# **CHAPTER-I**

# **INTRODUCTION**

## 1.1 Background of the Study

Tourism has been defined in different ways by various authors and concerned organizations and yet there are no universally accepted definitions of tourism. The origin of tourism can be traced to the earliest period of human habitation on the globe. Of course, there exists difference between modern travelling and travelling during the early period. However, it is a habit of travelling, which has initiates the growth of the survival and existence of early men. With the advent of civilization and chance in the human outlook, the meaning of tourism has been shifted from the necessity to the desire of taking adventures. Tourism is a difficult phenomenon to describe because there is no single definition that is universally accepted.

The oxford dictionary defined tourist is a person travelling of visiting place interest. This definition is not enough as a tourist, he must be non residential, not earning and she/he must generate economic activities in destination place.

Tourism as the sum total of operation mainly of one economic nature which directly related to the entry stay and movement of foreigner inside and outside a certain country, city or region. (Bhatia 1994:32).

Another definition of tourism given by the Swiss Professor Walter Henniker and Kurt Krapf, in 1942 is more technical. According to them 'Tourism is the totality of the relationship and phenomenon arising from the travel and stay of strangers; provided the stay does not imply the establishment of permanent residence and is not connected with a remunerated activity.' (Bhatia 1994:38).

The tourism society in Britain had also attempted to clarify the concept and in 1976 defined tourism as 'Tourism is the temporary short term movement of people to destinations outside the places where they normally live and work and their activities during the stay at these destinations it includes movement for all purposes as well as day visits or excursions' (Bhatia 1994:34).

According to World Tourism Organization (WTO) traveller is defined as 'any person on a trip between two or more countries or two usual localities within his/her country of usual residence.'

As per the above definitions, it is to be conclude that tourist who are temporary visitors in the country visited and the purpose of whose journey can be classified under one of the following headings.

- Leisure (recreation, holiday, health, study, religion and sport)
- ) Business, family meeting.

Hence, Tourism is the activities of people traveling to and staying in places outside their usual environment for leisure, business or other purposes.

## 1.1.1 Rural Tourism

Rural tourism is a relatively new concepts as well as integral part of the whole tourism scenario and also to be looked upon as supplementing the whole effort. The objectives of Rural tourism despite often vague are to attract tourist to natural and cultural areas and to collect revenues for local tradition vulture conservation and economic development activities.

Rural tourism focuses on participating in a rural lifestyle. It can be a variant of ecotourism. Any village can be a tourist attraction, and many villagers are very hospitable. Agriculture is becoming highly mechanized and therefore requires less manual labor. This is causing economic pressure on some villages, leading to an exodus of young people to urban areas. There is however, a segment of urban population that is interested to visit the rural areas and understand their perspective. This segment has been rapidly growing in the past decade and has led to rural tourism becoming a good business prospect.

In general, rural tourism is defined as the tourist spending time in different environment and culture, as compared to the city area. The concept of rural tourism involves with making rural village as the final destination to tourist. The first concept of rural tourism was coined by club Mediterranean, the objective behind was to provide totally different environment and location to people living in the city. The first rural tourism by the club was started back in 1950 with the name 'Vocation Village' which is in the Majorca, a Spanish Island. The rural tourism is demand centric, desire of tourist to see 'other' culture and lifestyle which is often considered as primitive and unique from their own. (Kunwar, 1997).

In fact, the tourism in said to be highly intensive and three categories of employment being generated by tourism direct, indirect and investment related employment. Many countries that have seen their natural resources depleted and their cities polluted with heavy industry see tourism as a clean way to economic prosperity.

#### **1.1.2 Rural Tourism in Nepal**

Nepal is made up of rural settlements and our great culture and natural beauty all rest in these rural areas. The community based village tourism and ecotourism can five Nepal a strategic advantage against its competitors. Diversification of our tourism products and activities has to take a paradigm shift from its conventional destination to the new and changing definitions of tourism. The prospects of rich biodiversity in Nepal need more promotion for special interest tourists who have selected to call themselves 'responsible tourists' and 'eco-tourist'.

The focus on tourism in significantly contributed not only to support the livelihood of the rural settlement of Nepal but also is playing a vital role in generating awareness amongst the people of these regions in sustainable use of the natural and cultural resources. The awareness towards the importance of conservation and preservation of natural, cultural, historical and other importance heritage is more amongst the people. Where there is presence of tourism. The growing value of tourism has started to contribute positively in many socio economic issues of Nepal. Tourism has been providing employment opportunities in the local areas and contributing greater market accessibility to the local products. It has also increased the market for agricultural products live stock and milk products, which has helped directly to the poor of Nepal.

The history of village tourism in Nepal is not long. Nepal has introduced a program of village tourism aiming at promoting country's tourism industry in 2052 B.S. for the first time. Though, the promotion of tourism sense started more or less from the beginning of 1960. But concrete steps to promote and intensity and ordinate way were made when a high level 'Nepal tourism development committee' was formed in 1970 on the financial and technical assistance of the culminated in the publication of the Nepal. Tourism master plan in 1972, when has been the basis of all future activities will in the field of tourism development in Nepal.

#### **1.1.3 Homestay Tourism**

Homestay was unknown till some of years ago in Nepal. But now a days, it is being popular for the villages base tourism. Homestay has been becoming a major way of tourism development. Some part of villages population include in this sector. So, homestay is an important side of tourism economy.

Homestay is a popular of hospitality and lodging whereby visitors stay in a house or apartment of a local of the city to which they are traveling. The term tourism is defined as the act of movement of people from one place to another place away from their home place. Homestay are a form of accommodation that define the phrase a 'home away from home'. Tourism can be defined in many different ways, the definition more often depends on the interest and participation of user. For economist, tourism is main source of earning foreign currency, for private sector it is an act of developing product and its returns, for conservationists, it is a sustainable use of wild resources and its conservations, for tourist receiving community it is a vector of change of lifestyle, for traveler it is a set of activities that motivate individual to leave home temporarily (Ashley and Goodwin 2007).

Travelling has a long history as the human civilization. People used to travel from one place to another in search of food and other needs even at ancient evolutionary period. Throughout the development of human civilization, there developed different cultures, traditions and lifestyles. Human being was always curious to know about different cultures, traditions, lifestyles and natural locations which pushed him/her to travel different places. If we look our human history, we can trace back to ancient Greeks where people used to travel form place to place, in the history; it is written that Herodotus -6 (484-425 BC) had visited many countries like Egypt and Athens. The end of Second World War opens the door for people to travel freely from one place to another without fear. In the ancient times travelling was affordable to rich people. At present, travelling is both accessible and affordable for middle level income people too, but still the term 'tourism' is generally coined for luxury (Sharp, 2000).

As being the hub of eastern culture, traditions and spirituality, travelers from different countries visited Nepal in ancient period. According to a myth, Manjushree from Tibet came to Nepal; cut the hill of Chovar, excreted water and made Kathmandu Valley residable. Similarly Monarch Ashok visited Nepal (including Lumbini) in Kirant period and built Ashok Pillar. Famous Chinese traveler, Huien-Tsang, started the journey to India in 629 A.D. According to historical evidence, after meeting King Harsabardhan of India, he returned to China via Nepal in 643 A.D. During his journey to Nepal, Huien-Tsang also visited Lumbini. The Emperor of China is said to have sent his imperial envoys to India via Nepal in an attempt to strengthen the relations with King Harsabardhan of India. For example, in 643 A.D., Chinese envoy Li-Yi-Piao, came to Nepal via Lhasa and then visited India.

Chinese traveler Huh an Sang have explained the culture, tradition, arts and people of Nepal which he saw during his visit in Lichchhabi period. Buddhism preachers had visited Nepal during Lichchhavi period. Shantarakshit in 742 A.D, Padma Sambhav in 474 A.D, Kamalsheel in 760A.D, Atisha Dipankar in 1040 A.D and Milarepa in 1010 A.D. In Malla period also, Christian priests (firstly Jao- Cabrall, a Portuguese) visited Nepal and stayed for short period. Ekai Kawaguchi was the first Japanese to visit Nepal at 1895 and this visit famed Nepal as a destination for travelers. The beginning of tourism in Nepal can be pointed to the first ever successful ascent of the mighty Mt. Everest on 29th May, 1953 by Tenzing Norgay and Sir Edmund Hillary. In 1955, Nepal issued its first tourist visa.

Currently tourism is one of the major economic sectors of Nepal. Tourism contributes to the national GDP by 1.98 percent. Number of visitors visiting Nepal has been counted 7,10,000 with their average stay of 12.4 days. The annual foreign currency income is \$49.8 (14th plan).

Rural tourism is defined as the tourist spending time in different environment and culture out of the city area. It is possible to see unique culture, traditions and lifestyles in village areas. The concept of rural tourism involves with making rural villages as the final destination to tourist. In Nepal, organized rural tourism was first practiced by Sirubari, Bandipur, Ghandruk, Ghale gaun villages, which was totally a new concept and ideas in Nepal. Rural tourism includes activities ranging from walking, climbing, horse riding, adventure, fishing, hunting, seeing culture, heritage, monastery, temples (Kunwar, 1997).

Homestay tourism is a tool of tourism especially the rural, which provides staying of visitors with local people. In homestay, tourists share food and habitat with local

people. Homestay program gives a golden opportunity for those people who are seeking to spend time with local people and live with them. The best part of homestay tour is to learn culture of various ethnic groups by interacting with them.

