

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Our country Nepal is a rich in natural beauties gifts resources and wonder. There are many place and things of culture, historical and religious importance. Mt. Everest the highest peak in the world lies in Nepal. We are proud of it. The snow capped mountain peaks, beautiful water resources, the green forest of hypnotic beauty have attracted many tourists each year. 'The best seller book 1935 Lost Horizon introduced a word Shangri-La and gave a new vision the world of imagination. Heaven lies somewhere in Himalayas that is NEPAL.'¹

We know Nepal is a land-locked country. It's land area is 1,47,181 sq. km. It is situated between China and India between latitude 26⁰ north to 30⁰ north, longitude 80⁰ east to 88⁰ east. The length of the country is 885 km and breadth is 145 kilometers to 240 kilometers. Physically Nepal is divided into three regions.

- Himalayan region
- Hilly region
- Terai region

The total land of the Nepal constitutes 15 percent of Himalayan region, 68 percent of Hilly region and 17 percent of terai region. 'According to the economic survey of Nepal 74 percent of the Nepali in the country depends on agriculture.'² Nepal has different types of climate. Nepal is popular for its own beauty consisting of Himalayas, more than 800 types of birds, jumping rivers, wild forest, calm and quite lakes, healthy and peaceful climate and lots of friendly similes. Nepal has become the

¹ Adopted from Ananda Ghimire, *Travel and Tourism*. Ekta Books, 2011, P. 40.

² *National plan commission*. Draft final report, 2011.

centre of attraction as a tourist destination due to its natural beauty and the world famous mountain range. It has spectacular forested hills, broad green valleys, greater range of flora and fauna and its rich cultural heritage has been major sources of attraction which has led to an increase number of tourists from all around the world.

Now a day tourism in Nepal is very important. Nepal is a suitable place to promote tourism. The nature has given us many things which are liked by tourists. Some tourists come here to enjoy the natural beauties and wonders. Some of them visit our country for trekking and climbing mountain. Some want to learn something about our history, culture, religion and so on. We can see that some tourist come here to enjoy their holidays.

Tourism in Nepal has been one of the major growing industries. Huge portion of annual income of the country relies on tourism and a large number of population is engaged on it either direct or indirect way. In the year 1957 a Tourism Development Board was organized under the chairmanship of the minister of trade and industry. Over all we can get many advantages from it. We have to lot of things to change in this field to develop Nepal tourism industry in our country.

1.2 Evolution of Tourism in Nepal

Nepal offers so many things to the other world like the famous Mt. Everest , rich cultural heritage, fascinating temples, the birth place of Lord Buddha-Lumbini, Pashupatinath for the Hindu devotees, the rare flora and fauna and religious cultural diversity since the ancient times. To describe the historical outlook, we can get through the history of the country tourism.

The ancient history of Nepal is not quite clear with only legends giving some light such as Manjushree from china cut an opening of the rock hill of Chovar and drained the lake water to make Kathmandu fit for the Human habitat. In the period of Lichhavis in 400 AD Chinese visitors Like Huen Tsang, Li-y-Piao, Wang Hiuenise, passed through Nepal and

wrote many historical accounts about it. In the period when there was British east India Company, in 1815 after the Sugauli treaty, a British resident was appointed in Kathmandu. Dr. Wallich visited Nepal in 1817 and carried on his botanical research for a year.

In the rule of Ranas, in 1856 Sir Brian Douglas and Sir Joseph Hooker travelled the country for botanical surveys and collection of Nepal's flora and fauna. King George V came for his famous shooting in the Terai area of Nepal for the purpose of hunting. The princess of Wales visited Nepal in 1922 on the invitation of Rana prime minister for the hunting purpose.

After the end of Rana rule of Nepal was open to all the foreigners. In 1952 great numbers of tourists were recorded to have visited Nepal. In 1950, after getting the membership to the UNO, Nepal became famous in the outside world. In 1956 the pioneer body of Sir Thomas Cook and Sons arrived at Kathmandu in the autumn season. Gradually the government of Nepal felt that the dependable source of the foreign exchange earning would be possible from the tourism industry. Keeping the fact in conscience, Tourism Development Board in Nepal was established in 1957 and tourist information centre was established in 1959. Nepal further succeeded in getting the membership of different international tourism development institutions. During the short period Nepal had improved a great deal in the tourism industry.

In fact Nepal is also presented as invaluable tourism heritage of the proper marketing and product development programs implemented. The government of Nepal through Ministry of Tourism and Civil Aviation along with Nepal Tourism Board and its partner agencies has also committed itself for tourism marketing for the sustainable tourism development in the country. At present tourism is the major industry of the country. For the economic development the emphasis in the tourism field has been proved very important.

1.3 Different Aspects of Tourism

"Tourism is an activity that gives a huge prospect and opportunity for the economic growth of developing countries. The foreign currency earning capacity and employment generating potentials are its major attractions. According to a report of the US based Wharton Econometric Forecasting Associates. One in every 16 works in the planet is employed by the travel and tourism industry of a related sector making it the largest industry in the world in terms of employment."³

Many research and studies demonstrate that tourism can also have a negative effect on the communities in which it being pursued. These negative impacts are felt in the economic as well as the social and physical realms so there is a question mark on the development policies that are oriented exclusively towards promoting economy of the country. Most tourism research in Nepal has also focused on the economic types of industry and the cost and benefits of the industry have been assessed in pure economic terms. This doesn't always have a positive effect.

Even though specific studies on the impacts of particular promotional efforts are difficult to come by most writers on tourism have stressed that this aspect of the business cannot be neglected. Nepal has a rich potential for the tourist trade but the but the country can not for ever count on its reputations as a land adventure and mystery , romance and other events like political instability or an environmental pollution is destroying cloudless reputations and divert the flow of visitors to other places.

International tourism was one of the fastest growing industries in the world before 1973. /the receipts of tourism increased by an average rate of 11 percent annually during the period 1950-1972 compared to the corresponding increase in world trade which increased by 9 percent. Even today in many developing countries like Nepal foreign currency earned through tourism is the largest single item in the balance of payments but the multifaceted nature of tourism with other complexities and the linkages

³ Nagesh Jang Karkee, *Tourism Problems & Prospects*. Unpublished Master Thesis, Center Department of Management TU, 2008,P. 4.

with the manufacturing and retail sectors makes it difficult to measure the size of the business and its possibility.

The history to tourism in Nepal is very long. When the democracy was established in Nepal, there opened the door for tourism industry. Many intellectuals have contributed in several books, booklets, magazines and articles about tourism in Nepal with their writing and many ideas have been flourished on the present topic. Different people hold different views and have their own approach towards the means of developing tourism industry in Nepal. Some emphasize on the development of transportation and communication, some resort, development of market so on. In order to make the study more reliable, dissertation, articles, bulletins and other studies about tourism have been reviewed.

Transportation and communication are basic infrastructure of development of tourism industry in Nepal. Consequently being a landlocked and hilly country, access into Nepal through land routes is difficult where as water transport is not a means of transportation at all for Nepal. In such condition aviation occupies a central position in developing tourism industry. Our country being a mountainous topography results in inadequate transport and communication facilities has seriously hampered the tourism industry.

In order to find out that tourism industry will flourish well, tourism industry should not be limited in the task of showing foreigners the traditional culture only. They should also be encouraged to go beyond this valley to enjoy the beauties of other places and extend their length of stay.

Emphasizing on resort development outside Kathmandu valley includes as the outing from the valley with or without over night stop, increasing the mass of tourist of the same tune prolong their stay in our country and thus receipt can be substantially increased. This gives a special emphasis in increasing more tourist destination points inside the valley. Through this media tourism growth and its monetary contribution can be enhanced. Still tourism in Nepal is mostly concentrated only in Kathmandu and to some extent in Pokhara. In other words, tourism is confined to certain resorts only which may affect adversely in the development of the

economy. For the development of tourism these resorts are to be developed in such a way that it really suits the newly emerging market structure of the international tourism.

1.4 Focus of the Study

Tourism considered as an activity essential to the life of the nation because of its direct effects on the social, educational and economic sectors of national societies and their international relations.

In 1989 World Trade Organizations (WTO) statement predicted that tourism would become the world's number one export industry and would surpass the earning from the trade in oil by next country. Since it was started before the oil crisis in 1990, the global tourist movement accounted for 129 million people who spent a total of \$249 billion. This generated direct employment for 112 million people. Out of this , 0.06% of the tourist reached Nepal. Today the tourist industry appears to hold great potential for the world's developing countries with the foreign currency earned by the sector.

Tourism being an invisible export industry does not need the product to sell from one place to another. The buyers (tourist) of the goods and services are present in the exporting country. International tourism is expected to grow by about 5 percent every year. The spending on international tourism, excluding fares will grow by 4.5 to 5 percent in real terms each year. Tourism is thus of major economic importance.

Managing tourism industry in a proper way can do well for the development and the foreign exchange earned through tourism also helps to offset deficits created by growing demands to import raw materials and materials goods. Nepal Tourism Board (NTB) was established in 2052 B. S. realizing the development of the Nepalese tourism by the involvement of private sector tourism business holders and the government of Nepal. NTB is an independent organization and the main earning of the board is from he 2% service charge paid by the tourists through the business personal involved in tourism which has made the board financially stable. There

have been programs from the government as well as the private sectors involved in the tourism sector performing various tasks for the development of tourism like increasing the awareness of tourism, preservation of the environment, helping the programs which help to increase the beauty of natural resources.

1.5 Statement of the Problem

Nepal has not been able to achieve better results in tourism as per its potentiality due to the lack of sound tourism marketing planning process. The publicity and advertisement still continues to occupy a major area of the promotion of tourism but it also remains a costly way to spread the word. Pleasure seekers and holiday makers account for over 60 percent of Nepal's total tourism so the country still remains a pleasure destination. Despite trying to sell itself as an adventure destination since the 1970's the country has either not yet been able to focus marketing to that end or has serious problems with the recording of tourism statistics. A majority of the western tourists visit Nepal mainly during spring and autumn seasons, while the arrivals in summer and the winter remain comparatively low. The political and other disturbances have also contributed to the vulnerable situation. An overflow of tourists at a particular time can have an adverse impact on the image of the destination. While overbuilding infrastructure may not be economically wise, the need for searching out the problems and prospects to manage the tourism industry is really important. The majority of tourists coming to Nepal are also on multiple Asian destination tours, which provide real marketing challenges to us. Proper recording of tourism information remains a major problem in the industry, which disrupts the marketing planning process of tourism in the country and also in terms of meeting the tourism objective to increase the length of stay in order to increase the foreign exchange earnings.

1.6 Importance of the Study

Tourism gives support to a number of local industries and servicing creating employment opportunities directly and indirectly with a relatively low level of investment. But the absence of comprehensive facts and figures relating to those crucial aspect will lead to the difficulties in finding out the prospects for development and expansion of tourism. The contribution of tourism in foreign exchange earnings is of tremendous importance and it uplifts various economic activities. Tourism plays a critical role in the balance of payments of the country. There is a need of proper marketing plan in order to increase tourist numbers as well as the spending time of the tourist.

The need for finding out the problems and prospects of tourism marketing is higher because new problems are showing up like increasing pollution Kathmandu valley, modern vehicle exhaust pollution, modern industrial pollution, modern urban waste pollution, increasing dissatisfaction with some of the trekking routs regarding overcrowding and rubbish and the population threat which might be double in the next 20 years. The key points to be analyzed in this study are:-

- Necessity of proper marketing research unit for effective marketing of tourism.
- Expansion and introduction of new tourism products attracting low season travelers to the country.
- Increasing the average length of stay of the visitors and also providing other opportunities for increasing tourism dollars income to the country.
- A planned approach to marketing the destination accelerating the growth of tourism.

The overcrowding of the tourist routes, the mismanagement of the garbage, the increasing pollution of the cities specially major cities are carious problems which will change the expenditure behavior and lower the

number of repeat visit and dissatisfaction of the tourist if not the lessening of tourist numbers.

While Nepal's tourism has been able to move along without substantial marketing efforts but still it demands a proper marketing strategy backed by a substantial marketing program. Furthermore analyzing different areas of tourism to make the best use of the limited resources and increase tourist numbers in Nepal.

1.7 Objectives of the Study

Tourism is an emerging sector of the Nepalese economy and has revealed tremendous potential for its expansion. Major steps should be taken for the reform, development, promotion and protection of tourism enterprise including infrastructure development tourism service expansion manpower development and environment protection of touristic sites. The some objectives of the study are:-

- To analyze the problems and prospects of tourism in Nepal.
- To evaluate Nepali tourism and trends in general while focusing on the development of tourism marketing plan.
- To examine the effectiveness of the present marketing and promotional plans.
- To find out the trend of tourist arrivals in Nepal.
- To find out the effectiveness of promotional activities for tourism development.
- To suggest affordable measures for promoting tourism effectively.

1.8 Limitation of the Study

This research work is totally based on the analysis of primary sources of data. The major limitations of the study are as follows:-

- The study is based mainly on secondary data to some extent on primary data too.
- The data available in published annual report have been assumed to be correct and true.
- Due to time and cost constraint not all the related areas are possible to cover in depth.
- Random sampling technique will be used to select the respondents for the purpose of interview.

1.9 Organization of the Study

This thesis has been divided into five chapters. They are:-

Chapter I:	Introduction
Chapter II:	Review of literature
Chapter III:	Research methodology
Chapter IV:	Presentation and analysis of data
Chapter V:	Summary, conclusions and recommendations

The introduction chapter covers background of the study, statement of problem, objectives of the studies, significance of study, limitations of the studies and organization of the study.

The second chapter focuses on review of literature. It contains the conceptual framework and review of past research study related.

The third chapter deals with the research methodology to be adopted for the study consisting research design, sources of data, data gathering procedure, population and sample, research variables and data processing procedure.

The fourth chapter deals with, presentation analysis, interpretation and major finding of primary data collected from questionnaires.

The last chapter covers the summary, conclusion and recommendations.

CHAPTER II

REVIEW OF LITERATURE

1.2 Introduction

Tourism describes the very activity of mankind concerned with the development of tourist movement. So the object is the tourist movement. The definition of tourism, given by the Swiss professor Walter Hunziker and Kurt Krapf is as follows:-

"Tourism is the total relationship and phenomena linked with the stay of foreign persons to a locality on condition that they do not settle there to exercise a major permanent or temporary activity of a lucrative nature."⁴Some author describes tourism as a system. Webster's new international dictionary defines it as traveling for recreation. In technical sense the world tourism signifies reception of the foreigners with an idea of exhibiting them our possessions. Tourism is systems of four interrelated part market travel destination and marketing. Marketing is service related to the customer. The second segment of tourism is travel which includes where and when where to go. The third segment destination consists of attraction accommodation and amenities. These mix individually or jointly to encourage people to travel. According to Edmond Picord , professor and economist at university of business, the function of tourism is to import currency from foreign resources into the country. Its impact is what tourists expenditures can do to the different sectors of the economy and in particulars the hotel keepers.

From the above facts tourism is known as a visit a person form one place to another for their want. International Association of Scientist Experts in Tourism (IASET) further added few points as tourism arises form the movement of people and their stay in various destinations.

⁴ Yajna Raj Satyal, *Tourism in Nepal: A Profile*. Adroit Publishers, Delhi, P. 7.

Tourism gives a direct knowledge and contact with the great achievement of the human mind. So it helps to unravel the basic similarities of human feelings without reference to the country and culture.

2.2 Conceptual Framework

2.2.1 Meaning of Tourist and Tourism⁵

There are two elements in tourism, the journey to the destination and the stay including activity at the destination. The journey and the stay takes outside the normal place of residence and work so that tourism gives rise to activities which are distinct from those of the resident and marketing populations of the places. The movement to destinations is of temporary, short term character with intention to return within a few days, weeks or months. Destinations are visited for the purpose other than taking up permanent residence or employment.

The word 'Tourist' started being used more from the early nineteenth century as somewhat disapproving synonym for traveler. It is now used in social science to describe any person whose movement fulfill to condition.

