CHAPTER: ONE

1.0 INTRODUCTION

1.1 Background of the Study:

Located north of the India sub- continent and spread in the area of 1, 47, 181 sq.km, Nepal is a small, sovereign and independent country. With its land lockedness with snow-capped mountains which has made its geographical impressive. A world known icon Mt Everest with an altitude of 8,848 meters had placed Nepal the world in terms of natural beauty surpassing the rest. It lies between 80° 4' to 88° 12' east longitude and 26° 22' to 30° 27' north latitude. Having length of 885 kilometers east-west and width of 193 kilometers north- south, it is situated in between two big nations China in the north and India in the South.

The whole country has been divided into three regions: Mountains, Hilly and Terai. The mountain region coves 15%, Hilly region 68% and Terai region 17% of the total area of the country. Administratively, the country is zoned in to 5 development regions, 14 zones and 75 districts. Though being small country, it has diverse climate from sub- tropical to desert to mountain tundra with every of landscape and vegetation.

The majority of population lives in rural areas. The major economic activity is agriculture and the rest include manufacturing trade commerce and service. The economy is agro –based. Above 6% of national income is generated from the sector. However, the dependency in monsoon and use of traditional means of production are the major constraints of agriculture. Thus, agriculture is incapable of accelerating desired level of economic development due to the several bottlenecks.

The main sources of foreign currency earning are merchandise export, tourism service and remittance from abroad. In general, Nepalese economy is characterized by slow growth mats poverty and large scale deprivation .However, development efforts have been initiated but the results have not been encouraging in many sectors. Thus it is essential to have a clear vision of future destination which would encourage utilization of potential with competitive advantage like hydro power, agro- industry, tourism and other sector (Bajrachariya, 1996; 2- 3).

In terms of development, however, Nepal is one of the least development country of the world with a per capita income of U.S.$ 473(Economic survey 2009 published by the

government).With a population size of 25 million ,more than 10% caste/ ethnic group are accommodating in the country. Nearly 38% of these people are still subsisting below poverty line. According to the report of NPC by the end of ninth plan the total figure of employed manpower reached 9, 95,900 where as the unemployed were estimated to be 5%. However, the percentage of underemployed will be 12.4% including the 5% of fully employed the total unemployment figures estimated to remain at 17.4%(Tenth plan, 116-117).So, this shows it is very serious problem in Nepal.

Nepal is a country of numerous festivals, being festivals significant aspects of cultural life of Nepalese people, As multi-lingual people inhabited the country, it is culturally rich with diverse religion, customs, life styles, festivals, food habits, clothing and language of various ethic variation. Through culturally diverse, there always exists perfect harmony.

Nepal being one the poorest countries of the world has limited opportunity for the faster economic growth. Nepal has abundant resources for which the country enjoys competitive advantages. The exotic culture, unique social setting, arts and architecture, religion and above all people themselves are the resources, if harnessed appropriately could bring about noteworthy achievements. Tourism represents one among such sectors, which could rebuild the image of the country bringing back multifaceted benefits to the country and the people at large. The fifty years of tourism in Nepal has established a commendable example for the other sectors of the economy as well.

Nepal is a tourist's paradise with an infinite variety of interesting things to see and do. From the lofty snow capped Himalayan mountains of Everest, Kanchenjunga, Annapurna, Dhaulagiri and many other peaks, to the populated valleys, and the forested plains where the tiger and the rhinoceros roam, forest full of wildlife, birds and flowers to shrines, temples and palaces with ageless sculptures and legend, the country provides the tourist with a fascinating mix of unparalleled nature beauty with a rich and ancient civilization. Trekking, white water rafting and mountaineering are popular tourist activities.

Tourism has been the main industry of this land locked country. Nepal is a land of the unparallel beauty with its unique flora and fauna topping the majestic Himalayan range including the highest peak in the attracted in ever-increasing numbers. Nepal has managed to retain its old-world charm. Juxtaposed between two Asian giants, China to the north and India to the south, Nepal is a land of temples (Pashupatinath, Krishna Mandir, Manakamana

and Muktinath being the most famous), stupas and monasteries (Swayambhunath and Bouddhanath or Tengboche), World Heritage Sites (the birthplace of the Buddha Lumbini or the ancient cities of Patan and Bhaktapur), stunning views, popular lakes (like the Phewa lake at Pokhara), snow-capped mountains (including, the 8,848 metre Everest) and national parks (like Chitwan and Bardia). The mountains and majestic Himalayas are the true tourismassets and icons of our nation. There are at least a dozen areas in the mountains of the mountains of Nepal that has been opened for tourists. Some of the most popular areas are the Annapurna Conservation Area (ACA), Sagarmatha National Park(SNP), and Langtan National Park (LNP).(Nepal's Tourism Blitz: Ravi Sharma).

Nepal is a country having international glory for adventure and culture bewilderment. The number of world heritage sites within a small limited area has pointed out the importance and authenticity of its culture, tradition, and ethnicity. The heritage sites have become an indispensible resource for the development and promotion of tourism in the urban as well as rural sector of the country.

The autumn and winter seasons are when the country sees greater arrival of tourists than in the other months of the year. The seasonality factor is quite worrying yet not much has been done as how to attract visitors during the other months as well. In the past, not much concerted action was undertaken to make the tourists come during the other months also. But now, there has been a growing realization that tourism products ought to be designed where by the same resources could be tapped for more benefits to the country.

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

Tourism is obviously a heavy weight industry and a source of previous foreign exchange. These roles of the tourism industry for the economic development of Nepal can hardly be exaggerated. Tourism has been a driving force for the economic development of Nepal. It also employment opportunities for a millions of people both directly and indirectly. Being the

poorest countries of the world, its opportunities for the faster economic growth are limited. We have abundant resources for which the country enjoys competitive advantages.

The exotic culture, unique social setting, arts and architecture, religion and above all people themselves are the resources, if harnessed appropriately could bring about note worthy achievements. Tourism represents one among such sectors, which could rebuild the image of the country bringing back multifaceted benefits to the country and the people at large.

After peace accord signed between the government and the fighting Maoists, the tourism industry has been the significant improvement. There has been huge growth in the tourist arrivals compared to that of, 2010, 2011, 2012.and 2013 It is expected that the growth will even cross the highest tourist arrival record of 1998. Which year has been considered as the best year with the tourists arrivals of nearly half million. The tourism industry is waiting for the golden days in 2014.