A homestay is not only lodging facility. It is the cultural interaction between two cultures (Host/Guest) to know about each other's art, crafts, lifestyles, customs as well as exchange of experience for enrichment of host culture. Simply, homestay is basically a rural based activity (business) to involve rural people in tourism activities, to develop their source of income, creating self employment opportunities, to raise their living standards (Bhatt, 2015).

In community-based natural resource management (CBNRM) program, communities are involved in establishment of loges, campsites, safari, game viewing, and selling handicrafts. Rural tourism in Nepal is characterized by its differentiation, uniqueness, specialty and peculiarity than the luxurious tourism. The term rural tourism in Nepal is generally understood as the village tourism, where visitor can explore endanger species; participate in the adventure that they have not experienced before, observe lots of unknown and unidentified cultural heritages and places. Rural tourism has direct benefits to locals, such tourism can play vital role to protect the natural resources and old heritage. When people make money out of tourism, they will realize that natural resources and cultural heritage are the main source of attraction for tourists and protection of such is essential to have more tourists.

## **1.2 Statement of the Problem**

Tourism plays a vital role in the process of national development. It is not only important sources of foreign currency but also a major employment generating industry, however for a country like Nepal tourism industry has major role in economic. Tourism is the major source of earning valuable foreign currency, which strengthens the Nepalese economy. Most of the underdeveloped countries are suffering from adverse balance of payment situation. So far developing country like Nepal is concerned tourism industry provides the employment opportunities to the citizens directly or indirectly. Income generation of rural household is another major part of homestay tourism. The study entitled "Contributions of Homestay Tourism on Household income in Chitlang" attempts to analyse the income generation and uplift rural household from the poverty of Chitlang.

The study attempted to answer the following research questions:

- a. What is the trend and pattern of homestay tourism in the study area?
- b. What is the contribution of homestay in uplifting rural households income from poverty in Chitlang?

## **1.3** Objectives of the Study

The general objective of the study is to analyze the contribution of homestay tourism on household income in the study area.

However, the specific objectives of the study are:

- a. To know the trend and pattern of homestay tourism in the study area.
- b. To analyse the contribution of homestay in uplifting rural households income from poverty in Chitlang.

## **1.4 Significance of the Study**

The study on homestay tourism has its own importance to explore local culture and socio-economic upliftment of rural people. This study evaluates the contribution of community homestay on households' income. There are very few researches on the contribution of homestay tourism on rural households, it does contribute to meet the gap here. This study contributes to a better understanding of households income from homestay tourism. This study provide inputs to homestay promotors for conducting homestays in successful way. It has good resource of information and ideas for policy makers. It has also useful material for similar field workers and agencies (NGOs and INGOs), who want to work in the field of tourism management activities and its utilization. It also helps to the students for further researches, who will be interested in the issues of homestay tourism. The study fulfill the demand for the requirement of Masters Degree in Economics as according to Tribhuwan University's Syllabus design.

## **1.5** Limitations of the study

The major limitations of the study are:

- a. The study has covered a limited field and hence the result may not represent that of overall homestays in Nepal.
- b. It has covered only households income of homestay tourism on rural people in Chitlang Homestay region.
- c. The study has not highlighted the social and cultural aspect of homestay.
- d. The study is primarily based on the analysis of income yield from homestay tourism and it has not put its eyes on other economic phenomena like inflation and others.

## 1.6 Organization of the Study

The overall study has been divided into five chapters: Introduction, Literature Review, Research Methodology, Data Presentation and Analysis and Summary, Conclusion and Recommendations.

The Chapter-I Introduction: This chapter includes background of the study, statement of the problem, objectives of the study, significance of the study, limitations of the study, organization of the study.

The Chapter-II Review of Literature: This chapter is developed for review of literature and research gap. In this chapter, literature reviews are collected through published and unpublished sources. Reviews from books, journals, thesis etc. are included in this chapter. This chapter tries to show the past studies related to contribution of homestays in household income and poverty reduction.

The Chapter-III Research Methodology: This chapter includes conceptual framework, introduction of study area and research design, sources of data, census procedure, and tools of data analysis (tools of data collection and data processing and analysis).

The Chapter-IV Data Presentation and Analysis: This chapter carries the main contribution of this study. It is the main part of the study that includes socio-economic status of the respondents, income of local households from homestay and poverty reduction. The Chapter V Summary, Conclusion and Recommendations: This chapter includes Summary, Conclusion and Recommendations drawn from the study.

Finally, there is a list of references and appendices about the questionnaires of the field survey with the members of Chitlang Homestay.

# **CHAPTER-II**

# **REVIEW OF LITERATURE**

There are different kinds of literature available on homestay tourism and its impact. In review of literature an attempt has made to provide the theoretical foundation of the impact of homestay tourism on local people. In dealing with theoretical foundation some books studies, magazines, reports articles and dissertations have been reviewed. For the purpose of the study of this subject, literature of varius writers is viewed from the thesis presented by former students, reports and paper represented in seminars, bulletins, journals and information published by various concerned agencies and books on the concerned topic. The summary of outcomes of some of the studies has been illustrated here after.

## 2.1 Theoritical Review

In general, homestay means stay at home. It means homestay is a private house offering accommodation to paying guest. Concept of homestay is developed by village tourism or rural tourism. It helps to uplift the life style of villagers though tourism. In Nepal commonly accepted homestays are ethically and traditionally made where the host families reside in traditionally built houses and involves in homestay tourism. The Nepalese homestay gives a family atmosphere to the visitors and visitors can get an opportunity to observe or participate in the local social culture environment with having delicious Nepalese cuisine which is totally based on local skill and products. Next chapter describes the core products of the homestay programme.

*Athiti Deo Vhawa'* (Guest is god) is the belief of typical Nepali society which have been carrying out the concept of homestay tourism in Nepal. The people of Nepal welcomes their guests as a god and treat them with warm hospitable manner according to their own life style. But the identical manner and belief has turned in to the tourism business when the Nepal government introduced the homestay program as village tourism in 1997 for the first time.

Before the concept of village tourism was introduced, most of Nepal's tourism activity was centered on major trekking routes and mountains. The rural tourism program was devised to spread the economic benefits of tourism over a wider area, and create jobs outside of agriculture. Government support provided infrastructure such as roads, telecommunications and electricity, and in 1995, a village tourism program was included in the national tourism policy. Nepal Village Resorts was set up to market and manage the program, which was launched in Sirubari in 1997. Local community members were heavily involved in the planning stages. Other villages joined the program, but it suffered a major setback soon afterwards, due to the outbreak of civil war. The signing of the 2007 peace treaty brought stability to Nepal, and village tourism started to grow again (NTB, 2010).

## 2.2 Empirical Review

Ishara (2010) involved gathering a vast amount of information about a small number of people and the information collected is (generally) not presentable in numerical form. A combination of purposive and snowball sampling methods were utilised to identify the tourism businesses and relevant organisations involved in the study. Secondary data was also collected by reviewing media articles on the internet, newspapers and news websites related to post-tsunami recovery situations in Samoa, disaster management and other related case studies such as the Indian Ocean Tsuanmi. Analysis consisted of transcribing and analysing the interviews, using thematic analysis to review and interpret the government reports and media articles and drawing upon information gathered from site observations.

This study was guided by the objective of exploring the immediate impacts on tourism businesses suffered from the tsunami. It is also aimed to identify the emergency responses that occurred in the aftermath. To explain the issues and challenges arising from the recovery process is another important objective of the study. Finally it targets to examine the strategies and opportunities that tourism operators and relevant organisations are using to recover tourism in the district. This involves examining the preparedness programs for future disasters.

The findings of the study gave ways for attaining the objectives. It shows from the reports that full recovery of tourism from the tsunami is very likely to occur in the next 6 months for those sites that have been directly affected. It appears that the intensity of impact varied amongst the tourism businesses. The smallscale operation experienced minor damage whereas the medium and big businesses suffered serious destruction. This could be owed to the nature and size of businesses in terms of

building structures, furniture, equipments and capital loss. This reflects the length of time to recover and reopen for some businesses after the tsunami.

Budhathoki (2013) analyzed the impact of homestay tourism on livelihood. The objectives of the study were to find out income generated, the percentage of income from tourism industry in total income of people, level of employment generated and shift in agro-production system from traditional to modern system resulted from the homestay tourism. The study also targets to find out the development activities in 'Ghale ghaun' after introduction of homestay tourism and to see the impact of program in culture and attitude of the local people. The researcher collected data from primary sources. The questionnaire survey was conducted in 106 households between June and July 2012 in the field.

The study made some important findings. The results say that out of five groups, two rich and richest group hold more than 50% of the total wealth and the wealth of richest group is more than the total wealth of poorest and poor group. I also find that tourism income has reduced income inequality among the household in villages. Similarly, the research finds the relation of tourism income with different variables. Tourism income was found dependent on socio-economic characteristics like age, religion, sex, ethnicity and literacy of the households and the OLS regression shows that none of the other source of income has significant impact on tourism income.

Thakur (2013) analised about the community based village tourism is Nepal. The research was guided by the objectives of exploring the impact of rural tourism on the households. The researcher collected data from primary sources. The questionnaire survey was conducted in 25 households and 75 tourist respodents. Both quantitative and qualitative infomation were analytically presented in table and figure. Convenience sampling was used for selection of respondents. For analysis, simple statistical tools like average, percentage, frequencies and correlation and regression analysis have been applied. The major objectives of the study were to analyze the role of village tourism to promote socio economic benefits and culture of the local community.

