

**Tourism Promotion in Nepal  
A Perceptual Study on Its Effectiveness**

**A THESIS**

**Submitted By**

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## **RECOMMENDATION**

This is to certify that the thesis

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

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# **DECLARATION**

I declare that the study report entitled “**Tourism Promotion in Nepal - A Perceptual Study on Its Effectiveness** ” submitted to the Office of the Dean, Faculty of Management, Tribhuvan University, is my original work done in the form of partial fulfillment of the requirement of the degree of Master of Business Studies (MBS) under the supervision of **Mr. Narayan K. Pradhan** of Shanker Dev Campus, Faculty of Management, T.U.

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## ABBREVIATION

MOCTCA	-	Ministry of Culture, Tourism & Civil Aviation
NTB	-	Nepal Tourism Board
NG	-	Nepal government
NTO	-	National Tourism Organization
TSF	-	Tourism Service Fee
TAAN	-	Trekking Agents Association of Nepal
WTO	-	World Tourism Organization

# CHAPTER I

## INTRODUCTION

### 1.1 Background of the Study

Situated in the lap of Himalaya, Nepal is located in between the latitude 26° 22' N to 30° 27' North and longitude 80° 4' E to 88° 12' East and elevation ranges from 90 to 8848 meters. The average length being 885 kilometer East to West and average breadth is about 193 kilometer North to South. The country is bordering between the two most populous countries of the world, India in the East, South, West and China in the North. Nepal is a land locked country and home place of natural beauty with traces of artifacts. The northern range (Himalaya) is covered with snow over the year where the highest peak of the world, the Mount Everest, stands. The middle range (Hill) is captured by gorgeous mountains, high peaks, hills, valleys and lakes. The Southern range (Terai) is the gangaitic plain of alluvial soil and consist of dense forest area, national parks, wildlife reserves and conservation areas. There are number of peaks, rivers and lakes in the country. Major peaks are - Mount Everest (8848 m.) the highest peak of the world, Mt. Kanchanjanga (8586 m.) the third highest peak of the world and the second highest in the country, and Mt. Lhotse (8516 m.). Major rivers are - Koshi, Gandaki and Karnali. Major lakes are - Rara, She-foksundo, Phewa, Tilicho etc.

There are various aspects of adventure and eco-tourism in Nepal like mountaineering, trekking, rafting/kayaking/canyoning, jungle safari, rock climbing, mountain biking, bird watching, mountain flight, hot air ballooning, bungee jumping, ultra light aircraft, para gliding, cable car, meditation, yoga and ayurveda, village tours and other interest tours like lepidopterology, meteorological, fossil hunting etc. It's more than just the natural beauties of Nepal that attracts tourists; the attractions are various places of historical and architectural values and the most the kind hospitality of Nepalese people.

## **1.2 Significance of the Study**

Tourism is a major sector which promises to bring even greater contribution to Nepal's economic growth (Satyal, 1983 p.113). The growth of tourism and development will eventually have a heavy impact on most aspects of life. Therefore, tourism attests distinctive attention at the highest level of planning with the purpose to protect long- range social and economic health of the country, and to provide a wholesome and pleasant environment, good ecological balance, open spaces, preservation of natural beauty, recreation facilities and convenient transport. Tourism development has a significant impact on all facets of the economic, social and physical structure of country. In addition to providing hotel accommodation, restaurants and entertainment for visitors, tourism development directly or indirectly requires the provision of support communities and population centres, highways, airports and other transport systems for visitors' mobility, public facilities for recreation, cultural and historical preservation as well as substantial agricultural and industrial activities to support the tourism plant (Satyal, 1983 p.107).

Tourism industry in Nepal is considered as an important part of national development and economy. However there are not enough attempts to understand the effectiveness of promotional activities addressed to its target audience and identify what kind of promotional activities are the most effective ones to these target audience. These queries can minimize the promotional expenses and enhance the probability of responses made by the target tourists that be the decision for visit or word of mouth about Nepal.

## **1.3 The Problem Statement**

The business environment of tourism industry is of most fragile nature than other industries and it's true in case of Nepal as well. The Johannesburg summit 2002 Country Profile- Nepal, has rightly characterized that Nepalese tourism industry has very little product and market diversification and high seasonality. Further internal and international political scenario like insurgency, political instability and lack of security has worsened the tourism industry of Nepal. These issues have been negatively spread out and Nepal's image has been created as an unsafe tourist destination. In order to avoid such odds, there is need of proper promotional activities in international arena and their evaluations have to be made. The next step would be to identify the most attracted mode for promotion so that the target audience could be

reached. Information plays an important role for the industry's growth and development. The present problems related to tourism promotion in Nepal are as follows:

1. Are the presents promotional tools being used are effective to attract the target audience?
2. Is there any relationship between effectiveness of promotional activities and satisfaction level of target audience?
3. Which promotional tool is the most effective to attract the target and fulfill the requirements of tourists?

#### **1.4 Objective of the Study**

Researches on tourism promotion are lacking in Nepal. So the main objective of this study is to evaluate the effectiveness of the tourism promotion done by NTO.

The objectives related to this study are presented as below:

- ) identify the source of information that induced for Nepal visit
- ) identify the most effective medium of promotion
- ) identify which medium of promotion is most effective to attract the target audience.

#### **1.5 Limitation of the Study**

For the completion of this study, some facts are to be considered as the limitations. These are presented as below;

1. This study is based on primary as well as secondary data. Accuracy depends upon the information provided by the respondents.
2. This study includes the tourists from foreign countries mainly European.
3. Non-availability of the various references of sources acts as constraints for the study.
4. This study has been carried out for the partial fulfillment of master's degree, faculty of management of Tribhuvan University. So the time and resource are major limitations of the study.

## 1.6 Research Hypothesis

Testing of hypothesis is one of the most important aspects of the research study. This research also requires the testing of hypothesis made. It is the quantitative statement about the population parameter. In other words, it is an assumption that is made about the population parameter and then its validity is tested among a sample of the population. By testing the hypothesis one can find out whether it deserves the acceptance or rejection of the hypothesis. The acceptance of hypothesis means there is no any sufficient evidence provided by the sample to reject it and does not necessarily imply that it is true. The main goal of testing of hypothesis is to test the characteristics of hypothesized population parameter based on sample information whether the difference between population parameter and sample statistic is significant or not.

The hypotheses formulated for this study are as follows:

### **First Hypothesis**

**Null Hypothesis  $H_0$ :** = 0. That is, population correlation coefficient is zero. In other words, the exposure frequency of promotional activity of Nepal is effective.

**Alternative Hypothesis  $H_1$ :**  $\neq 0$ . That is population correlation coefficient is not equal to zero. In other words, the exposure frequency of promotional activity of Nepal is not effective.

### **Second Hypothesis**

**Null Hypothesis  $H_0$ :** = 0. That is, population correlation coefficient is zero. In other words, there is no significance relationship between promotional medium and level of effectiveness.

**Alternative Hypothesis  $H_1$ :**  $\neq 0$ . That is population correlation coefficient is not equal to zero. In other words, there is significance relationship between promotional medium and level of effectiveness.

## 1.7 Definition of Terms

Effectiveness: The Cambridge International Dictionary describes that effective can be “something if it produces the result that it was intended to”.

Analyze: The Cambridge International Dictionary describes “to study or examine (something) in detail, in order to discover more about it”.

Identify: The Cambridge International Dictionary describes identify as “to recognize or be able to name, or to prove who (a person) is”.

Explore: The Cambridge International Dictionary describes explore as “to search and discover (about)”.

Target audience: Schiffman,L.G and Kanuk, L.L on their book “Consumer Behavior” explains target audience as “pre-determined receivers of the message”.

Satisfaction level: The Cambridge International Dictionary describes satisfaction as “the pleasant feeling you get when you receive something you wanted, or when you have done or are doing something you wanted to do”.

## **1.8 Organization of the Study**

This study has been divided into five chapters. They are Introduction, Review of Literature, Research Methodology, Presentation and Analysis of data and Summary, Conclusion and Recommendations.

### **Chapter I: Introduction**

This chapter contains the introduction of the study, which includes the following topics;

- i) Background of the study
- ii) Significance of the study
- iii) Statement of problems
- iv) Objectives of the study
- v) Limitation of the study
- vi) Research Hypothesis
- vii) Definition of Terms
- viii) Organization of the study

### **Chapter II: Review of Literature**

The second chapter is review of literature, which contains conceptual framework and review of previous studies on tourism and tourism promotion in Nepal.

### **Chapter III: Research Methodology**

The third chapter is concerned with the research methodology, which is applied to collect the data and analyze them in this study. It consists of the following topics;

- i) Introduction
- ii) Method of analysis and presentation
- iii) Conclusion

## **Chapter IV: Presentation and Analysis of Data**

The fourth chapter is analyzing chapter, which deals with presentation and analysis of relevant data through definite courses of research methodology with proper statistical analysis.

## **Chapter V: Summary, Conclusion and Recommendation**

The fifth chapter is the last chapter of the study, which concerned with the summary of the data, conclusion and recommendation of the study for the implementation in the future. Finally, an extensive, bibliography and appendices are also presented at the end of this thesis work.

# **CHAPTER II**

## **REVIEW OF LITERATURE**

This chapter attempts to review the literature related to tourism promotion in Nepal. It includes theoretical aspects as well as findings of the previous available studies on tourism promotion in Nepal. The first part of literature review includes the concept of tourism, general overview of Nepalese tourism industry and its significance in Nepalese economy. The second part includes the concept of tourism promotion, its significance in tourism industry and tools used for tourism promotion. The third part includes the description of agencies in Nepalese tourism promotion and review of studies on tourism promotion. Last part includes the summary of the literature reviewed.

### **2.1 Tourism**

#### **2.1.1 Introduction**

Tourism can be considered one of the most remarkable socio-economic phenomena of the 20<sup>th</sup> century (Neto). This section will start by defining tourism followed by a general overview of Nepalese tourism industry and lastly significance of Nepalese tourism industry in national economy.

#### **2.1.2 Definition of Tourism**

The word “Tourism” so popular today, is derived from the French word “Tourisme” which originated in 19<sup>th</sup> century. The word was popularized in the 1930’s, but the significance was not fully realized until today when “Tourism” has a wider meaning and significance. *Source: Satyal (2000)*

The word “Tourism” has several meanings. In general, Webster’s New International Dictionary defines it as “Traveling for recreation”. Travel may be regarded touristic if it meets with the three essential conditions, that it must be (1) temporary, (2) voluntary, and (3) not have remunerated employment as its aim.

Tourism describes the very activity of mankind concerned with the development of tourist development. So the object is the tourist movement. The first definition of Tourism was given by the Austrian economist Hermann von Schullard in 1910. He defined tourism as “the sum total of operations, mainly of economic nature, which directly relate to the entry, stay and movement of foreigners inside and outside a certain country, city or region.” Another definition of tourism was given by Edmond Picard, Professor of Economics at the University of Brussels as follows: “The function of tourism is to import currency from foreign resources into the country. Its impact is what tourist expenditures can do to the different sectors of the economy and in particular the hotel- keepers.” The definition of tourism, given by the Swiss Professor Walter Hunziker and Kurt Kraf in 1942 is as follows: “Tourism is the total relationships and phenomena linked with the stay of foreign persons to locality, on condition that they do not settle there to exercise a major, permanent or temporary activity of a lucrative nature.”

The above definition does not take notice of domestic tourism. Sociologically, the person whatever his destination, either in his own country of residence or outside, who travels or stays in the place other than his own, has very wide significance, and the implication has been excluded in the definition.

We can say a person is a tourist if he goes out of his daily living zone to satisfy his curiosity and his desire to know, to relax, rest and recover his strength in surroundings different from his usual environment, whereas the city-dwellers of country may travel to the outskirts of their own country for recreation, they are not tourists until they go out to foreign countries for recreation. In a wide and comprehensive term, a tourist is a person who travels to learn to appreciate Nature, to relax, and to enjoy a change outside his country (pp.6-7).

World Tourism Organization (WTO) defines tourism as “the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated form within the place visited”.

### 2.1.3 A General Overview of Nepalese Tourism Industry

Wikipedia ([www.wikipedia.org/wiki/Tourism\\_in\\_Nepal](http://www.wikipedia.org/wiki/Tourism_in_Nepal)) quotes “Nepal is a must visit place. There are lots of places to visit in Nepal. That is why people often term Nepal as a place where there are more temples than houses. Similarly because of Gods and Goddesses we term it as a place where the number of gods and goddess is more than the population of people. Tourism is the largest industry in Nepal; the largest source of foreign exchange and revenue. Possessing 8 of the 10 highest mountains in the world, Nepal is a hotspot destination for mountaineers, rock climbers and people seeking adventures.”