The international tourism and travel now constitutes the world's largest and most rapid expanding industry. Globally, more than 613 million international tourists move from place of permanent residence each year, and this figure is expected to reach 1.6 billion 2020 (WTO, 1999). In terms of world tourism, tourist arrivals in Nepal account for only 0.09 percent of international tourist arrivals and tourism earnings account for mere 0.023 percent of international tourism receipts.

This indicates the gap between the potential and realities in the tourism sector. In 2001, Nepal has been voted second in the Top country Category out of180 countries in the wanderlust Travel Awards 2001. Having so much potentially, still we are not able to attract more tourists in Nepal. This is due to the poor promotions as well as present environment of this country.

Marketing in tourism play most critical part. It is a well – known fact that as long as the inherent sense of curiosity and adventure dwells in the heart of human beings, the desire to travel in order to see new sights and experience new things and to live under different environments, will always grow. It may be presumed that such being the case, marketing in the tourism industry is greatly simplified, as part of the process has already been complete by the desire for the travel in people. Identification of markets like that of the product is crucial for any organization, which adopts the marketing concept. In fact, the first step a marketing organization will have to take is to identify its markets.

The most crucial factor is that without planned promotions, and marketing of Nepal as a tourist destination and marketing tourist product, it will not be possible to advance the concept for realistic achievement. Government of Nepal has accorded high priority to the sustainable development of tourism and has made poverty alleviation a primary objective of the tourism sector. Before the formation of Nepal Tourism Board (NTB) in 1999, the promotion of tourism was completely handled by Government of Nepal.

The Nepal Tourism Board, NTB was established by an Act of Parliament, as a partnership between the private sector tourism industry and Government of Nepal. The Nepal Tourism Board has to play a vital role in the marketing and publicity of Nepalese tourism. The country now has over 2050 Travel Agencies and 3277 Trekking Agencies (Source: NTB).

 As applied to the tourism industry, the most important function of marketing is to bring about an awareness of the product and services in the minds of consumers in the market areas. This is done by the way of promotion. Tourism promotion is one of the elements of the marketing mix and an important tool for marketing.

The term promotion is interpreted and defines in many ways. Basically, purpose of promotion is to inform, to persuade, to encourage or, more specifically, to influence the potential customer. Like in any other industry, successful marketing in tourism cannot rely only on a product of the right kind, on a market related pricing polity an on a reliable and effective distribution network. Thus promoting tourism internationally involves great amount of money. Individual travel agency in Nepal cannot afford to spend such amount of money in promotion but there is alternative, simple and cost effective solution i.e. promote your company image through internet.

Technology has totally changed the way marketing is done by the National Tourist Organization all over the world .Gone are the days of marketing destinations by distributions of tourism brochure to stray visitors coming to office, film shows or the desk- bound officials sitting cozily in their chairs and disseminating information from their moth–eaten files .It is now an age of websites as well as internal instant updated information on the websites and online purchasing of holidays packages(Seth & Bhat,2003:153).

Internet is the new and extremely powerful tool that can be used to remain competitive and successful in the world of tourism marketing is the internet: "a collection of millions of interconnected computers located in countries throughout the world–all linked by phone lines

and high speed cables to form a gigantic computer network system" (Gonea & Gonea, 1996:2).The internet's potential is so great that some have described it as a "Marketing Bonanza".

Internet has added new dimensions to the travel industry distribution worldwide. The system is website where airline tickets or packaged holidays are on sale and buy whatever he prefer by giving his credit card number. To make the matter easier there are millions website of travel retailer wholesalers and the consolidations as well as the national tourist office of different countries telling you the possibility of enormous options for bargaining and deals in travel holidays. (Seth & Bhat, 2003:148).

Potential tourists can use the net to research destinations this is appealing for both independent travelers and those wishing to travel with a group tour. Operators based in destinations as well as Home Countries can advertise their products on the internet and take bookings directly from customers. Hotel and airlines can use sophisticated databases to allow customers to make bookings directly online and take payments by credit card.

The World Wide Web is a means of filling computer generated data, text and graphics. Websites are viewed using web browsers, software programs resident on the user's computer. A website may be compare to a magazine on one's computer. The number of web sites on the internet runs into the million and is growing daily. Web sites cover just about every interest available to mankind. Unless access is restricted to certain sites, as in some countries, internet users can access all information available on the internet. The WWW can thus be seen as a combination of yellow pages, encyclopedias, dictionaries trade directories land just about anything else that can be published.

The World Wide Web (WWW) is the fastest growing marketplace. And power of internet can't be ignored. E-marketing can reduce your marketing costs dramatically. The best free marketing tool invented ever email. Due to the awareness of internet marketing (i.e. E-marketing), existence of website doesn't mean you will gel customer all depends on the effective promotion. The starting point in formulating an effective internet marketing strategy is to identify the needs of customers who will visit the web site. The content of the site should be structured such that the needs of various visitors are given first priority. In short, site content and structure should match visitor needs and abilities. Taking all those considerations

in mind, this research will focus on finding out the e-marketing role and impact in tourism sector by travel agencies in Nepal.

For success in tourism promotion, Nepal tour operators and hotels need to get connected to the internet and work towards better communication with potential customers around the world. Operators need to establish websites with professional web producers. This method of doing business does require change and training.

Having an internet account does not necessarily mean that operators will maximize the potential of this new medium, not using an internet account properly is often worse than not having one at all. It is at the convergence of tourism, marketing and the internet (i.e. e-marketing), that thesis emerges. In Nepal, only handful travel related agencies have marketed their services through internet in systematic manner.

Keeping all those advantages in mind development to tourisms, travel agencies must follow effective modern marketing producer to promote tourism industry. Still tourism industry in Nepal is bright if the current political crisis is settled and if effective marketing methods are undertaken. Given this background, this paper attempts to shed some light on the e-marketing by travel agencies in Nepal and how travel agencies can helps future tourism development in the country through effective hi-tech method of marketing.

The main purpose of this is to explore the hi-tech method of marketing practices adopted by travel agencies and other associated institution to promote the tourism in Nepal. It covers tourism, marketing and use of internet in promotion of tourism. Specifically, the purpose of this research is to review the form and function of electronic marketing to investigate the e-marketing prospecting of tourism in Nepal.