- The absence from home is relatively short.
- That the money spent during absence, is money which not earned in the places visited.

The word 'Tourism' has been derived from the French word 'tourisms' a synonym for traveler. Historical evidence suggests that the Romans undertook formal tours regularly. For pleasure or instruction to the Bay of Nepal, Sicily, Greece, Asia minor or Egypt. These formal tours generated considerable revenue for innkeepers and guides in the principle centers. Modern day tourists may be sightseers , holiday makers , pilgrims and

⁵ Adopted from: Yajna Raj Satyal, *Tourism in Nepal: A profile*. Adroit Publishers, Delhi, 2000, P. 6.

business people who move from one place to another as consumers of goods and services.

The Department of Tourism defines tourists as citizens of all foreign countries visiting Nepal and staying for at least 24 hours and at most six months for various purposes like recreation, health, study, religion, pilgrimage, business, sightseeing, conference and mountaineering excluding the permanently stationed representatives or staff of foreign organizations in Nepal.

2.2.2 Types of Tourism⁶

People travel for different purposes and different factors create desire to travel and make them tourists and travel from place to place. There are various types of tourism which includes:-

1. Recreational Tourism

It is mainly concerned with leisure and rest and to recover physical stamina. This type of tourist usually stays longer the visitor's stay by the sea or in mountain area for relaxation. They prefer to go to climate resorts.

2. Sport Tourism

Tourists interested in sports are of two types. Firstly visiting sport events like Olympic games, World cup, Asian games, Football etc which attracts not only sportsmen to host the country but also a large number of sports for tourists to see these functions. Secondly to visit well organized sporting events in countries, which have specialized facilities such as winter sports, natural sports, mountain climbing, hunting, fishing etc.

⁶ Adopted from: Yajna Raj Satyal, *Tourism in Nepal: A profile*. Adroit Publishers, Delhi, P. 11.

3. Cultural Tourism

This types of tourism is motivated by the eagerness to learn different cultures of different countries, mostly this type of tourist to learn different habits, language and customs of people.

4. Business or Technical Tourism

Tourist come for business purpose, attend convention and conferences are called business tourist. To attract more convention tourist there should be hi-tech convention complexes for business meetings, seminars etc.

5. Conference Tourism

International conferences or organized in big cities or in places where such convention facilities are available. A large number of delegates of different nations partake in them. These conferences are arranged in the cities best prepared to receive he delegates and o cover the low occupancy rate of the hotels in the low season. There is a rapid growth of conference tourism in the modern world.

6. Pleasure Tourism

This type of tourism is enjoyed by people who go on holiday for a change of air, out of curiosity, to take rest observe something new, to delight in good scenery, in unknown folklore and to indulge in the recreational facilities offered by big cities and clamorous modern tourist centers. This type of tourism usually depends upon different taste of different people.

2.2.3 Tourism: A Potential of Economic Growth

Tourism provides countries like ours a considerable potential of economic growth but it depends upon the identification of realistic goals to be achieved. The earnings from tourism also serve as seeds for growth and development in the poor nations. Since tourists visiting a destination require additional services like transportation, water supply, etc these should be created or expanded in a bigger amount.

"It is true that the place of tourism in the economic and social development of nations is very much inter related. Total expenditure on domestic and international tourism is estimated to represent 12 percent of the total world GNP and the international tourism is accounted for 6 percent of the total world exports and 25-30 percent of the world trade in services. International tourism is forecast to increase at an annual rate of approximately 4 percent up to the year by which time it might be the world's largest export industry of the century."⁷

Nepal is mostly focused in pleasure markets in terms of tourism. Since last two decades, Western Europe and India have emerged as the major source of tourism markets. Considering the nature of tourism in Nepal with regard to so many factors i.e. fuel shortages, hygiene, political difficulties, shortage of trained manpower, it is difficult for the industry to have a sustained growth pattern. More likely is a relatively unstable path with ups and downs as different problems are encountered. The other Asian market including Japan remains a minor market but these countries are likely to increase in importance in the coming decades.

Nepal tourism development has categorized marketing objectives in three major market segments into which the country's tourism can be divided mainly trekking tourists, sightseeing tourists and budget travelers.

⁷ M. B. Shrestha, *The Economic Impact of Tourism in Nepal*. Sterling Publishers, New Delhi, 1999, P. 72.

For the budget traveler the marketing objective is to promote budget tourism within a more controlled framework. For trekking tourism the marketing objective is to highlighted the image of Nepal's Himalayas as the world leader in trekking tourist, so that it is perceived as a premium product and is able to gain financial and economic and economic returns due to such a product.

For sightseeing tourism the marketing objectives to establish Kathmandu and the Himalayas as a 'must see destination on the world tourist map' in which the tourist can gain a once in a lifetime experience.

2.2.4 Country's Main Assets

"Nepal development is controlled by its geography and its limited natural resources and the high annual population growth rate of 2.6 percent has created problems. Landlocked between two giant neighbors, Nepal is not competitive advantage is in hydropower and tourism. Selling hydropower is very low in option because Nepal has only buyer and that is India. Generating energy for export is also a big investment and can give returns only over the long run. In contrast tourism does not suffer the problem of dependence on a single buyer. The development tourism should be in such a way that it is of lock risk, highly flexible and not dependent on any aspect."⁸

Nepalese tourism's key objectives remains increasing foreign exchange earnings. This can be done by increasing visitor numbers by charging properly for the services and getting the tourists to spend more by giving more opportunity to spend money while generating income and employment.

⁸ A.K. Bhatia, *Tourism Development Principles and Practices*. Sterling Publishers, New Delhi, 1994, P. 53.

2.2.5 Ecological pressure

Tourism has a major effect on environmental pressure and pollution as socio cultural effect. Mountain tourism has left discard on the delicate natural environment and on natural resources. While tourism helps the mountain communities to persist as it does so the traditional life inevitably changes. Trekking and mountaineering only provide jobs in the off farm seasons but also change the ways of life of the farmers and local people and disrupts the balance typical to the mountain regions. Although analysts believe that mountain tourism hasn't been as damaging as it might because it is still confined but the vulnerability is still there.

The overuse and over exploitation of natural resources can destroy the charm of the tourist destinations. Major area of concern in this regard is the indirect effect of mountain tourism where the inflow is high. This could be seen as more fuel-wood use , rising food prices and overuse of natural resources to meet the demands of the tourists.

The present commercial from of trekking in the most popular areas will be taking serious problems if left uncontrolled according o the latest tourism master plan review since the degrading ecology and over-crowding seems to keep trekkers away from different mountain region where the effects are more widespread. The average firewood consumption per tourist is 130 kilograms, equivalent to 20% of the total annual consumption of an average hill household. More specifically about nine key is consumed in rafting, 55 kg by individual trekkers, 186 kg by agency trekkers and 1,116 by mountaineers on each trip.

2.2.6 Source of Livelihood

"One of the major challenge our country faces is for sustainable livelihood. Viet Burger's estimate from 1974-1975 reveal that total employment through all domestic sectors producing goods and services for tourist consumption were about 7,000 to 8,000 fulltime jobs. In addition to this studies have suggested between 46,000 to 72,000 people were provided

employment for about 36 days of year, several researchers have also suggested that the numbers alone tend to contradict the true impact of tourism in the mountain communities where here is no income alternative, while mountain travel coincides with the off season for agriculture. Without trekking tourism, many mountain communities in Nepal would have died away."⁹

According to a 1980 survey, the tourists tested spent an average 24 percent of their expenditure on handicrafts, while 29 percent went in accommodation and 23 percent on food. Burgee's study also revealed 18-25 percent expenditure on handicrafts in 1974-1975. Among others, the woodcarving in newer was revived by tourism as was the case with Tibetan rug weaving. Also without the influx of tourists, many of Nepal's art and architectural treasures would have vanished.

2.2.7 Traditional Change

Tourism is the vision of many scholars and academics 'as a promoter of art and culture it conserves traditions' but put to irreverent tourists use, the sense of things changes. Traditional art revived may mean employment but it also means cultural degradation yet that the negative effects of tourism outweigh truly positive ones in social and a cultural as well as political fields has so far a single element apart has not been revealed by research or reality.

When the last review of the traditional changes was made till 1984, it was found concentrated mainly in those areas which hold a concentration of tourists. The signs of ill effects and after effects attributable to the inflow of tourists in Kathmandu and Pokhara were reported by the review of the master plan for tourism. Drug abuse, crimes, begging were the most visible signs which were often related to the presence of large number of the young budget travelers whose contact with the local people is direct, longer

⁹ M. B. Shrestha, *The Economic Impact of Tourism in Nepal*. Sterling Publishers, New Delhi, 1999, P. 62.

and more intense. Today's budget travelers however are different from that of the hippie era.

2.3 Development of Tourism in Nepal

The purpose of development is to influence the potential customers and trade mediators (travel agents, tour operators, reservation services, hotels and character brokers), through communication to think and to act in certain manner. Some of the easily identifiable methods are advertising, self support and public relations. These are the three major marketing tools which an organization uses to inform to the actual as well as the potential customers. Regarding the promotional activities of tourism in Nepal it would be more pertaining to discuss under tourism planning in different plan periods.

Development activities of tourism in Nepal during various plan periods. Nepal has excellent prospect for tourism development. The rich cultural heritage, enhancing diversity of communities and heart warming beauty of nature to cherish prove that there is sufficient reason for development this sector. The history of planned developmental efforts in planning tourism by the government of Nepal started only with the first year plan in 2013 B.S. This section intends review briefly the following economic development plan of the government.

2.3.1 The First Plan (2013-2018 B.S.)

The importance of tourism sector was given early consideration and administrative machinery was set up as early as 2013B.S. At that period tourism development in Nepal was really non existent and administrative activities were limited to certain control and supervision measures. A tourist office was set up in the Department of Industry in 2014 following the establishment of a Tourism Development Board under the same department in 2013. In 2016 the office was upgraded to development level. The newly formal department of tourism moved through a number of

ministries until it was accommodated in the ministry of industry and commerce in 2023. After the establishment of tourism development Nepal procured membership in different international tourism organization.

During this planning period, tourist information centers were built and the major step taken for the development of tourism was development of Kathmandu Airport. As the first plan was the beginning of the planned efforts of the government, not much could be achieved during the planning period.

2.3.2 Second Plan (2019-2022 B. S.)

The second plan also realized the need for the development of tourism. Plans were made to set up more hotels and for the continued development of Tribhuvan International Airport at Kathmandu. Priority was given to the operation of air services by foreign airlines, the development of places of tourist interest, sightseeing services, trained guides and increasing publicity for Nepal in the international fields. As a result of earlier efforts the number hotel beds reached 170 at the end of the planning period. The enactment of tourism Act 1964 (2021 B.S.) was a notable achievement of tourism in Nepal.

2.3.3 The Third Plan (2022-2027 B.S.)

The third plan programs aimed at increasing tourist in low to 20,000 person per annum. The third plan programs included completion of Kathmandu airport run a way, establishment of one hotel each at Pokhara and Biratnagar, repair maintenance and reconstruction of temples in Kathmandu valley. These temples provided the main attractions to the tourists and hence plan for their conservation was proposed. Conservation of historical places particularly the Lumbini, Kapilvastu area was planned. The sector programs included a systematic display of Nepalese culture in Nepal museum and other preparation of master plan for Lumbini.

An advisory committee for tourism was setup in 1969. In a next year the committee was replaced by the Nepal Tourism Development Committee. The execution of plans and projects in tourism involved almost all levels including government and the private sectors. The latter was composed of as the Hotels Association of Nepal representing the hotel industries and the Nepal Association of Travel Agent representing the travel industries.

2.3.4 The Fourth Plan (2027-2032 B.S.)

During the fourth planning period, the following achievements were made. Formulation of a master plan for the development of tourism in Nepal was started. Improvement in sites with tourist attraction, managing hotel and transportation facilities were made. Foreign experts were invited to prepare the master plan for tourism development.

Apart from the tourism master plan, the fourth plan emphasized the development of tourism in a planned way, sites of tourists attraction were improved and developed and facilities for tourists in different parts of the country. The private sector was encouraged to develop attractive parks, lakes, hunting site and play grounds, and o make accommodation and travel facilities available. The plan was envisaged increasing the number of tourist 4 percent annually. Hotels of different standards were planned to be established in Kathmandu with trained staff providing comfort and luxury.

2.3.5 The Fifth Plan (2032-2037 B.S.)

Tourism master plan it the fifth national plan in 2032 can be taken as the first major step for tourism development. In the early 2027's Nepal's tourism underwent a rapid growth phase. Past growth market by a fourfold increase in vision volume and a 50 fold surge in gross receipts, was less the result, however of deliberate planning than a natural commercial pattern. The growth was largely due to liberal incentives which attracted the private

tourism industry to maximize the earnings. Tourism thus became the most dynamic sector in an otherwise inactive or declining economy.

The master plan was prepared at a time when tourism was fairly established in Nepal. The demand natural because many new destinations were open and the unique potentials of Nepal's products lay largely untapped. This master plan grouped the primary market as USA, France, UK and Germany. Japan and Australia were considered as secondary markets and India was not included as a potential market.

Major objectives in the master plan were to increase foreign exchange earnings through tourism and to use tourism as an economic force in regional development. The plan also designed a market development concept to achieve the objectives. They were as follows:-

- Opening more attractions outside the Kathmandu valley, keeping the guests longer in addition to spreading or decentralizing tourism activities to boost foreign exchange income.
- Promoting trekking tourism to help create economic effects in underdeveloped areas and,
- Creating an independent tourism market by combining elements of sight-seeing and trekking tourism.

The plan also proposed Kathmandu as the principle destination and the center for cultural tourism, Pokhara as major resort center and Lumbini as major pilgrimage center.

The plan identified key markets (USA, Western Europe) and outlined a marketing program for 2029-2032 period and another for 2033-2037 period. The promotion program was to conclude with the opening of tourist offices in the USA, Western Europe setting up joint sales promotion program and the production of comprehensive marketing information. The 2044 policy statement of the government stated four basic objectives mentioned in this policy document were:-

- Increasing the length of stay of the tourist.

- Increasing the number of higher and middle income tourist.
- Increasing the foreign exchange earnings.
- Retaining as much of the earnings from tourism in Nepal.

2.3.6 The Sixth Plan

The number of tourist during the fifth plan grows at the rate of 15 percent. foreign exchange earning increased to US \$ 104 million within a short span of time. Tourism became one of the important sources of foreign exchange. Hotel beds also increased during the planning period altogether 1095 persons were trained in various fields of tourism, moreover, Nepal Industrial and Development Corporation (NIDC) invested US \$ 23 million in tourism industry related companies. Clearly the planners have emphasized the development of tourism in Nepal. The main achievement of sixth plan is as follows:-

Increasing foreign currency earning and to create employment enhanced by developing tourism related fields. The planning policies included making the tourist centers more attractive identifying new tourists in off seasons, conserving the natural, cultural and artistic beauty of Nepal tourism surveys and researchers, developing resort areas, remote areas tourism, strengthening of tourist information centers, construction of sheds on Arniko Highway, development of Tatopani area production, distribution and promotion of tourism materials. Strengthening hotels management and tourism training centers and development of Khunbu tourism area was also implemented. For the purpose, provision of US \$ 12 million was made.

2.3.7 The Seventh Plan (2042-2047 B. S.)

The seventh plan aimed at increasing the inflow of upper crust tourists so as to enable the country to earn foreign currency and also create new employment chances by utilizing the tourism industry to the fullest possible capacity. It aimed at increasing the length of stay of tourists by extending tourism industry to wherever tourism infrastructure had come

into existence. The plan also emphasized the local production of goods required for the tourists thus containing impacts.

The seventh plan policies included launching of effective tourism promotion and simplifying or reviewing the different types of taxes fees and other charges and regulation that are currently hindering the growth of tourism in Nepal. Other policies of the Nepal were to attract the investment of good and private sectors in tourism, to place more emphasize on trekking and Himalayan expeditions, to attract more tourists from Asian nations, to make necessary infrastructure like hotels and airports more efficient to encourage tourism related industries and to conserve all religious, cultural and historical places.

