84939530.6

Source: NTB Operational Plan 2003-2009

The above table shows the marketing budget allocation by Nepal Tourism Board in different years. In 2003, it was 79907500 while it has been decreased to 61798380 in the year 2004. In the year 2005, the marketing budget was only 25974113 while it has increased up to 42731570 in the year 2006. The marketing budget was 55449000 in the year 2007 and 69850251.34 in the year 2008. In the year 2009 there was the highest 84939530.60 marketing budget allocated by NTB.

Chart 4.4
Marketing Budget Allocation



4. 9 Marketing programs in Different Asian Countries for 2008-09

INDIA

The Board's long term objectives in India are:

- To build awareness on Nepal as a convenient easily, accessible, familiar, beautiful, welcoming and value for money, leisure tourism destination with a pleasant climate.
- To substantially improve air access from India and champion the development of low cost, frequent service shuttle air corridor between Delhi and Kathmandu.
- To build up a network of trained Nepal specialists tour operators in India who will actively market Nepal's products
- To promote Nepal as a key destination for pilgrimage plus leisure and build relationship with specialists tour operators offering either Buddhist or Hindu packages
- To stimulate group business through specialists tour operators (Casinos, soft adventure, sport, well being, MICE)
- To target overseas long stay FIT visitors in India or planning to visit India and stimulate them to include Nepal, especially NRIs To develop a Nepal destination website (not the NTB website) and target India's rapidly growing PC user base.

Short Term Action for India:

- To target a 20% growth in Indian arrivals.
- To open a new NTB office in India to affectively top the market and launch an India focused campaign
- To mount a high profile campaign through journalists awareness visits
- To continue to promote pilgrimage plus leisure packages expanding the range of holidays options made available and to expand the number of partners involved, both in Nepal (product suppliers) and India (specialists tour operators and carriers)
- To plan and launch a travel agents, online training scheme, so as to create a network of Nepal specialist travel agents in India, and run familiarization to Nepal with those agents who complete the course in partnership with airlines partners

To mount a small but focused poster hoarding campaign advertising Nepal at key sites likely to be visited by overseas tourists to India

Table 4.14
Allocated Budget for Programme Activities

Program activities	Allocated Budget
Fairs: TTF kolkatta, Hyderabad, Banglore , Chennai, Mumbai, Pune -IITM	17,50,000
PRR hire: Service of professional public relation representatives	16,00,000
Media Campaigning: Advertisement and promotion through radio/TV, In-flight, travel trade magazines and major dailies, Joint advertisements with Indian tour operators and other promotions: Cinema /Hoardings/News footage	1400,000
FAM trips: Media and tour operators FAM trip from western, Northern, Southern India.	1,050,000
Sales Mission/Road Shows and Tour Operators Meet: IATO-Convention/ Joint participation with PATA Nepal Chapter/New Delhi, Pune, Mumbai Roadshow for Corporates/Bangalore and Hyderabad Roadshow or NTO's visit to secondary cities: Chandigarh, Ludiana, Jaipur, Kanpur, Lucknow	1,000,000
Total	34,50,000

Source: NTB Operational Plan 2009

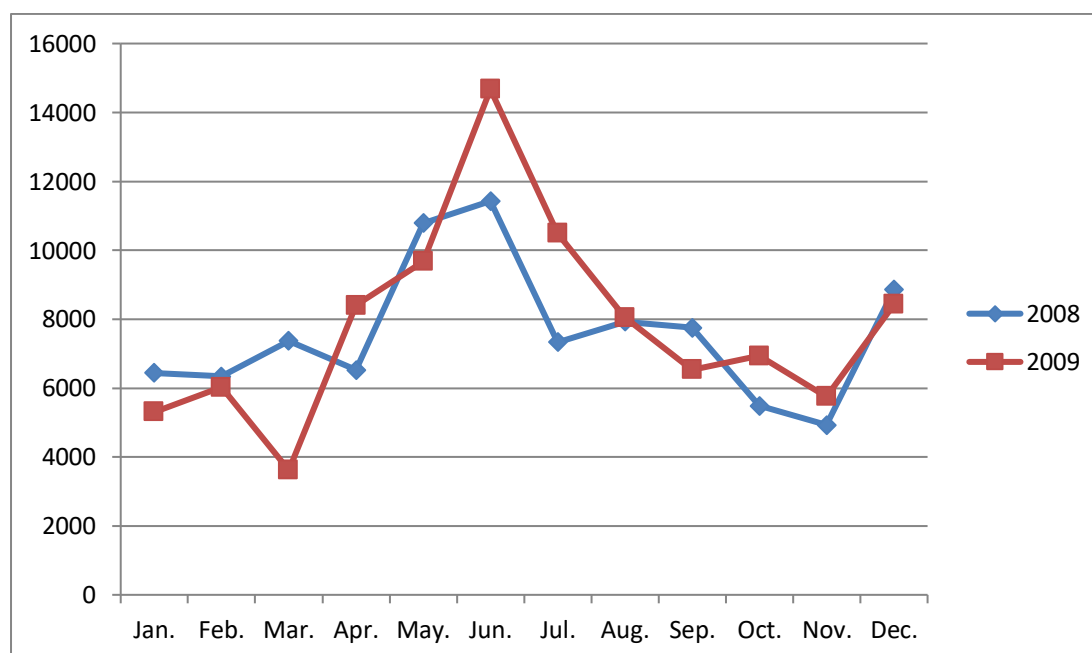
Table 4.15
Tourists Arrival from India 2008/2009

Month	No. of tourists arrival (2008)	No. of tourists arrival(2009)
Jan.	6440	5309
Feb.	6341	6023
Mar.	7371	3617
Apr.	6523	8399
May.	10791	9675
Jun.	11427	14671
Jul.	7330	10490
Aug.	7927	8053
Sep.	7752	6530
Oct.	5483	6930
Nov.	4932	5756
Dec.	8860	8431

Source: Nepal Tourism Statistics 2009

The above table shows the no. of tourists arrival from India in different months of the year. It is clearly depicted in the following chart 4.5.

Chart 4.5
Tourists Arrival from India 2008/2009



Source: NTB Operational plan 2009

CHINA

Overall marketing objectives for China:

- To build awareness about Nepal as a value for money tourism destination
- To encourage increased access to Nepal from china (principally increased access from Hong Kong and Shanghai and opening up direct access from Beijing).
- To foster marketing partnership with carriers and china based travel agencies serving the market and support joint activity

Short term Action for China

- To attain the CITM travel trade fair
- To continue building of Nepal's profile in china, particularly amongst the travel trade
- To invite press familiarization visits in partnership with china southern and NAC
- To introduce an e-newsletter for Chinese travel trade
- To position new tourism brand in the market.

Table 4.16
Allocated Budget for Programme Activities

Program Activities	Allocated Budget
PR Hire: Services of professional Public Relations Representative.	900,000
Fam Trips: Familiarisation trips from major print and electronic media and top Nepal selling travel agencies.	1,000,000
Fair/Sales Mission: Participation at CITM, WWF in China.	1,600,000
Other programs: Nepali food festival, Joint promotion programs with online airlines, internet marketing.	750,000
Consumer Focus:	750,000
Participation at PATA Travel Mart and other joint promotion programs	1,000,000
Total	6,000,000

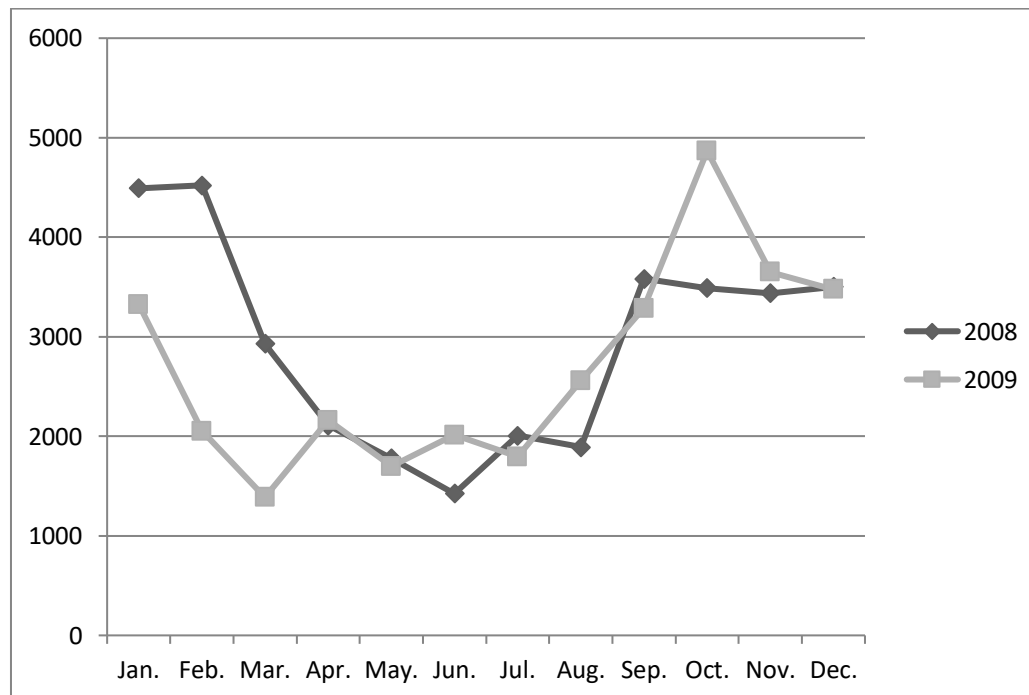
Source: NTB Annual Operational Plan 2008/09

Table 4.17
Tourist Arrival from China 2008/2009

Month	No. of Tourists Arrival (2008)	No. of Tourists Arrival(2009)
Jan.	4492	3325
Feb.	4522	2053
Mar.	2929	1387
Apr.	2111	2162
May.	1780	1698
Jun.	1424	2013
Jul.	2006	1795
Aug.	1892	2560
Sep.	3582	3286
Oct.	3488	4867
Nov.	3438	3651
Dec.	3502	3475

Source: Nepal Tourism Statistics 2009

Chart 4.6
Tourist Arrival from China 2008/2009)



Source: NTB Operational plan 2009

MALAYSIA

Long Term Objectives are:

- To create awareness of Nepal as a quality, Value for money tourism destination;
- To foster marketing partnership with all carriers serving the market, and their partner travel agents.
- To stimulate group business through specialist tour operators (golf, casinos, pilgrimage, MICE).
- To build up a network of trained Nepal-specialist tour operators in Malaysia who will actively market Nepal.

Short Term Action for Malaysia

- To target Malaysian journalists of popular print & electronic media, in partnership with online carriers to visit Nepal so that they will write promotional features on specific aspects of Nepal's tourism product relevant to the Malaysian market.
- To target top travel agents and tour operators to come to Nepal in 2008/09 in partnership with both online carriers.
- To position the new tourism brand in the Malaysia.