In context of Nepal’s image in the international arena, Hall and Page (2001, p.257) writes “Nepal was traditionally known as a remote and inaccessible Himalayan mountain frontier, isolated from the outside world. The twin images of high mountains and previously inaccessible areas and cultures gave Nepal a mystic aura that remains to the present.”

The foreigners were not allowed to visit the country. Only some of them were given permission to do some kind of research works. Thus Nepal was completely isolated from the cross-current of world opinion. From the point of view of tourism, the great revolution of 1950-51 (AD) was a boon for Nepal. Because of the Century long isolation from the outside world, the country developed a certain of “mystique” which still continues to have in the minds of the international travelers. Now Nepal is no more a forbidden land (p.29).

*Source: Satyal (1983)*

Nepal is known throughout the world as a ‘mountain destination’. Its primary attraction is the southeastern zone of the Himalayan chain which includes the world’s highest mountain peaks. As a tourist attraction the Himalayas are today well augmented by opportunities for wildlife watching and, for Nepal alone, the presence of over fifty recognized ethnic groups, especially for other Asian visitors, major religious sites ( including shrines to the Hindu Lord Pasupatinath in Kathmandu, Muktinat and Lumbini, the birth place of Lord Buddha ) are a primary attractions(p.257).

*Source: Hall and Page (2001)*

According to; Nepalese tourism industry has been characterized as:

1. Low earning per visitor and small length of stay;
2. High dependence on Western tourists;

3. High seasonality;
4. Concentration in a few areas; and
5. Very little product and market diversification.

*Source: Johannesburg summit 2002 Country Profile*

## 2.1.4 Statistical Information on Nepalese Tourism Industry

**Table 2.1 Hotel Accommodation in Nepal 2009**

Category	No. of Hotels	No. of Rooms	No. of Beds
<b>Kathmandu</b>			
Five Star	8	1,539	2,897
Four Star	2	190	362
Three Star	11	372	774
Two Star	27	1,138	2,263
One Star	26	564	1,374
Tourist standard	348	5,010	9,976
<b>Sub-Total</b>	<b>422</b>	<b>8,813</b>	<b>17,646</b>
<b>Out Station</b>			
Five Star	2	283	566
Four Star	–	–	–
Three Star	6	265	509
Two Star	4	128	238
One Star	11	174	386
Tourist standard	291	4,609	9,140
<b>Sub-Total</b>	<b>314</b>	<b>5,459</b>	<b>10,839</b>
<b>Grand Total</b>	<b>736</b>	<b>14,272</b>	<b>28,485</b>

*Source: Nepal tourism Statistics -2009*

Above table reflects total accommodation capacity of star hotels and tourist standard hotels inside as well outside the valley. There were total 736 hotels with 14,272 rooms and 28,485 beds across the country in year 2009.

**Table 2.2 Tourist arrivals and their average stay, 2003-2009**

SN	Year	Total tourist inflow in Nepal	Average Length of Stay-days
1	Year 2003	338,132	9.60
2	Year 2004	385,297	13.50
3	Year 2005	375,398	9.10
4	Year 2006	383,926	10.20
5	Year 2007	526,705	11.96
6	Year 2008	500,277	11.78
7	Year 2009	509,702	11.60

Source: - *Nepal and the World: A Statistical Profile 2008, FNCCI:171 and Economic Survey, 2009/10*

Above table signifies that average length of stay of tourist arriving in Nepal is around 11-12 days with total tourists inflow above 500 thousand from Year 2007 onwards.

**Table 2.3 Total numbers of travel, trekking agencies, guide and tourist police, 2000- 2009**

Month	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Travel Agency	637	691	738	788	877	948	1,026	1,167	1,320	1,496
Trekking Agency	537	580	611	645	705	740	793	872	977	1,096
Tourist Guide	1,854	1,900	2,001	2,071	2,149	2,202	2,271	2,343	2,458	2,548
Trekking Guide	2,155	2,745	3,094	3,457	3,930	4,395	4,663	5,098	5,356	5,987
Tourist Police									52	52

Source: *Nepal tourism Statistics -2009*

The above table shows number of travel agencies, trekking agency, tourist guide, trekking guide and tourist police duly registered in concerned authority. As on year 2009, there were total 11,179 such agencies duly registered in the concerned authority.

**Table 2.4 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)

*Figures in paranthesis represent percentage of the total.*

*Source: Nepal tourism Statistics -2009*

The above table shows the purpose of tourist arrival. The table signifies that majority of tourists come for holiday pleasure however tourists coming for trekking and mountaineering are increasing over last few years.

## **2.2 Tourism Promotion**

### **2.2.1 Introduction**

Tourism promotion is often the crucial aspect of the tourism industry to act upon. This section will start by defining tourism promotion and its significance followed by tools to tourism promotion.

### **2.2.2 Definition of Tourism Promotion**

The term tourism promotion is made up of two words; tourism and promotion. The Cambridge International Dictionary of English defines Tourism as- the business of providing services, such as transport, places to stay or entertainment, for people who are in holiday and Promote (obj) as- to encourage the popularity, sale, development or existence of (something). When they are jumbled together it gives meaning like – action to encourage the popularity, sale or development of business related to transport, accommodation or entertainment for people who are in holiday.

### **2.2.3 Significance of Promotion in Tourism Industry**

Bhatia (1983,p.138) has defined tourism marketing as the “systematic and coordinated efforts exerted by NTO’s and /or the tourist enterprises on international and local levels to optimize the satisfaction of tourists, groups and individuals, in view of a sustained tourism growth”.

Promotion plays an important role in an organization’s efforts to market its product, service, or ideas to its customers (Belch and Belch, 2003, p.65). Sharad (2001) put forward the point that “One thing that is very clear in tourism is that people seldom venture to travel to such place which is never heard of before”. Bhatia (1983, p.152) says “Like any other industry, successful marketing in tourism can’t rely only on a product of the right kind, on a market related pricing policy and on a reliable and effective distribution network. Systematic communication with actual and potential customers and with the trade intermediaries bridging the gap between producer on the one hand and the consumer on the other is also needed. The basic function of all tourist promotion activities is to have an effective communication with the customer. Promotion is a part of 4 P’s of marketing.”

Belch & Belch (2003, p.33) writes promotion is best viewed as the communication function of marketing. It is accomplished through a promotional mix that includes advertising, personal selling, publicity/public relations, sales promotion, direct marketing, and interactive/ Internet marketing.

## **2.2.4 Tools of Tourism Promotion**

Bhatia (1983, p.152) says, “The consumer must be aware of the existence of a tourist product. How is this awareness to be brought about in the minds of the consumers in the market areas? Some of the easily identifiable methods are advertising, sales supports and public relations. These are the three major marketing tools which any organization uses to inform the actual as well as the potential customer”. However other promotion tools used in tourism includes interactive/internet marketing and personal marketing.

### **2.2.4.1 Advertising**

Advertising is defined as any paid form of non personal communication about an organization, product, service, or idea, or cause by an identified sponsor. The paid aspect of this definition reflects the fact that the space or time for an advertising message generally must be bought. An occasional exception to this is the public service announcement (PSA), whose advertising space or time is donated by the media. The non personal component means that advertising involves mass media (e.g. TV, radio, magazines, and newspapers) that can transmit a message to large groups of individuals, often at the same time. The non personal nature of advertising means that there is generally no opportunity for immediate feedback from the message recipient (except in direct- response advertising). Therefore, before the message is sent, the advertiser must consider how the audience will interpret and respond to it. Advertising is the best-known and most widely discussed form of promotion, probably because of its pervasiveness. It is also a very important promotional tool, particularly for companies whose products and services are targeted at mass consumer markets. There are several reasons why advertising is such an important part of many marketers’ promotional mixes. First, it can be very cost- effective method for communicating with large audience. Secondly, advertising can be used to create brand images and symbolic appeals for a company or brand, a very important capability for companies selling product and services that difficult to differentiate on functional attributes. Another advantage of advertising is its ability to strike a responsive chord with consumers when differentiation across other element of the marketing mix is difficult to achieve. Marketers advertise to the consumer market with national and retail/ local advertising, which may stimulate primary or selective demand. For business/ professional markets, they use business-to-business, professional, and trade advertising. *Source: Belch and Belch 2003, pp.16-17*

### **2.2.4.2 Publicity/Public Relations**

Publicity refers to non personal communications regarding an organization, product, service, or idea not directly paid for a run under identified sponsorship. It usually comes in the form of a news story, editorial, or announcement about an organization and/or its products and services. Like advertising, publicity involves non personal communication to a mass audience, but unlike advertising, publicity is not directly paid for by the company. The company or organization attempts to get the media to cover or run favorable story on a product, service, cause, or event to affect awareness, knowledge, opinions, and/or behavior. Techniques used to gain publicity include news releases, press conferences, feature articles, photographs, films, and videotapes. An advantage of publicity over other forms of promotion is its credibility. Consumers generally tend to be less skeptical toward favorable information about a product or service when it comes from a source they perceive as unbiased. Another advantage of publicity is its low cost, since the company is not paying for time or space in a mass medium such as TV, radio, or newspapers. While an organization may incur some costs in developing publicity items or maintaining a staff to do so, these expenses will be far less than those for the other promotional programs. It is not always under the control of an organization and is sometimes unfavorable. Negative stories about a company and/or its products can be very damaging.

Public relations is defined as “the management function that evaluates public attitudes, identifies the policies and procedures of an individual or organization with the public interest, and executes a program to earn public understanding and acceptance”. Public relations uses publicity and a variety of other tools including special publications, participation in community activities to enhance an organization’s image (pp.22-23).

### **2.2.4.3 Interactive/ Internet Marketing**

Internet marketing, also referred to as *online marketing* or *Emarketing*, is the marketing of products or services over the Internet ([www.wikipedia.org/wiki/internet\\_marketing](http://www.wikipedia.org/wiki/internet_marketing)).

The Internet has brought many unique benefits to marketing including low costs in distributing information and media to a global audience. The interactive Belch and Belch suggests as the new millennium begins, we are experiencing perhaps the most dynamic and

revolutionary changes of any era in the history of marketing, as well as advertising and promotion. These changes are being driven by advances in technology and developments that have led to dramatic growth of communication through interactive media particularly the Internet. Interactive media allows for a back-and-forth flow of information whereby users can participate in and modify the form and content of the information they receive in real time. Unlike traditional forms of marketing communications such as advertising, which are one-way in nature, the new media allow users to perform a variety of functions such as receive and alter information and images, make inquiries, respond to questions, and, of course, make purchases. In addition to the Internet, other forms of interactive media include CD-ROMs, kiosks, and interactive television. However, the interactive medium that is having the greatest impact on marketing is the Internet, especially through the component known as the World Wide Web.

Perhaps the most prevalent perspective on the Internet is that it is an advertising medium, as many marketers advertise their products and services on the websites of other companies and/or organizations. Actually, the internet is a medium that can be used to execute all the elements of the promotional mix. In addition to advertising on the web, marketers offer sales promotion incentives such as coupons, contests, and sweepstakes online, and they use the internet to conduct direct marketing, personal selling, and public relations activities more effectively and efficiently. While the internet is a promotional medium, it can also be viewed as a marketing communications tool in its own right. Because of its interactive nature, it is a very effective way of communicating with customers (pp.20-21)

#### **2.2.4.4 Personal Selling**

Personal selling is a form of person-to-person communication in which a seller attempts to assist and/or persuade prospective buyers to purchase the company' product or service or to act on an idea. Unlike advertising, personal selling involves direct contact between buyer and seller, either face-to-face or through some form of telecommunications such as telephone sales. This interaction gives the marketer communication flexibility; the seller can see or hear the potential buyer's reactions and modify the messages accordingly. The personal, individualized communication in personal selling allows the seller to tailor the message to the customer's specific needs or situation.

Personal selling also involves more immediate and precise feedback because the impact of the sales presentation can generally be assessed from the customer's reactions. If the feedback is unfavorable, the salesperson can modify the message. Personal selling efforts can also be targeted to specific markets and customer types that are the best prospects for the company's product or service.

*Source: Belch and Belch (2003)*

## **2.3 Tourism Promotion in Nepal**

### **2.3.1 Introduction**

This section will start by introducing agencies responsible for tourism promotion in Nepal followed by review of studies on tourism promotion.