This research will focus on the facts and figure of current market of tourism and how the travel agencies and making marketing the tourist destinations through internet. Marketing (specifically marketing positioning) involves the creation of an image of product or service, in this case, the tourist destinations. Central to this research is the belief that no matter how good tourism destinations, how low the prices, nothing will be effective if good marketing methods are not implemented. But there is a fine line between traditional promoting the destinations and hi-tech promotion through internet. Faculty marketing methods can lead to tourist disappointment and dissatisfaction, loss of repeat business, bad "word of mouth advertising, and a poor reputation. So, the focus of this study specifically will be on:

1.1.1 Tourism in Nepal.

1.1.2 Tourism marketing by traveling agencies.

1.1.3 E-marketing.

1.1.4 Challenges of tourism, e-marketing and travel agencies.

1.2 Statement of the Problem:

In economic arena of Nepal, tourism plays a very important role. Tourism is one of the main sources of foreign earnings. Natural and cultural attractions are main assets of tourism in Nepal. Due to such attraction, the potenatlity of tourism is very high in Nepal. However, this potentiality is not been explored properly. "Although Nepal's tourism potentials is vast but factors such as limited air , poor infrastructure and lack of appropriate marketing strategy have resulted in limited growth"(Bhatia 1997: 4).

Though the tourist arrival is providing due course of time, Nepal is far behind in world tourism in compared to the other countries of south Asia (Anand & Bajracharya,1985:3). Nepal tourism board, national tourism organization is undertaking different marketing program and different country segments but due to very limited marketing and promotional budget, it's not being effective. NTB's marketing program has to compare with competitor like India, Malaysia, Thailand who spend huge amount of money for marketing and promotion.

In Nepal, very limited marketing activities are being undertaken while other countries with more resources are spending huge amount of money on aggressive marketing of their destinations. Nepal has no coherent overseas marketing. The concerned organizations have a very limited budget for promotion and are short of expert staffs. Most marketing is done by Nepalese private sectors and foreign tour operators. For conventional sightseeing activities, this tends to result in the country being an extension of the of India or Thailand .Specialist adventure operators are small, with limited marketing budget in their target markets and Nepal had done very little in identifying the target markets.

The next relatively big obstacle is the cost of promotion. The expenditure made in publicity is too poor and not more effective both in quality and quantity. The ministry of tourism

published brochures and booklets only in the few language in limited copies. There is the lack of advertisement in the foreign papers. In such a situation, the most of the visitors are unknown about Nepal. Similarly, tourism industry does not seem to apply marketing approach properly and purposively for its promotion and development.

The ministry of tourism has no budget for the promotion .Nepalese tourism travel has been marketed mainly through travel agents and tour operators abroad. We have never been able to go to the consumers. It is simply beyond our reach to advertise in, say Newsweek, which could take our entire promotional fund. There is also a growing trend of undercutting. If we have U.S. $100 as the rack rate, we give as much as 50 percent to the tour operators. That has been our marketing strategy because we depend so much on tour operator.

Regarding negative reporting done by some national and the international Media, certainly it has done a lot of harms in the tourism sector of Nepal. Pollution and environmental degradation of Kathmandu is sending the wrong message abroad about Nepal. It should be minimized as soon as possible. Government of Nepal should also take necessary initiatives for the publicity of tourism abroad. In Nepal, even one five star rated hotel spends Rs.30 million or more annually for the publicity at the international level but due to the lack of budget, government is not able to make sufficient publicity even in visit in Nepal year and further. So, these issues indicate the major problems emerging and seen in mass media and tourism marketing in fields of Nepal.

Beside environment and other problems at present, Nepalese tourism industry is surrounded by numerous problems. There are lots of problems regarding e-marketing phenomena also. Over the decade, Nepalese tourism industry seems to be in the doldrums due to political crisis in the country, although the hope of rays has begun after the election of constitutional assembly but the condition is still the same. Several problems due to Indo-Nepal crisis added flipped to the problem, especially when Indian Airline was hijacked in December 1999 and Hritik Roshan episode took place in December 2000 and now the terrorist attack in Mumbai. Moreover, instability of government, security problem and frequent Nepal bandh has also disturbs the marketing planning process of travel agencies in the country.

The earth has become the global village because of the latest technology and interest. Traditional marketing techniques are being replaced by E-marketing. It is fast, cost effective and sophisticated. Correspondence using e-mail, internet and websites help to promote the tourism products instantly all over the world .E-marketing establishes clear communication

among the prospects with the help of audio- visual materials. It helps to interact directly among service providers and prospects or clients to provide online service like e-booking, e-payment by customized pricing etc.

But availability of the technological infrastructure and ability to use it is the essential factor. Due to the unaware of World Wide Web and e-marketing power, still travel agencies are not taking advantage of Hi- tech way of doing marketing .Most of the people are not conscious about internet as marketing tool. For the majority of tourist operators in Nepal, the promotion has been a marketing gimmick. Most of them are using traditional way of marketing. They have misconception about websites and marketing the websites. However most of travel agencies adopt internet as marketing tool do not want to share their promotional strategy.

Nepal's tourism marketing is traditionally misdirected. Our marketing so far has been such that tourism here has become a seasonal business, that is the period between October and April is projected as ideal for visiting Nepal. There is the lack of research based marketing and enough budget to carry out effective market and promotion campaign comparing with other countries' promotion. Currently, the power cut (load shedding) problem is also disturbing to work online continuously. Based on these discussions, this study will focus on answering following research questions:

1.2.1 What is the current situation of travel and tourism industry?

1.2.2 What is the perception of the travel agent about the e- marketing and tourism Promotion?

1.2.3 To what extent travel agents are using e-marketing tools and techniques to promote the tourism product?

1.2.4 What are problems they are facing to use e- marketing technique and to promote the tourism product?

1.3 Objectives of the Study:

Tourism activities are become indispensable from the view point of country's economy. The country with high Himalayas holds great potentiality to establish tourism as major industry .So Nepal can attract more and more tourists from the global market and also from its neighboring countries through its effective marketing and promotional campaigns. This study deals with promotion with a focus on electric marketing. The objective of the study is to find

out the E-marketing prospects in tourism sector by travel agencies in Nepal and the importance of the internet for promoting tourism destination. The specific objectives of the study are enumerated as follows:

1.3.1 To analyze current situation of tourism in Nepal.

1.3.2 To find out travel agency's perception regarding E- marketing.

1.3.3 To study popularity of internet as marketing tools among travel agencies.

1.3.4 To explore and identify the problems and prospects of tourism and e- marketing.

1.3.5 To suggest for the improvement based on research findings.

1.4 Significance of the Study:

The main purpose of this is to explore the hi-tech method of marketing practices done by of Travel agencies and institution to promote the tourism in Nepal. Specially, the purpose of my research is to review the form and function of electronic marketing, to investigate the e-marketing prospects of tourism in Nepal, and to suggest guidelines for the future promotion methods. However this research will be valuable for those involved with, or interested in the tourism industry, tourism marketing and internet marketing. Furthermore, as the literature on internet tourism marketing is limited, this research will be beneficial for those studying or practicing in this area. Researcher believes that this literature will be of social significance, as hopefully it would promote user-friendly design of tourism. By learning and applying the guidelines for effective tourism marketing on the internet, Nepalese travel agencies would be better prepared to face the marketing challenges of the future.

1.5 Limitations of the Study:

This research study has tried to carry out without a stain of errors. But it isn't a fact in reality because some errors may occur during the study. Almost all the research works are based on samples, therefore sometimes sample may not present population. Every researcher tries to do error free study is not an exception. However, research study is limited by time period, area of study and data. Based on these discussions, following are the major limitations of the study:

1.5.1 Tourism industry includes many industries like Hotels, Restaurants, Transports, Airlines   Trekking agencies etc. So this research does not represent the data from whole tourism industry. Only travel agencies are taken as area of the study.

1.5.2 Study area is small and oriented to Kathmandu Valley only.

1.5.3 Only five years (2009 AD to 20013 AD) is considered for data collection.

1.5.4 Travel agencies may not want to share the E-Marketing promotional strategies with outsiders.

1.6 Organization of the Study:

According to the general prescribed format, the entire study is organized into five different chapters as follows:

The FIRST CHAPTER deals about the Introduction of the study. It incorporates of following subchapters as background of the study, statement of the problem, objectives of the study, significance of the study, limitations of the study and organization of the study.

The SECOND CHAPTER is the Review of Literature and it deals with review of available relevant studies. It incorporates the conceptual framework, review of the related books, journals, articles, published and unpublished research works, review of previous theses and the research gap.

The THIRD CHAPTER is the Research Methodology that is adopted. It incorporates of following subchapters as Research design, Population and Sample, Nature and Sources of data, Data collection Procedure and Tools and Techniques of Analysis.

The FOURTH CHAPTER is Data Presentation and Analysis and deals with the presentation and analysis of all the relevant collected data. Analysis is done as necessary and the major findings will be drawn. This part is the heart of the study.

The FIFTH CHAPTER is Summary, Conclusion and Recommendation. This is the last chapter of this work which incorporates the summary, conclusion and recommendations on the basis of the study.

CHAPTER: TWO

2.0 REVIEW OF LITERATURE

Review of literature is an essential part of scientific research; it is the way to discover what other research in the area of our problem has uncovered. A critical review of literature helps the researcher to develop a thorough understanding and insights into previous research works that relates to the present study. It is also a way to avoid investigating problems that already been answered (Pant, 2005:39).

This chapter has been divided into Theoretical Framework, Review of Related Studies and the Research gap. In Theoretical framework, review of what has been written in academic books is carried out while review of related studies is further dividend into review of journals, articles and review of master degree theses. The research gap is presented in the last.

2.1 Theoretical Framework:

Under the theoretical framework following aspects are discussed:

2.1.1 Concept of Marketing:

It is obvious that the concept of marketing is being applied in every field of the society along with the business. Marketing is getting increasing importance with the necessity of it in every field. So, we can say that this is the age of marketing. Today's market is sensing the hyper competition since the business is being operating in globalize economy.

Marketing is typically seen as the task of creating, promoting and delivering goods and services to consumers and business. Marketing are skilled in stimulating demand for a company's product. Marketers are responsible for the demand management. Marketing managers seek to influence the level, timing and composition of demand to meet the organization's objectives.

Marketing deals with identifying and meeting human and social needs. Marketing efforts help to achieve organizational goals. It helps organization to find out what their customers need and want and to decide what product or service to offer so that the customer's need and want can be best satisfied. It is concerned with attaining and retaining customers and winning long-term customer loyalty.

"Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchange that satisfy individual and organizational goals" (American Marketing Management Association, 2004).

"Marketing is social and managerial process by which individual and group obtain what they need and want through creating, offering and exchanging products of value with others" (Kotler, 2006:5).

"There will always, one can assume, be need for some selling, but the aim of marketing is to make selling superfluous. The aim of marketing is to know and understand the customer so well that the product or the service fits and sell itself. Ideally, marketing should result in a customer who is ready to buy. All should be needed then is to make the product or service available" (Drucker, 1973:64-65).

Marketing people are involved in marketing 10 types of entities: goods, services, experience, events, persons, places, properties organization, information and ideas.

Goods: physical goods constitute the bulk of most countries' production and marketing effort, so marketing people are busy in the marketing of tangible objects or products.

Services: It includes the marketing of the services like airlines, hotels, barbers and beautician, maintenance and repair people, professionals working within or for companies, such as accountants, lawyers, engineers, doctors, software programmer and management consultant. Today's many market offering consists of the variable mix of goods and services.

Experience: By orchestrating several services and goods, a firm can create stage and market experiences.

Events: Marketers promote time- base events, such as the Olympics, company anniversaries, major trade shows, sports events and artistic performances.

Persons: Celebrity marketing is a major business today. It is advised that each person should become a "brand" by marketing himself or herself.

Place: Cities, stages, regions and whole nations- compete actively attract tourists, factories, company headquarters and new resident.

Properties: Properties are intangible right of ownership of either real property (real state) or financial property (stocks and bonds). The marketing of the property involves here.

Organization: Organizations actively work to build a strong, favorable image in the minds of their target publics; companies spend money on corporate identity ads.

Information: Now a day, information can be produced marketed as a product; Encyclopedias and most non-fiction books market information.