Table 4.18

Allocated Budget for Programme Activities

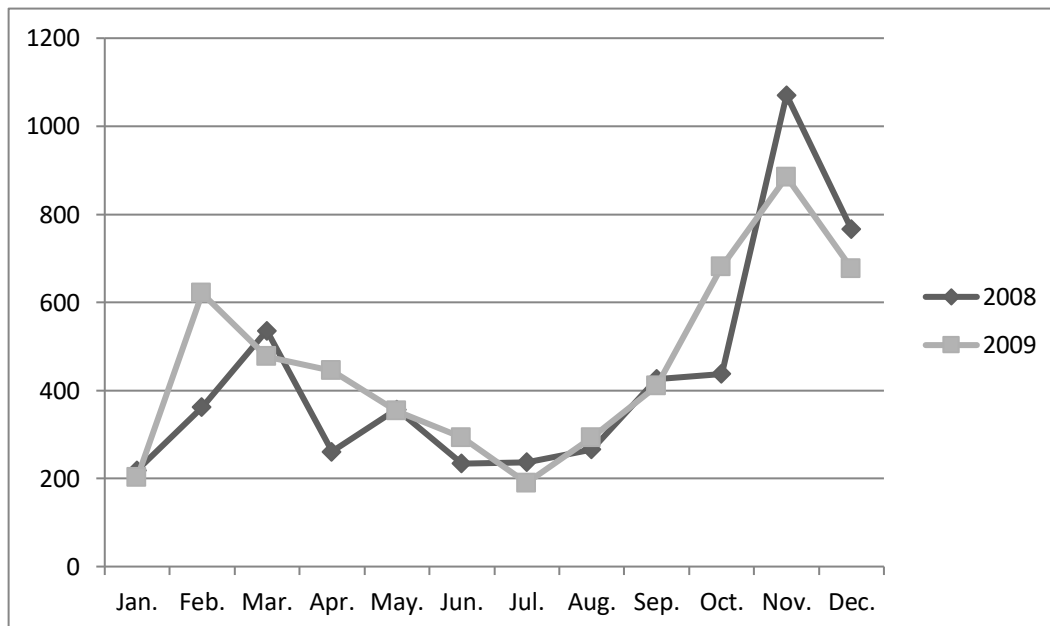
Program activities	Allocated Budget
Fair-MITF 2009	500,000
Fam Trips - 4 Groups: Familiarisation trips from major print and electronic media and top Nepal selling tour operators - 2 groups from Singapore and 2 groups from Malaysia	800,000
Sales Mission/Road Show: Singapore-Buddhist Circuit promotion. (Along with Malaysia Road Show)	700,000
Total	2,000,000

Table 4.19
Tourist Arrival from Malaysia 2008/2009

Month	No. of tourists arrival (2008)	No. of tourists arrival(2009)
Jan.	219	202
Feb.	362	621
Mar.	536	477
Apr.	261	445
May.	357	353
Jun.	234	293
Jul.	237	190
Aug.	266	293
Sep.	426	410
Oct.	438	681
Nov.	1071	885
Dec.	766	677

Source: Nepal Tourism Statistics 2009

Chart 4.7
Tourists Arrival from Malaysia (2008/2009)



Source: NTB Operational Plan 2009

THAILAND

Long term objectives are:

- To create awareness of Nepal as a quality, value for money tourism destination and the birth place of Lord Buddha.
- To foster marketing partnerships with Thai airways and its international networks.
- To stimulate group business through specialists tour operators (golf, casinos, pilgrimages, MICE).
- To build up a network of trend Nepal-specialists tour operators who will actively market Nepal.

Short term objectives

- To focus on promoting Nepal as a destination for Buddhists pilgrimages plus leisure traffic.
- To position new tourism brand in the market.

Table 4.20
Allocated Budget for Programme Activities

Program activities	Allocated Budget
Fairs-TTAA: Participation (Minimum 4 Participants)	400,000
Support to Grand Palace info Center: Administrative and maintenance expenses	400,000
Joint Promotion/Sales Mission/ Road Show: Himalayan Passage Promotion/ Nepal Week for launch of Janakpur documentary/ Buddhist Circuit promotion with PATA Nepal Chapter.	1,000,000
Fam Trips-4 Groups: familiarization trips from major print and electronic media and top Nepal selling tour operators.	800,000
Total	2,600,000

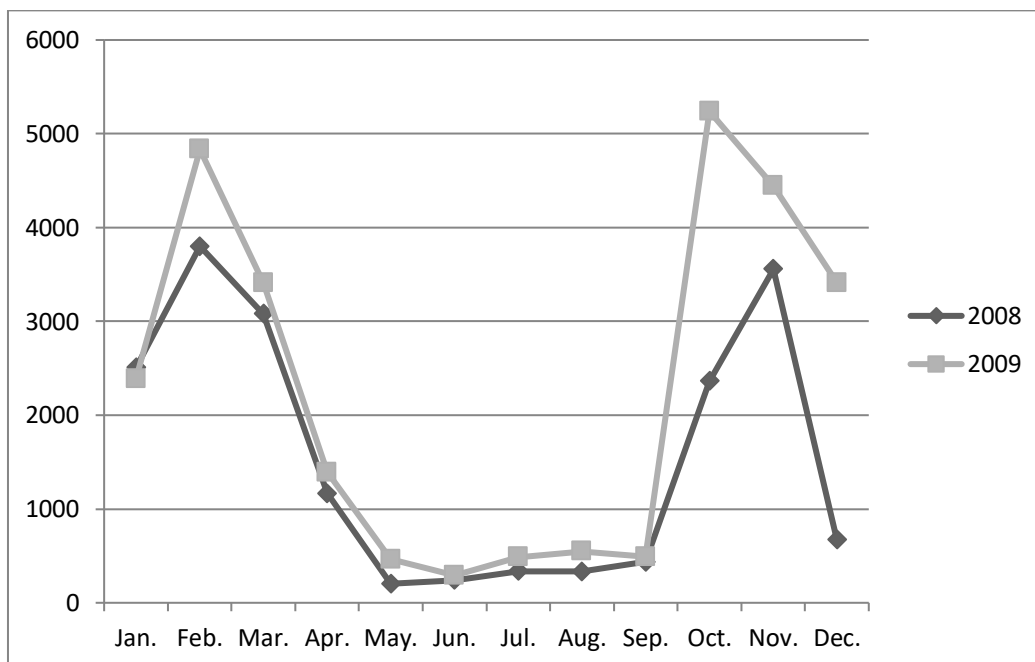
Source: NTB Operational Plan 2009

Table 4.21
Tourists Arrival from Thailand (2008/2009)

Month	No. of tourists arrival (2008)	No. of tourists arrival(2009)
Jan.	2506	2386
Feb.	3801	4835
Mar.	3081	3412
Apr.	1164	1390
May.	203	463
Jun.	241	292
Jul.	335	488
Aug.	333	547
Sep.	434	489
Oct.	2364	5239
Nov.	3556	4446
Dec.	671	3410

Source: Nepal Tourism Statistics 2009

Chart 4.8
Tourists Arrival from Thailand (2008/2009)



Source: NTB Operational Plan 2009

Bangladesh

The Board's Short term objectives in Bangladesh are to:

- Build awareness on Nepal as a convenient, easily accessible, familiar, beautiful, welcoming and value for money leisure tourism destination with a pleasant climate.
- Build up a network of trained Nepal-specialist tour operators in the market who will actively market Nepal's product.
- Promote Nepal as a key destination for leisure and build relationship with specialist tour operators offering special packages.
- To stimulate group business through specialist tour operators (casinos, soft adventure, sport, well being, MICE).

The Board's Short Term Actions in Bangladesh are:

- To continue to promote leisure plus Casino packages, expanding the range of holiday options made available, and to expand the number of partners involved, both in Nepal (product suppliers) and in the markets (specialist tour operators and carriers).
- To influence the Bangladeshi consumer and trade to visit Nepal by taking part in the Dhaka Travel Mart
- To position the new tourism brand of Nepal in the Bangladesh market.

Table 4.22

Allocated Budget for Programme Activities

Program activities	Allocated Budget
Fairs: Particiaption in (DTM)- Dhaka Travel Mart- Dhaka	4,00,000
Fam trips: Fam trip pf print/electronic Media and tour operators	4,00,000
Total	8,00,000

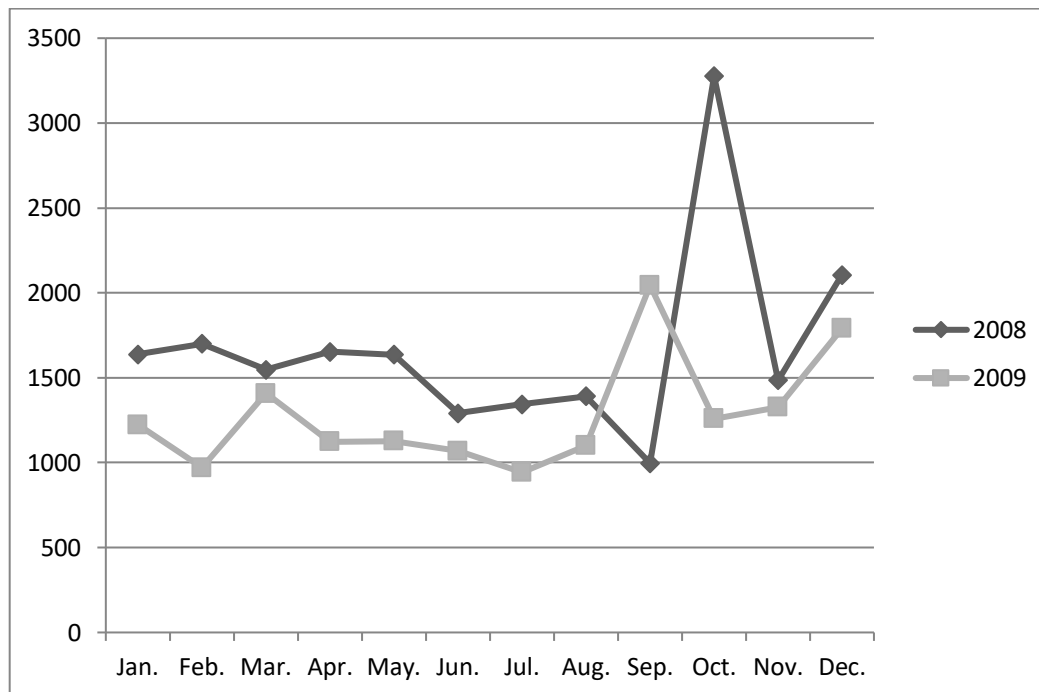
Source: NTB Operational Plan 2009

Table 4.23
Tourists Arrival from Bangladesh (2008/2009)

Month	No. of tourists arrival (2008)	No. of tourists arrival(2009)
Jan.	1638	1223
Feb.	1700	970
Mar.	1547	1408
Apr.	1654	1123
May.	1637	1127
Jun.	1292	1069
Jul.	1343	943
Aug.	1391	1101
Sep.	997	2044
Oct.	3277	1259
Nov.	1486	1327
Dec.	2105	1791

Source: Nepal Tourism Statistics 2009

Chart 4.9
Tourists Arrival from Bangladesh 2008/2009



Source: NTB Operational plan 2009

SILENCE

The Board's long term objectives in Sri Lanka are to:

- Build awareness on Nepal as a convenient, easily accessible, familiar, beautiful, welcoming and value for money leisure tourism destination with a pleasant climate.
- Build up a network of trained Nepal-specialist tour operators in the markets who will actively market Nepal's product.
- Promote Nepal as a key destination for leisure and build relationship with specialist tour operators offering special packages.
- Stimulate group business through specialist tour operators (casinos, soft adventure, sport, well-being, MICE). To position the new tourism brand of Nepal in the Sri Lankan market.