### **2.3.2 Agencies in Nepalese Tourism Promotion**

Nepal Government's involvement in the tourism sector occurs through the activities of two bodies: National Tourism Board (NTB) and Tourism Industry Division of the Ministry of Culture, Tourism and Civil Aviation (Nepal Trade and Competitiveness Study, p.81).

#### **2.3.2.1 Nepal Tourism Board**

The Nepal Tourism Board (NTB) Act was passed by the parliament in December 1996 and obtained the Government seal in February 1997. The Board designed as partnership between government and the private sector travel trade industry of Nepal started functioning from December 31, 1998. NTB has been assigned with the prime responsibility of tourism marketing and destination management and it will subsequently carry out other regulatory functions as well. The board provides platform for vision drawn leaderships for Nepal's tourism section by integrating government commitment with the dynamism of private sector tourism industries.

NTB, responsible for promoting Nepal in domestic and international market is working towards repositioning the image of the country as a safe destination. 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 travel destination and supports the same by self-sustained promotional campaigns. Government of Nepal has established a well-defined funding mechanism through collection of tourism service fee while departing from the airport to finance the promotional effort of the board.

The Executive Committee consists of 11 members, 5 from Government including Chairperson, 6 from Private sector including CEO. There is a provision of including Observers from tourism related sectors. Now, there are 3 observers.

### NTB's Responsibilities:

- To develop and introduce Nepal as an attractive tourist destination in the international Arena.
- To develop, expand and promote tourism enterprises and activities while working for the conservation of natural, environmental and cultural resources of the country.
- To work towards increasing the gross domestic product and foreign exchange income by means of promoting the tourism industry.
- To create maximum employment opportunities by developing, expanding and promoting tourism enterprises.
- To establish a good and dignified image of Nepal in the international tourism community by developing Nepal as secure, reliable and attractive destination.
- To conduct action-oriented research related to tourism in order to provide quality service to tourists for the development of tourism enterprises.
- To assist in establishing and developing institutions necessary for the development of tourism enterprises.
- To work toward providing quality service to tourists' visiting Nepal.
- To promote and develop institutions for the promotion of tourism industry.
- To develop Nepal as a tourism hub for South Asia.

Tourism Service Fee (TSF) is the main source of income of Nepal Tourism Board. Rs.500/-as TSF is being collected since Magh 1, 2061 from each departing foreign passenger at the Tribhuvan International Airport, Kathmandu. Before the new provision was enacted, a 2% TSF had been collected on the sales of goods and services sold by tourism entrepreneurs.

**Table 2.5 TSF Collection Pattern**

<b>Fiscal Year</b>	<b>Amounts (Rs.)</b>
1999/2000	5,77,7700.00
2000/2001	8,99,32,800.00
2001/2002	8,80,10,500.00
2002/2003	6,91,70,800.00
2003/2004	5,45,67,800.00
2004/2005	7,01,55,903.00
2005/2006	9,97,77,973.00
2006/2007	15,66,85,775.50
2007/2008	18,26,55,500.00

*Source: In Focus 2007*

TSF collection of NTB has been growing over the years. There has been significant growth in TFS collection during last 8 years time period.

**Table 2.6 Gross Foreign Exchange Earnings, 1990=2009**

<b>Year</b>	<b>Total Earning</b>		<b>% Change in US\$</b>	<b>Average Income per Capita in US\$</b>	<b>Average Income Per Visitor Per day in US\$</b>
	<b>US \$ (‘000)</b>	<b>Rs.(‘000)</b>			
2000	166,847	11,827,403	-0.7	453.7	38.2
2001	140,276	10,468,205	-15.9	472.4	39.6
2002	106,822	8,300,553	-23.8	512.0	64.8
2003	192,832	14,508,396	80.5	765.9	79.1
2004	179,941	13,146,534	-6.7	609.8	45.1
2005	148,441	10,600,345	-17.5	532.0	58.5
2006	162,790	11,784,644	9.7	561.0	55.0
2007	230,617	15,185,071	41.7	535.0	45.0
2008	351,968	24,802,195	52.6	860.3	73.0
2009	377,172	28,996,950	7.2	739.6	65.3

*Source: Foreign Exchange Management Department, Nepal Rastra Bank.*

Above income pattern shows fluctuating foreign income over the years per visitor per day though total foreign currency income has been increasing during last five years.

### **2.3.2.2 Ministry of Culture, Tourism & Civil Aviation**

Ministry of Tourism first came into existence in 2035 BS (1978 AD). In 2039 (1982 AD), Civil Aviation was also merged into the Ministry of Tourism and it became the Ministry of Tourism & Civil Aviation. In 2057 (2000 AD), Culture was also integrated in the Ministry and now it is called the Ministry of Culture, Tourism & Civil Aviation (MOCTCA). Ministry of Culture, Tourism & Civil Aviation is headed by Minister for Culture, Tourism & Civil Aviation.

The working area of Tourism Industry Division after the re-structuring of the Ministry in 2055 B.S. and 2057 B.S. has been specified as follows:

- ) The work relating to tourist standard hotels and restaurants.
- ) Travel, trekking, rafting and other business related to tourism.
- ) Mountaineering, mountain tourism and all adventure tourism related work.
- ) The work related with the establishment of sound relationship with the private sectors concerning to the field of tourism.

Similarly, this Division deals in issuing of permission to run tourism business, renew the permission, and to regulate it. It also regulates the mountaineering permission, mountaineering related rules & regulations and decisions. It also functions to provide information on the tourism industries through the six District Tourism Offices, based in Kakabhitta, Janakpur, Birgunj, Pokhara, Bhairahawa and Nepalgunj.

Sections running under the Tourism Industry Division:

- ) Hotels, Restaurant and Travel Section
- ) Trekking and Mountaineering Section
- ) Tourist Police Unit

(Source: [www.tourism.gov.np](http://www.tourism.gov.np) )

### **2.3.2.3 Trekking Agents Association of Nepal**

Trekking Agents Association of Nepal (TAAN) was formed and registered in the Kathmandu Chief District Office in 1979 by a handful of trekking agents who realized that it was time to assemble and create an umbrella organization. Under which they could work together to meet their common goals and also assist the government by providing suggestions and meaningful

inputs to develop trekking business into a revenue generating industry. Such a body was necessary for many reasons. There was a need for single organization, which could undertake the major responsibilities to develop and promote adventure tourism in the country. The need for a responsible body, which could play a significant and conducive role to mitigate mountain environmental stress, was felt essential.

Since the inception of TAAN not only the trekking agencies have been inversing, and so has the TAAN members. TAAN limited its membership only to Nepalese trekking agents at its initial phase. Nevertheless, it opened its associate membership to foreign other organizations within the country to broaden the scope of the association.

TAAN members (432 General Members, 14 Associate Members and 32 general's members of TAAN western regional chapter) meet annually to endorse policy guidelines, which govern the executive body. It frequently communicates with the concerned bodies of the government to simplify the procedures and solve problems related with trekking. TAAN has eleven sub-committees, which assist to meet its objectives. It organizes workshops, seminars, training etc to make trekking agents and other field staff aware of the rising environmental degradation in trekking routes and other problems encountered by the trekkers and trekking agents. The executive body, which is elected every two years, has 6 office bearers, 8 executive members, and 1 immediate past president, 1 chapter Representative and 3 nominated executive members.

### **Objectives of TAAN**

1. Develop and promote trekking tourism in Nepal.
2. Contribute to preserve the mountain environment of Nepal.
3. Contribute for the enlistment of trekking economy of Nepal.
4. Preserve the rights and promote member trekking agencies.
5. To help, cooperate and give advice to individuals interested in trekking, Government (NG) and trekking agencies for the further development.
6. Make a wide search of the new trails and regions feasible for trekking and helps His Majesty's Government (HMG) and trekking agencies for the further development.
7. Regularize the facilities provided by member trekking agencies to their staff, including porters.

8. Provides necessary opinions and suggests HMG/N for the formulation of the rules and regulation related to mountain tourism & facilities and incentives to be provided to trekking agencies.
9. Promote mountain tourism in collaboration with various government and semi-government bodies, domestic and international NGOs.
10. Cooperate with national and international organizations dealing with trekking and mountaineering training for the formulation on practical courses of study.

## **TAAN Activities**

The TAAN conducts and participates in various activities in order to achieve its objectives. Some of these activities are of regular nature and the rest take place as and when necessary. The main regular activities of the association are as follows:

Promotional Activities:

1. To organize different meetings, conferences, seminars and talks programs on tourism.
2. To participate in tourism related fairs, marts and conferences within and outside the country.
3. To submit advices/ suggestions on matters relating to tourism promotion to the HMG of Nepal regularly.
4. To publish and distribute complimentary copies of newsletter, member directory and other useful book lets pertaining to tourism.
5. To establish cordial relations and exchange delegations with organizations of other countries.
6. To support and recommend its members on promotional activities.

(Source: [www.taan.org.np](http://www.taan.org.np))

## **2.3.3 Studies on Tourism Promotion of Nepal and Other Countries**

### **2.3.3.1 Nepal Trade and Competitiveness Study**

This is a study conducted as a part of the integrated framework for trade related technical assistance. This study was published in October 22, 2003.

The concerns of the study on tourism sector are as follows:

) Slow growth by regional standards: The tourist arrival numbers in Nepal had been growing at slower rate than that of South Asian standards. Between 1995 and 2000, tourist arrival numbers in Nepal grew by 28%, from 363,395 to 463,646, having peaked in 1999 at 491,504. While beneficial this is below the growth rate of 39% for South Asia (including Afghanistan, Iran, Maldives, Pakistan, and Sri Lanka).

) Impact of Legislative and Policy Restrictions on the Industry: Nepal's existing provision of Foreign Investment and Technology Transfer Act 1992 reserve certain activities of tourism for domestic providers that include travel agencies, trekking agencies, water rafting, pony trekking, and tourists lodges. Foreign investment is limited to hotel accommodations and resort operations only. However there is significant foreign presence in the industry.

Therefore this Act hinders the foreign investment in the tourism industry which could have been more if other areas of tourism activities are opened to foreign investors also.

) Travel Infrastructure Constraints

#### *Airline Services and NAC Capacity*

The Asian Development Bank (ADB) reports that there are some 10 airlines connecting Nepal to Asian and European cities with a weekly seating capacity of approximately 17,000 (ADB 2002). In domestic service, NAC and the seven small private airlines, which have emerged since the industry was opened up to competition, provide about 20,000 seats per week of capacity. The issue arises for the national flag airliner NAC, having poor financial and management problems. Therefore, the step for its sustainable development is required which is included as an explicit objective in the Draft Tenth Plan. A full independent review of NAC is urgently required though the government can also initiate steps to privatize it.

#### *Air Transport Regulation and Regularity Charges*

The Civil Aviation Authority (CAAN) is responsible for regulating Nepal's air transport industry and looks after the enforcement of 31 bilateral air services agreements. However there are no possible bases to establish how cost-reflective the various airport landing and service charges imposed by CAAN. One possible impediment to servicing travel demand is the level of landing and parking fees at Tribhuvan International, the only gateway airport, in comparison to other airports in the region and globally.

### *Road Networks*

Visitors from the sub-region are the most dependent on Nepali and neighboring road networks. Likewise there is possible development of the New Asian Highway linking Singapore in the southeast with Turkey in the North West will boost sub-regional, road-based travel. There is potentiality to attract visitors if the road networks and its infrastructure are improved.

### ) Improving Industry Promotion and Regulation

#### *Allocation of promotional and regularity responsibilities*

Nepal Government's involvement in the tourism sector occurs through the activities of two bodies: National Tourism Board (NTB) and Tourism Industry Division of the Ministry of Culture, Tourism and Civil Aviation. The Nepal Tourism Board Act (1997) and Regulation (1999) confers broad powers on the Board. In addition to a promotional and coordinating role, the Act empowers the Board to formulate infrastructure development plans and mobilize investment in the sector, extend cooperation for training, standardize services and facilities provided by operators to tourists, implement codes of conduct through various professional bodies, and request the Government to take action against entrepreneurs who breach standards. In other hand, the Division of Ministry undertakes the licensing of travel industry operators, including travel agents and tour and trekking operators.

#### *Inadequate Funding of Tourism Promotion*

The promotional activities are funded by a 2% levy on the billable services provided to each of certain tourist providers above a specified size threshold. The Board's Act empowers it to collect this service to fund its activities. Only VAT- registered businesses are capable of being assessed for levies, in terms of their billings, through their interaction with the Department of Inland Revenue. This means that, in practice, only a subset of VAT- registered tourism businesses are funding the promotional activity of the NTB, but all stand to benefit. Therefore, a disproportionate share of national promotional funding falls on the hotel and travel agent sector. Funding relies on tourist numbers and expenditures and is therefore badly placed to deal with the downturn of the past two, especially in the current period when it is most needed.