The study found some important aspects of areas of the research. It found that the community took the homestay tourism as its main occupation. Tourism was found as main occupation of 72 percent of the local people. Most of the persons (48%) were

found attracted in this occupation because of its dignity and 92% of the respondents were found satisfied from the local hospitality. Cultural understandings, employment opportunities and quality life were the main positive impacts of village tourism as environmental pollution, cultural disturbances and drug addiction were the negative impacts. It indicates that service cost was taken genuine as by 62.5% of the respondents and only 15% took the cost high.

Chhetri (2015) concluded in the study of report submitted to rural tourism in Nepal. He has explored the status and impact of homestay program of study area. The general objectives of the study are to find out the various socio-economic impacts of Homestay program and its contribution in the improvement in livelihood of rural society. The main objective of the study is to to find out the status and impact of rural tourism in Lwang Ghalel.

The present study is carried out on the basis of exploratory that attempts to investigate the potentiality of selected tourism destination to attract tourists, the impact of it on the local environment and the living standard of local people. On the other hand it tries to describe the existing status of recent development problems and prospects of Lwang Ghalel VDC. The information which is collected through different sources is analysed with suitable statistical tools. To get the reliable primary information required for the study three types of questionnaires for homestay owners, tourist and local people were prepared for field survey.

The survey made some important findings. It found that the number of tourists has been gradually increasing. However there is fluctuation in the annual incensement. In visit Nepal year 1998 (463684) and 2011 (735932) tourists arrived in Nepal. The arrivals of tourists in 2010 (63) and 2011 (156) are fluctuating in Lwang Ghalel. Lwang Ghalel area is one of the popular Homestay destinations in Kaski. The majority of tourists arriving Lwang Ghalel by purpose of visit are the following: cultural study 35%, ACAP's area and tea garden visit 23%, pleasure 27% and 15% for others in 2010. The majority of foreigners visiting Lwang Ghalel area age group 16-30 years of age 44%, followed 32% percent on 31-45 and 46-60 years group are 24 percent. The 60 percent of total tourists were found to stay for 1 day, 20 percent were found to spend 2 days, and during survey period.12 percent 3 days and 4 and 5 days were 4 percent respectively. There are 12 Homestay with 26 rooms and 52 beds. The

Local Khoramukh Bazar is the nearest market and therefore it seems to benefit from homestay. The Homestay area of Lwang Ghalel village is awareness of the cleanness inside and outside of houses. Homestay owner are unknown about benefit of advertising.

NRB (2015) analysed the the demographic, financial, administrative and marketing aspects of Dallagaon homestay and other was to study and analyze the socioeconomic impact of the homestay on different facets of the local community. The study was aimed to measure sustainability of the homestay.

For collecting primary data and information for the study, the questionnaires have been used. Unstructured interviews have been undertaken with some people or experts met during the study visit. For collecting secondary data and information for the study, study relevant news on different newspapers have been studied and quoted wherever required. Internet sites have been used to download relevant reports. Similarly, articles & books published by different researchers, authors and agencies have been studied and quoted as required. The information about the origin of Dallagaon homestay have been gathered from the leaflet provided to the study team in Dalla village. The entire 22 homestay households of Dalla village have been studied. Similarly, 22 non-homestay households have been randomly selected from the village.

The study's findings were very important on their contribution to meet the objectives of the study. The study reads that there are 22 households presently included in the homestay system. This homestay has provided direct employments to 72 members, largely of them are women. Hence, it has emerged as a sample of female-led and female-managed homestay in Nepal. The respondents have simply agreed on observable socio-economic impact of the homestay on local community. The largest impact is on environment and the lowest impact is on wealth of the families.

Bhattarai (2016) analysed the disaster recovery in tourism. The research is with three research objectives. The first is to understand the significance of various stakeholders' roles in tourism disaster recovery in tourism. The second is to investigate the strategies implemented by the stakeholders for the disaster recovery in tourism and the last is to examine the involvement of key actors of tourism and their collaboration for the disaster recovery.

The study clearly explains the choice of research approach and consideration on empirical data analysis, the methodologies that applied in this research project and the researcher has made him free to apply both deductive and inductive research approaches and chosen interpretivism philosophy as research approach in order to support qualitative data. Statistical tools like pie chart, bar, line; multiple bars and various other SPSS software are taken into account instead of words. This explanation clearly gives an idea as no quantitative data are used in this study as there are no any surveys or use of statistical tools.

The study made some findings, which read that a significant role in disseminating the positive message about the further possibilities of the tourism in the country was played by the stakeholders and promoting the local tourist has also helped for attracting the international tourist. It also says that the involvement of various actor of tourism sector made effective result on the recovery of tourism. The research made some conclusions. The Government of Nepal along with the various stake holders should collaborate with each other as they are doing so, must take immediate serious efforts to resurge things very soon. They should try to convince the whole world through every possible means to convince foreigners that the country is still safe to travel and they are still many tourism destinations to visit. Additionally the Government and all the stake holders must follow all the norms, conducts, values and prepare innovative activities which they are doing to overcome this kind of situation and disaster in days to come. Appropriate plans and strategy should be formulated regarding risks and crisis management and formulate suitable marketing plans for the disaster recovery in tourism.

Rijal (2017) explored the problems and prospectus of homestay tourism. The homestay tourism policy and other similar policies in Nepal suffer from structural constraints with tremendous administration and procedural complexities envisaged in the existing of coordination lacks in the different government's ministry. Lack of proper information about places, political instability, currency exchange problem, lack of proper transportation, natural calamities creates problem in stay period in Nepal.

The main objective of the study is to analyze the effectiveness and contribution of homestay tourism policy of Nepal.To find out the socio-economic status, homestay tourism contribution in the livelihood and the problems and prospects of homestay Tourism are the main objectives of the study. In this study, descriptive research design has been applied mainly to collect qualitative information on the socio-cultural educational and economic condition, status of Tharu of the study area. Exploratory research design on socio-economic changes on the lives of Tharu community of the area. Similarly, it studied the place of their origin and demographic situation of Tharu.

The study findings made by the research give ways for attaining the objectives. The results say that the largest number around 19.9 percent visited Nepal for the purpose of pilgrimage. Roughly 145,468 visitors visited different national park and wildlife preservation of Nepal in 2010. Among them 58.1 percent of visitors visited Chitwan National Park alone in. The majority of tourist arrivals at Tharu Homestay Village by purpose was the following: National park and wild animal 54 percent, sight seeing 20 percent, boat and elephant riding 10 percent, recreational 10 percent and research study and Tharu culture to 4 percent. Roughly, 61 percent of total tourists were found to travel by tourist bus and 25 percent by local bus during the survey period. The 52 percent of total tourists were found to stay for two days and 18 percent were found to spend three days out of 50 respondent. The homestay tourism sector of Tharu Homestay Village was found to employee almost 108 people in 2015. The Local Bhurigaou Bazar is found to be the nearest market and therefore it seems to benefit from homestay tourism. Before the flows of tourists in Tharu Homestay Village, the natural staple food was rice and dal with chilly. Besides, they used to prefer to have Ghungi and Rat but these days they often prefer bread, biscuit, chocolate, noodles and other variety of foods.

## 2.3 Policy Review

Government also have formulated tourism act to manage the homestay as a rural tourism. It helps to create self-employment, poverty alleviation and to change life style in rural area (Tourism Act, 2065). On the basis of tourism act, government imposes the Homestay Working Procedure, 2067. According to Act, homestay is the service, which provides tourism service to home or community for the purpose of selter food and other services.

Nepal has introduced a program of village tourism aiming at promoting country's tourism industry in 2052 B.S. for the first time. Though, the promotion of tourism sense started more or less from the beginning of 1960. But concrete steps to promote

and intensity and ordinate way were made when a high level 'Nepal tourism development committee' was formed in 1970 on the financial and technical assistance of the culminated in the publication of Nepal. Tourism master plan in 1972, when has been the basis of all future activities will in the field of tourism development in Nepal.

Nearly 48 years the five years plan, government keeps an eye on the village base tourism in the village areas by making special policy and strategy at the national level. The concept of village tourism has been developed and priorities are given to promote the village tourism so that the villagers could direct benefits from tourism. In order to enhance this sector the following policies and strategies have been formulated:

- ) Tourism activities will be promoted in the village that can benefit to the local people directly as well as indirectly. Rich cultural and natural resources attract tourist and will be developed into tourist centres.
- ) Private sectors and local agencies will be involved and encourage in the sector, so that more revenue can be generated.
- ) Temples, monasteries, building and national park, sites of historical, religious and cultural significance will be preserved well developed and utilized as tourist sports.
- ) The tourism areas of cultural, natural, historical and religious heritage will be preserved by local government.
- ) Nepal government and ministry of tourism had declared Sirubari village of Syangja as a first model tourist village in 1998.

The concept of village tourism has been developed and priorities are given to promote the village tourism, so that the village people will get direct benefit from tourism. In order to enhance this sector the following policies and strategies have been formulated.

- ) Tourism activities will be promoted in the village that can benefit to the village people directly as well as indirectly.
- ) Resources rich village for tourist attraction will be developed into tourist centers.