The Board's short Term Actions in Sri Lanka are:

- To continue to promote religious packages, expanding the range of holiday options made available, and to expand the number of partners involved, both in Nepal(product suppliers) and in the markets (specialist tour operators and carriers).
- To influence the Srilankan consumer and trade to visit Nepal by taking part in the Sri Lanka Travel Mart SLGSA as well as Road show with PATA Nepal chapter for Buddhist circuit promotion

Table 4.24

Allocated Budget for Programme Activities

Program activities	Allocated Budget
Fairs/ Joint promotion/FAM trip: participation in Srilanka travel mart SLGSA and road show with PATA Nepal for Buddhist circuit promotion	5,00,000
Total	5,00,000

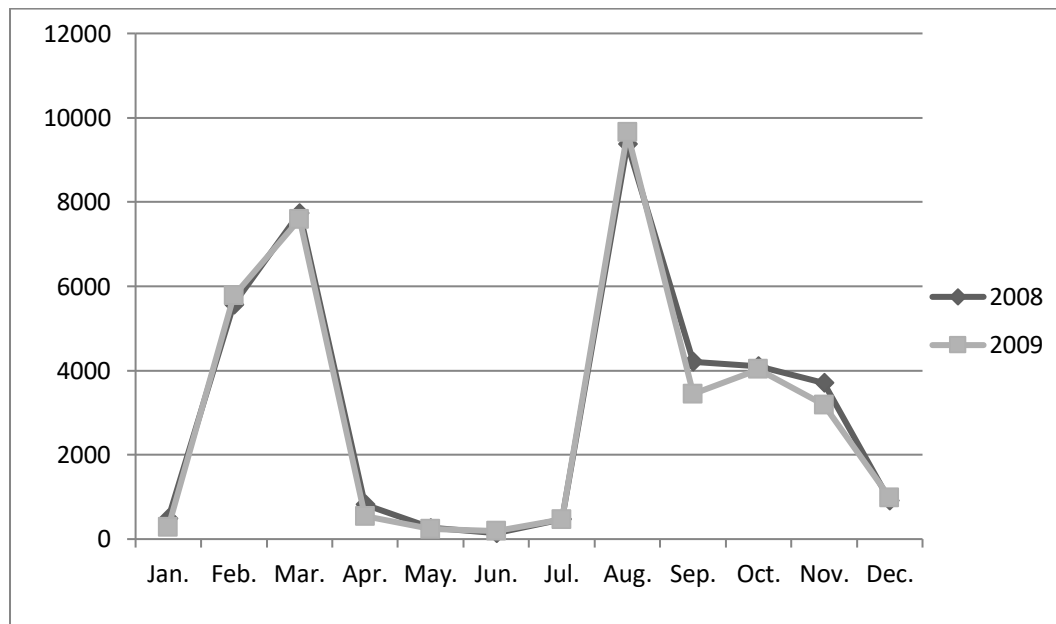
Source: NTB Operational plan 2009

Table 4.25
Tourists Arrival from Srilanka 2008/2009

Month	No. of tourists arrival (2008)	No. of tourists arrival(2009)
Jan.	492	285
Feb.	5569	5775
Mar.	7741	7591
Apr.	823	540
May.	266	236
Jun.	141	191
Jul.	471	466
Aug.	9379	9649
Sep.	4209	3446
Oct.	4107	4025
Nov.	3709	3182
Dec.	910	979

Source: Nepal Tourism Statistics 2009

Chart 4.10
Tourists Arrival from Srilanka



Source: NTB Operational plan 2009

JAPAN:

Overall Marketing Objectives for Japan

- To create awareness of Nepal as a culturally rich destination suitable for especial interest, groups educational groups and retired people to visit
- To create awareness of trekking in Nepal amongst educational and active retired groups
- To assist selected specialists tour operators in Japan who will actively market Nepal's product through agents, familiarization visits
- To improve access from Japan, including linkages via china
- To stimulate repeat visitation

Short Term Actions for Japan

- To identify key Japanese tour companies and special tour and seminars groups who will respond to Nepal's product offer
- To organize selected journalists familiarization and tour operators familiarization visits to Nepal, in partnership with both NAC and Thai airways
- To make the most of JATA world tourism congress and travel fair 2009 to highlight the unique cultural and natural products of Nepal.
- To publicize special events and festivals of interests to potentials Japanese visitors
- To revive and enhance the image of Nepal in the mind of Japanese visitors

Table 4.26

Allocated Budget for Programme Activities

Program activities	Allocated Budget
Fairs-JATA: Participation at JATA, 2006 in close association with NAC and private sector	1,000,000
Joint Promotion Programs: Various programs (eg. Food festival, cultural programs, photo exhibition, art/photo contest, press and tour operators meet) Celebration of 50th Anniversary of Diplomatic Ties.	1,500,000
Total	2,500,000

Source: NTB Operational plan 2009

Table 4.27

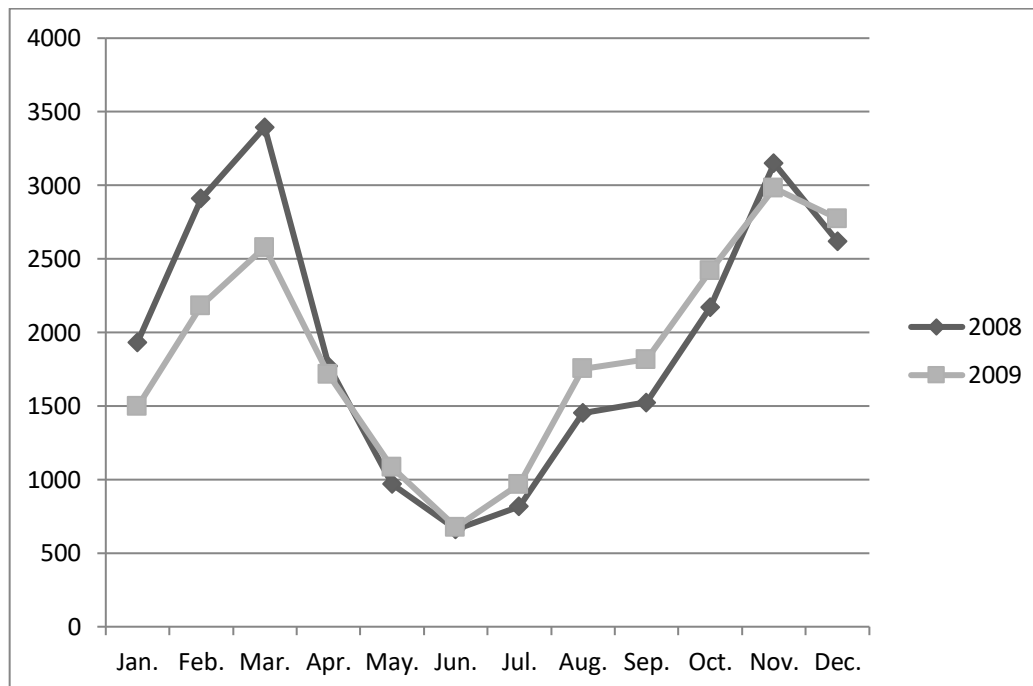
Tourists Arrival from Japan 2008/2009

Month	No. of tourists arrival (2008)	No. of tourists arrival(2009)
Jan.	1934	1496
Feb.	2911	2183
Mar.	3394	2578
Apr.	1773	1715
May.	971	1084
Jun.	662	677
Jul.	818	969
Aug.	1453	1753
Sep.	1526	1816
Oct.	2172	2420
Nov.	3149	2980
Dec.	2620	2774

Source: Nepal Tourism Statistics 2009

Chart 4.11

Tourists Arrival from Japan



Source: NTB Operational Plan 2009

South Korea

Long Term Objectives in the South Korean market:

- To create awareness of Nepal as a quality, value for money tourism destination and the birthplace of Lord Buddha;
- To foster marketing partnership with all carriers serving the market, and their partner travel agents.
- To develop a Nepal destination website (not the NTB website) in Korean mini guide.

Short Term Action in South Korea

- To facilitate visits to Nepal by journalists of the respective countries who can offer good coverage
- To influence the South Korean consumer and trade to visit Nepal taking part in the Korean travel trade fair KOFTA
- To position the new tourism brand of Nepal in the South Korean market.

Table 4.28

Allocated Budget for Programme Activities

Program activities	Allocated Budget
KOFTA/Joint Promotion Program: Participation at Korea Travel Trade Fair and joint program with NTB's Honorary PR Korea and Korean Air	1,200,000
Total	1,200,000

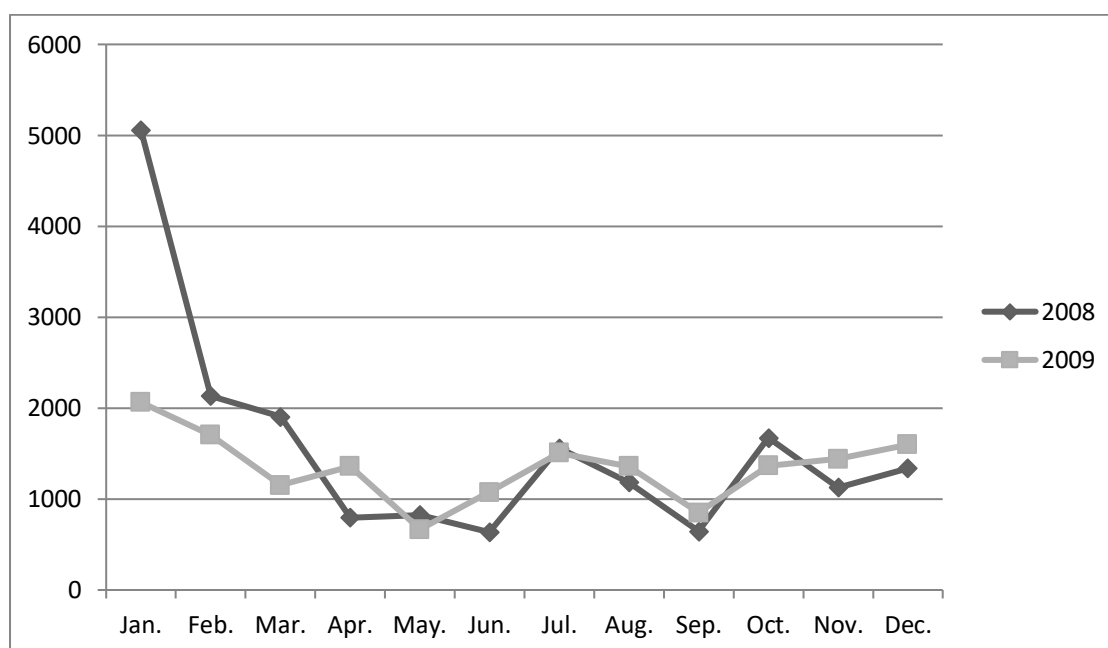
Source: NTB Operational plan 2009

Table 4.29
Tourists Arrival from South Korea

Month	No. of tourists arrival (2008)	No. of tourists arrival(2009)
Jan.	5055	2063
Feb.	2133	1705
Mar.	1904	1153
Apr.	795	1361
May.	825	668
Jun.	636	1075
Jul.	1562	1506
Aug.	1185	1360
Sep.	645	848
Oct.	1674	1367
Nov.	1129	1441
Dec.	1340	1598

Source: Nepal Tourism Statistics 2009

Chart 4.12
Tourists Arrival from South Korea)



Source: NTB Operational Plan 2009

4.10 Analysis of Primary Data

Profile of the Respondents

The profile of the respondents who were interviewed in the course of this study is presented hereunder.