- Promotion of mountain tourism, tourism survey and research.
- Development of resort areas
- Development of Pokhara tourism strengthening of tourist services.
- Production and distribution of publicity materials tourism.
- Development of effective policy management in tourism areas, so as to provide more security to the tourists and so on.

2.3.8 The Eight Plan (2049-2054 B.S.)

Because of the people's historical movement in 2047 the eight plan could not be started on time so it was started on time so it was started only in 2049. It reviewed the progress during the fiscal year 2047/48, 2048/49 identify the existing problems. The eight plan aimed to develop Nepal as final destination for tourists and to operate the tourism industry as a major source of employment generation by implementing the policy wise activities in regard to the following.

Tourism promotion and publicity, Adventure tourism development, private sector mobilization and facilities, New infrastructure development, administrative reform, extension of service of Nepal airlines corporation,

developing Tribhuvan international airport as focal point. Standard domestic and international air service, manpower or standard civil aviation. The plan also proposed various reforms in the organizational structure of the Ministry of Tourism in order to execute above mentioned policies efficiently. The plan set out various target programs that may be seen as:-

- International contact and market management.
- Tourism research and survey.
- Production and distribution of publicity material.
- Development of cultural and religious tourism.
- Extension of tourism service and facilities.
- Implementation of tourism promotional manpower development project.
- Extension of physical facilities of different airports.

The various policies, target and programs of eight plan was very praise worthy but the gap between in the implementation and policy process as in the case of previous is yet to be analyzed. The English plan gave less emphasis to the previous on million tourists by 2,000 AD, while concentrating on increasing foreign exchange earnings. The plan outlined the necessary for a more liberal tourism policy to encourage domestic and foreign investment in the building of tourism infrastructure. The plan also envisaged encouraging tourists to spend more by lengthening the length of their stay. It also aimed to develop a strategy to attract Indian and pacific area tourists. An earlier draft prepared by a task force is more specific. It gave the following objectives:-

- Total 4,85,000 tourist by the year 1995/1996AD
- An increase in average spend per day in real terms from US \$ 27 to US \$ 53.
- An increase in foreign exchange earning from US \$ 64 million to US \$ 230 million in real terms by 1995/96.

- Addition of 1,270 hotels rooms costing NRS 1,790 million and,
- Addition of 77 new buses and 100 new cars costing NRS 118 million.

2.3.9 The Ninth Plan (2054-2059 B.S.)

The ninth plan started with various programs to promote the Nepalese tourism. The ninth plan has emphasized the eradication of poverty by the economic development through the tourism promotion.

The ninth plan aimed to develop the tourism basically to avoid poverty. Some other objects of ninth plan to develop the tourism sector were as follows:-

- The tourism activities will be extended to remotest areas as far as possible.
- The ninth plan announced to develop one village of each of 14 zones as model tourism spot.
- The local people will be mobilized for the development for tourism as far as possible.
- The airlines services will be extended and made available in a reliable manner and Tribhuvan International Airport will be equipped with modern technology.
- Trekking tourism will be promoted to attract more and more tourist.
- The private sectors will be encouraged to participate activity for the promotion of tourism industry. It will be developed qualitatively as a result of which visit Nepal year 1998 was celebrated in a grand manner.
- The research study will be carried in the international markets to develop the tourism infrastructure and to promote the tourism market.
- The historical, cultural, religious valued palaces, temples and natural heritage will be classified and developed as the major tourists spots.
- Tourism communication centers and immigration office will be established to facilitate the tourist from different entry points. The

environment pollution in tourism area will be minimized as far as possible.

- The ethnic culture will be promoted by mobilizing the various NGO's and INGO's involved in this sector.
- The festival tourism will be observed and developed and seasonal variation of tourism will be minimized.
- The rafting tourism will be promoted by a systematic study of the rivers Mahakali, Koshi, Kaligandaki etc.
- The tourism spot and activities will be extended in favor of the tourists from South Asian Association of Regional Co-operation regions.
- To promote tourism, the diplomatic mission, foreign airlines offices and other related organizations will be mobilized to promote the tourism in Nepal.
- The modern and sophisticated media such as homepage, internet and e-mail will be utilized to population tourism of Nepal.
- A well planned record of lakes, ponds, caves etc will be established.
- Tourism promotion and marketing will be done with the study and research of international tourism market.

So the ninth plan definitely took a very positive view to develop tourism in Nepal. The ninth plan was designed to emphasize in the overall development of tourism.

2.3.10 The Tenth Plan(2059-2064)

During the tenth plan period tourist arrivals were targeted to reach 516 thousand per annum with growth rate of 7.2 percent. The foreign exchange earnings were targeted to increase by eight percent During the year 2005/06, total tourist arrival however, was only 375 thousand , which generated US \$ 148.4 million, which is 7.1 percent of the country's total foreign exchange earnings. The average length of tourist stay has come out

to be only 9.1 days similarly, in the year 2005/06 the contribution of this sector to the Gross Domestic Product has remained 1.2 percent. This has been no improvement in rural infrastructure, reliable and adequate domestic and international airline services, hotels and tourism business necessary for the development of tourism sector has been affected by domestic conflict.

It has been a challenge is to enhance contribution of tourism sector in natural economy by promoting international and domestic tourism through development of international and national air service and urban and rural tourism destinations. In this regard, the following policies will be adopted as objectives:-

- New tourism products and destinations will be identified and developed with emphasis on increasing employment, regional balance and social inclusion.
- Tourism industry will be recognized as a national priority industry and will be offered facilities at least at par with other industries.
- New destinations based on the natural beauty and biodiversity potentials will be developed.
- Local participation in tourism with emphasis on poverty alleviation will be recognized.
- New tourism areas and products based on religion, sports, meeting, incentives, conference, exhibition, health, education and others be developed and expanded.
- Rural tourism would be promoted with the objectives of bringing in the advantages of tourism to village and facilitating poverty alleviation.
- In the light of potentials of developing tourism based on flora and fauna, nature conservation would be encouraged and flora and fauna based tourism will be promoted.

- With the objectives of facilitating tourist arrivals and supporting the export and import trade, will be started. Similarly regional airports will be developed.
- The airports destroyed due to the conflict will be reconstructed.
- International air service link will be expanded and enhanced. Nepal airlines corporation, the national carrier will be strengthened.
- Looking at the potentials of developing tourism around large lakes, new ideas such as using large lakes for landing of small aircrafts/hydro-planes a technical feasibility study would be 49/50 conducted.
- Infrastructure supporting the tourism such as roads, airports, railways will be developed.
- Nepalese diplomatic missions abroad will be mobilized for tourism promotion.
- provision will be made to set aside a certain promotion of the income generated from tourism in a particular region for the development of that region.

2.3.11 The Eleventh Interim Plan (2064-2067 B. S.)

Government of Nepal and National planning commission on Ashadh 2064 formulated an approach paper in the process of implementing the here years interim plan from 2064 where there have been special programs for the tourism sector. The process of tourism development became rapid after the 2047 political change. Consequent o the liberal policy adopted by the government there was a remarkable increasing number of hotels, travel agencies and airlines. The number of tourist arrivals and tourist stay also increased after 2048. However, the tourism business which grew in such a way, began to slow down after intensification of political conflict in the country.

The eleventh plan aimed to avoid poverty. Some other objectives of eleventh plan to develop the tourism sector were as follows:-

- The tourism activities will be extended to remotest areas as far as possible.
- New tourism products and destinations will be identified and developed.
- Trekking tourism will be promoted to attract more and more tourist.
- Local participation in tourism with emphasis on poverty alleviation will be encouraged.
- The ethic culture will be promoted by mobilizing the private sector.
- Rural tourism would be promoted with the objective of bringing in the advantages of tourism to village and facilitating poverty alleviation.
- Infrastructure supporting the tourism such as roads, airports, railways will be developed.

2.4 Tourism Promotions

Till the late 1960's Nepal used to be the destination for wealthy travelers in search for exotic destinations and mountaineers. Then Nepal was discovered by hippie movement who were the forerunners of the present budget travelers. The Himalayas, wildlife, trekking on established routes and major religious sites can be side as the classified Nepali product in the tourism sector.

"Nepal started tourism promotion particularly from 1960's followed by the constitution of the Nepal Tourism Development Committee (1970) with the formation of the Nepal Tourism Master Plan (1972). In 1977, the government of Nepal set up a separate Ministry to look into tourism affairs. However, Nepal's tourism for the there decade perspective of tourism development similar to other aggregate achievements reflects only the past trend and does not necessarily mean a linear achievements reflects only the past trend and does not necessary mean a linear directive for the future."¹⁰

¹⁰ Dr. Harka, *Destination Nepal*. Himalayan Publishing House, Bombay, 2007, P. 23.

" The observation started the need for an effective marketing plan, particularly because it is a service industry with a fixed product. L. K. Pradhan categorizes Nepal's market into five groups. These are:-

- The allow-centric visitors (lovers for outdoor and adventure travelers.)
- The Psycho-centric visitors (tradition, relaxation, and pleasure seekers.)
- The semi-centric visitors (A combination of pleasure, holiday and adventure, a growing trend for Nepal.)
- The seasonal holiday visitors (mainly regional tourists, summer holiday makers and conversion and conference visitors.) and,
- Individuals and small family groups of budget travelers."¹¹

Nepal's past marketing has been mainly based on speculation without sufficient information on the tourist market. The promotion has remained limited. For a developing country like Nepal, tourism can bring very higher prospects of increasing foreign exchange for which publicity and special target group focused advertising is essential. The major part of marketing Nepal was done by Nepal airlines corporation, but this national carrier has been suffering from internal crisis and the tourism objectives do not totally match its infrastructure levels. So a proper market focused promotional plan is needed with broad national tourism objective.

2.5 Travelers Spending Amount of Time

"The Nepali tourism development program also projects tourist nights to increase from 2.2 million throughout Nepal to 8.2 million by the year 2010. The tourists who come for trekking and long budgets tourists have an outstanding length of stay in Nepal. Apart from that it is hard to increase

¹¹ L. K. Pradhan, *Tourism in Nepal: Development and Diversification*. Education Enterprise Pvt. Ltd, Kathmandu, 2001, P. 25.

the length of tourists who come for other purpose visit. Nepal Tourism Development Program projects that the average length of stay will lower over the next decades and higher in the following decade. Extending the length of stay of sightseeing tourists by ensuring that there are add-on packages which extend their return trip might increase the number of days stayed in Nepal."¹²

2.6 Tourism Trends

Looking at the current state of 2007, we find that Nepal essentially remains a pleasure destination even though it is gradually attracting more business person (5.5 percent) pilgrims (15.4 percent) trekking and mountaineering (17.4 percent) Pleasure Seekers and holiday makers account for over (60 percent) of the total tourists.

Nepal's tourism is also distorted in terms of the arrival of tourists by months. A majority of western tourists visit Nepal during Spring and autumn while the arrival in summer and the winter months remains fairly low. This already vulnerable situation capacity utilization wise is also threatened by political and other disturbances.

The unpredictable nature of the industry which leads to an overflow of tourists at a particular time can have an adverse impact on the image of the destination. While over building infrastructure may not be wise on economic terms, the need for strategic marketing as a tool to manage tourism in Nepal is thus one of the options available to the industry. The problem to fill in the traditionally lean- seasons while maintaining the number of tourists for the peak seasons remains a problem. On the other hand from 1997-2000 the number of Indian tourist arrival gradually increased but slowly decreased from 2001-2003 and again went up till 2006. The number of Indian tourist arrivals has been quite satisfactory in during the additional lean seasons.

¹² Khagendra Adhikari, *A study of Tourism Industry in Nepal*. M.K. Publisher, Kathmandu, 2006, P:57.

Looking at the stat of table no. 1, we find that the increase in arrival of total amount of tourist in 2009 and 2010. About 44,174 tourists had visited Nepal in August 2009 while hat in August 2010 arrivals increased to 54,857. Overall during the three summer months (June to August) of 2010 about 1,26,869 tourist visited Nepal.

Table No. 1
Tourist Arrivals by Month, 2006-2010

Month	Year				
	2006	2007	2008	2009	2010
January	21,215	30,988	25,477	29,278	33,563
February	24,349	35,631	20,338	40,617	49,315
March	27,737	44,290	29,875	49,567	63,051
April	25,851	33,514	23,414	43,337	45,465
May	22,704	26,802	25,541	30,037	32,535
June	20,351	19,793	22,608	31,749	33,266
July	22,661	24,860	23,996	30,432	38,998
August	27,568	33,162	36,910	44,174	54,605
September	28,724	25,496	36,066	42,771	54,857
October	54,469	43,337	51,498	72,522	79,186
November	38,398	36,381	41,505	54,423	67,587
December	33,115	35,007	38,170	41,049	50,427

Source: Nepal Tourism Statistics, 2010

A majority of tourists coming to Nepal are on multiple Asian destination trips. Nepal's tourism fortune thus is tied to the over all prospects of the Asian reign of which India, Thailand, Hong Kong, Singapore are some typical partners in the total package. A majority of the tourists come over from India. If we look at the table no. 2 of 'Tourist Arrivals by Regions' of past two years, we see that Asian regions has the highest arrivals in the country, Western Europe is the second largest followed by North American and the lowest arrival is from the African regions.

Table No. 2
Tourist Arrivals by Regions, 2009&2010

Region	Year 2009	Year 2010
North America	22,853	24,566
South&Central America	3,559	4,764
Western Europe	98,046	97,278
Eastern Europe	8,263	10,613
Asia	2,30,282	2,31,812
Australia & Pacific	8,317	9,763
Africa	1,302	1,125
Not Specified	2,776	4,005
Grand Total	3,75,398	3,83,926

Sources: Nepal Tourism Statistic, 2010

Among the total arrivals from different regions those arriving by air, 13.78 percent came from Kolkata and 9.84 percent came from Varanasi while other entry points have not shown the arrivals much than the Indian cities. So India still is a big entry point of tourist traffic.

Table no 3
Tourist arrival by Air Last Port of Call, 2010

Entry Point (Air)	Total Arrivals	Percentage (%)
Hong Kong	5,178	5.91
Karachi	1,997	2.28
Kualalampur	1,124	1.28
Kolkata	12,061	13.78
Lhasa	6,286	7.18
Mumbai	1,384	1.58
Muscat	8,392	9.58
Osaka	3,361	3.84
Paro	3,980	4.55
Sanghai	1,849	2.12
Singapore	358	0.4
Varanashi	8,618	9.84
Vienna	4,743	5.42
Others	28,225	32.24

Source: Nepal Tourism Statistics, 2010

There have been different tourism promotion plans in Nepal but the implementation of the strategy has not been able to deliver effective results. The department of tourism has been doing modest promotion work which includes the production of publications, audio-visual material attendance in tourism fairs, some advertising, inviting travel journalists and a specific promotional tour to a particular market each year.

Additionally, the airlines Nepal travel agents, overseas tour operators and the hoteliers are engaged in different promotional activities. While there are limitations to promoting the destination in true sense, the private sectors input to tourism promotion is also important but absence of considerable objective based marketing and promotional diagram stands out as a major barrier for Nepali tourism.

2.7 Tourism Development in Coming Year

"Nepal tourism development programs projection of tourist arrivals for the year 2015 is 10,00,000. The figure mainly reflects an increasing amount of pleasure tourist as compared to trekkers, because trekking has some natural constraints and an increasing percentage of visitors from Japan and other Asian countries like India and Sri Lanka. The market development of tourism is highly promising and the growth in tourist arrivals over a decade will average more than 10 percent per annum. Growth out of long haul markets will also be of that order of magnitude. Nepal tourism development programs lays down some projections for planning purposes. They are:-

- A considerable shift upwards in the rates for hotels and other services such as trekking, largely as a result of marketing efforts which will position Nepal as a premium product.
- The assumption that Nepal's tourist arrivals will grow at a slower rate than the average to the Asian destination which largely reflects the esoteric nature of Nepal's attractions.