*Limitations of the Current NTB Framework*

There is strong criticism of the capacity of the NTB to understand or represent the views and needs of industry constituents. The current constitution of the Board is reportedly subject to ministerial interference, contrary to the original concept of an independent Board that would have a majority private-sector representation. The three-person Nomination Recommendation Committee that effectively selects the private-sector nominees is itself appointed by the government.

### **2.3.3.2 Tourism in Nepal - A profile**

Satyal (2000) has identified the following current problems that are to be encountered for the future growth of international tourism in Nepal:

1. Receiving system for international visitors: While dealing with international tourism, it is realized that our receiving system for foreign visitors should be adjusted to make possible to move freely by themselves in Nepal. However, we can not assert that the present arrangement of the reception services are adequate by means of directional signs, explanatories of tourism facilities etc. for the understanding of foreign visitors, but also in regard to the following trends:
  - a) increasing demands of foreign visitors for inexpensive types of traveling;
  - b) increasing number of visitors from Asia;
  - c) diversifying needs of foreign visitors.
2. Publicity Activities Abroad: All international tourism publicity activities for travel to Nepal are conducted in the main by Government of Nepal, Ministry of Tourism and civil Aviation through Nepalese Missions abroad. Until now, Nepal has not been able to establish Tourist Information Bureau or Centre in the major tourist generating markets of the world. There are no tourist information centres in Asian countries also, in spite of the increasing number of visitors from Asia. In dealing with publicity activities and methods in the respective countries, it is ideal that more thought should be given by the NTO to the historical and cultural aspects of those countries and also to the matters of interest which their people have regarding Nepal; that joint efforts should be sought for the NTO with airlines, hotels, travel and trekking agents.
3. International Airport Facilities: Nepal's main international airport, Tribhuvan International Airport is adequate to cope the volume of current international traffic. It is hard to say that with the progress of tourist traffic in the future, the capabilities of this airport facilities are on an adequate level for international travel. In the same way, the domestic airports and alti- ports located at different regions of the country should be updated both by services of bigger aircrafts on regular schedules in order to meet the requirement of international visitors.
4. Hospitality of International Visitors: The traditional hospitality of the Nepali nation is famous all over the world; even then training facilities should be developed to enfuse

the people associated with reception of foreign visitors in the technique of properly receiving foreign people.

In order to cope with the tourist flow targeted 10, 00,000 upto 2000 A.D. in accordance with the 13 years plans of tourism, the following measures are considered to be vital. The following are the measures to deal with the increasing number of international tourism in Nepal and the means to enforce these measures by Nepal Government, Ministry of Tourism, local entities and the tourism related public and private organizations working in close co-operation with one-another.

1. Consolidation of an Information Service System: Steps should be taken to equip roads, transportation means and tourism related facilities with directional signs or explanations written in foreign languages. In order to ensure the safety of foreign visitors, lists of hospitals for foreigner's use, information pamphlets with detailed information for disaster, altitude sickness, and emergency escape measures in accommodation facilities for their understanding should be notify in appropriate places. To eliminate various inconveniences come across by foreign visitors because of language problem and to justify respond to their diversifying needs, informational functions of the tourist information centers of NTO and that of those operated by local bodies and travel trade should be strengthened. Informational functions, goods trained guides should also be further improved by appropriate co-operation among them and through proper training.
2. Reduction of Travel Expenses: Information service on standard hotels and lodges at tourist places and trekking routes suitable for foreign visitor's use should be further increased and the number those type of accommodation should be increased with facilities in tune with local surrounding and satisfying approved standards. Such accommodations should be registered by Nepal government, Ministry of Tourism and civil Aviation Tourist Service Centre. Regarding the trekking routes of different regions, more trekking areas should be opened and its publicity and sales network should be expanded so that such places may come into wider use by foreign visitors. In doing so, proper care should be given to the carrying capacity of the places.

3. Counter-measures to the increasing number of visitors from Asia: Tourist literatures in Asian languages should be introduced and also guides/ interpreters necessary in these languages should be produced.
4. Counter-measures to the diversifying needs of foreign visitors: to meet the demand of foreign visitors, receptive equipments such as coaches, cars and trekking equipment, should be increased and also provision of parking lots of the sightseeing places and camping sites at the trekking routes. Dining plays an important part of pleasures travel. The tourist restaurant registered with the Nepal government, Ministry of Tourism and civil Aviation should be increased in number with appropriate standards and facilities.
5. Ways to solidify Reception Services for Foreign Visitors: No doubt, it is the duty of the Nepal Government to initiate and implement measures to consolidate reception services for foreign visitors. However, it would be almost impossible to do this unless there is positive co-operation and assistance from local bodies and other tourism related organizations. Therefore, such a project should be visualized as one under which a tourist place which embraces distinct tourism resources peculiar to it, whose local bodies and tourism related have a desire to attract visitors from overseas and are eager on their own initiative to improve its reception services should be designated by Nepal Government as a “Model International Tourist Area” and the following measures should be taken by Nepal Government especially for the area to encourage further efforts to be made by the tourism related organizations themselves:-
  - a) Assistance to the planning of programmes to consolidate reception services for foreign visitors in a designated area;
  - b) Lending loan facilities for the construction or improvement of accommodation and other tourism related facilities on a designated area;
  - c) Overseas publicity of a designated area by Nepal Government, Ministry of Tourism and Civil Aviation.
  - d) Close approach and co-ordination with tourism related organizations for the attractions for the attraction of foreign visitors to a designated area;
  - e) Creating facilities and offering of co-operation for attracting of international events to a designated area.
6. Establishment of the “Tourism Fund”: Many of the suggestions made in will require a considerable amount of capital for implementation. Since international

tourism activities and more for promotion require lot of money. Although it is a responsibility to be assumed by Nepal Government, but it is connected with the national interest. So the establishment of the “Tourism Fund” will be raised by funds from a wide coverage including all tourism-related enterprises and will be utilized to bear necessary expenses for improvement in reception services for foreign visitors. The fund so created should be used to influence the following measures:-

- a) Consolidation of Overseas Publicity: Strengthening of publicity activities to promote travel to Nepal, the establishment of National Tourist Information Centers should be consolidated, firstly in Asia and then to other tourist generating markets of the world. In concluding tourist publicity activities a comprehensive and wide vision should be made to project the total image of Nepal touching her society, economy and culture. Tourist publicity activities abroad should be launched with the joint efforts with local bodies.
- b) Creation of Facilities for International Conventions: International gatherings are also important to the promotion of international tourism. The number of Conventions held in Nepal is increasing. So the following measures should be taken to attract more by means of international convention to Nepal.
  - 1) Publicity activities in the international world and domestic consulting service for planning and operation of international gatherings should be strengthened.
  - 2) In order to cope with large- sized gatherings or international convention in Nepal, a detailed study should be made to diversify it in the future. But Nepal is at present not short of full-scale international Convention halls. International Convention center is created by the Chinese Government’s aid and is well- equipped with modern facilities to organize big conferences, seminars, workshops and trainings. It covers an area of 8.5 hectare of land with main convention hall, medium hall, multipurpose hall and other halls with 400 car parking areas. Big hotels have also convention halls for international gatherings.
- c) Strengthening of International Airport and Consolidation of Domestic Airports of Different Regions with the provision of necessary fleet of Aircrafts: The consolidation of Tribhuvan International Airport and all facilities pertaining to

it should be sought for, and also facilitation procedures at International Airports should be further expedited. Regarding international airfares further moderation should be vigorously studied in the future.

- d) Tapping of Foreign Loans: The economic policy of Nepal Government is favorable and should be made more favorable by providing facilities to investors both national and foreign investors. In addition, foreign loans should be tapped for the infrastructural development and technical upliftment for tourism through the International organizations and with friendly nations of the world.

### **2.3.3.3 Eco- tourism Strategy and Marketing Program of Nepal (2002)**

This study is prepared by Lal Man Pokharel for the MA (Economics) dissertation of Tribhuvan University. The major findings of the study are:

1. Tourist flow in Nepal for holiday pleasure in 1991, 1995 and 2001 are 60.50%, 50.4%, 55.4% and 51.8% respectively. The data of 2001, tourist were 59.1% male and 4.9% were female. The percentage of tourist in age group 0-15,16-30,31-45,46-60 and above were 40.4%,26.5%,32%,25.9% 11.5%.
2. The majority of tourists from overseas countries visiting Nepal were from U.K (9.3%), USA (8.0%), Japan (0.8%) and Germany (6.0%) respectively.
3. The number of trekking and travel agencies recorded in 2002 were 789 and 656 respectively.
4. The average length of stay was recorded as 11.93 days.
5. From the study of major existing market, we found that the arrival rate of tourist is highest from India and lowest from New Zealand.
6. The lack of facilities and transportation affect the tourist inflow in Nepal.
7. From the primary data study peak visiting time for British tourist arrival is highest in October and lowest in August.
8. U.S. tourist peak arrival time is highest in October and lowest in June.
9. Japanese tourists mostly arrive in March and rarely arrive in April and December.
10. The visiting time of Germany is highest in October and rarely in December.
11. French tourist arrival highly in October and rarely in December.
12. Dutch tourist peak arrival time is highest in October and lowest in June.
13. Australian tourists mostly arrive in October and rarely arrive in September.
14. The visiting time of Italian is highest in August and lowest in June.
15. Canadian tourist mostly arrival in March and lowest in June.
16. From the Switzerland tourist mostly arrive in October and rarely arrive in June.
17. It is difficult to find out the peak visiting time for Chinese because of the new tourism market for Nepal.
18. Government had launched eco-tourism strategy after 2001.
19. Tourism advertisement media is not effective to attract the tourist.
20. Promotional budget allocation is very low in the figure of 2003. It is not enough.
21. Government made shortsighted strategy; it is not enough for future.

22. No priority for Indian tourism by government lack of proper management in regarding with the security of tourism by travel and tour association.
23. Communication gap because of improperly trained guides whom have no knowledge about cultural heritage mountaineering, trekking and environment changes in hilly region.

So, it can be noted that establishing local tourism seems very problematic and risky.

#### **2.3.3.4 “Tourism Promotion- Hard Nut to Crack”**

This article is from Business Age in the issue of January 2001 (Poush - Magh), Vol. 3: No. 2 called “**Tourism Promotion- Hard Nut to Crack**” by Sarad Pradhan.

The concerns on the article are:

1. Comparison of tourism promotion budget of government agencies with that of private sectors, where the private sector is much spending in tourism promotion in its own way than government agencies.
2. The private sectors include five star hotels, tour and travel agencies and airlines.
3. The promotional budget of Nepal Tourism Board (NTB) not enough to carry out the worldwide campaign.
4. The amount of money Nepal spends on tourism promotion is peanuts - not enough even to cover one slot advertisement cost in Newsweek and Time.
5. The concept of joint promotion, which is quite famous in other countries. But, it’s not in practice in Nepal yet.
6. The chances of promotion in international go into vain when there is need to pay for the shooting by international TV channels to the government agency.
7. The small size of its economy, Nepal is not in a position to allocate big budget for tourism promotion abroad.

#### **2.3.3.5 Article by Germán Porrás on “How to Develop Partnership for a National Tourism Promotion Policy”**

The key focus of this article is to identify the right model for tourism promotion policy. It discusses about private, public and cooperative models. Some of the issues of the article are:

## **Introduction: Tourist Promotion Models- Private, Public and Co-operative.**

Models to deal with the issue of planning, implementing and funding tourist promotion vary from no public involvement at all in tourist promotion at national level, i.e. the USA, to rely, on the other end of the spectrum, only on public funding, approach quite popular in many tourist destinations, with a more modern and more widely adopted approach based in cooperation and partnership between the public and the private sectors.

Let us consider the questions implied in these different approaches to tourist promotion.

Ideological and political issues are not strangers to them, but technical and professional reasons should be acknowledged as priorities and to be taken in account in an increasing competitive scenario for all tourist destinations.