Ideas: Every market includes a basic idea. Products or services are the platforms for delivering some idea or benefit (Kotler, 2006:5).

Marketing is the art of selling products and at the same time it is the delivery of a higher standard of living to the society. Marketing thinking should start even before there is a product to offer. It is concerned with identifying existing needs and then converting them into a product or service. Besides, even after the product has reached the customer or user, the marketing effort does not come to an end.

They're a question out of his purchase. After sales services are essential to keep the customer satisfied and become repetitive customer.

In marketing concept, the most important thing is to forecast where customers are moving and to be in front of them the right product they want and need to delight them since it is no longer enough to satisfy them.

2.1.1.1 Marketing Mix:

Marketing mix is that set of marketing tools the firm uses to pursue its marketing objectives in the target market. Mc Cathy classified these tools into four broad groups that he called the four Ps of marketing: product, price, place and promotion.

2.1.1.1.1 Product:

Product is anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want and need. Product is a key in the market offering. Marketing mix planning begins with formulating an offering that brings value to target customers. This becomes the basic upon which the company builds profitable relationship with customer (Kotler, 2006:252).

The most basic level of product is the core benefit, which address the question what is the buyer really buying? When designing products, marketers must first define the core, problem solving benefits or services that consumers seek. At the second level, product planner must turn the core benefit into an actual product. They need to develop product and services and services features, design, a quality level, a brand name and packaging. Finally, planners must build an augmented product around the core benefit and actual product by offering additional consumer services and benefits.

Product falls into two broad classes based on the types of consumer that use them consumer products and industrial products. Broadly defined, products also include other marketable entities such as experience, organizations persons place and ideas.

Consumer product: Final consumer for personal consumption buys consumer products. Consumer products include convenience product, shopping product, specialty product and unsought products. These products differ in the ways consumer buy them and therefore in how they are marketed.

Convenience product: Consumer product that the consumer usually buys frequently, immediately and with a minimum of comparison and buying effort.

Shopping product: Consumer goods that the consumer in the process of selection and purchase, characteristically compare on such bases as suitability, quality, price and style.

Specialty product: Consumer product with unique characteristics or brand identification for which a significant group of buyers is willing to make a special purchase effort.

Unsought product: Consumer product that the consumer either does not know about or know about but not normally think of buying.

Industrial product: Product bought by individual and organization for use in conducting a business.

2.1.1.1.2 Price:

The amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefits of having or using the product or services. Price is the only element in the marketing mix that produces revenue; another element represents costs.

Price is one of the most flexible elements of the marketing mix. Unlike product features and channel commitments, price can be changed quickly.

At the same time, pricing is the number one problem facing many marketing executives. Yet many companies do not handle pricing well. One frequent problem is that companies are too quite to reduce price in order to get a sale rather than convincing buyer that there product are worth a higher price. Other common mistake includes pricing that is too cost oriented rather than a customer value oriented and pricing that does not take the rest of the marketing mix into account.

2.1.1.1.3 Place:

To attain the formulation marketing and sales objective along with the overall corporation goal, product must be accessible to the target market. Distribution may be the biggest constraint in the successful sale of product if product is not shipped to the right place at the right time with the right place. Inadequacies within the distribution channels must be overcome to sell the intended product in the target market successfully at lower price.

The distribution process includes the physical handling and distribution of goals, the passage of ownership. It is the buying and selling negotiations between producers and middleman and customers. Each market contains a distribution network with many channels choices whose structures are unique and in the short run fixed.

2.1.1.1.4 Promotion

Advertising: advertising, sales promotion, personal selling and public relations, the mutually reinforcing elements of the promotion mix, have as their common objective, the successful side of a product. Once a product is developed to meet the market needs, intended customers must be informed of the product's value and availability. The promotion mix is the basic ingredient in the marketing mix.

Sales promotion offers an incentive to buy. Sales promotion includes tools for customer promotion(samples, coupons, cash refund, offers, prices off, premiums, prizes, patronage rewards, free trials, warranties and demonstration); trade promotion(prices off, advertising,

and display allowances and free goods); business and sales- force promotion(trade shows and conventions, contests for sales reps and specialty advertising). Sales promotions enable manufactures to adjust to short-term variations in supply and demand.

Thus marketing can be defined as 'whatever is done to promote and grow the business' including marketing research, advertising, publicity, sales, merchandising and distribution. With traditional marketing techniques all of these things are delivered in print format or in person. Internet marketing however, uses the power of online networks and interactive media to reach the marketing objectives… no paper, no telephone calls, no in person appearances.

2.1.2 Tourism Marketing:

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

Tourism marketing is defined as the "systematic and co-ordinate efforts exerted by the National Tourists Organizations and/or the tourist enterprises at international, national and local levels to optimize the satisfactions of tourists, groups and individuals, in view of the sustained tourism growth" (Bhatia, 1994: 142).

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

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

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

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

Because of the competitive global scenario and the ever-expanding tourism industry, the marketing of the tourism products need greater attention. There are countless tourist destinations world-wide and to develop tourism, every country tries to capitalize on its cultural, religious and natural heritage in addition to the various forms of entertainment packages. But only those countries, which have devised aggressive marketing strategy, have been able to attract a greater number of tourists. Thus, tourism being a high publicity product effective marketing is a must for the successful running of tourism industry. Adequate budget, financial and technological resources are needed for effective tourism marketing. But, "we understand very limited marketing activities while other countries with more resources are spending huge amount of money on aggressive marketing of their destination (Pokherel, 1995: 24). In this regard, Hotel Association of Nepal President Yogendra Shakya commented saying "we have alone practically nothing as far as promotion is concerned. The Ministry of Tourism has no budget for promotion" (Spotlight, 1994). Government also should take necessary initiative for the publicity of tourism abroad. In Nepal, even one five star rated hotel spend Rs 30 million annually for the publicity at international level due to the lack of budget Government is not able to make sufficient publicity even in Visit Nepal year also (Aajako Samacharpatra, 1997). "We have achieved 'word of mouth' publicity in Europe and India both by travelers as well as tour operators. As the government budget is not large enough to tackle all markets, especially since we are trying to carry consumer oriented marketing. I suggest we concentrate on Fam tours for tour and travel operators and travel trade journalist from Japan. Luring film and TV producers should be our strategy for inexpensive but wide publicity" (Shakya, 1995).