- The assumption that capital will be forthcoming for the necessary tourist accommodation because of the improved rates and thus improved returns on the capital invested.
- The assumption that Nepal's tourist's arrivals will grow at a rate than the average to the Asian destinations which largely reflect the esoteric nature of Nepal's attraction."¹³

With the mentioned things in previous chapters, we can get an insight as tourism development should be considered for the interests and rights of those living in tourist areas as well as those of the visitors. Tourism benefits should not be denied to any of those involved like the tourist, tour operators, local business people or the local population. The major government role should be to assist the population about the tourism's long term advantages and the equal distribution of tourism's benefits. The earnings should be more awareness in the government sector to combine tourism with should also reach the people living in the mountains and those living in the plains of the country.

¹³ Ministry of Tourism and Civil Aviation, *Nepal Tourism Statistics, 2010*. Kathmandu.

CHAPTER III

RESEARCH METHODOLOGY

3.1 Introduction

The basic objective of the study is to evaluate the level of information of a tourist coming to Nepal and to find out the marketing prospects of tourism. This study is about analyzing the actual growth of tourism marketing in the country, evaluate the level of information of a tourist coming to Nepal and their information needs and to develop a marketing information program.

Tourism has brought various economic opportunities for a country like Nepal, which has large trade deficits, the foreign exchange earned by tourism provides a significant influence. To achieve the objective of the study, The following methodology is used.

3.2 Research Design

Descriptive research design has been followed this study, data has been presented and written fanatically.

3.3 Population and Sample

Tourist visit in Nepal are the population and sample has been used to collect primary data from the population.

3.4 Data Collection Procedures

The information for the study was compiled by visiting different libraries. Including the library of Tribhuvan University, different tourism related organization also included collection of different books, magazines, reports, journals and websites.

Secondary sources are approached for data gathering , magazines of Nepal Tourism Board (NTB), Ministry of culture, Books of tourism at Tribhuvan University, Nepal Association of Travel Agents, newspapers, magazines and other publications, all available published materials concerning the study data from different sources which deals with the tourism trends is used.

This study is based on data complied by previous investigators as well as that collected through different tourism related books. The data collected has been complied according to the requirements of the study.

3.5 Tools and Techniques for Analysis

In order to accomplish the objective of the study various graphs, diagrams, including pie charts have been applied for the purpose of analysis. The result of analysis has been tabulated analyzed and interpreted.

1. Statistical Tools

To draw the conclusion by analyzing the collected data simple statistical tool like bar diagram, pie-chart are used and tabulation are used to implicit the comparative results.

2. Bar Chart Diagrams

Diagrams and graphic are visual aids which give a bird's eye view of set numerical data which show the information in a way that enables us to make comparison between two or more than two set of data.

3. Pie Chart Diagrams

A pie chart diagram is a widely used aid that generally used for diagrammatic presentation of the values differing widely in magnitude. In this method all the given data are converted into 360 degree of the angle of circle is 360 degree and all components of the data are presented in terms of angles that total 360 degree for one set of data.

4. Percentage

Percentage is one of the most useful tools for the comparison of to qualities of various. Simply the word percentage means per hundred. In other words the fraction with 100 as its denominator is known as a percentage and the numerator of this fraction is known as rate of percent.

CHAPTER IV

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

In the contest of Nepal the beginning of the industry dates back to the sixties. However, the seventies showed to our planners as well as the private industry as per the potential tourism industry has to offer. The eighties could not build on results of seventies and nineties were no different. This new millennium has given as many challenges.

Nepal's traditional inbound markets are North America, Western Europe, Asia and Australia. In the early 1960's North America was the comprised of USA and Canada, which was the biggest inbound market for Nepal followed by western Europe comprising of UK, Germany, France, Italy etc. After the 1970's the trend changed slightly with Western Europe emerging as the biggest market followed by North America, Asia and Australia. After 1987, the Indian Market followed by Japan played a significant role to establish Asia itself as the biggest generating market for Nepal. This indicates a shift in the growth of tourism market.

The following chapter contains statistics relating to the tourists in term of their nationality, country of residence, mode of transportation, purpose of visit, age sex and the relevant matter with explanation. It also includes the tourism receipts and availability of Indian tourist coming by air and surface transport.

4.2 Impact of Tourism in Nepal

Unlike the development countries, Nepal so far has not been able to generate income thru the merchandise export so the trade gap presently is being adjusted partly by tourisms receipt and partly by remittances from abroad. In 1994, the total receipt from tourism was US \$ 58,589. The growth in tourism between 1993-1994, 1999-2000, 2003-2004, 2007-2008

was very much negative in overall impact (table no. 4). The pattern of tourist inflow is controlled by the concentration of the tourists in Kathmandu, which comes as new problems facing the tourism industry in some destinations.

Table No. 4
Gross Foreign Exchange Earnings in Convertible Currencies,1990-2010

Year	Total Earning		% Change in US \$	Avg. income per capital in US \$
	US \$	NRs		
1990	60229	1304656	18.5	318.5
1991	63502	1486837	5.4	327.5
1992	68343	1838520	7.6	347.6
1993	63701	1868873	-6.8	326.5
1994	58589	2260808	-8.0	292.2
1995	61090	2838100	4.3	268.2
1996	66337	3225464	8.6	315.6
1997	88195	4341700	32.9	3937.0
1998	116784	6059000	32.4	474.5
1999	116644	6599700	-0.1	430.3
2000	115904	6698700	-0.6	401.9
2001	152500	10024482	31.6	475.8
2002	168100	11421084	10.2	1179.1
2003	166847	11827403	-0.7	453.7
2004	140276	10468205	-15.9	472.4
2005	106822	8300553	-23.8	512.0
2006	192832	14508396	80.5	765.9
2007	179941	13146534	-6.7	609.8
2008	148441	10600345	-17.5	532.0
2009	162750	11784644	9.7	561.0
2010	198420	13294140	18.5	465.3

Source: Nepal Rastra Bank, 1990-2010

4.3 Foreign Exchange Earnings

Tourism in the early eighties has accounted more than one third of Nepal's merchandise exports and for roughly a quarter of all foreign exchange earnings. The eighties has been a good year for Nepalese's tourism. The gross foreign exchange earning has generally remained positive except for three years of the decade, i.e.1984,1985 and 1988.The total earning for 1990 increased by a phenomenal 18.5 percent and the trend continued to peak in 1992.

The receipts for the years 1993 and 1994 was the year of the political movement and restoration of human rights and the following transitional year in which a decline was registered in the foreign exchange earnings every though the number of tourists was higher compared to the previous year. Similarly on 1999-1997, 2003-2005 and 2007-2008 year was also the decline of foreign exchange earning due to the internal conflict in the country with the Maoist but slowly as the situation stabilized. The year 2009 and 2010 again we see a substantial increase in the foreign exchange earning.(Table no-4)

Tourism employs 30,000 people and accounts for about 24 percent of Nepal's total foreign exchange earning standing as major importance after agriculture. As an industry its growth started from gross income of US \$ 63 millions in 1991 and reached \$ 1.62 billion in 2009 (Table no-5). The most importance role of tourism is the contribution it makes in terms of the foreign exchange earnings, which totaled US \$ 1.92 billions in 2006. Thus it is to be realized that tourism is of major importance for the development of the country's economy.

Table No. 5
Gross Foreign Exchange Earnings, 1991-2010

Year	Total Income in US \$	Avg. Income per visitor /per day in US \$	Avg. Income per Capital in US \$
1991	63502	27.0	327.5
1992	68343	29.0	347.6
1993	63701	27.2	326.5
1994	58589	31.0	292.2
1995	61090	26.4	268.2
1996	66337	26.4	315.6
1997	88195	39.4	3937.0
1998	116784	42.1	474.5
1999	116644	31.9	430.3
2000	115904	38.3	401.9
2001	152500	44.2	475.8
2002	168100	39.0	1179.1
2003	166847	38.2	453.7
2004	140276	39.6	472.4
2005	106822	64.8	512.0
2006	192832	79.1	765.9
2007	179941	45.1	609.8
2008	148441	58.5	532.0
2009	162790	55.0	561.0
2010	198420	71.5	465.3

Source: Nepal Tourism Statistics, 2010

4.4 Growth Trend of Tourism in Nepal

The growth trend of tourism in previous two decades can be regarded as quite fair enough. The first record of tourist visiting the country was in 1957 when 562 tourists (excluding Indians) visited Nepal.

Table No. 6
Tourist Arrivals by Air and Surface Route, 2009-2010

Months	By Air			By Surface Route		
	2009	2010	%Change	2009	2010	%Change
January	21944	26071	18.8	7378	7492	1.5
February	25181	33492	33.0	15298	15823	3.4
March	33005	44431	34.6	15419	18620	20.8
April	37819	38694	2.3	5732	6771	18.1
May	25120	26634	6.0	5137	5901	14.9
June	23222	26997	16.3	8342	6269	-24.9
July	23266	29338	26.1	7392	9660	30.7
August	27676	34415	24.3	16322	20190	23.7
September	34281	41331	20.6	8998	13526	50.3
October	56009	62712	12.0	16194	16474	1.7
November	39784	48331	21.5	14604	19256	31.9
December	31396	36323	15.7	9818	14104	43.7
Total	378712	448769	18.5	130634	154086	18.0

Source: Nepal Tourism Statistics, 2010

4.5 Tourist Arrival by Air and Land

The table no. 6 shows that there is an increasing trend of tourist inflow every year. The growth rate of the air tourist inflow increased to its maximum in January with 18.8 %, February with 33 % and in March the highest with 34.6 %. The minimum growth rate found was in April with 2.3%.

The table no. 6 indicate that about 1,54,086 tourist arrived in Nepal by surface route. The maximum arrived by surface route is found in August 2010 with 20,190. Similarly only 34,415 tourist arrived by air that month. The maximum tourist visiting Nepal by air is in 2009 and 2010 with 3,78,712 and 4,48,769 tourist. The same table shows the percentage change of the tourist arrivals in year 2009 and 2010. The maximum arrival change by surface route in September with 50.3%. The minimum arrival change by

surface route in June with -24.9%. Thus from the analysis it can be said that there is no remarkable change in the average tourist arrivals.

Figure No. 1
Tourist Arrivals by Air, 2009-2010

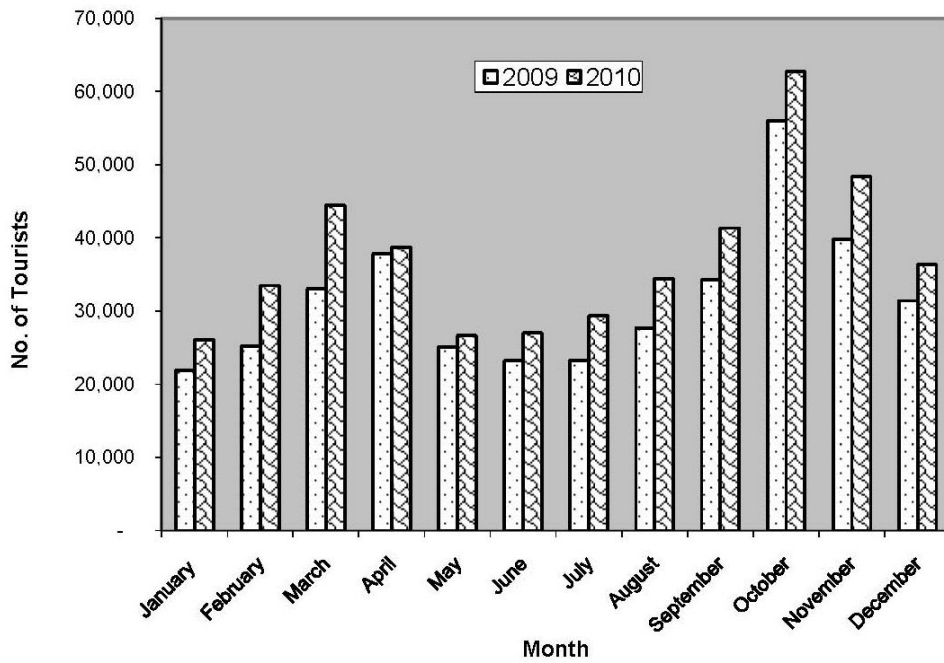
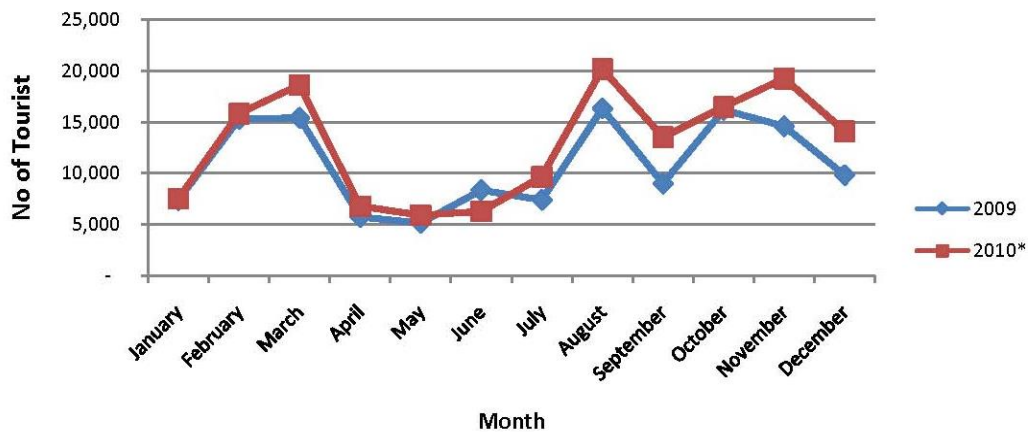


Figure No. 2
Tourist Arrivals by Surface Route, 2009-2010



4.6 Tourist Arrivals by Month

Nepal has four tourist seasons (a) spring (March-May) (b) summer (June-August) (c) autumn (September-November) (d) winter (December-February). Here the monsoon season start from the month of May up to middle of September i.e. 4 months of the year. At this time , air service and road service may not work regularly and flight schedule and buses usually get cancelled. Climate is one of the factors determining the number of tourist arriving Nepal in the rainy of monsoon months.

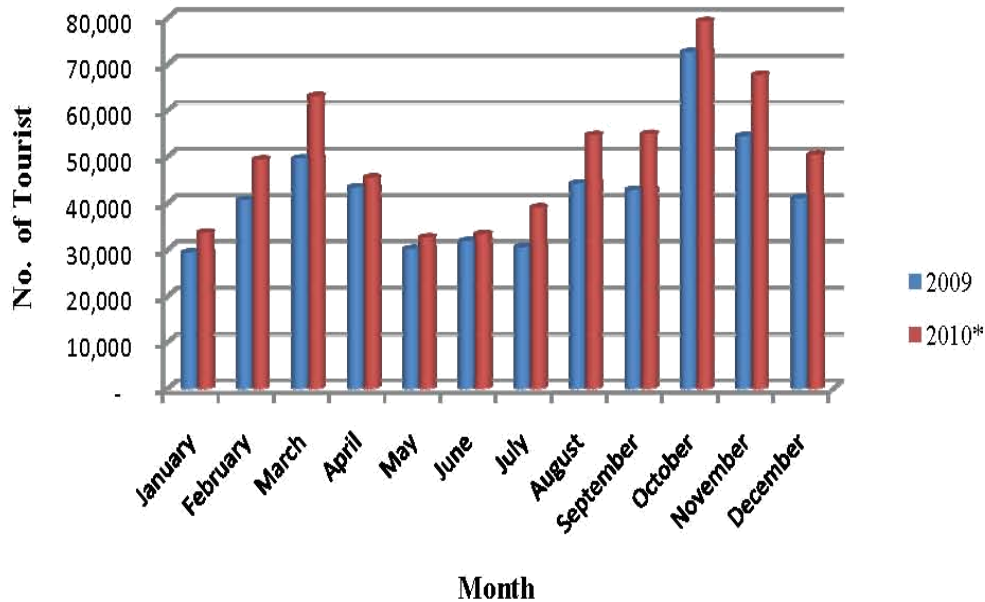
Table No. 7
Total Tourist Arrival by Month, 2009-2010

Month	Year		% Change
	2009	2010*	
January	29,278	33,563	14.6
February	40,617	49,315	21.4
March	49,567	63,051	27.2
April	43,337	45,465	4.9
May	30,037	32,535	8.3
June	31,749	33,266	4.8
July	30,432	38,998	28.1
August	44,174	54,605	23.6
September	42,771	54,857	28.3
October	72,522	79,186	9.2
November	54,423	67,587	24.2
December	41,049	50,427	22.8
Total	509,956	602,855	18.2

Source: Nepal Tourism Statistics, 2010

Table no. 7 shows that there has been considerable improvement in the seasonality factor. The month of July, August and September registered a rise in arrivals 28.1%, 23.6% and 28.3% while a down fall in arrivals was registered in the months of April, May and June where the percentage was 4.9, 8.3 and 4.8 respectively.