Since the beginning of the 9<sup>th</sup> plan, it is to promote village tourism of the rural (Village) areas by private sectors as well as government sector had encouraged. In order to develop tourism industries and achieve the targets, the ninth plan has aimed

to achieve the objectives like as to establish the backward and forward linkage of the tourism sector with the national economy so as to develop it as an important sector for the overall economic development. The second objectives was to established Nepal as a premium destination, the third one was to enhance employment unity, income generation and foreign enhance earnings from the tourism sector and spread these benefits down to the village levels.

Nepal Tourism Board (NTB) has adopted a policy of expanding village tourism all over the country, for poverty alleviation. Likewise Nepal village resort private limited had taken as sample. Sirubari village tourism, Syangja, Dhankuta, Lamjung and Tehratuum.

According to 'Homestay Working Procedure-2067, Nepal's government has defined homestay as an accommodation where host provides foods, accommodation and other related services to their guest and operates it individually or in community groups. The procedure further classified homestay in two patterns; one urban homestay as a private homestay, and village community homestay programme. Urban homestay programmes are normally operated by individual hosts and they can accommodate only four guests per day so that there will be not much negative business impact on the regular hotel business of the nation. Regarding the village community homestay programme, it can be operated by different individual in the group where member should be at least 5 host families to operate homestay in particular community (MCTCA, 2010).

After regulating Homestay Tourism Procedure 2010, the government and the NTB have been promoting it to the whole nation. The Homestay Management Committee (HMC) has been established to manage, monitor and guide the Homestay stakeholders. On the community level the NTB mobilized the local government and local stakeholders such as Women's Group, community level Non-Governmental Organizations (NGOs), Community Forest Groups to manage homestay facilities and homestay training to ensure the quality of homestay arrangements in rural areas (MCTCA 2010).

The guidelines of the government direct that the host family should offer the local cultural experience to their guest and serve the local products of foods whatever the host family themselves eat. Homestay operating houses have to ensure a hygienic,

clean, safe, peaceful and secure environment with adequate bathroom and toilet facilities. Beside the accommodations facility the community are suggested to welcome the tourist with the full traditional arrangement, entertain the visitors through the local cultural performance, make participation in traditional functions and conserve and develop the other tourism product for the tourist such as community forest for jungle safari, sightseeing, ethnic museum, visit local handicraft center etc (MCTCA 2010).

In the code of conduct, the guests are also requested to dress in an appropriate environment manner and to participate actively in any community cultural functions or other rituals programs. They are not allowed to give pressure to owner for food, baverage and facilities that are not available. Guests have to eat whatever host Family offered the food in a respectful manner. They are also asked to beware of doing any unusual behaviour (such as sexual activities), which is offensive to the local sociocultural values. Similarly they are asked to enter and leave homes only within the prescribed routine of the host family and any forms of psychotropic drug use is totally forbidden at home or outside home. (MCTCA 2010)

For the registration process, both the community homestay as well as individual homestay can be registered at the department of Ministry of Culture, Tourism & Civil Aviation, Government of Nepal or Ministry related to any tourism offices on the local level. Regarding to the community homestay, an agreement paper signed by at least five homestay members, operating on a community basis, National identity cards, the legal paper of property and the recommendations letter from the local authorities should be enclosed with the application. Whereas for the individual homestay property ownership certificate, national identity certificate along with the recommendation letter from the local authorities should be enclosed with the application. If all the requirements are not fulfilled, more time will be given to the related group or person for the improvement and a field visit will be done from the authorized office. (MCTCA 2010)

# 2.4 Research Gap

Almost literature reviews shows that the status of homestay tourism and involvement in different community people for the income and employment. They shows that the positive role of homestay reducing rural poverty through the income generating activities. That's why, this study tried to search that how homestay operator are benefited from the income generating activities and describe the economic status.

# **CHAPTER-III**

# **RESEARCH METHODOLOGY**

In this study, descriptive research design has been applied mainly to collect qualitative information to know the trend and pattern of homestay tourism as well as the contribution of homestay in uplifting rural households income from poverty in Chitlang.

## 3.1 Selection of the Study Area

Chitlang homestay is located at Thaha Municipilaty ward no. 9 of Makawanpur district. It is with the mixed residencies of Chhetri and Newar people. It is 13.5 Km. away from Thankot and very near from Marfa and Tistung-Palung. Marfa and Tistung-Palung are the major tourist destinations for residents of the Kathmandu. The area of study is located on a beautiful hilly geography. Tourist can reach here from Kulekhani, Naubise, Pharping, Thankot thorough private and public vehicle as well as cycling. Hiking is also famous for those destinations. So, those places are the major choices of residents of the capital city. Study includes 11 households of Chitlang which are providing Homestay services. The main aim of Homestays of Chitlang is to raise economic conditions of households, reduce poverty, and raise the living standard of the people by utilizing their own skill, labour, and resources.

## **3.2 Research Design**

The ultimate target of the study is to identify the income status and to show the contribution of homestay to uplifting rural households from poverty of Chitlang homestay community. Mainly, the analysis is based on the result of the collected data, where the specific area has been defined in the case study. The design of the study is made to derive conclusion and answer to the subject matter. After that the research has been designed to analyze both quantitative and qualitative data; which comprises different tools like simple mathematic tools; ratio, percentage. The research design also included the interpretation of the findings which describes the income pattern of homestay tourism. This study has been developed by follow the structural questionnaire to explore the field information on homestay tourism.

## 3.3 Nature and Sources of Data

The nature of study is descriptive as well as analytical. To fulfill the objectives, data have been collected from primary as well as secondary sources. Procedure of collecting data has been given below:

#### a) Primary data :

Sources of primary data of this study collected by the responsive sample of person from various. Sectors which has been collected through the structure questionnaire, personal contact as well as interview was also conduct to perform research work.

#### b) Secondary data:

Secondary data has been collected from various published and unpublished materials by related organizations; publication of central bureau of statistics, ministry of Culture, Tourism and Civil Aviation, Homestay Association of Nepal, Community Homestays' reports and Nepal Tourism Board.

## **3.4 Population Size and Procedure**

The study conducted in Chitlang. As the households who are running homestay services are not in large in numbers, the census has been taken as appropriate for collection of data or information. All 11 homestays on census of population has been selected for information gathering. The individual information from every homestays has been collected as per the designed questionnaires. Questionnaires has been designed in such a way that they give almost all information of respondents and meet the requirements to make results or conclusions. Personal interviews has taken with the respondents and with the operator of homestay in Chitlang.

## **3.5** Tools and Method of Primary Data Collection

To collect primary data necessary for the study, direct interview has taken with the respondents using a structured questionnaire. It means, to required primary data has been collected from the field study by the researcher himself using the questionnaire method. Qualitative and quantitative methods have been used and study was focused on key informants' interview and FGDs were carried out with checklist with highly extroverts, informative and reliable people were choosen.

## **3.6** Methods of Data Analysis

The data and information gathered and adopted from various sources has been categorized, grouped and classified according to requirements. The collected information through various methods and techniques were put together and analyzed in separate sub-headings according to the nature of data. To analysis the quantitative data fundamental operations along with simple statistical tools such as percentage, ratio, average etc has been applied. The data and information has been presented in table, chart, bar diagram, percentage and different statistical means. The qualitative data are analyzed descriptively.

# **CHAPTER-IV**

# DATA PRESENTATION AND ANALYSIS

## 4.1 Demographic Information

Economic status such as income, expenditure, ethnic composition, sex, occupation, literacy etc. of the respondent are presented and analyzed in this chapter. This study focuses on the economic aspects of households, ethnic and gender participation and other homestay activities. Economic features of the households are helpful in understanding of the economic scenario of the respondents in the study area.

## 4.1.1 Population Status

The total population of respondent is 11. Among them 8 are male and three are female leaded homestay. The population size is not so large; so the census has been made for data collection. Among them five houses are from Brahman and Chhetri and six houses from Janajati. The sex and ethnic composition of respondent is presented in Table 4.1 and Figure 4.1.

Sex and Ethnic group	Brahman & Chhetri	Janajati	Total	Percent
				age
Male	5	3	8	72.72
Female	-	3	3	27.27
Total	5	6	11	-
Percentage	45.45	54.5	-	100

 Table 4.1: Sex and Ethnic Composition of the Respondents

Field Survey, 2018

Among ll respondents 8 houses are from male and 3 houses are from female. Among male, 5 houses are from brahman and chhetri and 3 houses are from janajati. There are no houses form brahman and chhetri female and 3 thouses are from janajati female. It shows that the more than 54 percent of respondents are from janajati and 45 percentage of respondents are from Brahman and Chhetri in total. It has been presented the sex and ethnic composition of the respondents in below figure too.

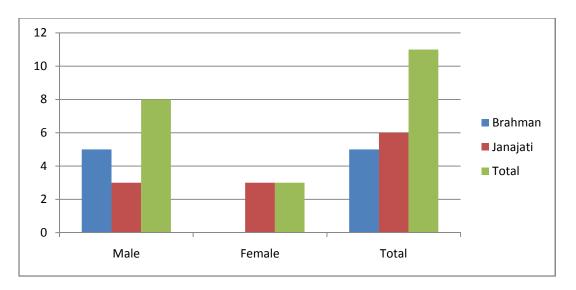




Figure shows that the male and female respondents and the brahman and janajati respondents status of Chitlang homestay. No female respondents from the brahman and chhetri ethnic group.