The Lacunai in promotional efforts in Nepal is further indicated by the fact that "the expenditure made in publicity is too poor and not more effective in both quality and quantity. The Ministry of Tourism published brochures and booklets about tourism only in few languages and that also in limited copies. There is lack of advertisement in the foreign papers; in such a situation most of the visitors are unknown about Nepal" (Shrestha, 1981: 65). Nepal lacks the most essential market information focused on its products, while the most irrelevant material is produced at considerable cost and dubious impact.

Fair participation in the absence of proper information material to flow up interest, poorly staged as it often is, appears less than effective and probably a waste of money. At the same time, there is an urgent need for Nepal to work against increasingly critical world media

coverage on ill effects especially on mountain tourism. By inviting journalists, Nepal should convey the fact that it is taking serious steps towards improving matters, but needs help to do so " (Ministry of Tourism, 1984: 102). It is interesting to note the comment about the situation of Nepalese tourism marketing made by Shakya. (Spotlight, 1994) According to him "Nepalese tourism has been marketed mainly through travel agents and tour operators abroad. We have never been able to go to the consumer. It is simply beyond our reach to advertise in, say Newsweek, which could take our entire promotional fund. There is also a growing trend of undercutting. If we have US$ 100 as the rack rate, we give as much as 50 percent to the tour operators. That has been our marketing strategy because we depend so much on tour operators".

Another serious challenge faced by tourism sector is the level of competition because it is a very competitive business. Here it will be interesting to quote the saying of (Alwis, 1997: 8) "My friend in the travel industry in Nepal, talk of the glorious days, barely a decade ago, when a trekking tour was sold to visitors for US $ 80 per day on the average. They now lament, that it is sold for only US $ 18 per day on the average." In view of Alwis "this certainly in not the result of the lack of demand for Nepal's unique tourism potential or a lack of adequate number of 'up market' visitors out there in the market place.

 It is in the opinion of most the result of unhealthy competition between the travel agents, the hoteliers, the tour operators (trekking, rafting and other), the protection of the sky and the like. They also claim that it is the lack of specialization, lack of product quality improvement, diversification of product and inadequate delivery of quality service". In this respect "the government of Nepal should have clear policy to discourage cut-throat competition in the hotel industry and thereby attract quality tourists" (Sandhu, 1996: 36). Moreover, many Americans and Europeans complain about the pollution and environmental degradation of Kathmandu.

 Due to this Kathmandu is sending wrong message about Nepal. We should try our best to solve the problems of pollution and environment (Sandhu, 1996: 35). "Negative reports on Kathmandu have adversely affected the tourism industry and Nepal's image" (Choegyal, 1994: 28). Regarding negative reporting done by some national and international media certainly it has done a lot of harms in the tourism sector of Nepal. For this a planned

approach is needed to counter the negative effects and organizing large-scale promotional campaigns could regain our lost reputation (Rajbhandari, 1994: 26).

In this context Mishra (1994: 24) says "'Say Goodbye to Shangri-La' was published in Newsweek of 4th October 1993 issue. It has definitely affected the tourism especially qualitative tourist. However, in my opinion, the correct information about Kathmandu Valley came in time and we should take it in a positive way instead of being defensive. Had it not been published in such a renowned journal, it would not have been grave concern to all conscious people of Nepal and abroad."

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

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

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

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

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

2.1.2.1 Tourism Marketing in Nepal:

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

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

Adequate budget, financial and technological resources are needed for effective tourism marketing. But "we are undertaking very limited marketing activities while other countries with more resources are spending huge amount of money on aggressive marketing of their destination(Pokhrel,1995:24).In this regard, Hotel Association of Nepal President Sakya commented saying " we have done practically nothing as far as promotion is concerned. The ministry of tourism has no budget for promotion" (Spotline,1994).

Government also should take necessary initiates for the publicity of tourism abroad .In Nepal even five star rated hotel append Rs 30 million annually for the publicity at international level but due t o the lack of budget Government is not able to make sufficient publicity even in Visit Nepal year also(Aajako Samacharpatra,19897). "We have achieved"word of mouth" publicity in Europe and India both by travelers as well as tour operators. As the government budget is not large enough to tackle all markets, especially since we are trying to carry consumer oriented marketing, I suggest we concentrate on fam tour for tour and travel operators and travel trade journalist from Japan. Luring film and TV producers should be our strategy for inexpensive but wide publicity "(Shakya, 1995).

"Nepal lacks the most essential market information focused on its products, while the most irrelevant material is produced at considerable cost and dubious impact. Fair participation on the absence of proper information material to flow up interest, poorly staged as it often is appears less than effective and probably a waste of money. At the same time, there is an urgent need for Nepal to work against increasingly critical world media coverage on ill effect especially on mountain tourism. By inviting journalists, Nepal should convey the fact that it is taking serious steps towards improving matters ,but needs help to do so"(Ministry of Tourism, 1984:102).

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

2.1.3 Concept of Tourism:

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

Prior to the advent of the industrial revolution, travel was primarily related to the trade, the desire for military conquest or the performance of group rites. It was principally the traders, in the early historical period, who blared the trial by establishing national trade routes and communications which later extended throughout the region and finally to other continents. Thus, it was trade that first motivated travel in the real sense (Tewari, 1994:1). Later, the advent of modern means of transport and communications has uplifted tourism by facilitating and encouraging traveling. This developed form of traveling in modern terminology is known as "tourism" today. National Committee of Tourism, India defined it as, "The new phenomenon of traveling in pursuit of leisure, culture and the quest for knowledge about alien lands con notes the concept of tourism, the growth of tourism is closely related to the ease of travel economic growth and political development (Mohanty, 1992:46).

Tourism grews gradually over the years as easier and faster means of travel became available. Mass tourism started in Europe only in late 19th century but today it is a worldwide reality, "Today tourism revolution is sweeping the global, a revolution promising much and delivering a great deal. It has emerged as the most lucrative business of the world, having tremendous potentially for earning foreign exchange, yielding tax revenue,25promoting growth of ancillary industries, generating income and employment and in the development of industrially backward region through its various linkage effects" (Singh,1975).

Tourism word is commonly used in the world. But this word tourism has been defined in different ways by various authors and concerned organizations and yet there is not universally accepted definition of tourism.