Nationality

During the study, altogether 80 tourists were interviewed and had filled questionnaire among which following are the percentage of the nationality on the basis of region:

Table 4.30

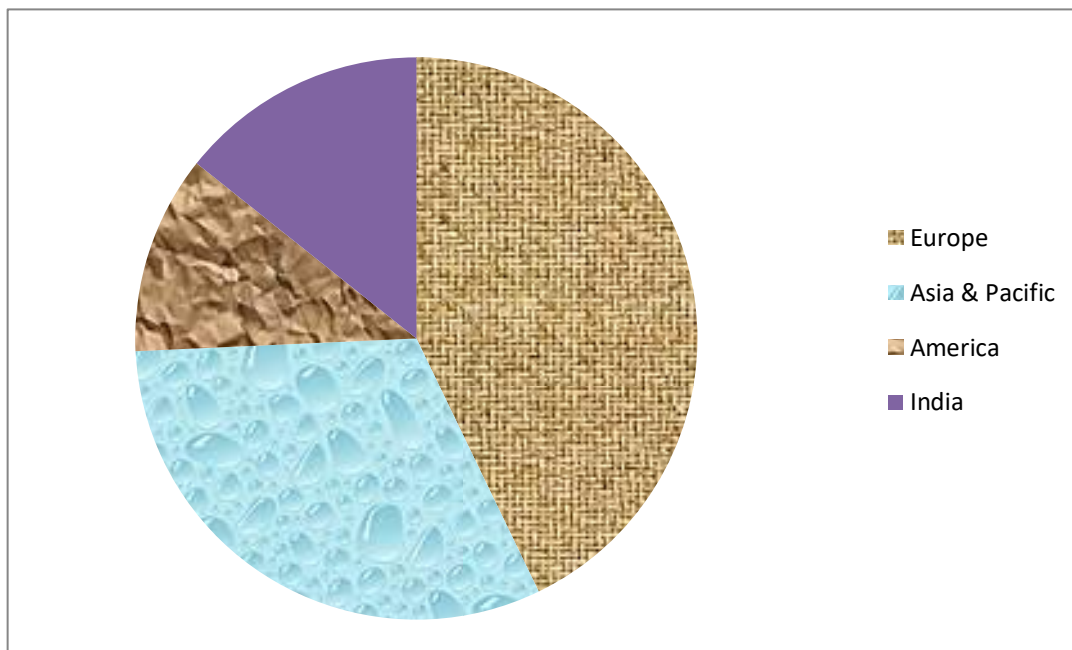
Percentage of Nationality on the basis of region

Region	%
Europe	42.8
Asia & Pacific	31.42
America	11.42
India	14.28

Source: Field Survey 2009

Chart 4.13

Percentage of Nationality on the basis of Region



Sex:

Among all the respondents 71.24% were male and 28.37% were females.

Age:

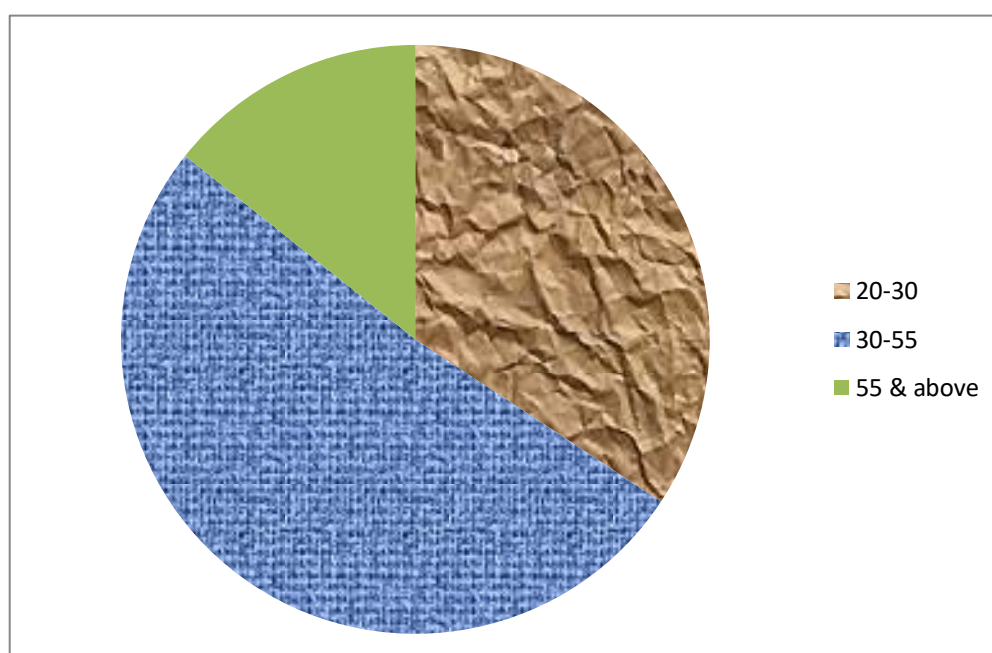
The number of respondents by age group was as follows:

Table 4.31
Percentage of Respondents by Age Group

Age group	%
20-30	34.28
30-55	51.42
55 & above	14.28

Source: Field Survey 2009

Chart 4.14
Percentage of respondents by age group



Frequency of Visit

Among the respondents 60 percent were 1st time visitors and 40 percent were repeated visitors. Among the repeated visitors, 28.57% were 2nd time visitor, 50% 3rd time visitor and rest have visited Nepal more than 3 times.

Occupation of Visitors

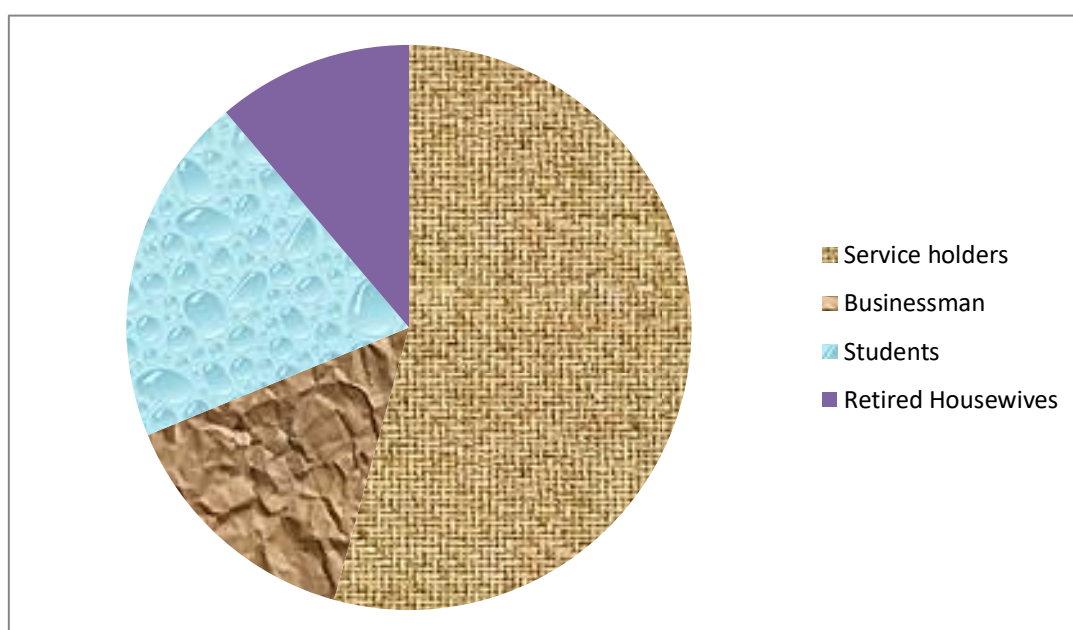
Among the total 80 tourists interviewed, 54.28 percent were service holder, 14.50 percent were business man, 20 percent were students, and 11.22 percent were retired and housewives.

Table 4.32
Occupation of Visitors

Occupation of visitors	%
Service holders	54.28
Businessman	14.50
Students	20
Retired Housewives	11.22

Source: Field Survey 2009

Chart 4.15
Percentage of occupation of visitors



Purpose of Visit

According to purpose of visit, following is the percentage of the respondents:

Table 4.33
Purpose of visit

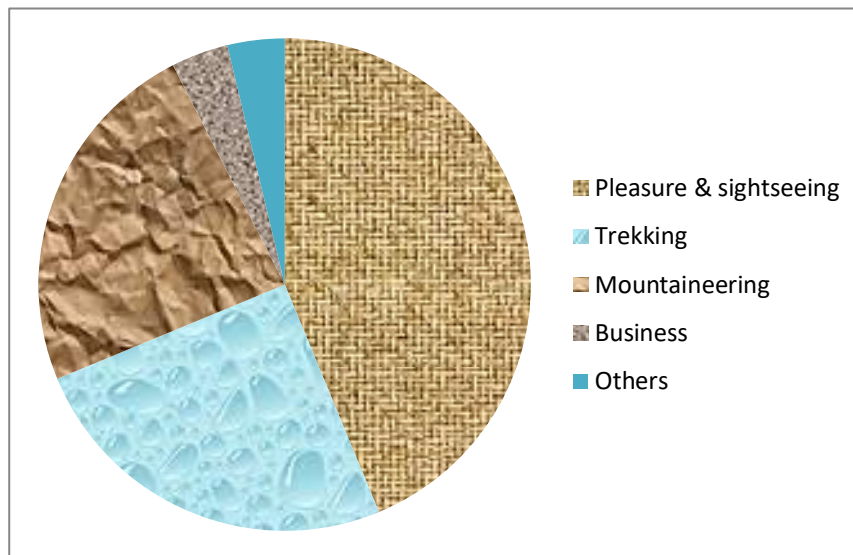
Purpose of visit	No.	%
Pleasure & sightseeing	35	43.80
Trekking	20	25.00
Mountaineering	19	23.80
Business	3	3.80
Others	3	3.80

Source: Field Survey 2009

According to Table 4.10, purpose of visit of tourists has been divided into pleasure and sightseeing, trekking, mountaineering, business and others. Above table shows that, 43.80% of respondents come to Nepal for the purpose of pleasure and sightseeing, 25% of respondents come Nepal for Trekking purpose, 23.80 % of respondents come Nepal for mountaineering ,3.80% of respondents come for business and remaining 3.80% of respondents come Nepal for other purposes. It can be clearly depicted below:

Chart 4.16

No. of Respondents by Purpose of Visit



Chi –Square x2 test

H0: Number of tourists arrival is independent to the purpose of visit i.e. there is no significant difference between no. of tourists arrival and purpose of visit.

H1: There is significant difference between no. of tourist arrival and purpose of visit.

Table 4.34

Chi –Square x2 test

Purpose of visit	O	E	(O-E)	(O-E) ² /E
Pleasure & sightseeing	43.8	100/5=20	23.8	28.32
Trekking	25	100/5=20	5	1.25
Mountaineering	23.8	100/5=20	3.8	0.72
Business	3.8	100/5=20	16.2	13.12
Others	3.8	100/5=20	16.2	13.12
Total			$\sum(O-E)^2/E=$	56.53

Therefore, $\chi^2_{cal} = 56.53$

Here, the degree of freedom of (d,f) as $(5-1)=4$. The tabulated value of χ^2 of Degree of freedom 4 at 5% is 9.49. so, H_0 may be rejected. Since, $\chi^2_{cal} (56.53) > \chi^2$

Tab (9.49) so, there is highly significant difference between the no. of tourists arrival and purpose of visit.