Figure No. 3
Total Tourist Arrival by Month, 2009-2010



The table no. 7 and figure no. 3 shows that the tourist arrivals in Nepal in different months. It shows that April month is the lowest of the tourist arrivals and the highest arrival is seen in the month of July, August and September. The highest peak of month was October 2010. The percentage change of the tourist arrival during January, February, March, May, June, November and December was found to be 14.6%, 21.4%, 27.2%, 8.3%, 4.8%, 24.2% and 22.8% respectively.

From the above presentation we can say that the tourist arrivals from different continents have increased year by year which shows that the future of tourism has lot of prospects because of the past trend of tourist arrivals inflow in Nepal.

4.7 Tourist Arrivals by Purpose of Visit

The official tourism statistics record seven types of tourists coming to Nepal. They are those who come here for trekking and mountaineering,

business, convention/conference and others. While this classification records the conference and convention tourists by grouping trekking and mountaineering and excluding rafting.

Table No. 8
Tourist Arrivals by Purpose of Visit

Year	Holiday/ pleasure	Trekking and mountaineering	Business	Pilgrimage	Official	Conv/ conf	Other	Total
1992	163958	33609	10863		8825		6076	223331
1993	161839	39999	11728	6713	26578	2838	5190	254885
1994	177370	42308	14601	9103	37274	5441	6898	292995
1995	237711	35166	31765	7219	20967	815	1710	334353
1996	170279	69619	19495	10429	15812	5267	2566	293467
1997	168155	76865	23522	5475	20431	5361	26722	326531
1998	183207	84787	21829	5257	20090	5272	42953	363395
1999	202977	88945	25079	4802	20191	6054	39165	387213
2000	249360	91525	27409	4068	24106	5824	19565	421857
2001	261347	112644	24954	16164	22123	5181	21271	463684
2002	290862	107960	23813	19198	24132	5965	19574	491504
2003	255889	118780	29454	15801	20832	5599	17291	463646
2004	187022	100828	18528	13816	18727		22316	361237
2005	110143	59279	16990	12366	17783		58907	275468
2006	97904	65721	19387	21395	21067		11758	338132
2007	167262	69442	13948	45664	17088		71893	385297
2008	160259	61488	21992	47621	16859		67179	375398
2009	145802	66931	21006	59298	18063		72766	383866
2010	201357	51475	18057	45137	19252		51837	387115

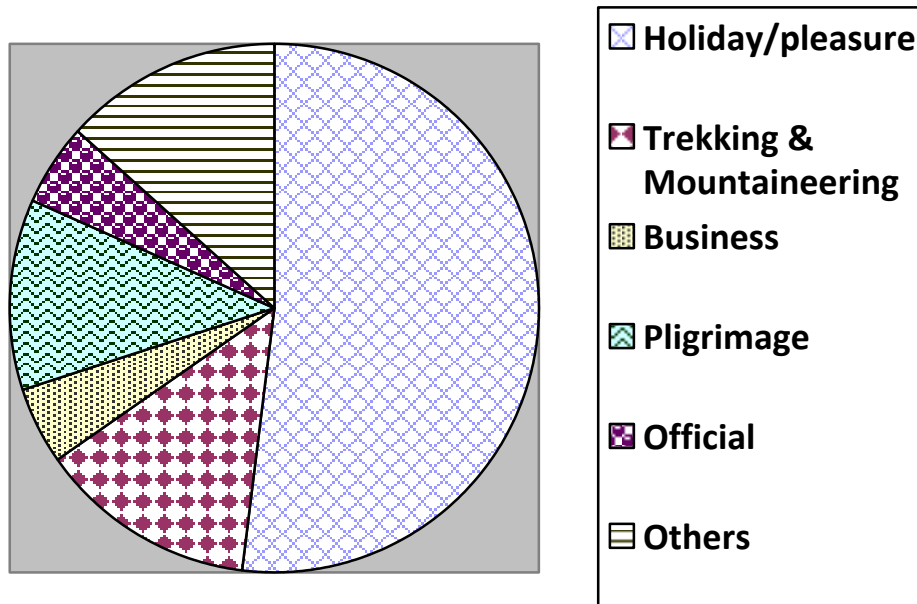
Source: Nepal Tourism Statistics, 2010

Table no. 8 shows that while there has been an a decline in the percentage of the holiday pleasure seekers (3.7%) and business travelers (0.4%) a slight increase has been record in the number of tourist classified as pilgrimage tourist (2.7%), trekking and mountaineering (1%).

From the data it can be said from the data that Nepal still remains of holiday/pleasure destination but tourists classified under this purpose of visit which in 1992 at 73/4 percent has been on a gradual decline. The data

also such that most tourist coming to Nepal to it from pleasure and not for trekking and mountaineering, which is a smaller percentage. This shows that Nepal is not the trekking and adventure destination in terms of tourist numbers.

Figure No. 4
Tourist Arrivals by Purpose of Visit, 2010 in Pie Chart



Holiday/pleasure 2,01,357 trekking and mountaineering 51,475 business 18,057 pilgrimage 45,137 official 19,252 and other 51,837.

To reach a generalization, tourist visiting Nepal are nine types which can help to identify the type and volume of the market for Nepali tourism. The types are (a) general tourist (pleasure seekers) (b) trekkers (c) mountaineers (d) safari tourists (e) rafters (f) pilgrims (g) business (h) students and (i) convention/conference tourists.

(a) General Tourist (Pleasure Seekers)

They are visitors who come to see destinations, which the government has promoted over the years. These people will keep coming as long as the places of interest promoted can draw them. The areas these

tourists are interested in include museums, bazaars, nature and the rural areas.

(b) Trekkers

Trekkers are tourism who go out in the country for packages which are over a week long. They are attracted by the natural beauty of the destinations.

(c) Mountaineers

Nepal attracts many mountaineers from all over the world. The challenging mountains will keep on attracting tourists but care has to be taken not to damage the local natural environment

(d) Safari Tourists

The national parks and hunting reserves in Nepal are another major tourist attraction. The diversity of wildlife ranges from the Yak and Blue Sheep of the high Himalayan regions to the Bengal tiger and the tropical One-horned Rhinoceros, which is found in the tropical jungle of the terai. The safari tourist will continue to visit these area as long as there are wild animals in the parks and wildlife reserves.

(e) Rafters

The rafters really enjoy the swift water melted from the Himalayas downs on the fivers and they will continue to come o the country in large number as long as the rafting routes are safe and unpolluted.

(f) Pilgrims

Nepal recalled as the birth place of Lord Buddha is also a destination of interest of the entire south and east Asian regions. The places of pilgrimage include the Himalayas, rivers, glacier, lakes the birthplace of Lord Buddha is also of great importance of Buddhists.

(g) Business Travelers

These are people who come to Nepal to make investments or look for opportunities to sell their products or seek to provide export outlets for Nepali products.

(h) Students

Nepal is a treasure house of knowledge for students of religions, philosophy, politics and nature. Students are generally interested in the country's history, philosophies etc. Many western universities even send students of Nepal for course work. The students can be tapped as a major information channel to promote Nepal.

(i) Conference Tourists

These are the kinds of tourist who come to visit the country when there is any national or business conferences or conventions taking place.

4.8 Tourist Arrivals by Different Airlines

Nepal is a landlocked country and it has no option of sea transportation. Therefore there are only two modes of traveling in Nepal i.e. by land and by air. Due to the new international airlines operating in the country and due to it's internal problems, Nepal airlines has not been able to contribute fully since past couple of years.

Table No. 9
Tourist Arrivals by Different Airlines From 1993-2010

Year	NA	IC	TG	QR	GF	BG	OS	KB	PK	9W	CA	F5	SZ	SQ	SU	HV	Others	Total
1993	95921	67552	24719			8235		466	5872				1436	4896	124		17200	226421
1994	110387	75756	25487			11436		1789	5288				2891	5135	2168		27595	267932
1995	126522	90196	28581			11513		1472	6655				3493	7925	1809		22330	300496
1996	102337	69642	29060			11825		2666	6876				5405	5133	4630		16566	254140
1997	122880	82750	30032			11278		2271	7218				5330	7098	2458		18066	289381
1998	140966	93229	33369			12660		2314	5947				6114	7981	2838		19617	325035
1999	136576	114760	32544	1497		10275		2856	8011				7354	8910	3123		17340	343246
2000	147723	122401	39619	3809		11864		3015	11273				6757	11073	3280		10331	371145
2001	143433	121189	53208	12669	3546	14150	3486	3005	11201				9147	10945	3667	2559	5244	397449
2002	123458	133840	59120	17789	10725	15043	11164	3826	9382				9823	12459	4035	4712	2155	417531
2003	149749	64062	60965	18803	10923	13915	10481	3600	8505				7651	12714	4129	4057	3283	372837
2004	83760	78024	49810	21526	10146	11877	7957	2589	6194				7862	10553	3961	2233	1541	298033
2005	65550	47543	39825	21003	9733	9524	6825	2681					5312	3544	72		7048	218660
2006	70779	78461	55182	26320	18532	10882	6228	3343					3300			2001	490	275438
2007	57678	78959	58197	32866	16986	9432	6697	4373	1910	15101			5841				9295	297335
2008	42069	36982	44056	30526	19015	4714	4865	7282	1855	20077	6295	45809					12901	277346
2009	38612	36311	48203	34091	19361	6221	4810	6257	1997	25086	6298	28359					28213	283819
2010	25152	25430	3785	8560	20353	5832	8541	3520	1852	26041	5321	405771					43215	195286

source: Nepal Tourism statistic, 20

1-(NA) Nepal Airlines, 2-(IC) Indian Airlines, 3-(TG) Thai International Airways, 4-(QR) Qatar Air, 5-(GP) Gulf Air, 6-(BG) Biman Bangladesh, 7-(OS) Austria Air, 8-(KB) Druk Airways, 9-(PK) Pakistan International Airlines, 10-(9W) Jet Airways, 11-(CA) Air China, 12-(F5) Japan Airlines, 13-(SZ) China Southwest Airlines, 14-(SQ) Singapore Airlines, 15-(SU) Aeroflot, 16-(HV) Transvia Airlines.

But in the past decade it has contributed to the promotion national tourism by operating services to different parts of the world where Bangkok, London, Frankfurt, Paris, Shanghai, Osaka are to name a few. Domestic private airlines call Necon air had also operated its international service to Patna, Calcutta and Banaras but it also discontinued due to internal of its own.

Altogether there are currently more than 12 international airlines operating there service in Nepal including Indian airlines. Couple of years ago in the Christmas eve of the new millennium Indian airlines IC 814 was hijacked from the Tribhuvan International airport. The Indian airlines flights were cancelled for six months until it restarted its schedule to fly in Nepal.

Air transportation has played a great role in catering to tourist. It covers broad areas of the tourist arrivals. A mission promoted by the tourism department of Nepal in 1998 with the slogan of 'Visit Nepal year 1998' attracted the attention of the tourist in this destination and solved some of the problems faced by the aviation sector. Gulf air, Transavia airlines, Qatar air, Condor and Austria airlines started its regular flights after the visit Nepal year 1998 and Thai airways and Singapore airlines increased its flight frequency then.

From the table no. 9 we come to know that tourist arrival is pretty much increasing every year. The data shown on the table no. 9 indicates that in the year 2002, 2006 and 2007 majority of the tourist arrived Nepal thru Indian airlines. Nepal airlines brought majority of the tourist from 1993 to 2001 and in other years except in 2008, 2009 and 2010 where Thai international airways took a major role in landing the tourist in Nepal.

The shares of tourist arrival thru Indian airlines was 1,33,840 78,461 and 78,959 during the year 2002, 2006 and 2007 respectively. The share of tourist flown thru Nepal airlines were 95921, 110387, 126522, 102337, 122880, 140966, 136576, 147723, 143433, 149749, 83760, 65550, from the year 1993 to 2001 and 2003, 2004 and 2005 respectively. Thai international airways have become the major airlines bringing the tourist in Nepal with the highest number 44,956 and 48,203 in 2009 and 2010 respectively. Similarly China southwest airlines, Gulf air, Qatar airways, Pakistan international airlines has also played a importance role in transporting the tourist to Nepal from aboard. Although in recent year the older airlines such as Aeroflot, Singapore airlines, Lufthansa, Transvia airlines operating have stopped their flight from Nepal but the operational of new airlines have added dimension in the field of air transport by carrying greater number of tourist in Nepal. Our NAC is having internal problems due to which there are disturbance times to time regarding its transportation of tourist in Nepal.

We also come to the conclusion from above interpretation that major tourist visit Nepal thru airlines than from the land route. So air transport can play significant role to promote the tourist industry in Nepal. There should be a swift marketing approach from the government side to provide extra needed facilities to increase air transportation in Nepal. Providing an offer to conducting private airlines is one of them. Government should by to open sky policy due to the inability to play an important role by NAC due to its internal problem

4.9 Tourist Arrivals by Major Nationalities

Tourism industry in Nepal could not take a fast pace development due to the lack of insufficient facilities of air transportation, accommodation, sight seeing etc before 1960's. Nepal tried to improve its tourism industry by providing several services and that year. Tourist arrival in Nepal has been increasing year after year from then.

Table No. 10
Tourist Arrival by Major Nationality, 2009-2010

Nationality	2,009	2010*	% Change
Australia	15,461	16,838	8.9
Austria	3,245	3,519	8.4
Bangladesh	15,385	21,047	36.8
Belgium	4,832	5,779	19.6
Canada	8,965	10,302	14.9
China	32,272	43,119	33.6
Denmark	4,464	4,609	3.2
France	22,154	24,678	11.4
Germany	19,246	23,473	22.0
Israel	5,879	4,815	-18.1
Italy	7,982	10,195	27.7
Japan	22,445	23,272	3.7
Malaysia	5,527	7,277	31.7
Netherlands	11,147	13,673	22.7
Newzealand	2,439	2,878	18.0
Norway	2,329	2,298	-1.3
Pakistan	3,966	4,351	9.7
Singapore	5,344	5,544	3.7
Srilanka	36,362	45,841	26.1
Switzerland	5,281	5,629	6.6
Spain	13,006	14,158	8.9
Sweden	2,323	3,298	42.0
South Korea	16,145	20,332	25.9
Chinese Taipei	5,925	7,257	22.5
Thailand	27,397	25,921	-5.4
U.S.A.	32,043	37,085	15.7
U.K.	35,382	35,539	0.4
Others	49,126	63,807	29.9
India	93,884	116,321	23.9
Total	509,956	602,855	18.2

Source: Nepal Tourism Statistics, 2010

The table no. 10 provides the details about the visitor arrivals in Nepal from major foreign countries from the year 2009 and 2010.

The table no. 10 reveals that majority for the Indian tourist have been visiting every year. Table no. 10 shows that 93,884 and 1,16,321 tourist visited from Indian in the year 2009 and 2010. United Kingdom hold the second position with 35,382 and 35,539 tourist in 2009 and 2010. In the third rank comes China, fifth and sixth position comes for USA and Thailand respectively. Similarly Japan, France, Germany, South Korea, Bangladesh, Australia, Spain and Natherlands also hold a good position regarding the tourist coming from those countries. The table no. 10 shows that there were nominal amount of tourist visiting Nepal from Sweden, Norway, Newzealand, Pakistan and Austria.