## 4.1.2 Educational Status

Education level of the respondents are classified into four categories such as Illiterate, Primary which refers the education studying or leave on class 1 to 5, Secondary which indicates the education studying or leave on class 6 to 12 and collage which refers the education studying or leave on Diploma and above. In Chitlang Homestay, nobody respondent is illiterate, two respondents are on primary level, two respondents are on secondary level and eight respondents are studying or leave education on Collage level. So the education status of respondents is presented in Table 4.2.

**Table 4.2: Educational Status of Respondents** 

Education	Illiterate	Primary	Secondary	College	Total
Ethnic					
Brahman &					
Chhetri	-	-	1	4	5
Janajati	-	1	1	4	6
Total	-	1	2	8	11

Field Survey, 2018

Education is the indicator of the economic status of community. The skilled human resource depends on education. Nobody respondent is illiterate among 11 populations. Among those populations, only one of Janajati are found left their education at primary level. Like this, one of Brahman and one of Janjati respondents have found studied up to secondary level. And, four Brahman and four Janajati respondents are found studied at college level, which is 72.72% of the total population. It has been presented in the above Table 4.2.

#### 4.1.3 Types of Houses

The type of house is one of the symbol of socio economic status of the households. It is also a mean to attract visitors to the area. Typical Nepalese houses with thatched roofs and local designs. It shows the local original identity of the region and it plays role to attract tourists. Now a days, most of them have upgrated their houses to the galvanized roof with local designs. The types of houses in Chitlang homestay's respondent is presented in Table 4.3.

Types of Houses Ethnic Group	Thatched	Galvanized	Concrete	Total
Bramhan & Chhetri	-	3	2	5
Janajati	-	4	2	6
Total No. of houses	-	7	4	11

**Table 4.3: Types of Houses of Respondents** 

Field Survey, 2018

Among 11 houses in Chitlang Homestay area, there is not any houses with thatched roof. Seven houses are galvanized and four are made concrete. Three galvanized and two concrete houses are of Brahman and Chhetri and the four galvanized and two concrete houses are of Janajati.

## 4.2 Trend of Tourism

The trend of tourism in Chitlang Homestay have been analysed in two terms; first in terms of number of tourists visiting Chitlang and next in terms of income. In chitlang homestay, 95 percent of tourist are internal and almost 5 percentage tourist come from Europe and other nations.

#### 4.2.1 Visitor's Flow and Income of 2017

The data has been collected in yearly base. The data gives the number of vistors in respective time periods. The overall data structure shows increasing treand of number of visitors and income. The average tourist arrival status and revenue of the year 2017 in Chitlang homestay's respondent is presented in Table 4.4 and 4.5.

S.N.	Name of Homestay	Number of Tourist (Total)	<b>External Tourist</b>
1.	Chandragiri	1,200	42
2.	Gothchij	1,080	34
3.	Narayanhiti	960	15
4.	Chitrapur Relimai	840	24
5.	Swachchhanda Bhairab	840	20
6.	Gurjudhara	840	7
7.	Chitlange Kaji	720	13
8.	Joshi	720	9
9.	Namuna	720	11
10.	Hamro	610	17
11.	Hilltop	630	14
	Total	9,160	207

Table 4.4: Tourist Arrival Status in 2017

Field Survey, 2018

The data shows that the number of tourist arrived in Chitlang homestay in the year 2017 AD. Among them Hamro and Hilltop homestay has opened only five and three months ago respectively. So, the data has been presented of them last five and three months of 2017 respectively. Last year, 9,160 tourists visit there in Chitlang. Among them 1,200 tourists with 42 foreigners have arrived in Chandragiri homestay and 1,080 tourists with 34 foreigners have arrived in Gothchij homestay. Like wise, 960 tourists with 15 foreigners have arrived in Narayanhiti homestay, 840 tourists with 24 foreigners have arrived in Chitrapur Relimai, 840 tourists with 20 foreigners have arrived in Swachchhanda Bhairab homestay, 840 tourists with 7 foreigners have arrived in Gurjudhara homestay, 720 tourists with 13 foreigners have arrived in

Chitlange Kaji homestay, 720 tourists with 9 foreigners have arrived in Joshi homestay and 720 tourists with 11 foreigners have arrived in Namuna homestay last year.

S.N.	Name of Homestay	Total Revenue	<b>Operating Cost</b>	Net Income
1.	Chandragiri	150	52	98
2.	Gothchij	117	41	76
3.	Narayanhiti	104	36	68
4.	Chitrapur Relimai	98	39	59
5.	Swachchhanda Bhairab	104	36	68
6.	Gurjudhara	112	39	73
7.	Chitlange Kaji	90	27	63
8.	Joshi	84	29	55
9.	Namuna	78	27	51
10.	Hamro	146	51	95
11.	Hilltop	294	102	192

 Table 4.5: Net Average Monthly Income in 2017 (in thousand)

Field Survey, 2018

The data shows that the monthly average total revenue, operating cost and net income of Chitlang homestay respondents of the year 2017 AD. The data has been presented of Hamro and Hilltop homestay of last five and three months of 2017 respectively. Last year, total revenue and operating cost of Chandragiri homestay was 1,50,000 and 52,000 respectively. So the net income of Chandrigiri is 98,000. Which is the highest income of the year. Namuna homestay have earned only 51,000. The net income has reduced from the 27,000 of operating cost from 78,000 of total revenue. Which is the lowest income of the Chitlang homestay. Average operating cost is 35 to 40 percent of every homestays.

#### 4.2.2. Visitor's and Revenue Trend

In Chitlang, there were six homestays has been opened since 2012 AD under the Chitlang Community Homestay. They are still operating and five new homestays are opened there. The five years tourist arrival status and income trend of those six homestays, which has opened in seven years ago, is presented in table 4.6 and 4.7.

Years					
Names of Homestay	2013	2014	2015	2016	2017
Chandragiri	650	820	1010	1050	1,200
Gothchij	610	760	890	930	1,080
Narayanhiti	490	610	770	810	960
Chitrapur Relimai	420	560	710	795	840
Swachchhanda Bhairab	480	610	735	775	840
Gurjudhara	455	580	715	760	840

 Table 4.6: Average Tourist arrival status of last five years (2013 to 2017)

Field Survey, 2018

The data shows that the number of tourist arrival status of last five years of Chitlang Commnunity Homestay. Among them, Chandragari homestay has entered the highest number of tourist and Chitrapur Relimai, Swachchhanda Bhairab and Gurjudhara have entered lowest similer. In 2013 AD, 650 tourists had visit Chandragiri homestay and in 2017 AD, 1,200 tourists have visit there. The increasing rate of tourist arrival is more than 84 percent within five years. Similarly, 610 tourists have arrived in Gothchij homestay in 2013 and 1,080 tourists in 2017, increased by 77 percent. Likewise tourist increasing rate of Narayanhiti homestay is 96 percent, Chitrapur Relimai is 100 percent, Swachchhanda Bhairab is 75 percent and Gurjudhara is 84 percent within five years. We can see the trend of tourist arrival status of last five years in figure below.

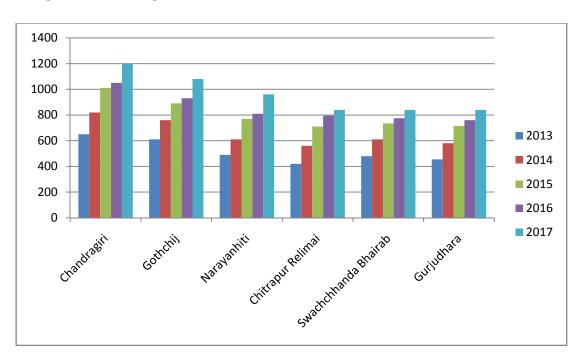


Figure 4.2: Average Tourist Arrival Status of Last Five Years (2013 to 2017)

Figure shows that the tourist arrival status of last five years in homestays, which is increasing every year gradually.

Years					
Names of Homestay	2013	2014	2015	2016	2017
Chandragiri	450	600	800	995	1,170
Gothchij	400	450	650	850	913
Narayanhiti	300	400	500	600	811
Chitrapur Relimai	250	250	400	550	705
Swachchhanda Bhairab	400	500	550	700	811
Gurjudhara	350	400	520	770	873

Table 4.7: Net Average Revenue of Last Five Years (2013 to 2017 in thousand)

Field Survey, 2018

The data shows that the net average revenue of last five years of six homestay, which have operating under the Chitlang Community Homestay. Among them, Chandragari homestay has earned highest and Chitrapura Relimai has earned the lowest revenue. Revenue from homestay of Chandragiri was 450,000 in 2013 AD. After five years it is increased by 720,000 rupees. Likewise, Gothchij homestay has increased its

revenue by 513,000 rupees and Narayanhiti homestay has increased its revenue by 511,000 rupees within five years. Revenue from homestay of Chitrapur Relimai was 250,000 in 2013. After five years it is increased by 455,000 rupees. Similarly, Swachchhanda Bhairab and Gurjudhara increased there revenue by 411,000 and 423,000 rupees respectively. We can see the net average revenue trend of last five years of those homestay's, which have operating under the Chitlang Community Homestay in figure below.