Features of Tours

All the respondents were asked about their mode of travel, tours and places visited and budget spent during their visit; following are the findings.

About 48.57 percent of tourists visiting Nepal came alone on self guided tours whereas 51.42 percent tourists visited with friends and families who came on organized tours.

Similarly, among the respondents, 14.59 percent of tourists come by land via India whereas 85.43 percent have used air transport to reach Nepal. While visiting inside Nepal almost 90 percent tourists had used land transport for their convenience.

Tour Program and spending in Nepal:

Regarding the tour program of the tourists, respondents who were asked about the same, about 44 percent gave emphasis on sightseeing around Kathmandu and Pokhara. Likewise 29.5 percent of respondents enjoyed their visit by doing trekking in mountains whereas 26.5 percent of tourists went for mountaineering expeditions.

Tourists coming for official purposes preferred sightseeing of Kathmandu, Pokhara and Chitwan while tourists coming for study preferred to go for trekking as well as sightseeing in and outside Kathmandu. Whoever in the tourists group, everyone enjoyed the cultural richness of the Kathmandu and Bhaktapur city.

All the respondents were asked about the spending, they did during their stay, the findings of the same is as follows;

Table 4.35

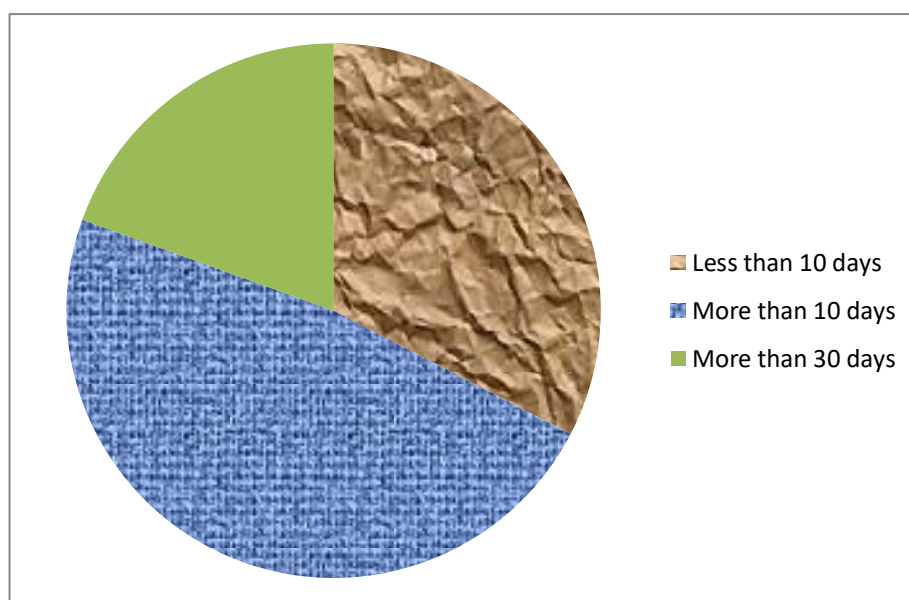
Percentage of Length of Stay

Length of stay	%	Spending(US\$)
Less than 10 days	32.85	200-500
More than 10 days	48.22	500-1000
More than 30 days	19.6	1200-2500

Source: Field Survey 2009

Chart 4.17

Percentage of Tourists



Most of the tourists who come from Western countries include Nepal in their travel package while they make itineraries. They also visit India, Tibet, and Thailand while visiting Nepal.

Analysis of Visitors' Perception on Services & Facilities and Their Ratings

Regarding the services and facilities they had used during their stay in Nepal, respondents were asked about their opinion. They expressed their level of satisfaction as follows:

Table 4.36**Visitors' Perception on Services & Facilities and their Ratings**

Features	Good (%)	Satisfactory (%)	Unsatisfactory (%)
Sightseeing tours	55	45	-
Accommodation	47.5	47.5	5
Shopping facilities	35	55	10
Entertainment activities	45	48.75	6.25
Food & drinks	41.25	58.75	-
Transportation	20	61.25	18.75
Tourists info offices	37.5	45	17.5
Immigration facilities	21.85	52.5	26.25
Airlines	27.5	55	17.5
Agency Service	30	61.25	8.75

Source: Field Survey 2009

Regarding the need for improvement, the respondents mostly emphasis on cleanliness and transportation facilities. They found polluted and littered soundings and transportation difficulties.

Similarly, all the respondents were inquired about present safety and security situation, they mentioned the overall safety and security situation in the country is better than heard. There was no problem with security matters. However, the harassment in airport, Thamel, in bus park still exist which they said should be improved.

Motivating Factors and Source of Information about Nepal

All the respondents were asked to assess and evaluate promotional efforts undertaken by Nepal to develop tourism on the basis of views and expressions of the visitors.

Source of Information

Respondents when asked about the factors that influenced them to visit Nepal, as a response, 50 percent of tourists said that their friends and relatives were main source of information which led them to visit Nepal.

Likewise 15 percent tourists mentioned that their experience of prior visit had inspired them to visit Nepal again. 12.5 percent of tourists said that website related

with Nepalese tourism was the main source of information to visit Nepal. Another 12.5 percent of tourist mentioned that they got information about Nepal from guide books and magazines and inspired to visit Nepal. 10 percent respondents said they got idea of visiting Nepal from travel agents and tour companies.

Publicity Material

Among the respondents when asked about whether they have seen tourism publicity material on Nepal, only 42.5 percent said that they have seen it, but most of them had gone through this promoting material only after entering Nepal. Among them 57.5 percent mentioned the publicity material was good and 42.5 percent said it was satisfactory.

Marketing Nepal as an international destination

Positioning Nepal in International tourism market in order to lure more tourists to visit Nepal, It's very challenging task as Nepalese tourism stakeholders posses very limited means and resources.

Tourism related institutions and companies were asked about the requirements for development of Nepal as international destination. As a responses are as follows:

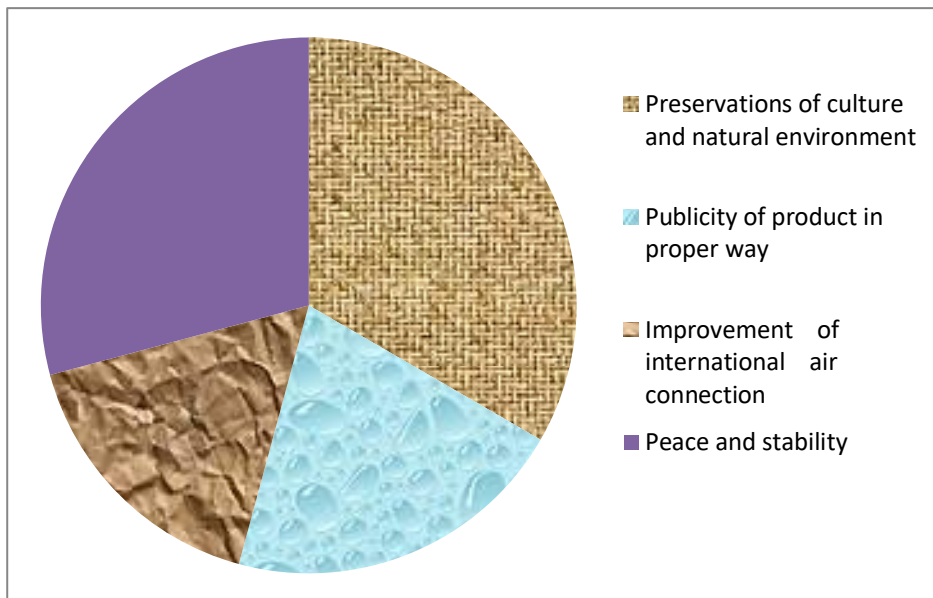
Table 4.37
Percentage of Measures Suggested

Measures suggested	Percentage
Preservations of culture and natural environment	33.33%
Publicity of product in proper way	20.83%
Improvement of international air connection	16.60%
Peace and stability	29.16%

Source: field survey 2009

Chart 4.18

Percentage of Measures Suggested by Respondents



Attention to be Given

For the promotion of tourism, many factors are very important. Nepal has to do lot of improvement in many sectors.

Respondents were inquired about the factors that should be given important attentions, they responded in such a way.

Among the respondents, 50.3 percent have said the airlines and our connectivity should be given top priority. More airlines should be invited along with reconstruction of national flag carrier. Similarly, 28.5 percent have mentioned that, international publicity is main important task to be done for promotion. Another 12.5 percent have stated that we need to give attention toward the development of transportation facility. Rest 8.33 percent have said that the peace and stability should be maintained inside the country for promotion of tourism.

Products and Features (Strength and Weakness of Present Product) Strength

Table 4.38

Products and Features

Uniqueness	37.50 %
Mass Appeal	-
Repeat Value	-
Emotional value	-
Sense of Achievement	8.33 %
Competitive	-
Price	33.33 %
Access	-
Location	20.83 %

Source: Field Survey 2009

The respondents were asked about present strengths of products. About 37.5 per cent had mentioned that uniqueness of the product is main strength. Likewise 33.33 per cent companies consider the price factor is the important strength 20.83 per cent said that location of the product is important strength. 8.33 per cent companies mentioned that the factor of sense of achievement for the clients is another main strength of the product.

Weaknesses

About the weaknesses of the tourism product, the higher number of respondents 41.66 percent mentioned that poor presentation of tourism product is major weakness. Another 25 per cent companies said that poor preservation of our product is main weakness. 16.66 per cent respondents considered lack of competitiveness is another weakness. Similarly, 16.66 percent thought limitation of our product as weakness.

Table 4.39

Weaknesses

Poor preservation	25%
Congestion	-
No mass Appeal	-
No Repeat Value	-
Lack of Competitiveness	16.66%
Limited Products	16.66%
Poor Presentation	41.66%

Source: Field Survey 2009

Product Development

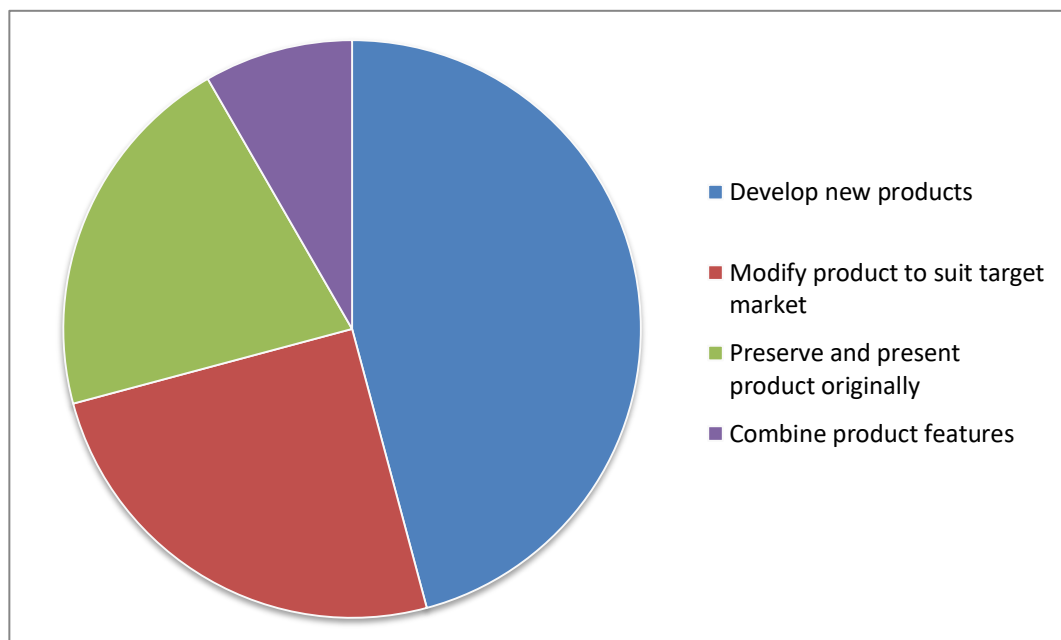
The respondents were asked about the kind of product development that Nepal should do. As a response, majority of respondents 45.83 percent said there is need to develop new product ,25 percent said to modify some products to suit target market. Similarly, 20.83 percent said we need to preserve and present original product and 8.33 per cent mentioned there is need to combine product features to attract various types of tourists.