Hermann V. Schullaid, an Australian economist gave one of the earliest definitions of tourism in 1910. According to Schullaid, tourism is "the sum total of the operators, mainly of an economic nature, which directly relates to the entry, stay and movement of foreigners inside and outside or certain country, city or region" (Satyal, 1988: 7).

R.de Meyer has defined tourism as, "A collective term for human movement and its attendant activities caused by the exteriorization and fulfillment of the desire to escape that is more or less latent in everybody" (Chatt Upadhyay, 1995: 7). This definition received the first prize by Academic International de Tourism at Monte Carlo in 1952.

However, this definition does not seem to be broad enough. Another definition of tourism given by the Swiss professors Waiter Hunziker and Kuet Krapf, in 1942, is more phenomenon arising from the travel and stay of strangers, provided the stay does not imply the establishment of permanent residence and is not connected with a remunerated activity" (Bhatia, 1994: 38).

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

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

An Austrian economist Hermann Von Schellard, in the year book of national Economy and Statistics 1990, gave the first definition of tourism. He defined tourism "the sum total of operators mainly of an economic nature which directly related to the entry, Stay and movement of foreigners inside and outside a certain country, city or region" (Batra, 1990: 1). The League of Nations defined in 1937 the term foreign tourist as; "Any person visiting a country, other than that in which he/she usually resides for a period of at least 24 hours." But revised definition given at the UN conference on International Travel and Tourism, held in Rome in 1965 which described as: "Any person visiting a country other than that in which he has his usual place of residence, for any region other than following an occupation remunerated from within the country Visited."

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

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

Tourism is therefore a composite phenomenon which embraces the incidence of mobile population travelers who are stranger to the places they visit .It is essentially pleasure activity in which money earned in one's normal domicile is spent in the place visited. The increasing importance of the quantitative aspects of tourism for marketing decisions has led to various attempts by experts in the field to arrive at an internationally accepted definition of the term'tourist'as the basic unit of measurement for tourism statistics.

The tourism industry is presently undergoing dramatic changes, due to the introduction of new technologies such as the internet, and changing consumer needs and wants. Today's tourists are more selective and demanding and more educated, experienced, independent, conservation-minded, respectful of cultures and insistent on value for money. This paradigm shift within the tourism industry must be taken consideration when marketing tourism in order to ensure that the needs and wants of the new tourists are met.

2.1.3.1Tourism and Five Years Plans in Nepal:

Tourism planning in Nepal has not received much attention of the planners in the past. During the Rana regime, Nepal was not open for the tourists and hence there was no tourism planning in Nepal. With the dawn of democracy in 1951, Nepal was opened for the tourists for the first time. The need for tourism planning was felt and it all started in 1956 with the initiative of the First Plan. Before this, tourism planning could not receive priority due to the political instabilities. The history of planned development efforts of Government of Nepal started only when First Five Year Plan came into existence in 1956.

The First Plan (1956-1961): During the plan period, the importance of tourism sector was given early consideration and administrative machinery was set up as early as 1956(National Panning Council 1956, 8-10).Tourism administration was formed in 1957 when a Tourist Office was set up in the Development Board under the same Department in 1956.After the establishment of the department, Nepal received membership in different international tourist organizations. During the plan period, tourist information centers were established, survey of Hotels was conducted, and some training was provided to the tourist guides. As the First Plan was the beginning of the planned efforts of the government, not much could be planned and achieved in the tourist sector except for the setting up of hotels of various standards, establishment of travel agencies, and development of Kathmandu Airport.

The Second Plan (1962-1965): The Second Plan realized the need for the development of tourism (National Planning Council 1962, 12-15).Programs was made to set up more hotels and for the continued development of Tribhuwan International Airport or Kathmandu Airport. Priority was given for the operation of air services by foreign airlines, the development of places of tourist interest, sightseeing services, trained guides, and increasing publicity of Nepal in the international field.

The Third Five Year Plan (1965-1970): It emphasized on the need to protect and conserve culture heritage, national museum, and archives as the resources for tourism development. Since then, tourism has gained the recognition of an industry with enormous potentials in term of generating much needed foreign exchange income, employment opportunities, beside balancing the regional disparity and upholding the image of Nepal in the world.

The Fourth Five Year Plan (1970-1975): It stressed the need to develop tourism with the objective to help complement national goals of social and economic policies. The tourism plan envisaged activities to generate employment, boost foreign exchange income and to provide impetus to other areas of the economy while emphasis was given to preserve and enhance the social, culture and historical values of Nepal.

The Fifth Five Year Plan (1975-1980): The fifth plan aimed to earn more foreign currency and make balance of payment favorable by developing tourism in the country, increase employment by developing local skills and promote tourists spots. To realize these objectives, the Fifth Five Year Plan emphasized on a) tourism development through conservation and development of historical ,culture and geographical specialties b) development of tourist centers outsides Kathmandu Valley in order to reduce concentration of tourists inside the Kathmandu Valley, c) lengthening the days of stay of the tourists as far as possible, d) developing necessary facilities in Pokhara, Chitwan, Lumbini, Khumbu etc., and extending training to develop skilled manpower (NPC,1975).

The Sixth Five Year Plan (1980-1985): It emphasized the need to carry out feasible to identify new areas with a potential to attract tourists. The plan also emphasized on the preservation and protection of natural, culture and historical sites for tourism purposes. It stressed on the establishment of basic infrastructures conducive for the promotion and expansion of tourism industry, facilitation of mountain tourism benefiting the remote regions, discouragement imported product, as well as development of the indigenous sills and technology. The plan also felt the need to market Nepal as an ideal holiday destination while special focus was given to the development of skilled manpower through the establishment of training institutes (NPC 1980).

The Seventh Five Year Plan (1985-1990): It added new dimension in streamlining investment in areas where the basic infrastructures exist, attempting for the growth of interregional tourism and providing special incentive to ancillary industries supporting tourism. In 1987, a comprehension in house exercise within the ministry of tourism set tourism rival target of one million by year 2000. The number of air seat production and hotel bed capacity were calculated accordingly. The exercise was further refined by a task force report of 1988.It was during the seventh plan that charter flights were granted permission to Nepal and the MOU signed with Tibetan Tourism Authorities(1985)making entry to Tibet from Nepal possible. It added attraction to long hand tourists wanting to make combines trip to Nepal and Tibet furnishing information to the mountaineers with the good communication system, daily weather report of the mountains and increasing public awareness on the mountain tourism and the environment sustainability was firstly brought in Nepal by the seventh five year plan. New sites were established after the implementation of the plan. Out of the total number of tourist visiting the different continents of the world, Europe Asia and North America take first, second and third position respectively. In order to assist the tourism industry attempts have been made to improve the legal provisions (NPC1985).