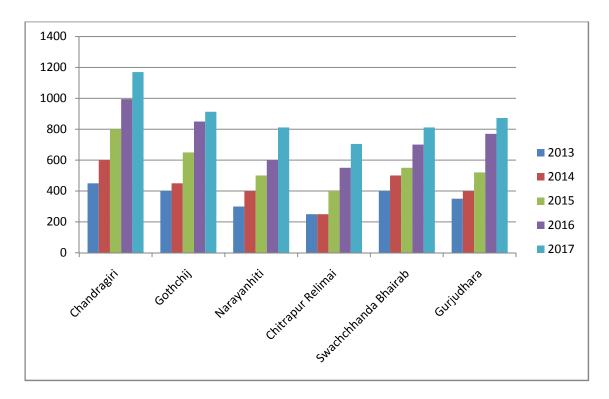


Figure 4.3: Net Average Revenue of Last Five Years (2013 to 2017 in thousand)

Figure shows that all homestays have been increasing their net revenue gradually every year.

Years					
Names of Homestay	2013	2014	2015	2016	2017
Chandragiri	157.5	210	280	348.25	409.5
Gothchij	140	157.5	227.5	297.5	319.55
Narayanhiti	105	140	175	210	283.85
Chitrapur Relimai	100	100	160	220	282
Swachchhanda Bhairab	140	175	192.5	245	283.85
Gurjudhara	122.5	140	182	269.5	305.55

 Table 4.8: Net Average Cost of Last Five Years (2013 to 2017 in thousand)

Field Survey, 2018

The data shows that the net average cost of last five years of six homestay, which have operating under the Chitlang Community Homestay. Among them, Chandragari homestay, Gothchij homestay, Narayanhiti homestay, Swachchhanda Bhairab homestay and Gurjudhara homestay has 35% cost of total revenue and Chitrapur Relimai has 40% cost of total revenue.

Table 4.9: Net Average Income of Last Five Years (2013 to 2017 in thousand)

Years					
Names of Homestay	2013	2014	2015	2016	2017
Chandragiri	292.5	390	520	646.75	760.5
Gothchij	260	292.5	422.5	552.5	593.45
Narayanhiti	195	260	325	390	527.15
Chitrapur Relimai	150	150	240	330	423
Swachchhanda Bhairab	260	325	357.5	455	527.15
Gurjudhara	227.5	260	338	500.5	567.45

Field Survey, 2018

The data shows that the net average income of last five years of six homestay, which have operating under the Chitlang Community Homestay. Among them, Chandragari homestay has earned highest and Chitrapur Relimai has earned the lowest income. Income from homestay of Chandragiri was 292,500 in 2013 AD. After five years it is

increased by 468,000 rupees. Likewise, Gothchij homestay has increased its income by 333,450 rupees and Narayanhiti homestay has increased its income by 332,150 rupees within five years. Income from homestay of Chitrapur Relimai was 150,000 in 2013. After five years it is increased by 273,000 rupees. Similarly, Swachchhanda Bhairab and Gurjudhara increased there income by 267,150 and 339,950 rupees respectively. We can see the net average income trend of last five years of those homestay's, which have operating under the Chitlang Community Homestay in figure below.

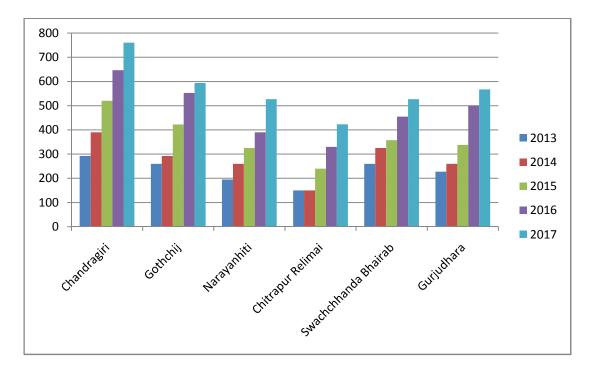


Figure 4.4: Net Average Income of Last Five Years (2013 to 2017 in thousand)

Figure shows that all homestays have been increasing their net income gradually every year.

#### 4.2.3 Foreigners arrival

In Chitlang homestay, tourist also visits come from France, Germany, Isreal, Sweden and some of other countries in few numbers. According to Chitlang Community Homestay, last year, there were two hundred and seven numbers of tourist come from France, Germany, Isreal and Sweden. Foreigners visits homestay for two-three days. They prefer local food, culture and the environment of Chitlang.

#### 4.2.4 Tourist Spend (per day)

Normally, In Chitlang homestay, homestay operator has taken 1200 to 1500 Rs. per day per tourist. The charge is not similer. Some homestay has taken 1200 and some are 1300, 1400 and 1500 Rs. per day. Dinner, lunch, snack and break fast will cover on this charge, according to homestay operator schedule. Out of daily charge, tourist spends personally on the alchol and local meat. In winter season, they enjoy with camp fire with extra charge. So, out of daily charge, they spend around 1000 Rs. extra in other activities.

## 4.3 Economic Contribution of homestay

The continuous increase in the volume of tourist flow had direct and indirect impacts on the process of Nepal's economic development as well as operator's income too. There is no doubt that homestay operator's make income by offering their own services to their guest. Income is one part which will make better life standard. Homestay tourism in Chitlang has slowly changing the economic status as well as the living standard of local people. Before starting homestay program in Chitlang the homestay owners were limited in household works & farming and their house's extra rooms also were useless. After start the homestay program their house's useless rooms are proper used, village is developing as tourism village and they are able to increasing per year income by tourism.

#### 4.3.1 Daily Total Revenue of Homestay Operator

The data has been collected in yearly base. It has been converted in to the daily base in average. The overall data structure shows that the net average daily total revenue of nine respondents. The data has not been presented of Hamro and Hilltop homestay, because they were start to operate last five and three months of 2017 respectively. The net average daily total revenue of Chitlang homestay's respondent is presented in Table 4.8.

S.N.	Name of Homestay	Total revenue (Rs.)
1.	Chandragiri	5000
2.	Gothchij	3900
3.	Narayanhiti	3467
4.	Chitrapur Relimai	3000
5.	Swachchhanda Bhairab	3467
6.	Gurjudhara	3733
7.	Chitlange Kaji	3000
8.	Joshi	2800
9.	Namuna	2600

 Table 4.10: Net Average Daily Total Revenue (2017)

Field Survey, 2018

The data shows that the net average daily total revenue of the homestay operator of respondents. Among them Hamro and Hilltop homestay has opened only five and three months ago respectively. So, the data has not been presented of them.

## 4.3.2 Daily Expenditure of Homestay Operator

The data has been collected in yearly base. It has been converted in to the daily base in average. The overall data structure shows that the net average daily expenditure of nine respondents. The data has not been presented of Hamro and Hilltop homestay, because they were start to operate last five and three months of 2017 respectively. The daily average expenditure of homestay operator of Chitlang homestay is 35 to 40 percent of total average income. The data has been calculated from the net average daily total revenue. The net average daily expenditure of Chitlang homestay's respondent is presented in Table 4.9.

S.N.	Name of Homestay	<b>Operating Expenditure (Rs.)</b>
1.	Chandragiri	1733
2.	Gothchij	1367
3.	Narayanhiti	1200
4.	Chitrapur Relimai	1300
5.	Swachchhanda Bhairab	1200
6.	Gurjudhara	1300
7.	Chitlange Kaji	900
8.	Joshi	967
9.	Namuna	900

 Table 4.11: Net Average Daily Expenditure (2017)

Field Survey, 2018

The data shows that the net average daily expenditure of the homestay operator of respondents. Among them Hamro and Hilltop homestay has opened only five and three months ago respectively. So, the data has not been presented of them.

## 4.3.3 Net Income of Homestay Operator

The data has been collected in yearly base. It has been converted in to the daily base in average. The overall data structure shows that the net average daily income of nine respondents. The data has not been presented of Hamro and Hilltop homestay, because they were start to operate last five and three months of 2017 respectively. Net average daily income has been decuced net average daily expenditure from net average daily total revenue. The net average daily income of Chitlang homestay's respondent is presented in Table 4.10.

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 Table 4.12: Net Average Daily Income (2017)

Field Survey, 2018

The data shows that the net average daily income of the homestay operator of respondents. Among them Hamro and Hilltop homestay has opened only five and three months ago respectively. So, the data has not been presented of them.

The net average income of Chandragiri homestay is 3267 Rs. Like wise, Gothchij, Narayanhiti, Chitrapur Relimai, Swachchhanda Bhairab, Gurjudhara, Chitlange Kaji, Joshi and Namuna homestay's net average income is 2533, 2267, 2700, 2267, 2433, 2100, 1833 and 1700 Rs. respectively.

Figure 4.5: Net Average Daily Income (2017)

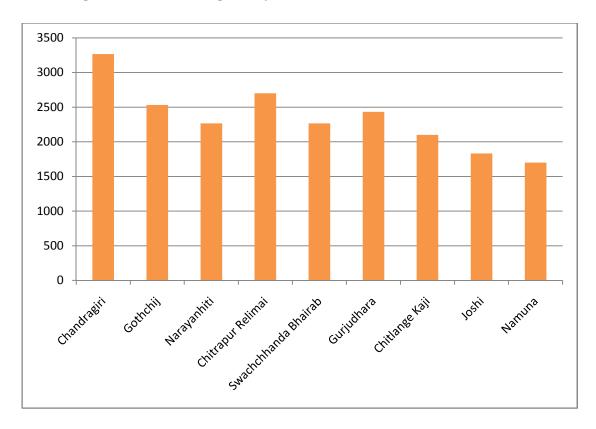


Figure shows that the net average income level of homestay operator of Chitlang homestay.