### **Public and Private Funding Models**

A very common complaint spoken out by many national tourist industries is that Public Administrations do not invest enough money to promote Tourism, although its importance for the national economy in terms of GDP and employment. When asked to join efforts between public and private sectors the underlying position from the private sector is that Tourism is generating considerable public revenue and that public income from taxes on tourist activities should be allocated to tourist promotion. When confronted with this approach supported by those that are reluctant to consider that tourist promotion is a responsibility of the whole tourist industry, there is a crucial question that helps to clarify the situation. Although Public Administrations favor the export of national products, they do not invest public resources in promoting specific products as steel or cars, tomatoes or canned food. National products that get public budget funding for promotion are clearly an exception and the most significant exception is Tourism. Therefore the question is: Why tourist promotion should be public funded in contrast with other products?

The simple answer to this question is that tourism is a peculiar product. Here are some of the reasons to support the public funding of tourist promotion:

1. Tourist destinations and products include elements both private (accommodation, transport, amenities, etc.) and public, both natural (beaches, mountains, landscape) and cultural (museums, monuments).

2. Tourist resources develop into tourist products through added valued provided by public infrastructures (roads, airports, water supply) and public equipments (safety, health care).
3. Tourist promotion is a main tool, in fact the most powerful tool, to generate a country's image.
4. Tourism provides other economic sectors the opportunity of a captive market, formed by tourist visitors that if satisfied with the products and services provided when at the tourist destination are likely to continue buying them once back at home.
5. Tourism is instrumental to economic development through increased employment; increased public revenue; improved current account balance; and spreading economic activity all over the country, helping to reach a balanced development of the different areas.

## **Cooperative models**

The conclusion is that the involvement of Public Administrations in tourist promotion is widely accepted but let me immediately add that destinations that solely rely on public promotional efforts are not competitive with the ones that combine public and private action. Therefore, admitted the public involvement of the public sector in tourist promotion, it does not imply that the main responsibility of promoting Tourism do not rely on the private tourist sector. To think otherwise and to maintain that Tourism promotion is a responsibility solely of the public sector implies to consider Tourism as a privileged sector in regard of the other economic sectors and to renounce to have a say in planning and implementing the promotion strategy. In mature and advanced destinations the common approach is that tourist promotion is planned, implemented and financed through cooperation and partnership between the private and the public sector.

What are the advantages of a joint promotion through partnership between the public and the private sectors?

Some of them are:

1. A quantitative advantage: more resources for promotion. Public funding follows a diminishing pattern, subjected to budget constraints, or at least is not growing at the required pace according to the needs of the tourism industry. Tourism industry involvement in the promotional policy not only provides a significant leverage to the

public promotional effort but provides a sound base for the private sector demand for additional public funding.

2. A qualitative advantage series. First, a more market oriented approach. Targets and objectives are more clearly defined, and resources allocated accordingly.
3. In second place and consequently, evaluation processes are put in place to analyze the return of investment. (ROI). The promotional policy is scrutinized not only by the Parliament but for all the stakeholders involved. The result is a more efficient tourist policy.
4. Public involvement provides a long term strategy, instead a short term action based solely in immediate return and profit, making possible invest in emerging products and markets.
5. Tourism stakeholders are more committed in the promotional activities. This point is specially relevant as most tourist enterprises are small and medium size. The tourist policy is shared by a larger number of actors and more widely supported by the tourist industry. Tourist stakeholders are more aware that everybody is part of a whole and that individual decisions affect all of them.

## **A Cooperative Model: Requirements**

The differences in the cooperative model applied in various destinations reflect the particular realities and circumstances in each destination and the difficulties in setting up and managing the partnership system. To create and to maintain a cooperative model requires a continuous effort in an on going process. As the study on “Cooperation and Partnerships in Tourism: A Global Perspective” (WTO.Madrid.2003) says: “Partnerships can take a variety of forms and involve any number of partners, indeed no correct formula o model is available to follow. The formation of partnership depends on the circumstances, economic, organizational, cultural and structural capability of the private and public sector to participate, and the willingness of the potential partners to assume the additional responsibility that the partnership entails”.

Assuming these differences there are common requirements for any co-operative or partnership model:

1. The first requirement, the base for a partnership model, is that all partners recognize that all of them will benefit from the alignment of resources and objectives. That is the key motivator to co-operate.
2. The public sector will likely have a higher propensity to participate when the dispersion of benefits to the community is high and the return of investment is stretched over a long period of time, making it prohibitive for the private sector to undertake solely.
3. The private sector, although focused more in the short term, should accept that the payback would be within a reasonable period of time. Marketing, particularly in international markets, meets this requirements, and being expensive and needed of an strategic approach, is an example of partnership, offering the opportunity to pool always limited resources. But public-private co-operation is not limited to marketing; other common areas are product and infrastructure development; education and training, and financing and investment.
4. These different views and approaches from the public and private sector require that each of them should be able to contemplate the objectives, the risks and the rewards from the other's perspective. Acceptable levels of risk and commensurate rewards with the risk undertaken by each of the partners are the key factors to be taken in account.
5. The objectives of the partnership should be clearly defined and agreed and then established in a written plan compulsory for the partners. Nevertheless the plan should be flexible as Tourism is subject to economic, social and political upheavals from the outside, and on the inner side, being intrinsically extremely dynamic, subject to increasing competitiveness.
6. The roles and responsibilities of the partners should be determined and their contributions quantified. These responsibilities, depending on the objectives could include the type and the name of the tourist products to be developed and a marketing plan, with defined target markets and segments, key marketing activities, and associated budgets.
7. Participation criteria are needed for the case of additional partners to be brought into the original arrangement. The incorporation of new partners is always a delicate issue

because new ideas and new objectives add volatility, although it may be necessary to raise the quality of the product delivered, to broad the span of products in offer or to explore new markets. Original partners should agree on how and when new partners will be selected and any limits in participation.

8. The decision-making process, in order to assure that all partners participate in the process.
9. The management, on a volunteer-based organization, or on allocation of existing staff or hiring a new staff. In tourism, as a fragmented industry, a project champion, public or private, with a vision is usually needed. Nevertheless, the partnership would require an adequate level of staffing, otherwise will be the risk that some or all the goals will no be accomplished.
10. Funding and financing arrangements, identifying the sources of funding, the levels of participation and the schedule of contributions.
11. The timetable of the scheduled activities.
12. A monitoring system in order to guarantee that the performance and partial goals achieved align with partners' needs and expectations.
13. The evaluation system, wit the quantitative and qualitative measures that will be used to determine whether objectives have been achieved and to allow partners to determine if the value received is worth the effort and the risk undertaken.
14. Termination of the partnership. Although many partnership agreements are intended to last indefinitely, others have temporal limits. Exit clauses, exit penalties and provisions for renegotiation should be included.
15. Usually partnership in Tourism is limited to the members of the tourist industry. Nevertheless no business, and particularly in the tourism sector, exits in isolation. Involvement of a broader community could mean two possibilities. The first one is to incorporate new partners outside the tourism sector such as shops and big stores, food and wine producers, etc. The second one contemplates to involve the whole community: the best example is the intent of many Mediterranean destinations to extend the season along the winter. To be successful it requires to associate the whole local population that I used to close tourist business off the season and it is unwilling to break this well established tradition. By involving the broader community, the tourism sector remains dynamic, and consolidates the destination's brand. If unable to create a compelling vision in the community, the partnership risks creating competing social interests resulting in interest groups with conflicting motives and goals.

16. Communication is a key issue in partnership and instrumental to create a cohesive cooperative culture. Communication is essential to get inputs, to dispel concerns before they become a major issue and to build confidence. The timing and efficiency of the communication is imperative to sustain commitment to the overall vision and goals over the time.

### **Co-financing Tourism promotion**

That is the crucial point on partnership in Tourism. Involvement of public and private partners in planning and implementation of a Marketing Plan only makes sense if all the parties assume the Plan as their own and are ready to participate in its financing.

Co-financing is not an easy task and to achieve it takes time and strong leadership.

Therefore, a gradual approach is the most advisable way to reach satisfactory results, specially in countries with a weak partnership culture. Five phases could be contemplated:

1. Partners others than the National Tourist Board provide financial support through the supply of tourist services. As these most of the times these services have an assumable impact on the finances of the providers, this kind of contribution is quite common and well established in Tourism. It is an important contribution to the common promotional effort and provides a sound basis to build on it more sophisticated instruments and ways of partnership.
2. Participation fees. There not should be a high level of resistance to introduce gradually a contribution fee for participation in specific promotional activities, aimed to cover the activity costs. Participants benefit from the promotion in a degree than non-participants do not obtain.
3. Joint funding for promotional activities of mutual interest. It is the case of joint advertising campaigns or other joint promotional activities. This system should be open to any qualified partner. Once established a general participation scheme, with mutual obligations and rights, contribution and return clearly fixed, and the first partners decide to cooperate, the likely result is that new partners would like to take part as well, in order not to be excluded of a joint effort that allows additional resources to be allocated to achieve a goal perceived as beneficial for all the parties involved.

4. Co-funding of specific activities. This kind of partnership is widely accepted in Tourism, as the mutual benefit for the parties involved is clear. It is the case aforementioned of Tourism Professional Congresses, that interest both to the host country and the local destination where the congress takes place.
5. General co-funding. That is the final and more sophisticated step in cooperative work and partnership in Tourism. Benefits for all parties involved are more loosely related to their contributions and general and long-term interests are predominant over particular and short-term ones. To advance in the way to achieve this goal, a mature tourist industry, and vision and a strong leadership, both in the tourist public and private sectors, are required.

## **2.4 Summary**

From the literature above, one can conclude that tourism industry in Nepal is an important sector of Nepalese economy. It is not a mere business done by few entrepreneurs but it covers a large segment of population those are directly and indirectly involved in tourism industry. As Sarad (2001) has rightly said that people seldom venture to travel to such place which is never heard of before; this point emphasis on the need of promotion from the marketer side to inform the target customers about the tourists' products and attractions.

The studies on tourism promotion are relevant on the up coming and present challenges that are to be overcome. The issues are in context of the inefficiency of the tourism authority and entrepreneurs. The question can be raised how the promotional strategies are formulated. So there is need of study what kind of promotional mix can be formulated in order to attract the target tourists and make them a good will ambassador of Nepal. The above literature review is mainly focused on the problems that Nepalese tourism industry is facing. However there is lack of studies, relevant on the promotion of Nepalese tourism industry.

## **VISIT NEPAL 2011**

Target of tourism year 2011:

- ) To diversify tourist from regular destination such as Pokhara, Chitwan, Annapurna base camp to other areas by inducing them to new destination.

) Another is to provide internal employment opportunities target is to employ 262 thousand this year.

# **CHAPTER III**

## **RESEARCH METHODOLOGY**

### **3.1 Overview**

Research methodology refers to the sequential approach of the research where various steps are followed in order to conduct the study. Research Methodology is a way to systematically solve the research problem (Kothari, 1995).

Researchers must follow various steps in order to be in the right path that will lead to ward the solution of the problem identified. There can be instances where the researchers follow various steps at a time and the progress of the study can get clash and that will lead to confusion. Therefore, research should be designed in such a way that steps would not be clashed and misleading in order to find and solve the problem.

### **3.2 Research Design**

The basic objective of this study is to identify the source of information that induced the Nepal visit, identify the most frequently exposed promotional medium and identify the most effective promotional medium. In order to identify the above mentioned queries, a detailed questionnaire is prepared. So this study is based on the data filled on the questionnaire by the respondents. Then the data is rearranged, tabulated, analyzed and interpreted according to the need of the study for obtaining the confirmed objectives.

### **3.3 Population and Sampling Procedure**

There are millions of tourists traveling for various purpose and countries. We have collected data from tourists who have traveled from other than Nepal and South Asian countries. So, the sampling procedure is predefined in nature; any tourist other than above mentioned region is selected as respondents. The sample size for the study is 61 foreign tourists.

### **3.4 Data Collection Procedure**

The data used in this study are of secondary as well as primary in nature. For the purpose of introduction, literature review and research methodology secondary data are used. Such data are taken from the T.U Central Library, Internet, NTB news letter and various books. The primary data are collected direct from the 100 respondents. The main location for the primary data collection was Thamel area where foreign as well as local tourists go for recreation. This location was chosen for the data collection because there was alternative to choose the respondents upon their country of origin which was predetermined for the sample.

### **3.5 Data Analysis Procedure**

The analysis is the heart of any research work. This study is focused to identify the source of information that induced for Nepal visit and the most effective medium of promotion used in Nepalese Tourism Industry.

In order to analyze the respondents' viewpoint about the sources of information that induced them to visit Nepal and identify the most effective medium of promotion used in Nepalese Tourism Industry, the collected data were thoroughly checked through the statistical procedures such as frequencies, percentages, means, standard deviation and range. Similarly, the graphical representation of the data table and pie charts are used. Analysis is done descriptively as well as statistically. For statistical analysis, a statistical tool such as chi-square was also used.