Table 4.40
Product Development Needs

Develop new products	45.83%
Modify product to suit target market	25%
Preserve and present product originally	20.83%
Combine product features	8.33%

Source: Field Survey 2009

Chart 4.19
Percentage of Product Development Needs



Marketing Efforts

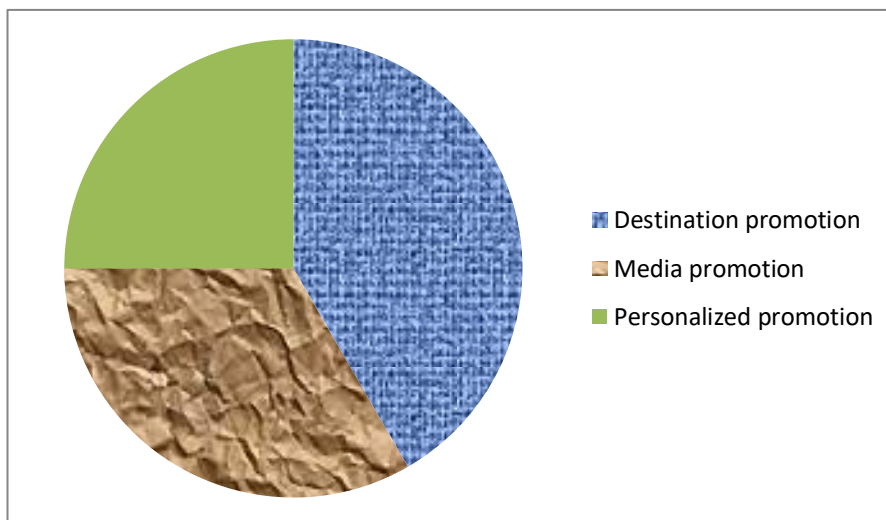
Regarding the marketing efforts needed, the majority of the respondents 41.66 percent mentioned that there is need for destination promotion. Like wise, 33.33 percent respondents said to carry out media promotion. 25% suggested that personalized promotion is needed.

Table 4.41
Types of Marketing Efforts

Destination promotion	41.66%
Media promotion	33.33%
Personalized promotion	25%

Source: Field Survey 2009

Chart 4.20
Percentage of Marketing Efforts



Concentration of Marketing Efforts:

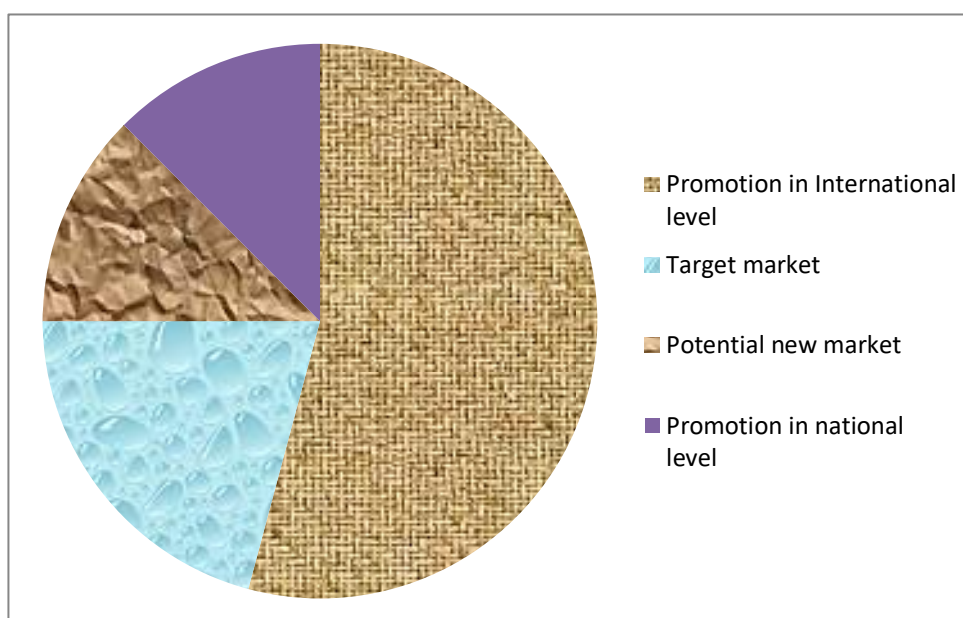
All the respondents said when asked about marketing efforts, 54.16 percent expressed that Nepal's marketing efforts should be concentrated at international level. 20.83 percent said that promotion in target market is necessary. 12.5 percent mentioned that marketing should be concentrated in potential new market. Rest 12.5 percent said marketing should be national level also.

Table 4.42
Concentration of Marketing Efforts

Promotion in International level	54.16%
Target market	20.83%
Potential new market	12.50%
Promotion in national level	12.50%

Source: Field Survey 2009

Chart 4.21
Percentage of Marketing Efforts



Positioning of Nepal in International Market

Regarding the market positioning of Nepalese tourism in international market 29.60 percent mentioned Nepal should be positioned as Adventure tourism destination in the international market. Similarly, 33 percent said Nepal should be positioned as nature tourism destination, 22.30 percent said as cultural tourism destination, 12.30 percent mentioned Nepal should be positioned as pleasured tourism based industry. 3.20 per cent said there should be mixed tourism including all features to be positioned in international market.

Adventure tourism destination	29.6%
Nature tourism destination	33%
Cultural tourism destination	22.30%

Pleasure tourism destination	12.30%
Mixed tourism destination	3.20%

Table 4.43

Types of Positioning of Nepal

Source: Field Survey 2009

Efforts Initiated by the Government to Promote Nepalese Tourism

It is a major role of government to promote the country as a tourist destination. Respondents were asked about the efforts done by government to promote Nepal in international tourism market. 37.5 per cent said government is promoting Nepal through international fair/exhibition through NTO, followed by publicity 33.33 percent, destination promotion, 16.66 percent, organizing special events, 12.5 percent development of new products.

Table 4.44

Efforts Initiated by the Government to Promote Nepalese Tourism

International fair/exhibition	37.50%
Publicity	33.33%
Destination promotion	16.66%
Organizing special events	12.50%

Source: Field Survey 2009

Marketing Efforts of Government/NTB

Respondents opined that, NTB as public private institution is promoting Nepal by various means. As global competition is very strong, National Tourism Organization is applying measures to cope up with that competition among the various constraints. Though its marketing efforts are not highly satisfactory, it is somehow able to position Nepal as tourism destination international market. 58.33 percent said marketing efforts satisfactory, 25 percent said less satisfactory. Rest 16.66 per cent mentioned not satisfactory.

Table 4.45

Level of Efforts of Government/NTB

Satisfactory	58.33%
Less satisfactory	25%
Not satisfactory	16.66%

Source: Field Survey 2009

Analysis of Perception of Different Groups

Tourism companies, tourists, tourism experts had expressed mixed responses toward current situation of Nepalese tourism. They were asked about tourism assets and attractions, product qualities and features, promotion and publicity, marketing efforts of NTB.

Tourists coming from different countries expressed satisfaction toward the Nepalese tourism product attractions. Nepal's tourism is widely known for pleasure and sightseeing. Adventure tourism is popular among the tourists. Nature and wild lives holds another major attraction. The facilities and services that are available in tourism markets are satisfactory for tourists. Whereas facilities like transportation and airlines services needs serious concern for improvement.

Most of tourists who visit Nepal get information from their friends and relatives. The publicity of 'word of mouth' is widely used. The information through media and publicity material is less. There should be extensive promotion through various means. There is need for professional marketing efforts needed to target different segments in order to enhance promotion.

There are problems in environment as perceived by tourists which is very important to be addressed. Measures for environment conservation and pollution control should be taken.

As far as marketing efforts of government/NTB is concerned, the private sector and tourism professionals are not satisfied with marketing efforts initiated by government. NTB's role is very crucial in promotion of tourism but it has many constraints. However, NTB is doing its best by optimum utilizing its resources. The time is very important that government needs to take active role in marketing by considering tourism industry as major contributor in national economy. Appropriate policy and strategies should be formulated in national level to address tourism industry.

To sum up, Nepalese tourism industry in the country is not as poor as perceived by organization. However, it needs to be promoted by making effective marketing and

promotional strategies. Target market should be given more importance. The regional tourism promotion would give higher benefit. So, market like India, China and East Asia should be focused for promotion. The problems and weakness should be addressed efficiently and Nepal's tourism potentials should be explored and exploited by designing appropriate strategies and program with visionary approaches and its practical implications.

4.11 Major Findings of the Study

1. The travel trend figures of various Asian countries like India, srilanka, Bangladesh, Japan, china Malaysia, Korea, Thailand etc has been analyzed and interoperated. And it has been found that the majority of tourists inflow is from India regarding Asian markets.
2. The travel trend figures of various continents had also been analyzed and interoperated. And it has been found that at almost in all the years the majority of tourist inflow is from Asian markets.
3. Frequency of visit and their average length of stay has also been studied and found that most of the tourists arrival from various countries has average of 11 days stay in Nepal.
4. In the context of study regarding why tourist came to Nepal and for what purpose, it has been found that they came for holiday pleasure and trekking and mountaineering which has been followed by business, pilgrimage, official, conventions and conferences.
5. Most of the tourists get information of Nepal through websites, magazines, newsletters, and television.
6. The travel agents, Tourism experts think that future of tourism industry in Nepal is quite good.
7. It has been found that various types of promotional tools like advertising, sales missions, promotional activities, seminars, conventions, conferences, trade shows, international marketing programmes, publications etc has effective impact in Asian markets and other markets also.
8. In the view of various respondents regarding tourists, tourism experts and travel agents, it has been found that they have various problems and respects. According to them, finance, market condition and pricing are satisfactory while economical and political stability is not adequate. Day by day increasing strikes by trade unions, political parties make the tourism business harassment.
9. Moreover, inspite of being second largest country in water resources, country have to face load shedding power cut problems which is increasing day by day. Besides this, shortage of petroleum products is also one of the problem of Nepal which hamper on physical distribution and also on exports and import of goods and services.