### 4.3.4 Challenges and Opportunities

Regarding the market feasibility of the homestay programme in Nepal, there is not any problems to develop the tourism. It just need a determined mind, skills, knowledge, and hardworking hands. As we know that Nepal is located between the two giant Asian countries India and China and this geographic situation might be the biggest advantage to development of the tourism in Nepal along with domestic tourist. There is no doubt about natural beauty and the cultural richness of Nepal; it just needs creative skills, experiences and the knowledge to transfer those assets into the tourism products but still there are many challenges to operate homestays in Nepalese villages.

Likewise, sound tourism development plan needs specific schemes of management, appropriate plan, accurate policy and strategic approach. Also, more sensitivity should be paid to organize and promote village area is very effective idea which enhance the economic condition of the nation. For the reduction of rural poverty, village tourism is an effective tool in developing countries likes Nepal. The concept of village tourism must be a multipurpose one to success.

### 4.3.4.1 Challenges

The Chitlang in Makawanpur is facing some common challenges to promote village tourism. In formations for this study are taken through several sources such as observation, questionnaire and interview with statuses of people such as local people, homestay owners, members of Chitlang Homestay Committee (CHC). Major challenges associated with the tourism in the study area are given below:

### a) Infrastructural Problems

Infrastructural facilities are the most important aspects of tourism development. Without infrastructural facilities, development of tourism couldn't be expected. The main problem related to infrastructural facilities in the area is transportation and others. These are basic infrastructural components in the tourism industry. The study shows that such facilities are couldn't be developed in appropriate manner. That is infrastructural components couldn't developed in adequately to meet the interest of visitors.

Transportation is the backbone of the tourism industry. It enables people to visit destination. It is well known that transportation facilities are not well condition in the study area. The condition of road from Kathmandu to Chitlang is not good. Thankot (Kathmandu) to Chitlang road is under construction. Tourist can use some rural roads to go Chitlang but those are long distance and worst and can not usable in rainny season. So that is one problem of road transportation in promotion of homestay tourism in Chitlang.

### b) Education

Education is also one of the major part of human development and tourism industry. Village tourism is developing in the village area generally in far from centre, there isn't job opportunities and school with quality education for their children. So, most of educated people have been migrated in Kathmandu and Hetauda for a job and theirs children's good education. Some of homestay owners are not able to write and speak English, they need support of others like: their children, tourist guide or mediator they can cheat them. So, the education and migration of educated people is one of the problems in Chitlang.

### c) Health Service Center

Although there are a lot of government and private hospitals in Kathmandu but in the Chitlang there is only Primary health service. It is not far from Kathmandu by distance, but due to the road problem, they are unable to take helth services easily. Primary health post of Chitlang is not well equipped in the time of emergency and even of the general health services. It is causing a great deal of inconveniences to local people as well as tourist visiting area. Therefore insufficient facilities of health service should be considered as a problem for the promotion of village tourism.

### 4.3.4.2 **Opportunities**

Tourism has provided directly or indirectly employment opportunities to the local people on homestay, although there is not any hire employee in homestay, since it is in starting phase. The major opportunity of Chitlang homestay is Kathmandu. Kathmandu is not so far from Chitlang and the major targeted people of Chitlang homestay lies in Kathmandu. In Kathmandu, there are not any visited area and open space to spend their free time such as weekend and other family trips. So, when roads problem is solved, Chitlang homestay can get a lot of tourist.

### **CHAPTER-V**

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

### 5.1 Summary

Tourism is the largest industry in Nepal, and 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. Hindu, Buddhist heritage like Pashupatinath Temple, Lumbini, birthplace of Gautam Buddha, Swambhunath are the some major attractions of this country. In Nepal, there are 10 world heritage area, which also the famous for world's tourists. In Nepal, a lot of tourist areas are located in the remote area, they are backwarded lack of the infracture for tourism promotion, where homestay tourism is contributing to promote it.

Rural tourism focuses on participating in a rural lifestyle. It can be a variant of ecotourism. Any village can be a tourist attraction, and many villagers are very hospitable. Agriculture is becoming highly mechanized and therefore requires less manual labor. This is causing economic pressure on some villages, leading to an exodus of young people to urban areas. There is however, a segment of urban population that is interested to visit the rural areas and understand their perspective. This segment has been rapidly growing in the past decade and has led to rural tourism becoming a good business prospect.

The history of village tourism in Nepal is not long. Nepal has introduced a program of village tourism aiming at promoting country's tourism industry in 2052 B.S. for the first time. Though, the promotion of tourism sense started more or less from the beginning of 1960. But concrete steps to promote and intensity and ordinate way were made when a high level 'Nepal tourism development committee' was formed in 1970 on the financial and technical assistance of the culminated in the publication of the Nepal. Tourism master plan in 1972, when has been the basis of all future activities will in the field of tourism development in Nepal.

Homestay was unknown till some of years ago in Nepal. But now a days, it is being popular for the villages base tourism. Homestay has been becoming a major way of tourism development. Some part of villages population include in this sector. So, homestay is an important side of tourism economy. There are different kinds of literature available on homestay tourism and its impact. In review of literature an attempt has made to provide the theoretical foundation of the impact of homestay tourism on local people. In dealing with theoretical foundation some books studies, magazines, reports articles and dissertations have been reviewed. For the purpose of the study of this subject, literature of varius writers is viewed from the thesis presented by former students, reports and paper represented in seminars, bulletins, journals and information published by various concerned agencies and books on the concerned topic.

Almost literature reviews shows that the status of homestay tourism and involvement in different community people for the income and employment. They shows that the positive role of homestay reducing rural poverty through the income generating activities. That's why, this study tried to search that how homestay operator are benefited from the income generating activities and describe the economic status.

The study has some important findings. Ethnically, five families of Brahman and Chhetri were found involved in homestay tourism while six families of Janajatis were involved. This means Among 11 households 45.45 percent are Brahman and Chhetri and 54.5 percent are janajati. Chitlang is not seemed to be gender friendly in Brahman and Chhetri. Among five of Brahman and Chhetri, on one household has given ownership of homestay services to female. But, in janajati, it is seemed to be a gender friendly. Among six households, 50 percent ownership of homestay service to female in janajati.

Among 11 household's owners, nobody is illiterate, one (9.09%) are with primary education, two (18.18%) have got secondary level education and eight (72.72%) are found to have college level education. This indicates that even educated people have been attracted to homestay tourism. Among the house which are permitted to operate homestay service, no house is found with thatched roof, while seven are with galvanized roofs and four houses have concrete structure. The local identity and originality in the structure and design of houses is on galvanized roofs. Now a days, they are trying to upgrated into the concrete structure.

There is a seasonal effect in homestay tourism. During the year, Mangsir to Fagun is the main season for tourist. During this four months, around 60 percent tourist visits Chitlang homesty with foreigners. The main attraction of tourist in Chitlang is the natural food and clean invironment. Tourist from Kathmandu, Bhaktapur and Lalitpur goes to Chitlang for the natural food and camp fire, mostly in winter season then the cultural activities. Chitlang is developing as a quite destination to depart from the crowded of cities for short time period. Data shows that the flow of tourist increasing rate is high every year. Around 3,105 tourist had visited in 2013 AD in Chitlang, where as last year 9,160 tourist reached there. During five years, the flow of tourist is increase by more than 195 percent. Homestay is also adding there in Chitlang causes the increasing flow of tourist. Untill 2016 AD. there were only six homestay and now five new homestays are opened within two years.

Income from homestay is also satisfiable. Homestay has run under the existive structure. So, it is not need huge and extra investment for the homestay operation. More over, they used their local product like rice, maize, wheat, daal and other vegetables. So, operating cost is also low, it means less than 40 percent. There are also several positive benefits of rural tourism, the host community or the family can have exposure with the outer world through the people who visit the village as well.

### 5.2 Conclusion

Now a days, prime concern of every nation of the world is rapid economic development and Nepal is no exception to this ever-continuing process. Nepal aims sound economic system to upgrade living standard of people. Thus, a lot of money has to be spent to achieve maximum national goal. Thus, homestay tourism can contribute in the national economy. The study on homestay tourism can contribute the national economy as well as advantages groups.

Nepal is a small land-locked republican country in the central part of Asia. It is famous for its long chain of Himalayas, green mountains traditional arts and architecture and the various national parks having varieties of flora and fauna in the lap panoramic natural sceneries. The traditional unique cultures of various ethnic groups settled in different ecological zones are the other factors to attract tourists in the country.

Chitlang Homestay Village is not very far from Kathmandu, But It is not also key point for the tourists visiting Nepal due to lack of promotional activities. The inflow of tourists in Chitlang Homestay has been increasing which is a good symptom for homestay tourism development. The study was specific on the objectives of analyzing the trend of contribution of homestay tourism on households' income in Chitlang homestay. Nobody of respondents were illiterate in Chitlang homestay. One of the income source of them were tourism business beside other occupation and local people were more attracted towards this business. It is clear that during two years homestay households' is increased by 50 percent. Due to lack of knowledge regarding tourism business appropriate management of homestay, service delivery seems lacking. Both positive and negative influence is seen in socio-cultural life of local peoples. In the context of Environmental change, there is no any major negative influence of the tourism business. Similarly, internal tourist flow was increasing in Chitlang. Lastly, concluding in a gist, rural tourism can be a factor for increased income and alleviating poverty. Rural tourism has equally benefits and problems in the local community but the problems can be minimized if villagers are trained in hospitality and tourism business.