While discussing about the tourist arrivals on the basis of nationalities, it would be appropriate to discuss the tourist arrivals by nationalities in different month for 2010. The following table indicates the tourist arrivals by nationality in the year 2010.

Table No. 11
Tourist Arrivals by Major Nationalities, Air & Land, 2009-2010

Nationality	By Air			By Surface Route		
	2009	2010	%change	2009	2010	%change
India	86,696	104,470	20.5	65310	101851	55.9
Third Country Total	292,016	344,299	17.9	118783	142235	19.7
Australia	13,327	14211	6.6	1940	2627	35.9
Austria	2,729	3158	15.7	404	361	-10.6
Bangladesh	12,578	20223	60.8	2631	824	-68.7
Belgium	4,099	4840	18.1	695	939	35.1
Canada	7,628	9023	18.3	1281	1279	-0.2
China	18,677	25559	36.8	13094	17560	34.1
Denmark	3,200	4028	25.9	1189	581	-51.1
France	18,879	21832	15.6	3145	2846	-9.5
Germany	16,397	19735	20.4	2637	3738	41.8
Israel	4,770	4058	-14.9	1036	757	-26.9
Italy	6,945	8867	27.7	944	1328	40.7
Japan	19,045	20458	7.4	3156	2814	-10.8
Malaysia	4,596	6021	31.0	886	1256	41.8
Netherlands	7,580	9434	24.5	3396	4239	24.8
Newzealand	1,970	2449	24.3	409	429	4.9
Norway	2,056	2130	3.6	267	168	-37.1
Pakistan	3,913	4342	11.0	5	9	80.0
Singapore	4,947	5069	2.5	320	475	48.4
Srilanka	1,722	1760	2.2	24603	44081	27.4
Switzerland	4,501	5000	11.1	697	629	-9.8
Spain	10,915	12197	11.7	2011	1961	-2.5
Sweden	1,818	2416	32.9	483	882	82.6
SouthKorea	11,792	15151	28.5	3999	5181	29.6
ChineseTaipei	5,132	5,557	8.3	793	1700	114.4
Thailand	6,664	5581	-16.3	20622	20340	1.4
U.S.A.	27,877	33144	18.9	3791	3941	4.0
U.K.	30,186	32108	6.4	4623	3431	-25.8
Other	38,073	45948	20.7	15046	17859	18.7
GrandTotal	378,712	448,769	18.5	184093	244086	32.6

Source: Nepal Tourism Statistics, 2010

Table No. 12
Tourist Arrivals by Nationalities & Months, 2010

Nationality	January	February	March	April	May	June	July	August	September	October	November	December	Total
Australia	1,048	1,092	1,656	1,552	805	578	588	666	1,955	2,866	2,305	1,727	16,838
Austria	102	177	459	330	259	112	132	227	371	819	368	163	3,519
Bangladesh	1,376	1,451	1,595	1,615	1,155	1,236	1,431	1,478	3,507	1,529	2,240	2,434	21,047
Belgium	225	498	823	487	241	156	429	306	473	1,281	630	230	5,779
Canada	657	717	1,121	1,013	709	435	521	505	879	1,871	1,305	569	10,302
China	2,649	5,098	3,368	3,158	2,009	1,912	2,537	3,356	4,664	4,428	4,130	5,810	43,119
Denmark	229	534	602	365	202	72	251	174	378	1,161	462	179	4,609
France	1,090	1,904	2,342	2,776	820	634	1,215	1,674	2,067	6,101	3,130	925	24,678
Germany	671	1,371	3,230	2,005	1,179	556	1,133	1,418	2,636	5,747	2,603	924	23,473
Israel	186	260	744	500	131	69	58	306	1,245	867	314	135	4,815
Italy	418	688	754	830	479	344	533	2,258	726	1,708	917	540	10,195
Japan	1,685	2,396	2,747	1,667	1,052	627	995	1,632	1,816	2,708	3,326	2,621	23,272
Malaysia	295	543	706	507	226	472	430	512	684	608	1,103	1,191	7,277
Netherlands	584	874	1,769	866	633	326	1,228	894	1,090	3,099	1,496	814	13,673
Newzealand	106	228	295	337	137	88	69	141	339	603	344	191	2,878
Norway	142	157	516	140	95	115	76	74	177	404	295	107	2,298
Pakistan	412	312	293	416	365	347	343	304	351	390	307	511	4,351
Singapore	194	331	481	331	357	592	254	176	355	612	783	1,078	5,544
Srilanka	228	6,553	7,589	723	222	137	542	12,455	5,318	4,085	6,689	1,300	45,841
Switzerland	219	307	511	574	279	163	277	433	546	1,360	679	281	5,629
Spain	397	378	923	716	439	485	1,506	3,669	1,720	2,234	1,271	420	14,158
Sweden	170	187	380	212	92	173	160	137	494	744	375	174	3,298
South Korea	3,402	1,729	1,810	1,517	637	630	1,666	1,664	1,187	1,786	2,289	2,015	20,332
Chinese Taipei	899	1,011	924	401	245	221	485	725	381	604	684	677	7,257
Thailand	2,346	3,513	4,452	1,500	271	291	578	361	703	2,357	4,295	5,254	25,921
U.S.A.	2,197	3,083	3,310	3,025	2,652	2,732	2,436	2,191	3,224	5,858	3,969	2,408	37,085
U.K.	1,736	2,251	4,956	3,393	1,864	1,312	2,149	2,118	2,788	6,308	4,444	2,220	35,539
Others	4,064	5,514	7,173	6,419	3,498	3,126	3,066	3,534	5,334	8,654	8,007	5,418	63,807
India	5,836	6,158	7,522	8,090	11,482	15,325	13,910	11,217	9,449	8,394	8,827	10,111	116,321
Total	33,563	49,315	63,051	45,465	32,535	33,266	38,998	54,605	54,857	79,186	67,587	50,427	602,855

Source: Nepal Tourism Statistics, 2010

Table No. 12 (continued)
Tourist Arrivals by Nationalities & Month, 2010 (Air)

Nationality	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Australia	867	930	1,519	1,301	588	429	462	529	1,625	2,510	1,964	1,487	14,211
Austria	92	159	438	290	209	92	115	156	341	763	352	151	3,158
Bangladesh	1,248	1,421	1,536	1,491	1,039	1,217	1,379	1,440	3,406	1,488	2,187	2,371	20,223
Belgium	199	303	774	444	217	130	322	234	376	1,090	544	207	4,840
Canada	594	593	976	833	607	367	466	421	788	1,682	1,185	511	9,023
China	1,783	4,110	2,514	1,822	1,042	840	1,452	1,735	3,015	2,620	2,144	2,482	25,559
Denmark	212	498	519	302	162	65	188	167	357	1,036	359	163	4,028
France	922	1,659	2,048	2,493	691	481	1,047	1,365	1,811	5,657	2,859	799	21,832
Germany	561	1,198	2,950	1,785	906	399	900	959	1,929	5,038	2,336	774	19,735
Israel	166	233	572	413	114	41	50	261	1,079	712	283	134	4,058
Italy	341	632	691	774	365	279	464	1,827	593	1,551	843	507	8,867
Japan	1,483	2,045	2,425	1,516	917	518	909	1,441	1,480	2,324	3,021	2,379	20,458
Malaysia	283	514	598	500	216	383	360	414	647	572	815	719	6,021
Netherlands	442	677	1,392	666	481	230	743	355	659	2,040	1,041	708	9,434
Newzealand	77	201	267	302	101	54	42	114	306	523	293	169	2,449
Norway	120	138	495	120	90	98	66	74	150	394	284	101	2,130
Pakistan	412	312	293	416	365	347	343	297	351	388	307	511	4,342
Singapore	179	315	454	319	350	567	222	157	340	581	681	904	5,069
Srilanka	122	222	81	124	76	71	113	223	126	146	235	221	1,760
Switzerland	183	246	442	513	219	136	244	376	497	1,265	631	248	5,000
Spain	341	309	825	602	395	424	1,325	3,061	1,525	1,910	1,128	352	12,197
Sweden	146	155	324	173	79	135	93	106	160	569	322	154	2,416
South Korea	2,261	1,272	1,325	1,263	423	499	1,282	1,353	1,001	1,412	1,607	1,453	15,151
Chinese Taipei	596	936	594	348	216	155	410	619	272	491	467	453	5,557
Thailand	310	399	459	985	185	136	198	243	355	690	740	881	5,581
U.S.A.	1,917	2,779	2,957	2,774	2,370	2,322	1,941	1,868	2,951	5,334	3,693	2,238	33,144
U.K.	1,516	1,962	4,613	2,980	1,613	1,097	1,980	1,891	2,521	5,860	4,034	2,041	32,108
Others	2,862	3,118	4,829	5,059	2,872	2,496	2,526	3,078	4,384	6,358	5,224	3,142	45,948
Sub-Total	20,235	27,336	36,910	30,608	16,908	14,008	19,642	24,764	33,045	55,004	39,579	26,260	344,299
India	5,836	6,156	7,521	8,086	9,726	12,989	9,696	9,651	8,286	7,708	8,752	10,063	104,470
Total	26,071	33,492	44,431	38,694	26,634	26,997	29,338	34,415	41,331	62,712	48,331	36,323	448,769

Source: Nepal Tourism Statistic

Table No. 12 (Continue) Tourist Arrivals by Nationalities & Month, 2010 (Surface Route)

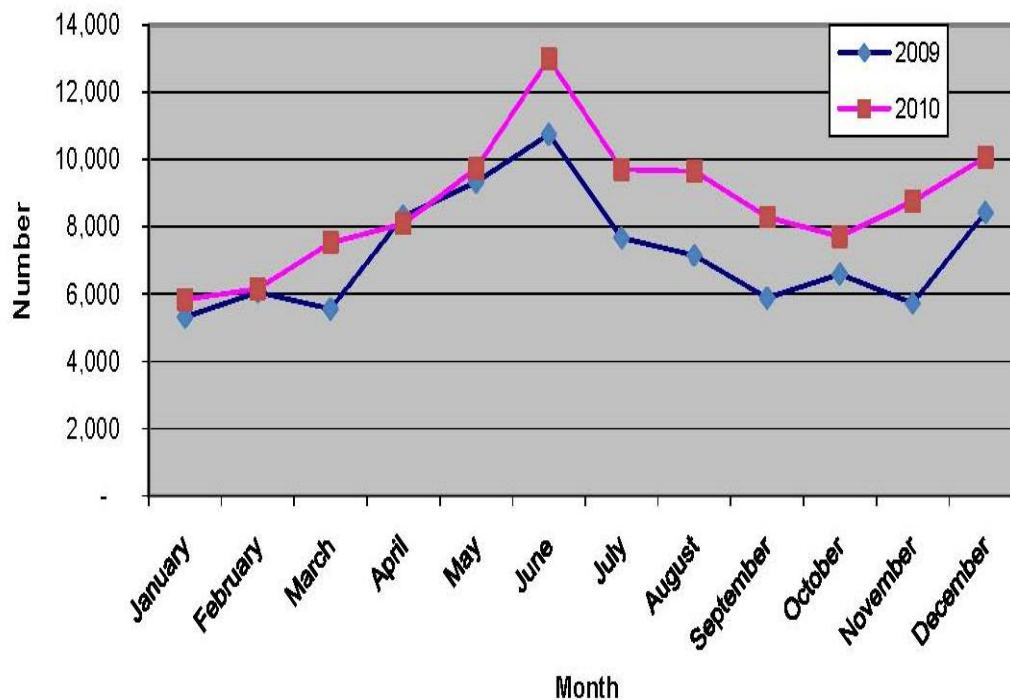
Nationality	January	February	March	April	May	June	July	August	September	October	November	December	Total
Australia	181	162	137	251	217	149	126	137	330	356	341	240	2,627
Austria	10	18	21	40	50	20	17	71	30	56	16	12	361
Bangladesh	128	30	59	124	116	19	52	38	101	41	53	63	824
Belgium	26	195	49	43	24	26	107	72	97	191	86	23	939
Canada	63	124	145	180	102	68	55	84	91	189	120	58	1,279
China	866	988	854	1,336	967	1,072	1,085	1,621	1,649	1,808	1,986	3,328	17,560
Denmark	17	36	83	63	40	7	63	7	21	125	103	16	581
France	168	245	294	283	129	153	168	309	256	444	271	126	2,846
Germany	110	173	280	220	273	157	233	459	707	709	267	150	3,738
Israel	20	27	172	87	17	28	8	45	166	155	31	1	757
Italy	77	56	63	56	114	65	69	431	133	157	74	33	1,328
Japan	202	351	322	151	135	109	86	191	336	384	305	242	2,814
Malaysia	12	29	108	7	10	89	70	98	37	36	288	472	1,256
Netherlands	142	197	377	200	152	96	485	539	431	1,059	455	106	4,239
Newzealand	29	27	28	35	36	34	27	27	33	80	51	22	429
Norway	22	19	21	20	5	17	10	-	27	10	11	6	168
Pakistan	-	-	-	-	-	-	-	7	-	2	-	-	9
Singapore	15	16	27	12	7	25	32	19	15	31	102	174	475
Srilanka	106	6,331	7,508	599	146	66	429	12,232	5,192	3,939	6,454	1,079	44,081
Switzerland	36	61	69	61	60	27	33	57	49	95	48	33	629
Spain	56	69	98	114	44	61	181	608	195	324	143	68	1,961
Sweden	24	32	56	39	13	38	67	31	334	175	53	20	882
South Korea	1,141	457	485	254	214	131	384	311	186	374	682	562	5,181
Chinese Taipei	303	75	330	53	29	66	75	106	109	113	217	224	1,700
Thailand	2,036	3,114	3,993	515	86	155	380	118	348	1,667	3,555	4,373	20,340
U.S.A.	280	304	353	251	282	410	495	323	273	524	276	170	3,941
U.K.	220	289	343	413	251	215	169	227	267	448	410	179	3,431
Others	1,202	2,396	2,344	1,360	626	630	540	456	950	2,296	2,783	2,276	17,859
India	-	2	1	4	1,756	2,336	4,214	1,566	1,163	686	75	48	11,851

Source: Nepal Tourism Statistics, 2010

4.10 Tourist Arrivals in Different Year

Figure No. 5 reveals that majority of the tourist visiting Nepal Indians by air. Maximum number of Indian tourist visited Nepal by air during 2009 was on the month of June with 10,14 Indians and minimum number of Indian tourist visited in the month of January with 5,309 Indians. Similarly maximum Indian tourist visited Nepal by air during 2010 was on the same month June with 12,989 Indians and minimum number of Indians visited by air in the month of January with 5,836 Indians.