10. Tourism marketing and promotion of Nepal in different countries has great impact in arrival of tourist in Nepal.
11. Nepal Tourism Board(NTB) has organized various models of marketing of Nepal in other countries like trade fairs, seminars, conferences, conventions, advertisements, sales missions, publications, web blogs, newsletters, brand promotion campaign, familiarization trips etc for the promotion and marketing of Nepal in Asian markets.
12. Nepal Tourism Board (NTB) has annually published the data relating to all the general tourists arrival from various countries, continents and Asian markets. Besides, it has also collected and analyzed data relating to the number of tourist arrival and their average length of stay in Nepal and also analyzed the purpose of their visit to Nepal.
13. From the study, we can suggest the affordable measures for promoting Nepal effectively in Asian big market. From the above major findings, we came to know that the main purpose of tourists to visit to Nepal is for holiday pleasure and trekking and mountaineering. Hence, the focus should be made on these aspects. The area having the tourism potentials has to be widely developed and various development and sanitation programmes needs to be implemented in these sectors. Moreover, the infrastructure should be very effective and well organized for the fluent transportation system. Regarding the measures to be suggested, the political and economical imbalance should be neutralized for the effective promotion and marketing of Nepal in other countries.
14. From the study, it has been found that preservation of culture and natural environment, publicity of product in proper way, improvement of international air connection and peace and stability is very important for positioning Nepal in international tourism market in order to lure more tourists to visit in Nepal. Among above points, the highest 33.33% of respondents suggested preservation of culture and natural environment as the major measure for the promotion of tourism of Nepal in international market.

CHAPTER – V

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

Nepal, though a small in territory, it is well known as land of mighty mountains with iconic Mt. Everest. Endowed with beautiful landscapes, natural beauties and cultural attractions, Nepal is famous destination for international travelers through tourism started only after sixties. Nepal within two decades became successful to have its significant position in world tourism scenario. Tourism in Nepal became a strong contributor in national economy after it boomed in eighties. It has become important foreign export being major source of foreign exchange. Apart from this, it has been contributing in creating direct and indirect employment opportunities.

Realizing the importance of tourism sector to uplift national economy, Nepal government has formulated various policies, plans and strategies to develop tourism as sustainable industry. Tourism master plan 1972 was an important step in policy formulation Nepal Tourism Board (NTB) was established in 1999 with the principle of public private partnership approach. Since then, NTB has been marketing 'Nepal' as an enchanting holiday destination in world tourism market. It has adopted various strategies and undertaken different activities in order to promote Nepal as a must visit destination.

Within its eight years time, NTB has gone through very tough time. It was very challenging time to undertake its marketing and promotional activities amidst growing competition in international tourism market. The internal insurgency was completely unfavorable for international visitors. Country has experienced a sharp decline in tourist arrival. The concept of regional tourism is being developing. Country like India, China, and Malaysia are benefiting by flow of tourist from major Asian countries itself. So, keeping this view as very important, this study is being proposed in order to analyze the marketing and promotional activities carried out by NTB in there regional Asian markets. Similarly, the objective of this study is also to recommend suitable strategies to promote 'Nepal' in major Asian Markets.

Tourism related data are collected from primary as well as secondary sources. Tourists, tourism companies and NTB are the major sources of primary data. Questionnaire are designed to receive the responses of tourists and tourism entrepreneurs regarding tourism marketing activities, tourists preferences and needs etc.

A thoroughly reviewed previous literature related with tourism has given guidelines to carry out this study in more relevant way with respect to tourism practices by tourism organization both private and public.

The marketing and promotional activities functioned by NTB is analyzed since 1999. The tourist arrival trend is analyzed with special focus on arrival of tourists from major Asian markets.

5.2 Conclusion

Nepal has greater potentialities in tourism. Tourism has been established as promising industry, which is the important contributor to national economy. Tourism has greater role in Nepal to provide direct and indirect employment opportunities to major chunk of people living in urban and major touristic cities. In the more recent days, it is regarded as driving tool to alleviate rural poverty by involving rural people in direct and indirect tourism businesses.

As far as Nepalese tourism marketing is concerned, the word of mouth publicity had played very important role. Natural and cultural attractions are the comparative advantages of Nepalese tourism. Keeping in view, the need of public private partnership in marketing and promotion of Nepalese tourism, Nepal Tourism Board was established. With important coordination and Support of private travel trade sector, NTB has been marketing Nepal as an important destination in the global tourism market. It is very important to note here that with a very limited budget for marketing and promotion, it is very tough to compete with other tourism destinations of the world like India, Thailand, and Malaysia etc.

The recent global tourism trend has shown that the share of regional tourism is very important and encouraging. This concept is more important for country like Nepal.

Owing to budget constraints to carry out marketing programs in European market, NTB is focusing its marketing and promotional activities in major Asian markets. India, Japan, Thailand are important tourists market for Nepal. Likewise, there is greater potential in China, Bangladesh, Sri-lanka. So, NTB has been organizing different marketing programs like travel trade shows, Familiarization trip to media and travel agents, press conferences and food festivals in order to attract more visitors from those countries. In order to woe visitors from neighboring countries, Nepal has waived visa for national of South Asia and provided parity for entry to National parks and historical sites. It is also worth recalling here that all the 15 International Airlines flying into Kathmandu are connecting Nepal with various parts of Asia like India, China, Pakistan, Bangladesh, Middle-east and various countries of South-east Asia. Though national flag carrier is in ailing condition, new foreign airlines are interested to fly to Nepal, which has created a good hope for future. Recent trends of tourists' arrival from these countries are also encouraging. A number of 2, 30,828 tourists from Asian countries have visited Nepal in the year 2009 which is 60% of total tourists arrivals.

There is need of close coordination between private sector and NTB. NTB should formulate new and cost effective marketing action plans. Promotional programs for adventure-tourism, pilgrimage-tourism, eco-tourism, MICE-tourism should be carried out in Niche markets by developing special packages. Though the landing fees, parking fees, navigation fee and handling charges and aviation fuels are costing dear, though there are conflicts, environmental hazards and high competition amongst inbound destination, Nepal's unique attraction has been a great asset for visitors from across the continents.

With this prospect in perspective, if proper policy guidelines are streamlined and a strong network and cooperation is built on Public-Private partnership approach, the future of regional tourism is high on the agenda and the prospect of the regional tourism is sure to gather momentum in the case of Nepal as it has been in Europe and America.

5.3 Recommendations

1. The recent travel trend in the area of pilgrimage, MICE and sports is encouraging though adventure, culture and nature are the major attractions of Nepal to international visitors. It is required to give attention to promote and develop these areas. Experts viewed that Nepal has been overexposed as a country of mountains, but, according to them time has come to reposition on a new products. So, appropriate positioning as per the strength and demand of our product and the competitive situation of the industry should be made.
2. Both, the government and the local people should give due emphasis to conserve our cultural and natural assets. The tourism products we have are not properly conserved, so their condition is degrading. These products should be maintained and preserved properly for the sustainable growth of industry.
3. Nepal needs to offer multiple package programs to attract more tourists in the country. While designing package, different combination can be included to suit different purpose visitors as well as different age and sex group of visitors. Alternation in packages may be made on the basis of products or by including products and services.
4. Uncertainty of air seat capacity, especially of Nepal Airlines, is the major constraint for tourism development in Nepal which has jeopardized schedules and affected visitors. Response of tourism organizations and experts showed that primary attention should be given to improve air seat capacity.

The most noted problem for this was NAC. Nepal Airlines should increase its air seat capacity and solve its problems on a long term basis otherwise private airlines should be allowed to operate immediately even in those routes where NA operates. So far, private airlines are not allowed to operate in such routes. Secondly the government should give significant emphasis to approach more international airlines to come to Nepal or fly via Nepal. Moreover, emphasis should be given to increase air seat capacity by ensuring more international flights connecting with major tourist originating cities of the world.
5. At present Tribhuvan International Airport (TIA) is the only international airport of Nepal. Big aircrafts cannot come here so it does not seem to have made it financially attractive to international carriers to come to Nepal. There also seemed to be limited feasibility for expansion of TIA.

Likewise, present service and facilities also are limited at TIA. Therefore, an alternative international airport should be developed in the Terai region at a location which will be technically and economically should and viable from market perspectives. This should help to enhance international connection and make Nepal a hub for international flights making it a noted tourist destination.

6. For easy accessibility of tourists to various places of tourist interests in the country, the government should give due attention to developing and improving road transportation. In Nepal there is limited access and the available roads are also not maintained properly. For access to new areas, roads should be constructed in strategic ways which would improve access as well as not alter the trekking routes. Similarly, regular maintenance of roads is also necessary at least in the tourist frequented areas. A proportion of tourism revenue may be allocated for this purpose.
7. One of the main problems faced by Nepalese tourism is the deteriorating conditions of the environment. We need to focus on environment issues especially pollution in Kathmandu Valley, major trekking routes and tourist places. In Kathmandu solid waste lying scattered and rubbish are not collected on time and cleansed. These have provided to be eye sores to everybody including the visitors. Besides, they pose serious health hazards. Tourists have expressed serious concern about it and other respondents also have given great emphasis to this aspect. For this, solid waste situation in Kathmandu must be improved or Nepal may well forget about the tourism industry. Pollution should be controlled by enforcing standards to vehicles, industries and other sources of pollution at the valley level in Kathmandu and not on a pocket or compartment basis. Attention should also be given to decongest especially tourist areas.
8. The analysis clearly showed that Nepal has not given due attention towards the promotion of tourism. It does not seem to have been able to market tourism properly. Despite proving to be a market leader in many areas in the South Asia, its market share is limited. Professional approach should be incorporated in marketing Nepal and its products.
9. Tourism marketing should be done jointly by the government and the private sector to promote destination, promote products and to counter poor or bad publicity abroad whenever such cases happen. Such publicity has occurred on

number of occasion. One sector should not wait or look at other sector to do the job. Both these should join hands and promote Nepal on a continuous manner.

10. Nepalese Embassies and consulate offices abroad can be the best media to provide information about Nepal. By mobilizing these agencies through qualified staff oriented towards marketing and promotion of tourism, Nepal can be promoted effectively. Thus, Nepalese Embassies and consulate offices abroad must be mobilized effectively as a market outlet of Nepal.
11. Most tourists come to Nepal through the suggestion of friends/relatives and personal contacts. We must continue to promote such visitors. However, Nepal also should target the visitors who are motivated by promotion and publicity. It may not be necessary to reiterate that promotion is the most powerful tool of marketing. To attract more visitors, continuous and sustained promotion through appropriate media at existing market and potential markets is needed it will help to attract those visitors who are motivated by promotion. Thus, Nepal will be able to get both types of visitors those who visit by good word of mouth well as those who select tour by promotions.
12. Nepal must target its markets according to strengths and prospects. The leading market segments for Nepal may be India, Western Europe, Japan, USA and Australia. The SAARC, ASEAN and East Asia also may be promising segments for future. So, all marketing and promotional efforts must be done on the basis of these identified target markets. All marketing efforts must be done by prioritizing on the basis of the existing and potential market strengths.
13. In Nepal, the government has been giving attention to develop the tourism sector. But, in view of the importance of the sector, the allocation of development and promotional budget is very low. Due to the lack of budget, tourism promotion is not being done properly. Greater allocation of development as well as promotional budget is needed in this sector. In order to gear up promotion of tourism, the private sector also should spend more allocating separate budget for its marketing.
14. Nepal must make an annual tourism promotion and marketing plan. Target markets and segments should be identified on the basis of continuous market analysis and analysis of the competitive situation. Prioritization should be made on the basis of our product strength, market trend and need and strategies of other competitors. Suitable strategies and promotional program should be

developed on such basis. Proper budgeting and resource allocation and continuous monitoring and feedback are also necessary to realize defined targets. In this way, professional promotion and marketing can be institutionalized.