### **5.3 Recommendations**

During the research, the researcher went through different literature review. The researchers gathered numerical and non-numerical data and made both quantative and qualitative analysis. Based on the study researcher gives some recommendations:

- a) Special measures are suggested to be applied to increase women's participation in the management of homestays. Building houses in modern design and concrete structure is a challenge in preserving the originality of local community. It may be a reson of distracting tourists, who visit villages for different taste and experiences. Hence, there is a need of strong initiation of promoting houses with thatched roofs and local design besides concrete house.
- b) To compensate seasonal effect internal tourism should be promoted. Leave tourism, Educational visits and other tools should be applied to promote internal tourism in homestays. Knowledge and Skills for disaster management should be provided to local entrepreneurs. Precautionary measures should be applied on time in such crises.
- c) During the periods of disasters, government and media should be very careful for the flow of true and exact information and during the such periods, there

are high chances of violation of rules and procedures and hence, Homestay Management Committee and other relevant agencies should perform proper monitoring, which is still not covered all participant's on that committee. The government subsidy procedure should be simple and timely.

- d) Homestay should play vital role to promote local culture and traditions. It should give priority for the consumption of local products. Other local businesses should be promoted through homestay, and promotional activities and publicity of homestay services are to be applied. Different trainings like cooking sanitation, languages are also suggested for homestay promoters.
- e) Here, government has major role to promote rural tourism in the medium of homestay. For that, government should formulate the act and policy and should review tax policy, which has to be attracted the rural villagers towards homestay services. Central government also needs to help the local government to promote homestay tourism in remote area.

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### **APPENDIX-I**

### **Questionnaires for the Field Survey**

#### 1. General Information of Respondent

- a) Name: .....
- b) Age: .....
- c) Gender: Male () Female ()
- d) Education of Respondents: Illiterate () Primary () Secondary () College ()

#### **Family Description**

S.	Name	Age	Sex	Education (Illiterate,	Relation to
N.				Primary, Secondary, College)	Respondent
1.					
2.					
3.					
4.					
5.					
6.					

### 2. What is your family type?

a) Joint b) Nuclear

### 3. What type of house you have?

a) Galvanized () b) Thatched () c) Concrete house ()

### 4. Is this dwelling unit occupied by your household only?

a) Yes ( ) b) No ( )

### 5. Rooms that your household occupy.

a) Less than 4 ( ) b) 4-6 ( ) c) 6-8 ( ) d) More than 8

### 6. The fuel which is most often used by your households for cooking.

a) Firewood ( ) b) Bio-gas ( ) c) Kerosene ( ) d) Cylinder Gas ( )

### 7. Agriculture Income of Households

S.N.	Crops	Quantity	Price Rs.
a.	Paddy		
b.	Maize	-	
c.	Wheat	-	
d.	Lentils (Mas, Masyang, keraoo, Gahat etc.)		
e.	Vegetables	-	
f.	Fruits (Sweet Lime, Orange etc.)		
	Total		

### 8. Income from livestock (the price earned during past one year)

S.No.	Type of Livestock	Number	Total Cash Income Rs.
a.	Cattle		
b.	Buffalo		
с.	Goat		
d.	Pigs		
e.	Chicken		
f.	Duck		
g.	Milk Production		
h.	Egg Production		
i.	Sales of Gee		
j.	Others		

### 9. Main source of Income

a) Homestay () b) Livestock () c) Horticulture () d) Vegetable farming ()

#### 10. Income of the households

# Maintain the household income from following sources and the earned income from each source in a year time period.

S.No.	Occupation	Product Qty	Income
a.	Agriculture/livestock		
b.	Business		
с.	Remittance		
d.	Private Job		
e.	Government Job		
f.	Old Age allowance		
Total	-		

### **11. What is your monthly Income from Homestay?**

a) Below 40,000 ( ) b) 40,000-80,000 ( ) c) 80,000-1,20,000 ( ) d) Above 1,20,000 ( )

### 12. What is your average cost on Homestay per month?

a) Less than 20,000 ( ) b) 20,000- 40,000 ( ) c) 40,000- 60,000 ( ) d) More than 60,000

#### 13. Which month is the main season for tourist?

.....

### 14. Did Homestay help to uplift your economic status?

a) Yes b) No

#### 15. How much ropani/Bigha land is owned by your family?

.....

16. Do you feel that distribution of the benefit from the Homestay is fair and equitable?

a) Yes b) No

#### 17. Do you have to pay for Community Homestay Management committee?

a) Yes b) No

If Yes, Do you pay as?

- a) Fee b) contribution
- If No, Are the product available free
  - a) Yes b) No

### **18.** Five years Income from Homestay

Year		Net	t Income	
	up to 3 Lakh	3 to 5 lakh	5 to 10 lakh	more than 10 lakh
2013				
Name of	Community Homes	stay	Chitlang	Community Homestay

2014		
2015		
2016		
2017		

### 19. What types of benefits from tourism activities to local people?

a) Employment b) Market to local Product c) others

### 20. What types of goods of product are offer from tourist?

a) Green Vegetables b) Local Food c) others

### **19.** Have you any suggestion for the betterment of Homestay tourism?

.....

**Thanks for co-operation** 

### **APPENDIX-II**

### **Description of Selected Community Homestay**

Address		Chitlang, Makawanpur
Date of Registration		2012
No of Households/Me	mebers	11
Promotor's Gender	Male	8
	Female	3
Ethinicity	Brahman/Chhetri	5
	Janajati	6
Size Management Con	mmunity	11
Sex wise EC	Male	8
	Female	3
Cast wise	Brahman/Chhetri	5
representation on EC	Janajati	6

# **APPENDIX-III**

# **Survey Table**

Chandragiri Homestay						
Average Revenue (Rs.)	Average Cost (Rs.)	Average Profit (Rs.)				
450,000	157,500	292,500				
600,000	210,000	390,000				
800,000	280,000	520,000				
995,000	348,250	646,750				
1,170,000	409,500	760,500				
Goth	nchij Homestay					
400,000	140,000	260,000				
450,000	157,500	292,500				
650,000	227,500	422,500				
850,000	297,500	552,500				
913,000	319,550	593,450				
Naray	anhiti Homestay					
300,000	105,000	195,000				
400,000	140,000	260,000				
500,000	175,000	325,000				
600,000	210,000	390,000				
811,000	283,850	527,150				
Chitrapur Relimai						
250,000	100,000	150,000				
250,000	100,000	150,000				
400,000	160,000	240,000				
550,000	220,000	330,000				
	Average Revenue (Rs.)         450,000         600,000         800,000         995,000         1,170,000         Goth         450,000         400,000         450,000         450,000         450,000         450,000         450,000         450,000         450,000         450,000         450,000         450,000         450,000         500,000         400,000         500,000         811,000         250,000         400,000	Average Revenue (Rs.)         Average Cost (Rs.)           450,000         157,500           600,000         210,000           800,000         280,000           995,000         348,250           1,170,000         409,500           Got+ij Homestay           400,000         140,000           450,000         227,500           650,000         227,500           650,000         227,500           850,000         297,500           913,000         105,000           100,000         140,000           400,000         140,000           105,000         227,500           850,000         297,500           913,000         105,000           400,000         140,000           100,000         140,000           500,000         175,000           600,000         210,000           811,000         283,850           Chit=pur Relinai           250,000         100,000           250,000         100,000				

2017	705,000	282,000	423,000			
	Swachchhanda Bhairab Homestay					
2013	400,000	140,000	260,000			
2014	500,000	175,000	325,000			
2015	550,000	192,500	357,500			
2016	700,000	245,000	455,000			
2017	811,000	283,850	527,150			
	Gurj	udhara Homestay				
2013	350,000	122,500	227,500			
2014	400,000	140,000	260,000			
2015	520,000	182,000	338,000			
2016	770,000	269,500	500,500			
2017	873,000	305,550	567,450			
	Chitla	nge Kaji Homestay				
2017	756,000	226,800	529,200			
	J	oshi Homestay				
2017	655,200	229,320	425,880			
	Namuna Homestay					
2017	608,400	212,940	395,460			
	Hamro Homestay					
	HillTop Homestay					

# **APPENDIX-IV**

# List of Homestay Operator

S.N.	Name of Homestay	Name of Operator	Contact
1.	Chandragiri	Radha Krishna basnet	9851241882
2.	Gothchij	Ashok Kumar Singh Thakuri	9851162253
3.	Narayanhiti	Mina Shrestha	9841923958
4.	Chitrapur Relimai	Nawaraj Mahat	9814292695
5.	Swachchhanda Bhairab	Punyaman Balami	9841706170
6.	Gurjudhara	Hiradevi Manandhar	9845149362
7.	Chitlange Kaji	Ram Krishna Basnet	9851188319
8.	Joshi	Mohan Lal Joshi	9807278845
9.	Namuna	Shukadev Basnet	9845149365
10.	Hamro	Shyam Shrestha	9849299371
11.	Hilltop	Indramaya Thokar	9841081308