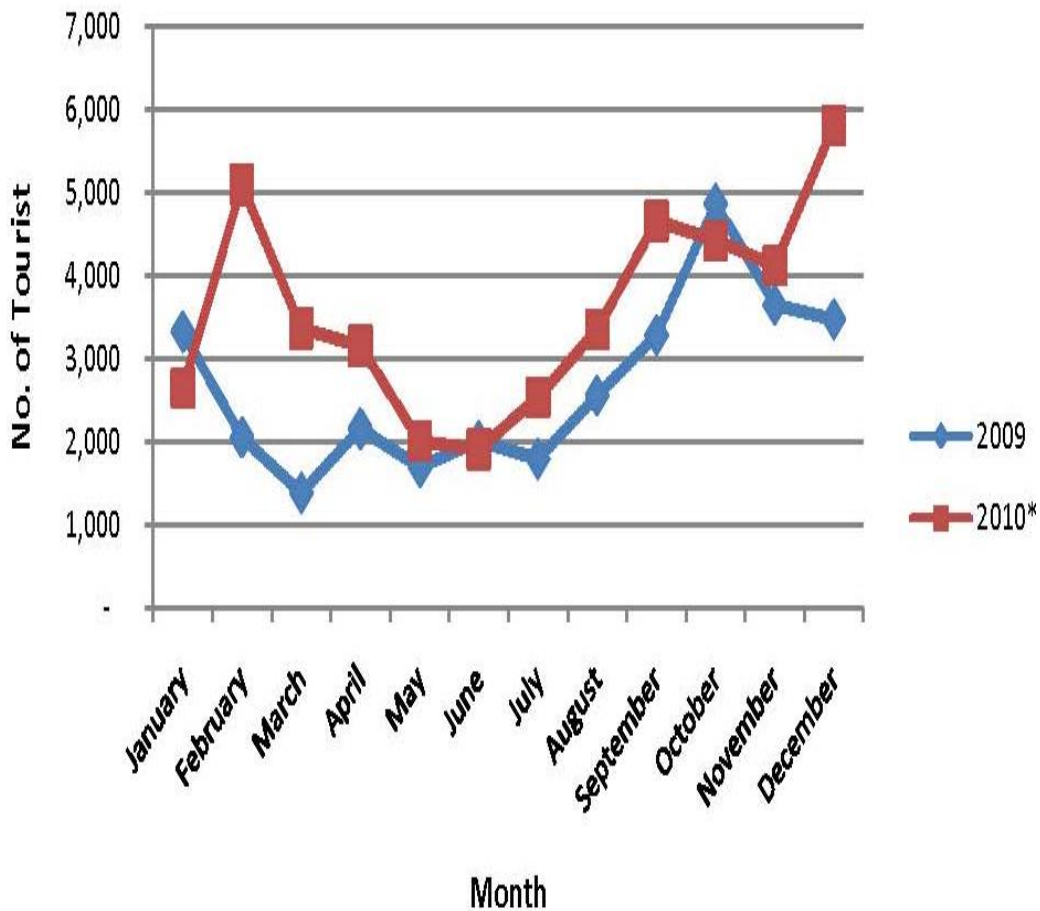
Figure No. 5
Monthly Indian Tourist Arrival by Air, 2009-2010



Similarly figure no. 6 reveals that majority of the tourist visiting Nepal Chinese. Maximum number of Chinese tourist visited Nepal during 2009 and 2010 was on the month of October and December with 4,867 and 5,810 Chinese respectively.

Minimum number of Chinese tourist visited in the same year month of March and June with 1,387 and 1,912 respectively.

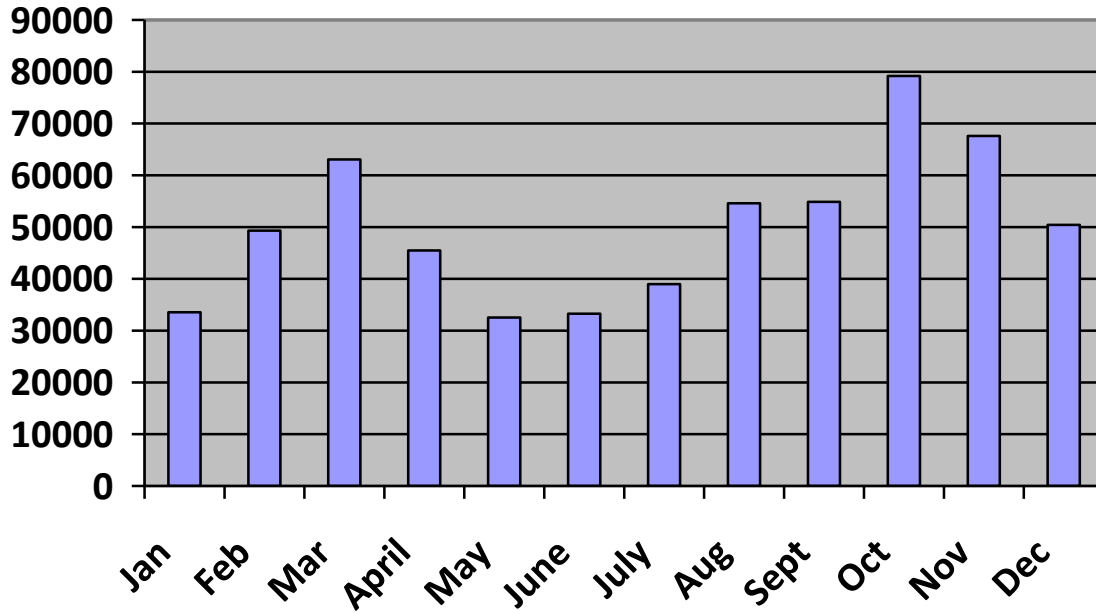
Figure No. 6
Monthly Chinese Tourist Arrival by Month, 2009-2010



Surprisingly Sri Lanka came second after Indian in terms of arrivals with 45,814 Srilankan tourist visiting Nepal in the year 2010. China come in the third with 43,119 Chinese and USA comes in fourth with 37,085 American tourists visiting Nepal. U.K. comes in fifth after USA with 35,539 tourist arrivals in 2010. Similarly Japan, Thailand, France, Germany, Spain and Korea have also large amount of tourist arrivals in this Himalaya kingdom of Nepal during the year 2010.

If we compare the arrivals for the tourist from different countries in the year 2009 and 2010 there is an adequate increase in the number of tourist from most of the countries in the last year.

Figure No. 7
Tourist arrivals by Months 2010 in Graph Chart



Analyzing the graph of tourist arrivals by month in the year 2010, we see that October month and the highest with 79,186 tourist arrivals we had an inflow of 67,587 tourists, which is the second highest in 2010 in the month of November. The last amount of tourist inflow was in the month of May and June with 32,535 and 33,266 tourist inflow respectively. Usually we have been observing that there is an increase in the number of tourist in the October- November month those other months to visit Nepal.

4.11 Tourist Arrivals by Sex and Age Groups

While presenting and interpreting the types of tourist arrivals, it is important to discuss and present the number of males and females tourist visiting Nepal. The importance is due to the difference in the degree of awareness about the products presented

to them. Here we discuss the number of males and females visiting Nepal from 1993 to 2010.

Table No. 13
Tourist Arrivals by Sex and Age Groups, 1993-2010

year	Sex		Total	Age Groups				
	Male	Female		0-15	16-30	31-45	46-60	61&over
1993	155311	99574	254885	10620	85903	82292	49388	26682
1994	177574	115421	292995	17174	96634	94539	54320	30328
1995	197051	137302	334353	18624	105123	111096	65651	33859
1996	179178	114389	293567	15289	91947	96665	59768	29898
1997	205389	121142	326531	20097	96016	106260	66174	37984
1998	224769	138626	363395	22878	106603	120212	76647	37055
1999	233055	160558	393613	22185	94924	116307	89751	70446
2000	251358	170499	421857	23840	121286	126828	107111	42792
2001	267871	195813	463684	26763	122103	151846	121190	41782
2002	286161	205343	491504	30967	150307	155985	113314	40913
2003	266937	196709	463646	19136	119816	148063	125140	51491
2004	213465	147772	361237	14608	95801	115678	93621	41529
2005	174710	100758	275468	12425	67774	99622	67017	28630
2006	204732	133400	338132	16056	78357	99740	5753	58226
2007	255303	129994	385297	38734	84125	128267	6920	37251
2008	257972	117426	375398	30429	57115	114103	6077	67674
2009	218818	165108	383926	37133	75626	123541	5260	52066
2010	321502	183201	504703	20531	90541	152105	2935	30245

Source: Nepal Tourism Statistics, 2010

Looking at the table no. 13, we find that in 2001 and 2002 largest number of male tourist visited Nepal with 2,67,971 and 2,86,161 respectively. Similarly the largest amount of tourist was 1,95,813 and 2,05,343 female tourist visited Nepal in the year 2001 and 2002 respectively. The lowest number of male and female tourist were found in the year 1993, so it is quite evident that male and female both tourist number is in rise continuously except in some years.

If we look at the age groups of the tourist visiting Nepal we find that the age group of 31-45 has the highest number of arrivals every year followed by the age group of 16-30. And the group of

46-60 comes in third in terms of tourist coming to Nepal and 0-15 age group is the least one visiting Nepal. The age group 31-45 which is the highest one to visit Nepal, we find that the year 2001, 2002 and 2003 amount of tourist from this age group visited Nepal which 1,51,846 1,55,985 and 1,48,063 respectively. We find that 2010 year highest amount of tourist arrive in Nepal.

4.12 Tourist Arrivals by Sex and Age Groups (Monthly) in2010

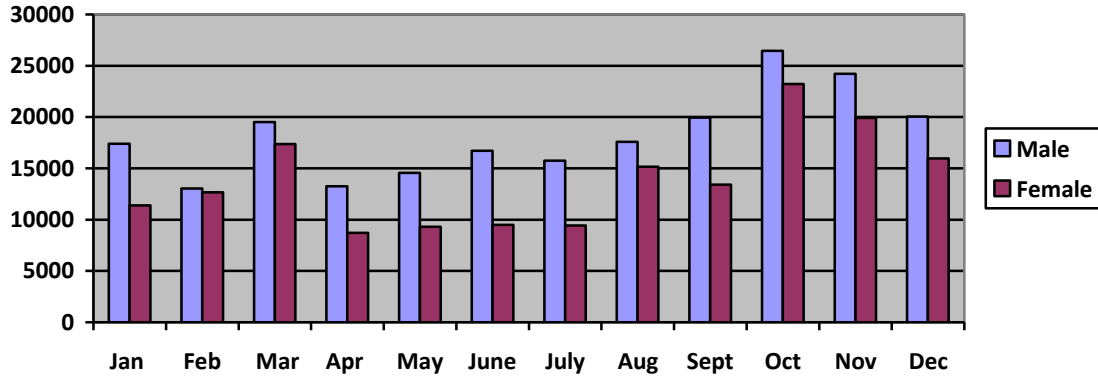
Interpreting the tourist arrivals by sex and age groups in different months of the year 2010 from table no. 14, we find that the highest amount of tourist came on the month of October with 4170, 8763, 15471, 13074 and 8192 tourist of the age groups 0-15, 16-30, 31-45, 46-60, 61 & over respectively.

Table No. 14
Tourist Arrivals by Sex & Age Groups (Monthly),2010

Month	Sex		Age Groups				
	Male	Female	0-15	16-30	31-45	46-60	61&over
Jan	17385	11384	2304	5969	9271	7761	3464
Feb	13053	12675	2977	4917	7738	6038	4058
Mar	19501	17372	3768	6861	11106	8748	6390
Apr	13259	8724	1852	4088	7231	5883	2929
May	14553	9317	2614	4649	7554	5558	2495
June	16707	9503	3813	5311	8448	6123	2515
July	15749	9434	2402	5584	8480	6492	2225
Aug	17985	15165	3433	7221	11512	7787	3197
Sept	19938	13424	2410	6654	11233	8761	4304
Oct	26439	23231	4170	8763	15471	13074	8192
Nov	24206	19913	3502	8283	13759	11005	7570
Dec	20043	15966	4188	7326	11738	8030	4727
Total	218818	166108	37433	75626	123541	95260	52066

Source: Nepal Tourism Statistics, 2010

Figure No. 8
Tourist Arrival by Sex, 2010 in Bar Chart



The least arrival of tourist was in the month of April in the year 2010 with 1852, 4088, 7231, 5883 and 2929 tourist of the age groups 0-15, 16-30, 31-45, 46-60, and 61 & over respectively.

In context of male and female arrivals in the different months of the year 2010, table 14 shows that the highest 16,707 male tourist came to Nepal in the month of June and 12,675 female tourist came to Nepal on the month of February. From the above interpretation we find that male tourists have the higher percentage and the age group of 31-45 is the highest arrival in Nepal. Similarly the month of October was higher for any gender or age group of tourist arrival in Nepal.

4.13 Actual Length of Stay by Major Nationality

From the table no. 15 we find that the average length of stay of the tourist from different countries visiting Nepal in the year 2010.

Table No. 15
Actual Length of Stay by Major Nationality, 2010

Nationality	No. of Visitors days	Same Day Visitors	No. of Departure with Specified length of Day	Avg. length of Stay
Australia	81319	112	7974	10.2
Austria	35381	0	3602	9.8
Canada	57518	24	4903	11.7
Denmark	20477	0	1735	11.8
France	178397	126	14975	11.9
Germany	173575	182	14795	11.7
India	641348	0	94191	6.8
Italy	71684	0	8299	8.6
Japan	183071	1049	21180	8.6
Netherlands	92239	144	8428	10.9
Spain	93993	12	10762	8.7
Switzerland	26576	24828	3052	8.7
Sri Lanka	39716	93	3378	11.8
USA	254768	87	22921	11.1
U.K.	214671	386	19658	10.9
Others	1529390	17782	122618	12.5
Total	3694123	44825	362471	10.2

Source: Nepal Tourism Statistics, 2010

It was found that tourist from France had the highest length of stay in Nepal with 11.9 days followed by Switzerland and Denmark with 11.8 days both. Canadian and German tourist comes fourth and fifth with 11.7 days of stay in the year 2010. Indian tourist are the least in content of average length of stay in the country with just 6.8 days, so it is evident that even though Nepal has the highest amount of Indian tourist here but their average length of stay is much less than tourist from other countries.

4.14 Hotel Accommodation

Hotel industry plays a significant role in promotion of the tourist in Nepal. Hotel industry provides the greatest accommodation for tourist visiting during their trip. Hotel industry

must be diversified into categories such as deluxe, semi-deluxe and moderate according to the need and demand of the tourist.

Table No. 16
Hotel Accommodation, 2010

Category	No. of Hotels	No. of rooms	No. of beds
Five star	10	1822	3463
Four star	2	190	362
Three star	17	637	1283
Two star	31	1166	2501
One Star	37	738	1760
Non Star	639	6919	19116
Total	726	14272	28485

Table no. 16 shows the hotel accommodation in 2010 indicating different category of hotels with the number of rooms and beds. It indicates that there are 10 hotels of five star category, two hotels of four star category, 17 hotels of three star category, 31 hotels of two star category, 37 hotels of one star and 639 hotels of non star in Nepal. The above mentioned hotels have total 14,272 rooms and 28,485 beds.

Besides the hotels in Kathmandu for the accommodation of the tourist, there are some more hotels outside Kathmandu valley. So we find that much of the hotels are concentrated in the Kathmandu valley being a center point for the tourist destination.

4.15 Major Finding of the Study

From the previous chapter of data presentation and analysis, we have come to some major findings from the previous analysis. These are:-

- The tourism industry yet flourishing is still vulnerable since there has been noticeable amount of drop in the tourist arrivals in some previous particular years. In recent years also there has been a significant down fall of tourist arrivals.
- Our tourism fortune is closely tied other Asian countries since the tourist visiting Nepal come with multiple destination trips and majority of the tourist come from the Indian route. The data shows that the tourist arrival by air is the highest even from the Indian route.
- Looking at the overall amount of tourist visiting Nepal, we have found that about 80% of the tourists enter the country by air but the length of the stay of the tourist has decreased a bit than previous decades.
- Seasonally factor is one of the issue since we have seen the downfall of tourist in the monsoon season than the years of previous decades.
- The official tourism record shows that tourist usually come to Nepal for spending holidays rather than for other purposes which shows that Nepal has not been able to be as trekking and adventure destination in terms of tourist numbers.
- Air transportation can play a significant role in promotion tourism. The majority of tourist coming to Nepal is thru international airlines. There are altogether 12 international airlines operating their service in Nepal and our own Nepal airlines has not been able to play a significant role in bringing the tourist in the country.
- The statistical record shows that the Indian tourist are in the majority than those o Western tourist visiting Nepal. Also the record shows that the middle aged people (31-45years of age).
- It is also found hat although he number of Indian tourist arrival is the highest but heir average length of stay is the lowest in the country.

- The majority of the hotels which is a significant part of the tourist industry are concentrated in the Kathmandu valley rather than other places of the country.

CHAPTER V

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

Tourism marketing is a management philosophy which in the light of demand is possible through research, forecasting and selection to place tourism products on the market most in the line which the organization's purpose for the greatest benefit.