### **3.6 Conclusion**

The research steps were predetermined in order to be in the proper path so the study would not deviate from the actual objective set. The research design has definitely helped in the study as the relevant respondents and information were collected for the solution of the problem identified. Likely relevant data and information were collected so the study would not be cumbersome and deviation would not occur.

## **CHAPTER IV**

### **DATA ANALYSIS AND PRESENTATION**

#### **4.1 Overview**

The study is mainly focused with the following questions: They are-

- ) Identify the source of information that induced for Nepal visit
- ) Identify the most effective medium for tourism promotion
- ) Identify which medium of promotion is most effective to attract the target audience

#### **4.1.1 Identify the Source of Information that Induced for Nepal Visit**

While studying about sources of information that induced for Nepal visit; main focus was on how tourist got to know about Nepal as a tourist destination. For this friends & family, T.V & documentary, Travel agents, Internet and Magazine are chosen for the study. These variables are seen as the basic source of information for any tourist to induce for travel and recreation. The influence of friends and family is highly effective for any one to decide for tourist destination. Similarly other sources like T.V. & documentary, Internet and Magazine are also effective source of information to induce to decide the tourist destination. Likely, travel agents also do their own marketing to attract potential tourist. In context of Nepal, the above sources of information are relevant.

#### **4.1.2 Identify the Most Effective Medium for Tourism Promotion**

While identifying the most effective medium of promotion for tourism in Nepal; main focus was on advertising, publicity (trade fair), personal & direct marketing by agents, abroad mission of Nepal and Interactive/ Internet marketing. These variables are seen as the basic source of information for identifying the most effective medium of promotion for tourism. The influence of advertising is highly effective for anyone to decide for tourist destination as it's the most common medium of information. Similarly other medium like publicity and personal & direct marketing by agents are also effective source of medium to induce to decide the tourist destination. Likely, abroad mission of Nepal also promote Nepalese culture and heritage through various means like interaction with native citizens so it is considered as an effective

medium for tourism promotion. Finally, this is age of internet and the influence of internet on any promotional activities is soaring. Therefore, this study also tries to study the affect of internet marketing on promoting Nepalese tourism.

### **4.1.3 Identify which Medium of Promotion is most Effective to Attract the Target Audience**

Under this section of heading, we will explore about the exposure of the promotional activities to the tourist. The scales are most frequent, frequent and never. This is the exposure level that the tourist is exposed to the promotional medium. The promotional medium chosen are advertising, publicity (trade fair), personal & direct marketing by agents, abroad missions of Nepal and Interactive/Internet marketing.

## **4.2 Data Analysis and Presentation**

This section of the study will deal with the data analysis and presentation of the findings. This section is designed to present the respondents' viewpoint on sources of information that induced tourists for Nepal visit and identify the most effective medium of tourism promotion, identify which medium of tourism promotion can be most effective to attract tourists and lastly hypothesis testing is done to show relationship between frequency of promotional activities & their effectiveness and relationship between exposure of promotional medium and level of effectiveness.

## 4.2.1 The Source of Information that Induced for Nepal Visit

**Table No. 4.1: A summary of respondent's on the source of information that induced for Nepal visit.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Friends and family	26	42.6	42.6	42.6
	T.V. and documentary	14	23.0	23.0	65.6
	Travel agents	5	8.2	8.2	73.8
	Internet	13	21.3	21.3	95.1
	Magazines	3	4.9	4.9	100.0
	Total	61	100.0	100.0	

Table 4.1 shows the result of respondents about the source of information that induced them for Nepal visit. The overall result shows that there is dominant of major three sources of information. They are Friends and family, T.V. and documentary and Internet. About 42.6% of respondents believe that they got to know about Nepal as a tourist destination from their Friends and Family. Similarly, 23% of respondent's believes that they got knowledge about Nepal as tourist destination from T.V. and documentary and about 21.3% of respondents believes that they got know about Nepal as a tourist destination from Internet. However, only 4.9% depends upon Magazines and 8.2% on Travel agents to get knowledge about Nepal as a tourist destination.

An explanation of this overall response could be that, the influence of friends and family are higher on every human being and in case of tourism also, information from friends and peers are taken as more reliable and trustworthy. The visual impact of T.V. and documentary are higher in making perception about that particular country or place. Therefore, the news and coverage by big international news channels are highly ineffectual for any tourist to make their individual decision about visiting that particular country. And, the coverage of Nepal as a small highly country is highly effective. Further, the coverage of Mount Everest and Lumbini in any foreign T.V. channels attracts many foreign tourists. Internet is also seen as a strong source of information that induced for Nepal visit. In Every Google search as tourist destination we can see the home page of Nepal Tourisms board and the glory of Nepal's Mountains, its nature and the trekking route. Various internet search engines have put the

Nepal's trekking route, the wild life reserve, the glory of Pokhara, the world heritage sites like Lumbini, Pashupatinath etc as a major tourist destination available in Asia. Therefore, many believe that internet as a strong source for choosing Nepal as a tourist destination.

However, due to huge marketing cost involves in marketing in foreign magazines many does not believes that magazines as a source for choosing Nepal as a tourist destination. Similarly, Travel agents are also not doing enough work to attract more and more tourist in Nepal. Very few respondents select travel agent as their source of information for inducing them to visit Nepal.

Finally, the tourist in Nepal comes to know about Nepal from their own. We can say that the major sources for information are Family and friends, T.V. and documentary and the internet. These three source of information induced more than 90% of respondents to visit Nepal.

## 4.2.2 The Most Effective Medium of Tourism Promotion

### 4.2.2.1 Effectiveness of Advertising as Medium used for Tourism Promotion

**Table No. 4.2: A summary of respondent's on effectiveness of Advertising as tourism promotion medium**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	29	47.5	47.5	47.5
	Very Good	14	23.0	23.0	70.5
	Good	9	14.8	14.8	85.2
	Fair	9	14.8	14.8	100.0
	Total	61	100.0	100.0	

Table 4.2 shows the effectiveness of Advertisement in promoting Nepalese tourism aboard. In this regard, about 47.5% of respondents believe that Advertising as an Excellent medium for promotion. Similarly, 23% believes very good, 14.8% believe good and again 14.8% believe fair in this regard. An explanation in this response could be that, advertising has greater exposure, coverage and details than other medium. Further, it is the most accessible and has quick feedback than other medium of promotion.

### 4.2.2.2 Effectiveness of Publicity as Medium used for Promotion

**Table No. 4.3: A summary of respondent's on effectiveness of Publicity as medium used for tourism promotion**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	24	39.3	39.3	39.3
	Very Good	19	31.1	31.1	70.5
	Good	13	21.3	21.3	91.8
	Fair	5	8.2	8.2	100.0
	Total	61	100.0	100.0	

Table 4.3 shows the effectiveness of Publicity in promoting Nepalese tourism aboard. In this regard, about 39.3% of respondents believe that Publicity as an Excellent medium for promotion. Similarly, 31.1% believes very good, 21.3% believe good and again 8.2% believe

fair in this regard. An explanation in this response could be that, publicity has greater impact. Further, it is the face to face contact with the potential tourists and they can inquire about the various facilities and season for travel with various other alternatives also.

#### **4.2.2.3 Effectiveness of Personal and Direct Marketing by Agents as Medium used for Promotion**

**Table No. 4.4: A summary of respondent's on effectiveness of Personal and Direct marketing as medium used for tourism promotion**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	39	63.9	63.9	63.9
	Very Good	14	23.0	23.0	86.9
	Good	4	6.6	6.6	93.4
	Fair	4	6.6	6.6	100.0
	Total	61	100.0	100.0	

Table 4.4 shows the effectiveness of Personal and Direct marketing in promoting Nepalese tourism abroad. In this regard, about 63.9% of respondents believe that personal and direct marketing as an Excellent medium for promotion. Similarly, 23.0% believes very good, 6.6% believe good and again 6.6% believe fair in this regard. An explanation in this response could be that, personal and direct marketing has the greater impact. Further, it is the face to face contact with the potential tourists and they can inquire about the various facilities as well as negotiate about the services.

#### 4.2.2.4 Effectiveness of Abroad Missions of Nepal as Medium used for Tourism Promotion

**Table No. 4.5: A summary of respondent's on effectiveness of Abroad missions of Nepal as medium used for tourism promotion**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	7	11.5	11.5	11.5
	Very Good	13	21.3	21.3	32.8
	Good	17	27.9	27.9	60.7
	Fair	18	29.5	29.5	90.2
	Poor	6	9.8	9.8	100.0
	Total	61	100.0	100.0	

Table 4.5 shows the effectiveness of Abroad missions of Nepal in promoting Nepalese tourism abroad. In this regard, about 11.5% of respondents believe that personal and direct marketing as an Excellent medium for promotion. Similarly, 21.3% believes very good, 27.9% believe good, 29.5% believe fair in this regard and 9.8% believe poor. This shows the average performance of abroad missions of Nepal for tourism promotion. An explanation in this response could be that, abroad missions of Nepal are not much active for tourism promotion. Further, it is the representation of Nepal in other countries and much is expected as information center.

#### 4.2.2.5 Effectiveness of Interactive/ Internet Marketing as Medium used for Promotion

**Table No. 4.6: A summary of respondent's on effectiveness of Interactive/Internet marketing as medium used for tourism promotion**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	21	34.4	34.4	34.4
	Very Good	30	49.2	49.2	83.6
	Good	7	11.5	11.5	95.1
	Fair	3	4.9	4.9	100.0
	Total	61	100.0	100.0	

Table 4.6 shows the effectiveness of Interactive/Internet marketing in promoting Nepalese tourism aboard. In this regard, about 34.4% of respondents believe Interactive/Internet marketing as an Excellent medium for promotion. Similarly, 49.2% believes very good, 11.5% believe good and again 4.9% believe fair in this regard. An explanation in this response could be that, Interactive/Internet marketing has the greater impact. Further, it has the direct contact with the potential tourists and the most accessible medium. The nature of medium being interactive assists the potential tourists to inquire about the services and reserve them through real time internet access and even pay in advance to the service provider.

## 4.2.3 Medium of Promotion Most Effective to Attract the Tourists

### 4.2.3.1 Frequency of Promotion Medium you were exposed to Advertising

**Table No. 4.7: A summary of respondent's frequency exposed to Advertising**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Most frequent	31	50.8	50.8	50.8
	Frequent	21	34.4	34.4	85.2
	Never	9	14.8	14.8	100.0
	Total	61	100.0	100.0	

Table 4.7 shows the frequency of exposure to Advertising by tourists. In this regard, about 50.4% of respondents believe Advertising as a most frequently exposed medium for promotion. Similarly, 34.4% believes frequently exposed, 14.8% believe they were never exposed to advertising for tourism promotion. An explanation in this response could be that, advertising has the greater impact. Further, it has the direct contact with the potential tourists and the most accessible medium. The nature of medium being interactive assists the potential tourists to inquire about the services and reserve them through real time internet access and even pay in advance to the service provider.

### 4.2.3.2 Frequency of Promotion Medium you were exposed to Publicity

**Table No. 4.8: A summary of respondent's frequency exposed to publicity**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Frequent	28	45.9	45.9	45.9
	Never	33	54.1	54.1	100.0
	Total	61	100.0	100.0	

Table 4.8 shows the frequency of exposure to Publicity by tourists. In this regard, none of respondents believe Publicity as a most frequently exposed medium for promotion. Similarly, 45.9% believes frequently exposed, 54.1% believe they were never exposed to Publicity with the purpose of tourism promotion of Nepal. An explanation in this response could be that, publicity events are done in few numbers. Further, it has a huge cost to be covered for

publicity (trade fair) events to organize. This also shows that there is very few trade fairs organized for tourism promotion of Nepal.

#### **4.2.3.3 Frequency of Promotion Medium you were exposed to Personal and Direct Marketing by Agents**

**Table No. 4.9: A summary of respondent's frequency exposed to personal and direct marketing by agents**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Most frequent	6	9.8	9.8	9.8
	Frequent	43	70.5	70.5	80.3
	Never	12	19.7	19.7	100.0
	Total	61	100.0	100.0	

Table 4.9 shows the frequency of exposure to personal and direct marketing by agents realized by respondents. In this regard, 9.8% of respondents believe Personal and direct marketing by agents as a most frequently exposed medium for promotion. Similarly, 70.5% believes frequently exposed, 19.7% believe they were never exposed to Personal and direct marketing done with the purpose of tourism promotion of Nepal. An explanation in this response could be that, personal and direct marketing by agents are done in few numbers. Further, it has a huge cost to be covered for personal and direct marketing to carry out. Even in this situation there is high frequency of exposure of personal and direct marketing by agents that include local as well as international agents.