15. Services provided by the government like immigration, custom etc., are very important to promote the tourism industry and these services affect the visitors. These services were not rated satisfactory by the tourists. All three groups (tourists, organizations and experts) also identified the lacunae in the area. It reveals that there is a significant need to improve the process and service of immigration and customs in Nepal and the government must extend immediate attention to improve the situation.
16. To broaden the market in Asian countries NTB should hire professional PR agencies in major market like Bangkok, Kualalampur. So that PR can be utilized to build develop the networks of travel trade who sell Nepal. Through professional PR, marketing and promotional programs can be organized time and again.
17. There should be special provision in immigration rules so that foreign older people could stay longer in Nepal. Special isaprovision should be here for such person. Large group of older people especially from East Asia want to travel Nepal who want to stay for longer period.
18. Special campaign should be organized in main university and colleges of Asian countries in order to promote Nepal as a destination for study. Different aspects of Nepal like eco tourism, protected area management, mountain region and natural recourses should be focused among the foreign students, so that they choose Nepal for their research and study program.
19. NTB government and private sector jointly should start a promotion campaign of '**send home a friend**' concept. Lots of Nepalese are going in other Asian countries for work, so if those all departing Nepali nationals could be taught about this concept, they can send lots of foreign friends to Nepal.
20. Political parties should think very sensitively towards creating peaceful and strike free Nepal in order to improve Nepal's image abroad. All types of political demonstrations, strikes, lockouts and vandalism should not exist. Political demands should be raised and addressed peacefully without creating any question mark on safety and security situation of Nepal.

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APPENDICES
Appendix-1

Annual NTO Budgets for Marketing Inbound Tourism

Country	Amount (in million US\$)
India	24.1
Thailand	43.1
Peru	15.3
New Zealand	46.2
Malaysia	117.9
Macau	38.5

Source: NTO budget 2009, UNWTO

NTO Budget Allocation by Marketing Tools, 2009

	Advert! sing	Tourism fairs	Trade show? worksh	Internet	Press trip	PR	FAM trip	Support to industries	Inform ation	Marketing reserach
Nepal	20%	40%	5%	3%	5%	4%	1%	2%	!6%	4%
Average findings	43.4%	10.5%	3.1%	3.4%	2.5%	4.1%	0.9%	8.8%	10.4%	2.3%

Source: NTO budget 2009, UNWTO

Appendix-2
Status of air connectivity between Kathmandu and other major Asian
Cities in 2009

Airlines	Sector
Nepal Airlines	Kathmandu-Delhi-Kathmandu
	Kathmandu-Kualalumpur-Kathmandu
	Kathmandu-Osaka-Kathmandu
	Kathmandu=Dubai-Kathmandu
	Kathamndu-Bangkok-Kathmandu
Indian Airlines	Delhi-Kathmandu-Delhi
	Kolkatta-Kathmandu-Kolkata
	Varanasi-Kathmandu-Kathmandu
Jet Airways	Delhi-Kathmandu-Delhi
Air sahara	Delhi-Kathmandu-Delhi
Air China	Lhasa-Kathmandu-Lhasa
China Southern Airlines	Gwangzhau-Kathmandu-Gwangzhau
Biman Bangladesh	Dhaka-Kathmandu-Dhaka
GMG Airlines	Dhaka-Kathmandu-Dhaka
Thai Airways	Bangkok-Kathmandu-Bangkok
Air Arabia	Abu Dhabi-Kathmandu-Abu Dhabi
Korean Air	Seoul-kathmandu-Seoul
Pakistan Int'l Airlines	Karachi-Kathmandu-Karachi
Qatar Air	Doha-Kathmandu-Doha
Gulf Air	Baharain-Kathmandu-Baharain
Druk Air	Delhi-Kathmandu-Delhi

Source: Tribhuvan International airport (TIA)

Appendix-3

Tourists' Arrival from Major Asian Market

Country	2003	2004	2005	2006	2007	2008	2009
India	14661	95915	64320	66777	86363	90326	96434
Srilanka	12432	166649	9844	9805	13930	16124	18770
Bangladesh	9262	8731	7742	5507	5031	14607	20201
Japan	38893	41070	28830	23223	27412	24231	18460
China	5638	7139	8738	8715	7562	13326	21170
Malaysia	2953	3486	3787	2111	8197	7266	5269
Korea	5370	8880	11568	8798	13200	10827	10300
Thailand	4872	8709	5312	4694	11129	14648	10157

Source: Nepal Tourism Statistics, 2003-2009, MOCTCA

6. What's your occupation?

Student () Service-holder () Businessman ()

7. How long you stay in Nepal?

Days/Months

8. Did/Do you visit other countries on this journey?(Exclude country in transit).

Yes _____ No _____

If Yes which country.

9. What was your purpose of visit to Nepal?

Pleasure & Sightseeing () Business ()

Mountaineering () Official ()

Trekking () Other _____ Specify

10. Which places did you visited during your stay in Nepal?

11. How much money you spent during your visit?

12. How did you find the services & facilities provided during your visit in Nepal?

13. In which sector you felt need improvement immediately?

14. What were the main sources of information that influenced your decision to come to Nepal?

Friends/Relatives () Tourist office ()

Travel agents () Prior visit ()

Magazine () Trade fairs ()

Website () Guide Book ()

Television/Radio ()

15. Did you go through any publicity materials relating Nepalese tourism published

by Nepal Tourism Board, Nepal Airlines, Travel & Trekking Agencies?

16. If Yes Where?

In Nepal () In own Country () Any other country ()

17. How do you rate these publicity materials?

Very good ()

Good ()

18. Which of the following features were the most important to you?

a) Climate ()

b) Friendly people ()

c) Mountains ()

d) Culture & Architecture ()

e) Value for money ()

20. How do you evaluate safety & security situation in Nepal?

a) Good()

b) Satisfactory ()

c) Unsatisfactory ()

d) Very Poor ()

21. What type of environmental effects did you find due to tourism in Nepal?

Please Specify:-_____

22. How do you rate your visit to Nepal on the following aspects?

A. Sightseeing Tours:-

a) Good

b) Satisfactory

c) Unsatisfactory

B. Accommodation:-

a) Good Accommodation

b) Satisfactory

c) Unsatisfactory

C. Shopping Facilities:-

a) Good Shopping Facilities

b) Satisfactory

c) Unsatisfactory

D. Food & Drinks

a) Good Food & Drinks b) Satisfactory c) Unsatisfactory

E. Entertainment Activities

a) Good Entertainment Activities b) Satisfactory c) Unsatisfactory

F. Transportation

a) Good Transportation b) Satisfactory c) Unsatisfactory

G. Tourist Info Offices

a) Good Tourist Info Offices b) Satisfactory c) Unsatisfactory

H. Immigration Formalities

a) Good Immigration Formalities b) Satisfactory c) Unsatisfactory

I. Airlines:- a) Good b) Satisfactory c) Unsatisfactory

J. Agency Service:- a) Good b) Satisfactory c) Unsatisfactory

23. What are your suggestions to improve tourism in Nepal?

Questionnaire for Tourism Organization.

1. Name of Organization :
2. Year of establishment:
3. Address:
4. Type of Business :
 - a. Travel ()
 - b. Trekking ()
 - c. Mountaineering ()
 - d. Rafting ()
 - e. Hotel ()
 - f. Airline ()
 - g. Guest House ()
 - h. Other (please specify)
.....
5. What should we do to develop Nepal as an international destination?
 - a. _____
 - b. _____
6. In which area or areas we should give more attention for the promotion of tourism?
 - a. Accommodation ()
 - b. Transportation ()
 - c. Immigration ()
 - d. Airlines ()
 - e. Agency Services (Travel, Trekking) ()
 - f. Customs ()
 - g. Government ()
7. Who is responsible for tourism marketing & promotion?
 - a. Government ()
 - b. NTB ()
 - c. Private tourism sector ()
 - d. All ()

8. Where Nepal's marketing efforts should be concentrated at?
- National Level ()
 - Int'l level ()
 - Specific target market level ()
 - Potential new market ()
 - Any other (Please Specify) ()
9. What types of marketing efforts is needed?
- Destination promotion ()
 - Media promotion ()
 - Personalized promotion ()
 - Any other (Please Specify) ()
10. What kind of product development should Nepal do?
- Preserve and present our product as it is ()
 - Modify product to suit target market ()
 - Combine product features ()
 - Develop new products ()
 - Any other ()
11. In which market segment do you concentrate?
- Specific country or region

i. Germany ()	vii. France ()
ii. Spain ()	viii. UK ()
iii. Italy ()	ix. Switzerland ()
iv. Japan ()	x. Australia ()
v. India ()	xi. USA ()
vi. Netherlands ()	xii. Other ()
 - Purpose-wise target
 - Holiday/pleasure ()
 - Adventure ()
 - Pilgrimage ()
 - Business ()

- v. Official ()
- vi. Conference ()
- vii. Others ()

c. Age wise:

- i. Old ()
- ii. Matured ()
- iii. Young ()

d. Income group wise:

- i. High income ()
- ii. Moderate income ()
- iii. Low income ()

12. What are the competitors' strength and weaknesses in tourism marketing?

Strength

- a. Large Access ()
- b. Timely Access ()
- c. Capability to reach new access ()
- d. Broad coverage ()
- e. Any others (specify)

Weakness

- a. Poor Access ()
- b. Inability to reach market ()
- c. Reliance on others ()
- d. Limited or no coverage ()
- e. Any others (specify)

13. How do you compare Nepal's marketing efforts with other competing countries?

- a. Highly satisfactory ()
- b. Competitive ()
- c. Satisfactory ()
- d. Poor ()
- e. Extremely poor ()
- f. Give reason for your assessment()

14. Where should Nepal position in the international market?

(Please tick as many as relevant)

- i.
 - a. Pleasure tourism ()
 - b. Adventure tourism ()
 - c. Low spending tourists ()
 - d. Nature tourism ()
 - e. Mix of above ()
 - f. Any other (Please verify)

- ii.
 - a. High spending tourists ()
 - b. Medium spending tourists ()
 - c. Culture tourism ()
 - d. Mix of above ()
 - e. Any other (Please verify)

15. What are the strengths of our present product?

(Please tick as many as relevant)

- a. Uniqueness ()
- b. Mass appeal ()
- c. Repeat value ()
- d. Emotional value ()
- e. Sense of Achievement()
- f. Competitive ()
- g. Price ()
- h. Access ()
- i. Location ()
- j. Other (Please verify) ()

16. What are the weaknesses of our present product?
(Please tick as many as relevant)
- a. Poor preservation ()
 - b. Congestion ()
 - c. No mass appeal ()
 - d. No repeat value ()
 - e. Lack of competitiveness ()
 - f. Limited products ()
 - g. Poor presentation ()
 - h. Any others (Please verify)
17. How do you rate the pricing strategy of tourism service in Nepal?
- a. Highly satisfactory ()
 - b. Satisfactory ()
 - c. So so ()
 - d. Less satisfactory ()
 - e. Unsatisfactory ()
18. How do you rate the level of competition in tourism business in Nepal?
- a. Highly satisfactory ()
 - b. Satisfactory ()
 - c. So so ()
 - d. Less satisfactory ()
 - e. Unsatisfactory ()
19. What efforts are being initiated by the government to promote Nepal as a tourist destination? (Please tick as many as relevant)
- a. Destination promotion ()
 - b. Creation of infrastructure ()
 - c. Development product ()
 - d. Publicity ()
 - e. Special events ()