Nepal has a very partial tourism product as yet not exploited fully. She has a cultural heritage entered in the Kathmandu valley. She is the cultural museum where art treasure and monuments of historical interest are preserved. The arts and crafts of Nepal, enriched by Hindu and Buddhist culture, especially in the valley of Kathmandu. Innumerable temples in both Stupas and Pagoda style and many other interesting monuments and even private houses with carved doors, windows, balconies are within easy reach of the valley.

Some of these places such as Hanuman Dhoka - the old place square of Kathmandu, place squares of Patan and Bhaktapur, the Buddhist stupas of Boudhanath and Swayambhunath are well known and other places of interest like ancient places like Sankhu, Changunarayana, Pharping, Kirtipur and Thimi deserve attention. The combination of religious shrines, the artistic creations of man and nature in the form of Himalayan snowy in unique in the world. Kathmandu valley's ancient cities, temples and arts in stone, wood, brass, and bronze, standing as they have been for thousands of years, are invaluable legacies of centuries past. These are the spiritual and cultural treasures impossible to come across anywhere else.

Nepal has much to offer to the visitors from its rich cultural treasures to great natural beauties of the Himalayas, which line across northern Nepal topped by Mount Everest (8848 m), the

highest peak in the world together which peaks some eight peaks over 8000 meter and about two hundred more than 6000 meter high. The Himalayan region lies at an altitude 4500 meter to 8848 meter above the sea level with the snow line running at 4500 meter.

After the culture and the Great Nepal Himalayas, the tourism marketing products are based on wildlife in a jungle setting. Terai region of Nepal occupies 17 percent of the total area of the country. It is a fertile plain stretching from east to west in the southern part, densely populated and the food basin of the country. The region which has rich and varied species of flora and fauna is a long tropical zone, richest area for Nepal's wildlife with gaurs, wild buffaloes, four species of deer, Royal Bengal tigers, leopards, one-horned rhinoceros, swamp deer, two kinds of crocodiles and the Ganges dolphin inhabiting the rivers. The region is also full of bird life like black partridge, peacock, pigeon, vulture, kites, snipe duck and parrots. Adventure in the heart of the Terai jungle in Chitwan national park is getting popular among the international visitors at present.

Nepal has established ten national parks extending from Terai to sub Himalayan region. These parks and wildlife areas are greatly influenced by the landscape of the country and the flora and fauna with the different in the climate conditions and the ranges of altitudes. So Nepal can be called zoologically and botanically one of Asia's richest areas. There areas where the visitors may see all kind of wildlife in the dense forests of the Terai and glacial valleys, grizzly bear, mountain blue sheep, red panda, wild yak, snow leopard and many species of birds.

There are lots of opportunities to experience wildlife adventure or relax in the jungle setting of Nepal's national parks and wildlife reserves. Chitwan national park and Sagarmatha national park are now included in world heritage sites (natural) by world heritage committee as universal heritage of mankind.

Not only wildlife, Nepal is also a land of varied attractions for adventure by trekking on both well established routes and in

more remote areas. Trekking thru magnificent hills, valleys and lakes shows the greatness of landscape, enjoying the breath taking views of snowy Himalayan range and the calm and quite green valleys. Trekking is really the visitor's pastime that Nepal is most well known for owing to the country's vast and generally safe landscape, from the valleys to the majestic peaks of the Himalayan range. Trekking offers variety and beauty of many sites and scenery and the opportunities of coming near to so many of the different ethnic groups living in the different trekking areas of Nepal. Trekking offers vacation paradise providing new delights and thrills.

Nepal has major religious sites for pilgrimages in different parts of the country possessing many sacred and well regarded places of religious tourists which attract the visitors from all over the world. Nepal has a great potentiality for the growth of pilgrimage tourism also.

The vast potentials of tourism describe above are attracting tourists even at present and they will surely become great attraction for the future. In order to secure, the objectives of enhancing future tourism markets are to be created by giving considerable thoughts to watchful expansion of tourism marketing for Nepal and improving Nepal's tourism product. The tourist arrivals from international markets must be increased in order to raise foreign exchange earnings in the future.

Marketing is a modern method of creating management function which assists trade and employment by promoting consumer needs and concentrating on research and development to meet them. Tourism is a service industry and selling of products and tourism is becoming more complex due to indefinable nature of the goods for sale.

The technique of marketing is constantly changing in accordance with the characteristics of modern age. So the marketing research is regarded as the foundation of any effective marketing plan. Research ensures substantiality with the best possible results and the maximum return of time and money spend

to market. Improved management technique with an imaginative use of research can land to more effective tourist arrivals and to more assistance and contribution to national tourism to the national economy.

The Europe, Japan, North America and India country wise are the biggest tourist generating markets for Nepal. The annual growth of tourist arrival from overseas country averaged about 8 percent over the last 20 years. The length of tourist stay in Nepal ranges from 10-13 days. But the tourist movement is still limited to certain geographical areas of the country which are in need of expansion.

There are many potential sites in the country that need to be searched, developed and opened for international visitors. The aim should be for an increasing number of visitors to come from Japan and other Asian markets and for a greater proportion of visitors to stay in quality hotels. In order to attract even more visitors from neighbors India, more promotional activities must be done in India putting more force in pilgrimage as well as sight seeing tourism.

The international markets show keen interest in marketing profile from Nepal. Nepal despite a practical tourism product has under sold in the overseas market. The government of Nepal should take a leading role in order to highlight the importance of tourism as an economic and social activity. Government of Nepal has to play a coordinator's role and in close consultation with all tourism sectors which will create a solid base for foreign exchange earning resource.

5.2 Conclusion

The belief that profits are assured by an expanding and more affluent people is dear to the heart of every industry, if consumers are multiplying and also buying more product or service, you can face the future with more comfort than if the market is shrinking.

From the search findings of the previous chapters, we can layout the conclusion in following points.

- Nepal's marketing plan should focus on maintaining the present growth trend while trying to address the seasonality factor by focusing marketing in south and east Asian countries. A review of tourist arrivals reveals that the numbers have remained fairly stable and steadily increasing despite the fact large investment has not made in marketing. For this the national tourism objective off increasing the number of tourists and extending their length of stay should be given importance which will also allow time for beginning diversification and that needed for product research and development.
- The market status of tourism has changed in the last two decades as European countries, India and Japan have emerged as major source markets while the united states has diminished in terms of importance. So Nepal's marketing plan should focus on trying to maintain the growth trend while making product improvement.
- Tourism is very sensitive to international and national political conflicts of ecological disasters and ups and downs in the world economy. So to heavily depend upon tourism to build up the economy of the country is vulnerable to collapse if an economic crisis occurs. Our land locked country, which is unable to export its natural resources, the foreign exchange earned by the tourism industry is vital for the country's economic development. Tourism has to be developed generating employment both directly and in other related to improve the national economy since it's an industry, which has a larger role for the private sector. The purpose of this study is to find out the prospects by which the growth can be much accelerating so particular emphasis has thus been given to information, marketing and promotional aspects of the industry.

- The basic goal of every nation is to become economically developed since it leads to higher standard of living, higher per capita income of people and the country itself would be strong enough. Every country whether developing is trying to reach that goal where they can have commanding economic conditions but the road to achieving required proper functioning from all class of society. Nepal is landlocked and developing country facing several problems such as shortage of capital, unemployment, lack of trained manpower etc. Which stand as a big challenge in the path of development of the country. This poses a major hurdle to the infrastructure development and needs to be overcome and the most appropriate and practicable source of income and economic development of the country would be related to the tourism industry.
- Tourism has been universally recognized as one of the fastest growing industry of the world. Tourism industries play important role to serve the nation by utilizing permanent resources, using local techniques, mobilizing domestic capital, acquiring foreign currency earning and creating bright image of the nation in the world. Such activities increasing the net national income. Tourism industry therefore plays a significant role in providing foreign currency earning, creating employment opportunity and also improving Nepal's balance of payments as well as raising the living standard of the people.
- Keeping in mind the great role which the tourism industry can play in development of the country, it is wise to state that the well being of the nation more or less depends upon the proper functioning of the tourism sector. Nepal can not face competition in international market where almost all the countries are imposing restrictions on import in order to promote and protect their own domestic industries. Thus on the top, the major and dependable source of economic activity plays a crucial role in accumulating foreign exchange

and providing employment opportunity and reducing unnecessary pressure of population on land. Tourism has become most effective and outstanding industry in terms of foreign currency earnings, employment and so on. In the field of tourist business, Nepal has been majestically bestowed by mother nature. The natural environment is the basic asset in attracting tourist to Nepal.

- Nepal's tourism has been in the growth phase since 1970's and has emerged as the primary foreign exchange earner on which the domestic economy depends quite effectively but even if the recent years is marked by growth in tourism (2000 on words), there is no clear indication that this will become stable and continue to grow due to both external and internal factors.
- Nepal has a very good market status as trekking and mountaineering is concerned compared to other Himalayan countries but there should be a planned approach in view of the further years so that they will continue to receive the trekking arrangements through the internal agencies of the country.
- The over dependence on the tourism industry for the overall economic development of the country might create problems in the long run and the lack of proper planning has questioned on the Nepal's tourism policy. It is tourism that leads the Nepali economy. The political crisis, shift in exchange rates, an energy crisis make tourism based economies less secure.

A better understanding of tourism as an industry as it exists and the identification of associated opportunities should be highlighted and more organized marketing with effective coordination of activities from the government and private sector involved in tourism should be followed.

5.3 Recommendations

Increasing the earning is the major tourism objective so for the growth of tourism there should be a proper classification and understanding of tourists visiting the country for any planning exercise. Nepal tourism statistics do not attempt to define tourists with different level of income to it's difficult to focus marketing on say the high income or middle income market groups without knowing what and where to aim at.

5.3.1 proper Plan and Policy

The more planned approach and proper policy is applied in the tourism industry, the more it gives us the benefits in the sector. As we see the status of the tourism arrivals in 2005 and 2006, it is clear the political ever largely affects the tourism arrivals. Therefore, policy make proper plan and policy to maintain the arrival of tourists.

5.3.2 proper Classification

There should be listing in regard to the tourists on their purpose of visit by trekking and mountaineering, which should include rafting in Nepal tourism statistics. The importance of trekking can not be minimized in the tourism. There is also the need to classify tourist interest by occupations, to make the marketing approach more effective. There should be also identification of domestic tourist groups as increasing number of middle class Nepalese have started to travel to the different tourist destinations to spend their holidays with can be another market section for marketing plans.

5.3.3 Market Promotion

Market promotion is one of the most important concerns in Nepalese tourism. The concepts of master plans should be set into

motion with coordination between government and the private sector. There should be product focused marketing with adequate information material and preset targets during the participation at international fairs.

5.3.4 Product Knowledge

The products of tourism in Nepal are the high mountains, tropical jungles, the Himalayan foothills, historical sites and cultural heritage. But there are new possibilities of product improvement like more golf and tennis courts, opening ski-resorts etc, so there options should also be considered.

5.3.5 Government Role

There is a need to effectively strengthen the government's role in tourism development planning, especially marketing. There should be comprehensive survey on the target tourist groups media habits or there means of obtaining travel information for the promotions of tourism. At the establishment of Nepal tourism to take charge of Nepal's tourism promotions and marketing plans, it should intensely carry out the marketing functions like publicity, promotion, information, market representation and market research. Except visiting of international and national tourism experts, presentation of different reports and master plans, there should be realization in the element that tourism that tourism requires consistent efforts of all parties involved in the industry.

5.3.6 Religion Based Tourism Promotion

Our country has been attracting tourist interested in pilgrimage since the ancient times. Major amount of Asian tourists which includes Buddhists visiting Lumbini, the birth place of Lord Buddha, and Hindu devotees visiting Pashutinath so there are also

opportunities for developing and promoting religions based tourism to Asian visitors.

5.3.7 Repeat Visits

The environment pollution, safety reasons, availability of infrastructure and personal instances of having bad experiences with travel agents pick pockets of visa officials might lower the chances of repeated visit to the country, which can be tackled by effective marketing.

5.3.8 Mode of Transportation

We have known from previous data analysis that tourists basically use airlines to visit Nepal and few amounts to tourists visit by land compared to the air. Since tourists mostly use air transportation to visit Nepal so efforts should be made by policy makers in extending the air services to different areas so that tourists would not face any problems in transportation visiting the country.

5.3.9 Media Image

Nepal also has to be focused in sending out the message to the outer world that the civil conflict in the country is over and the political stability is far better than previous decade. This will help to reverse the negative media coverage in the past from the international media about the country. On the other hand, the environmental issues should be highlighted showing how the problems of pollutions and environmental degradation have been controlled and the measures that has taken to counter those problems.

5.3.10 Information Resources

Tourists rely upon magazines, general newspapers, personal links, travel agents so there should be good amount of information as required for the tourist in different publishing's and travel agents. There is a need to work towards what is being written in well established travel magazines while a the same time increase he public relation activities in offices associated with tourist handling. Nepalese embassies abroad still have not been able to circulate the information resource to promote tourism so there should be some adequate movement from the Nepalese embassies abroad.

5.3.11 Public Relation

It is one of the importance factors, which will help to increase the number of tourist arrivals in the country. Without the outreach of mass, we wont be able to justify our tourism assets so there should be public relation activities in a deeper level like inviting travel writers of major publications, film markets, foreign media which can highlight the country's tourism market.

5.3.12 Promotional Literatures

There is no doubt that our country has numerous touristic attractions to explore but there is a lack of proper channeling of those attractions. The country's attraction should be presented with uniqueness and with difference in the promotional literatures. The literatures should reflect the well known tourism landmarks like Mt. Everest, the Kathmandu valley, Himalayas in general and the new fact of Lumbini.

Lastly one thing also mentioned here is that though the budget class tourists who spend less in their visits, these types of tourist make insignificant contributions to the national income and the contributions reach the smaller entrepreneurs in the economy.

The government and the private sector must intensify the marketing efforts with proper research and attract and targeted tourist to achieve their goal of increasing the number of tourists.

Nepal has already achieved significant amount of tourism growth making any major investment in marketing. The satisfaction of the tourist coming to Nepal is very good which shows the high possibility of repeated visits of the tourist.

Increasing the number of tourist arrival in the country is important for the development to tourism in Nepal but there should be an approach for the sustainability on the number of tourist visiting the country as we have seen in past years that there have been huge ups and downs in the arrivals of tourist in the country due to various reasons. If we look at the current few years, the growth of tourism is positive and the numbers are increasing so there should be a planned approach for a long term improvement of tourism infrastructure.

The area affected by environmental pollution can be sett as those places where the tourist can be reduced in the beginning of the visitors charge can be reduced in those areas so that the environment in those areas can get time to regenerate. The trekking router which are over crowded and polluted, the Kathmandu valley which is effected by air pollution, industrialization and urbanization should be taken as serious problems in promoting tourism since trekking is the most important part of tourism in the country. So reducing the prices of the trekking regions in terms of the flow of tourist in those areas is one of the options variable. The mountain flight which is very popular since recent years can be advertised as sight seeing the Mount Everest which will attract the mountain inspired tourists. With above mentioned suggestions we can minimize the problems of marketing the tourism industry in and out of the country and find out the prospects of flourishing tourism continuously in the long run.

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Appendix

Tourist Survey

Dear Visitor,

Thank you for visiting Nepal. What ever the purpose of your visit may have been, or however long you have been the country. I hope that you had a very nice stay in Nepal.

By visiting this Country, you have not only given yourself a well deserved vacation but have also given to the people of Nepal valuable foreign exchange which is so much needed for the economic development of this Country.

I am a student of Masters in Business studies, working on a thesis on tourism promotion in Nepal. With the information you provide. I hope to design a marketing program for Nepal's tourism industry. The objective of the marketing program is to ensure that the travelers know as much as possible about Nepal in order to enable them to plan their visit better .

Even though you are on holiday. Since the success of this study depends on you cooperation. I request of you to spare a few minute to answer the questions, I want to ask.

Thank you for your answer .

I wish you many happy memories and a safe trip back home.

With best regards

Nanuka Bhattarai
Post Graduate Campus
Tribhuvan University
Biratnagar, Nepal