#### 4.2.3.4 Frequency of Promotion Medium you were exposed to Abroad Missions of Nepal

**Table No. 4.10: A summary of respondent's frequency exposed to abroad missions of Nepal**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Frequent	17	27.9	27.9	27.9
	Never	44	72.1	72.1	100.0
	Total	61	100.0	100.0	

Table 4.10 shows the frequency of exposure to Abroad missions of Nepal realized by respondents. In this regard, none of respondents believe Abroad missions of Nepal as a most frequently exposed medium for promotion. Similarly, 27.9% believes frequently exposed, 72.1% believe they were never exposed to Abroad missions of Nepal with the purpose of tourism promotion of Nepal. An explanation in this response could be that, Abroad missions of Nepal are not present in various European countries. Further, many native citizens do not interact with the Nepalese mission without any specific occasion or event.

#### 4.2.3.5 Frequency of Promotion Medium you were Exposed to Interactive/Internet Marketing

**Table No. 4.11: A summary of respondent's frequency exposed to Interactive/Internet marketing**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Most frequent	29	47.5	47.5	47.5
	Frequent	24	39.3	39.3	86.9
	Never	8	13.1	13.1	100.0
	Total	61	100.0	100.0	

Table 4.11 shows the frequency of exposure to Interactive/Internet marketing realized by respondents. In this regard, 47.5% of respondents believe Interactive/Internet marketing as a most frequently exposed medium for promotion. Similarly, 39.3% believes frequently exposed, 13.1% believe they were never exposed to Interactive/ Internet Marketing with the

purpose of tourism promotion of Nepal. An explanation in this response could be that, Interactive/ Internet marketing are increasing in number. Further, it has been observed that the cost for internet marketing is low and the response rate is high as there is easy accessibility for internet facility in European countries.

#### **4.2.4 Hypothesis Testing**

**4.2.4.1 First Hypothesis:** In order to know whether there is relationship between promotional activities and effectiveness, chi – square test was conducted.

**Null hypothesis  $H_0$ :**  $= 0$ . That is, population correlation coefficient is zero. In other words, the exposure frequency of promotional activity of Nepal is effective.

**Alternative hypothesis  $H_1$ :**  $\neq 0$ . That is population correlation coefficient is not equal to zero. In other words, the exposure frequency of promotional activity of Nepal is not effective.

**Level of Significance:** 0.05

### Test Statistics

	Frequency of promotion medium you were exposed to Advertising	Frequency of promotion medium you were exposed to Publicity	Frequency of promotion medium you were exposed to Personal and direct marketing by agents	Frequency of promotion medium you were exposed to Abroad missions of Nepal	Frequency of promotion medium you were exposed to Interactive/ Internet Marketing
Chi-Square(a,b)	11.934	.410	38.787	11.951	11.836
df	2	1	2	1	2
Asymp. Sig.	.003	.522	.000	.001	.003

As per the chi – square test conducted, in case of exposure frequency of promotional activity of Nepal and level of effectiveness. Mainly five promotion mediums are chosen.

First, in case of frequency of promotion medium you were exposed to Advertising. The calculated value 11.934 for 2 d.f. at 0.05 level of significance is higher than the tabulated value of 5.991 (Appendix A). Therefore, the null hypothesis is rejected i.e. there is no significant relationship between frequency of exposure to advertising and the level of effectiveness.

In case of frequency of promotion medium you were exposed to Publicity. The calculated value .410 for 1 d.f. at 0.05 level of significance is lower than the tabulated value of 3.841 (Appendix A). Therefore, the null hypothesis is accepted i.e. there is significant relationship between frequency of exposure to publicity and the level of effectiveness.

In case of frequency of promotion medium you were exposed to Personal and direct marketing by agents. The calculated value 38.787 for 2 d.f. at 0.05 level of significance is higher than the tabulated value of 5.991 (Appendix A). Therefore, the null hypothesis is rejected i.e. there is no significant relationship between frequency of exposure to personal and direct marketing by agents and the level of effectiveness.

In case of frequency of promotion medium you were exposed to Abroad missions to Nepal. The calculated value 11.951 for 2 d.f. at 0.05 level of significance is higher than the tabulated value of 5.991 (Appendix A). Therefore, the null hypothesis is rejected i.e. there is no significant relationship between frequency of exposure to Abroad missions of Nepal and the level of effectiveness.

In case of frequency of promotion medium you were exposed to Interactive/ Internet marketing. The calculated value 11.836 for 2 d.f. at 0.05 level of significance is higher than the tabulated value of 5.991 (Appendix A). Therefore, the null hypothesis is rejected i.e. there is no significant relationship between frequency of exposure to Interactive/ Internet marketing and the level of effectiveness.

Above chi-square tests shows that majority promotional activities' exposure and the level of effectiveness do not have significant relationship except publicity. Respondents' viewpoint shows that publicity has the most frequency of exposure.

**4.2.4.2 Second Hypothesis:** In order to know whether there is relationship between promotional medium and effectiveness, chi – square test was conducted.

**Null hypothesis  $H_0$ :** = 0. That is, population correlation coefficient is zero. In other words, there is significance relationship between promotion medium and effectiveness.

**Alternative hypothesis  $H_1$ :** 0. That is population correlation coefficient is not equal to zero. In other words, there is no significance relationship between promotional medium and effectiveness.

**Level of Significance:** 0.05

**Test Statistics**

	Effectiveness of Advertising as medium used for	Effectiveness of Publicity as medium used for promotion	Effectiveness of Personal and Direct marketing by agents as	Effectiveness of Abroad missions of Nepal as medium used	Effectiveness of Interactive/ Internet Marketing as medium used
--	---	---	---	--	---

	promotion		medium used for promotion	for promotion	for promotion
Chi-Square	17.623	13.164	53.689	10.066	30.738
df	3	3	3	4	3
Asymp. Sig.	.001	.004	.000	.039	.000

As per the chi – square test conducted, in case of promotional medium and level of effectiveness. Mainly five promotion mediums are chosen for the study.

In the case of effectiveness of advertising as medium used for promotion, the calculated value 17.623 for 3 d.f. at 0.05 level of significance is higher than the tabulated value of 7.815 (Appendix B). Therefore, the null hypothesis is rejected i.e. there is no significant relationship between advertising as medium used for promotion and the level of effectiveness.

In the case of effectiveness of publicity (trade fair) as medium used for promotion, the calculated value 13.164 for 3 d.f. at 0.05 level of significance is higher than the tabulated value of 7.815 (Appendix B). Therefore, the null hypothesis is rejected i.e. there is no significant relationship between publicity (trade fair) as medium used for promotion and the level of effectiveness.

In the case of effectiveness of personal and direct marketing by agents as medium used for promotion, the calculated value 53.689 for 3 d.f. at 0.05 level of significance is higher than the tabulated value of 7.815 (Appendix B). Therefore, the null hypothesis is rejected i.e. there is no significant relationship between personal and direct marketing by agents as medium used for promotion and the level of effectiveness.

In the case of effectiveness of abroad missions of Nepal as medium used for promotion, the calculated value 10.066 for 4 d.f. at 0.05 level of significance is higher than the tabulated value of 9.488 (Appendix B). Therefore, the null hypothesis is rejected i.e. there is no significant relationship between abroad missions of Nepal as medium used for promotion and the level of effectiveness.

Since, all the mediums used for tourism promotion are rejected by respondents. The promotional mediums are not effective at all.

## 4.2.5 Relevant Findings

### 4.2.5.1 Objective of the Promotion

**Table No. 4.12: A summary of respondent's frequency on Objective of the promotion**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Inform	46	75.4	75.4	75.4
	Persuade	6	9.8	9.8	85.2
	Remind	9	14.8	14.8	100.0
	Total	61	100.0	100.0	

Table 4.12 shows frequency on objective of the promotion. In this regard, 75.4% of respondents believe objective of the promotion is to inform. Similarly, 9.8% believe it as persuade and 14.8% believe to remind. So there is high frequency on inform as the objective of promotion.

### 4.2.5.2 Perception about Nepal before the exposure about it

**Table No. 4.13: A summary of respondent's frequency on their perception about Nepal before the exposure about it**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Unknown	13	21.3	21.3	21.3
	Poor, rough and rugged country	14	23.0	23.0	44.3
	Mountain country	23	37.7	37.7	82.0
	Buddha's country	11	18.0	18.0	100.0
	Total	61	100.0	100.0	

Table 4.13 shows frequency on respondent's perception about Nepal before the exposure about it. In this regard, 21.3% of respondents perceive unknown. Similarly, 23.0% perceived to be poor, rough and rugged country, 37.7% perceived to be mountain country, 18%% perceived to be Buddha's country. Thus, the image of Nepal as mountain country has been highly perceived.

### 4.2.5.3 Status of Nepalese Tourism Industry

**Table No. 4.14: A summary of respondent's frequency on status of Nepalese tourism industry**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Underdeveloped	17	27.9	27.9	27.9
	Developing	44	72.1	72.1	100.0
	Total	61	100.0	100.0	

Table 4.14 shows frequency of respondent's on status Nepalese tourism industry. In this regard, 27.9% of respondents believed to be underdeveloped. Similarly, 72.1% believed to be developing and none of the respondents believed to be developed. Thus, the majority of the respondents believed that Nepalese tourism industry is developing.

### 4.2.5.4 Satisfaction Level with Service and Facilities

#### 4.2.5.4.1 Satisfaction with Hotel Accommodation

**Table No. 4.15: A summary of respondent's frequency on satisfaction with hotel accommodation.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	12	19.7	19.7	19.7
	Satisfied	40	65.6	65.6	85.2
	Neutral	9	14.8	14.8	100.0
	Total	61	100.0	100.0	

Table 4.15 shows frequency of respondent's on satisfaction with hotel accomodation. In this regard, 19.7% of respondents believe they are very satisfied. Similarly, 65.6% believe they are satisfied, 14.8% are neutral and none of the respondents are dissatisfied and very

dissatisfied. Thus, the majority of the respondents are satisfied with the hotel accommodation.

#### 4.2.5.4.2 Satisfaction with Travel Arrangements

**Table No. 4.16: A summary of respondent's frequency on satisfaction with travel arrangement.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	13	21.3	21.3	21.3
	Satisfied	23	37.7	37.7	59.0
	Neutral	16	26.2	26.2	85.2
	Dissatisfied	9	14.8	14.8	100.0
	Total	61	100.0	100.0	

Table 4.16 shows frequency of respondent's on satisfaction with travel arrangements. In this regard, 21.3% of respondents believe they are very satisfied. Similarly, 37.7% believe they are satisfied, 26.2% are neutral, 14.8% are dissatisfied and none of the respondents are very dissatisfied. Thus, the majority of the respondents are satisfied with the travel arrangement. However some are neutral and dissatisfied which shows incompetence of transportation system and regular strikes and bandhs.

#### 4.2.5.4.3 Satisfaction with Visit/Tour Expenses

**Table No. 4.17: A summary of respondent's frequency on satisfaction with Visit/Tour Expenses**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	24	39.3	39.3	39.3
	Satisfied	29	47.5	47.5	86.9
	Neutral	8	13.1	13.1	100.0
	Total	61	100.0	100.0	

Table 4.17 shows frequency of respondent's on satisfaction with visit/tour expenses. In this regard, 39.3% of respondents believe they are very satisfied. Similarly, 47.5% believe they are satisfied, 13.1% are neutral and none of the respondents are dissatisfied and very dissatisfied. Thus, the majority of the respondents are satisfied with the visit/tour expenses.

This is because of higher purchasing power of foreign currencies in Nepal which make visit/tour expenses less costly than in other countries.

#### 4.2.5.4.4 Satisfaction with Hospitality of General Public

**Table No. 4.18: A summary of respondent's frequency on satisfaction with hospitality of general public**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	33	54.1	54.1	54.1
	Satisfied	27	44.3	44.3	98.4
	Neutral	1	1.6	1.6	100.0
	Total	61	100.0	100.0	

Table 4.18 shows frequency of respondent's on satisfaction with hospitality of general public. In this regard, 54.1% of respondents believe they are very satisfied. Similarly, 44.3% believe they are satisfied, 1.6% is neutral and none of the respondents are dissatisfied and very dissatisfied. Thus, the majority of the respondents are satisfied with the hospitality of general people.

#### 4.2.5.4.5 Satisfaction with Visa Procedure

**Table No. 4.19: A summary of respondent's frequency on satisfaction with visa procedure**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	10	16.4	16.4	16.4
	Satisfied	22	36.1	36.1	52.5
	Neutral	26	42.6	42.6	95.1
	Dissatisfied	3	4.9	4.9	100.0
	Total	61	100.0	100.0	

Table 4.19 shows frequency of respondent's on satisfaction with visa procedure. In this regard, 16.4% of respondents believe they are very satisfied. Similarly, 36.1% believe they are satisfied, 42.6% is neutral, 4.9% is dissatisfied and none of the respondents are very

dissatisfied. Thus, the majority of the respondents are satisfied as well as neutral with the visa procedure.

### **4.3 Conclusion**

The study shows that majority of tourists perceive that objective of promotion is to inform the potential tourists about destination and various services it offers. It is also observed and verified by the tourists that they are very satisfied with the hospitality of general people. The visit/tour expenses, is also one of the factors that tourists are most satisfying because the living cost in Nepal is lower than their native country and the purchasing power of their currency is also higher. As asked about the status of Nepalese tourism industry, majority of tourists replied that it's in developing stage and more promotion is needed to be done. The image of Nepal in the world market is as a mountain country because majority of tourists also refer/ perceive Nepal as a mountain country.

The study shows that family and friends are the main source of information for the foreign tourist as the international security has been deteriorating. In this context the reference and suggestions of family and friends are taken to be most reliable than other sources.

The study shows that personal and direct marketing by agents is considered the most effective medium of tourism promotion. Advertising is also considered as the most effective medium of tourism promotion but less preference is given to it. The reason for this preference of tourism promotion is that the potential tourists can get the detailed information about the tour, facilities and prices which will help them to plan the tour/ visit in advance. To add, the potential tourists can negotiate on the price of the tour and services.

The study shows that advertising, interactive/ internet marketing and publicity are the most frequently exposed medium of tourism promotion. Advertising is the most frequently exposed medium as compared to other mediums. It's because the advertising range from newspaper, magazine, leaflets, brochures, T.V., Internet etc. the coverage and exposure of advertising is comparatively higher than other medium. Interactive/ internet marketing is also most frequently exposed medium because personalized marketing can be done on Internet and there is higher probability of interaction. Lastly, Publicity (trade fair) is also one of the most frequently exposed medium of tourism promotion. The potential tourists & traveler will

definitely visit the trade fairs that are being organized in their locality or even in their traveling.

The hypothesis testing I show that the promotional activities' exposure is not effective. This is except for the publicity, publicity as a medium for tourism promotion is the most exposed medium. Likely the hypothesis testing II shows exposure frequency of promotional activity of Nepal is not effective. This means that the frequency of promotional activity is not enough.

## CHAPTER V

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.1 Summary of Findings

This study is dedicated to identify the effective medium for tourism promotion and suggests the individuals and authorities for the use of those mediums in order to utilize the limited resources for promotion.

The major findings of the study are as follows:

- a) The study shows that majority of tourists perceive that objective of promotion is to inform the potential tourists about the destination and various services it offers. Likely to match this requirement the promotion should be designed to provide the detail information about the destination and services.
- b) It is also observed and verified by the tourists that they are very satisfied with the hospitality of general people. They like the innocence of Nepalese people and how they live even in the situation where the basic facilities of living are scarce.
- c) The visit/tour expenses, is also one of the factors that tourists are most satisfying because the living cost in Nepal is lower than their native country and the purchasing power of their currency is also higher.
- d) As asked about the status of Nepalese tourism industry, majority of tourists replied that it's in developing stage and more promotion is needed to be done. The image of Nepal in the world market is as a mountain country because majority of tourists also refer/ perceive Nepal as a mountain country. To add value in this point, up coming promotional activities are to be address this image.
- e) The study shows that family and friends are the main source of information for the foreign tourist as the international security has been deteriorating. In this context the reference and suggestions of family and friends are taken to be most reliable than other sources.

- f) The study shows that personal and direct marketing by agents is considered the most effective medium of tourism promotion. Advertising is also considered as the most effective medium of tourism promotion but less preference is given to it. The reason for this preference of tourism promotion is that the potential tourists can get the detailed information about the tour, facilities and prices which will help them to plan the tour/ visit in advance. To add, the potential tourists can negotiate on the price of the tour and services.
- g) The study shows that advertising, interactive/ internet marketing and publicity are the most frequently exposed medium of tourism promotion. Advertising is the most frequently exposed medium as compared to other mediums. It's because the advertising range from newspaper, magazine, leaflets, brochures, T.V., Internet etc. the coverage and exposure of advertising is comparatively higher than other medium.
- h) Interactive/ internet marketing is also most frequently exposed medium because personalized marketing can be done on Internet and there is higher probability of interaction.
- i) Publicity (trade fair) is also one of the most frequently exposed medium of tourism promotion. The potential tourists & traveler will definitely visit the trade fairs that are being organized in their locality or even in their traveling.
- j) The chi- square testing on effectiveness of promotional activities from frequency of exposure show that they are not effective except publicity. The result of the study shows that advertising, Personal and direct marketing by agents, abroad missions of Nepal and interactive/internet marketing are not effective. This means that the exposure frequency of promotion medium except publicity is not effective. Next the test on effectiveness of promotional medium shows that the entire promotional medium used in tourism is not effective. The result shows that there is no significant relationship between promotion medium and level of effectiveness.

## **5.2 Conclusion**

The growth of tourism and development will eventually have a heavy impact on most aspects of life. Tourism development has a significant impact on all facets of the economic, social

and physical structure of country. This aspect is to be realized that the tourism industry has a greater future in Nepal and overall national development is possible with tourism. In order to achieve this proposition, the tourism industry has to be promoted by every Nepalese citizen and the firms involved in this industry. There are various promotional medium in the market; however the most effective medium is to be chosen. The trend in the industry is seen that there are promotional activities in the gap of long duration. This is to be observed that promotion also needs time; no promotional medium is in itself the solution for effect but due time and frequency should there to get the expected results.

The study also shows that publicity (trade fair) is the most effective medium even if there is less frequency. Publicity has the most long lasting effect as the environment of the event induces to seek the information about the potential destination. It's the right time and place for the promoter to promote its various products and services as potential tourists can be convinced at the spot.

### **5.3 Recommendations**

Based on the findings of this study the following recommendations have been made for improving the tourism industry of Nepal.

- a) Promote Nepal as a mountain country, which is widely perceived as the representation of Nepal. This aspect of Nepal is to be more focused when promoting Nepal by national authority as well as the private sector.
- b) There should be positive experience of the tourist from the visit of Nepal. The promotional activities should be reasonable and convenient; services that are not reasonable like wild life hunting, human trafficking etc. should be avoided. The tourists should be provided the services that they pay for, unnecessary request for premium should be avoided.
- c) National tourism board (Nepal Tourism Board) should organize and participate in various publicity (trade fair) in and out side the country. There are various international platforms where national tourism program can be promoted. These are the crucial events where many potential tourists visit the event in order to get information about the possible tourist destinations.

- d) Promotional activities should be planned to attract the target audience. There should be target market for the tourism products. After setting the target group, then the promotional activities should be placed.
- e) Increment in international flights can help to increase the inflow of tourists. There are limited flights from various cities. These stations should be increased.
- f) Domestic transportation system should be managed. There are instances when the tourists' buses were stopped and manhandled during strikes. These situations should be stopped by the law enforcing authority because tourists visit Nepal for recreation and holidays.
- g) The political issues should not hamper into the Nepalese tourism industry. Various labor union of political alignment have control over hotels, restaurants and transportation system where political issues are given priority than the services that they are meant to provide.

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## APPENDIX

### Appendix A

Frequency of Exposure	Chi-Square	df	Tabulated Value at 5% level of significance	Null Hypothesis
Frequency of promotion medium you were exposed to Advertising	11.934	2	5.991	Reject
Frequency of promotion medium you were exposed to Publicity	0.410	1	3.841	Accept
Frequency of promotion medium you were exposed to Personal and direct marketing by agents	38.787	2	5.991	Reject
Frequency of promotion medium you were exposed to Abroad missions of Nepal	11.951	1	3.841	Reject
Frequency of promotion medium you were exposed to Interactive/ Internet Marketing	11.836	2	5.991	Reject

### Appendix B

Effectiveness of medium	Chi-Square	d.f	Tabulated Value at 5% level of significance	Null Hypothesis
Effectiveness of Advertising as medium used for promotion	17.623	3	7.815	Reject
Effectiveness of Publicity as medium used for promotion	13.164	3	7.815	Reject
Effectiveness of Personal and Direct marketing by agents as medium used for promotion	53.689	3	7.815	Reject
Effectiveness of Abroad missions of Nepal as medium used for promotion	10.066	4	9.488	Reject
Effectiveness of Interactive/ Internet Marketing as medium used for promotion	30.738	3	7.815	Reject

# QUESTIONNAIRE

Namaste!

Dear Respondent:

This research is being conducted for the partial fulfillment of MBS program of Tribhuvan University. The information you provide in this form will be used to analyze the data in the study of "**Tourism promotion in Nepal: Tourists' perspective on its effectiveness**". Your cooperation will help to improve the promotional activities in Nepalese tourism industry.

Please tick the following:

## Part I: General Information

1. Gender:

Male [ ]                  Female [ ]

2. Age:

Below 20 [ ]      20-25 [ ]      25-30 [ ]      30-35 [ ]      Above 35 [ ]

3. Marital Status:

Married [ ]      Single [ ]      Divorced [ ]      Others:.....

4. Profession:

Service [ ]      Business [ ]      Student [ ]      Others:.....

5. Education:

Below secondary    [ ]    Higher secondary    [ ]    Graduation    [ ]  
Post graduation    [ ]    Ph.D.                    [ ]

6. Country of origin:

**Part II: Sources of information**

- 7. How you got to know about Nepal as a tourist destination?
  - Friends and family [ ]
  - T.V. and documentary (mention) [ ] .....
  - Travel agents [ ]
  - Internet [ ]
  - Magazines [ ]
  
- 8. What was your perception about Nepal before the exposure about it?
  - Unknown [ ]
  - Poor rough and rugged country [ ]
  - Mountain country [ ]
  - Buddha's country [ ]
  
- 9. Was there difference between how you were informed and in reality?
  - Yes [ ]
  - No [ ]
  
- 10. How would you portrait Nepalese tourism industry?
  - Underdeveloped [ ]
  - Developing [ ]
  - Developed [ ]

**Part III: Evaluation**

**In considering the overall experience of your visit to Nepal, how you would rate the promotional activities of Nepalese tourism industry.**

- 11. Objective of the promotion is to:
  - Inform [ ]
  - Persuade [ ]
  - Remind [ ]
  - Others [ ]

12. Frequency of promotion medium you were exposed to:  
(Most frequent= M, Frequent = F, Never = N)

<b>Medium</b>	<b>M</b>	<b>F</b>	<b>N</b>
Advertising			
Publicity (trade fair)			
Personal and direct marketing by agents			
Abroad missions of Nepal			
Interactive/ internet marketing			

13. Frequency of promotion medium your friends, family and neighbors are exposed to:  
(Most frequent= M, Frequent = F, Never = N)

<b>Medium</b>	<b>M</b>	<b>F</b>	<b>N</b>
Advertising			
Publicity (trade fair)			
Personal and direct marketing by agents			
Abroad missions of Nepal			
Interactive/ internet marketing			

14. Effectiveness of medium used for promotion:  
(Excellent =E, Very Good = V, Good = G, Fair = F, Poor = P)

<b>Medium</b>	<b>E</b>	<b>V</b>	<b>G</b>	<b>F</b>	<b>P</b>
Advertising					
Publicity (trade fair)					
Personal and direct marketing by agents					
Abroad missions of Nepal					
Interactive/ internet marketing					

15. Satisfaction with the facilities:  
(VS=Very Satisfied, S= Satisfied, N= Neutral, DS= Dissatisfied, VDS= Very Dissatisfied)

<b>Items</b>	<b>VS</b>	<b>S</b>	<b>N</b>	<b>DS</b>	<b>VDS</b>
Hotel accommodation					
Travel arrangements					
Visit/ tour expenses					
Hospitality of general public					
Visa procedure					

16. Any suggestion for the development of tourism promotion in Nepal?

I appreciate your kind cooperation.

Sincerely,

Aaasha Adhikari