The Eight Five Year Plan (1992-1997): It was formulated two years after the completion of the seventh plan due to the political changes in the country. Tourism sector in the eight plan was accorded priority next only to agriculture, energy and population control. Objective of tourism development is linked to poverty alleviation by extending tourism activities in different parts of the country .During this plan period, national civil aviation policy 2050 was implemented and fourteen new airlines were licensed and new Everest Air, Nepal airways gained entry to serve the domestic sector. Other notable achievement includes the opening of upper Mustang, Manasalu and Kailas Mansarobar from Humla, upgrading of Pokhara airport and Gorkha durbar conservation efforts. The tourism plocy, 2052 clarified the role of private sector in tourism. In July 1994 partnership for tourism project was launched by United Nation Development Program to experiment public private partnership. Imitative from the private sector saw the introduction of new tourism services like the hot air balloon in Kathmandu and one power glider in Pokhara (NPC1992).

The Ninth Plan (1997-2002): The object of tourism in the Ninth Plan is to assist poverty alleviation by making this sector a part of the all round economic development of the country. The ninth plan emphasized on the promotion of village, professional and festival tourism

apart from the existing ones. For this, international and domestic air services will be upgraded, natural and cultural heritage preserved and infrastructure built. Private sector will be encouraged as a partner to promote and develop tourism in the country. Special promotion programs are proposed to be launched in the SAARC countries and use of Hi tech communication like, Home Page, Internet and E-mail will be used for market promotion (NP, 1998).

The Tenth Five Year Plan (2002-2007): The objectives of tenth plan are sustainable development and qualitative promotion of tourism sector, conservation and preservation of historical, culture, religious and archaeological heritage and enhancing their practical utilization and to render air transportation services easily accessible, secure, standard and reliable. The long term vision of tenth plan are developing factor as an important part of the national economy and reestablishing the country globally as prime destination ,expansion of earning from the tourism sector to rural areas through qualitative improvement of tourism related services , emphasis on culture tourism by conservation and proper management of living heritages world heritage sites and monuments of national importance and making international and domestic air services, efficient safe and reliable and development the convenient road networks in tourism areas etc.

There has become a great change after the success of people's movement II (2006/07) in Nepal. Now the country has been declared as republican nation. It has started to develop the country with a new dimension. Under the 3 years interim plan the first republican government has targeted to explore the new tourism marketing through the extension of transportation. It has planned to construct for railway services from east to west in southern range, Lok Marg from east to west in mountain region and fast track train services from Lhasa to Kathmandu to Lumbini. After the completion of these projects huge areas of tourism marketing will be explored. Thousands of Chinese tourists will visit Nepal through this fast track services.

2.1.4 Tourist:

Tourists are temporary visitor. They are the traveler and their purpose of travel is to get pleasure in their leisure. When the word tour and the suffix 'ist' are combined, it suggests the

action of movement around a circle. One can argue that represent a starting point, which ultimately returns to its beginning. Therefore, like a circle, a tour represents a journey that it is a round-trip i.e., the act of leaving and then returning to the original starting point, and therefore, one who takes such a journey can be called a tourist (Theobald, 1997:6).

The oxford Dictionary defines 'tourist' as; "a person who does the act of tour "or" Person traveling or visiting a place for recreation" and the word 'tour' is defined as: "Journey through a place visiting things of interest". So the tourist is: a person who travels to different place of interest for recreation.

World Tourism Organization has defined 'tourist' in precise term as "any person who travel to a country other than that in which he/she has his/her usual residence, but outside his/her usual environment, for a period of at least one night but not more than one year and whose main purpose of visit is other than the exercise of an activity remunerated from within the country visited. This term includes people travelling for leisure, recreation and holidays, visiting friends and relatives; business and professional; health treatment; religion/pilgrimages and other purposes" (WTO, 1996:24).

The department of tourism defines tourists as citizens of all foreigners countries visiting Nepal and staying for at least twenty four hours and utmost six month for various purposes like recreation, health study, religion, pilgrimage, business, sightseeing, conference and mountaineering excluding the permanently stationed representatives or staff of foreign organization in Nepal(B.Malekoo,1981:45).

The most widely accepted, but technical definition of the tourist was proposed by the International Union Official of Travel Organization (IUOTO) in 1963 and approved in 1968 by the World Tourist Organization (Leiper, 1997:393).It stated that international are "temporary visitors staying at least twenty four hours in the country visited and the purpose of whose journey can be classified under one of the following headings (a.) Leisure (recreation, holiday, health, study, religion, and sport) (b.) business (family mission, meeting)".It is clear that he who visit abroad at least foe twenty four hours is called the tourist. This definition is useful primarily for "statistical, legislative and industrial purpose "but it is unsatisfactory for most sociological work because it is too broad and theoretically barren, (Kunwar, 2006:3).

Nepal has many tourist destinations and the exploitation of these destinations offers a wide range of comparative advantages. Nepal attracts number of tourists from all over the world. Most visitors are the tourists who come for holiday pleasure or for trekking and mountaineering. On an average these two groups constituted about 80% of all visitors. The rest constitutes businessman, government officials, convention participation, pilgrims and other. In Nepal the majority of tourist (about 80%) visits by air (Ministry of culture, tourism and civil aviation 2004). In the domestic flight also about 30% constitute foreigners. Though most tourists confine themselves to Kathmandu, the other destinations are getting more popular among tourist. The prominent among them are Pokhara, Chiwtan, Lumbini, Tanseen and so on. Tourism in Nepal has been recognize as a field in which Nepal has a comparative advantage and that the development of tourism would contribute to the economic development efforts of the country (Ross, 1991:16).

In the year 2008 all together 500277 tourists visited Nepal where as in 2013 the number was 797759. The table given below shows the number of tourists who visited Nepal in different years. It shows positive trend but it is not satisfactory, as we cannot maintain the fixed rate of development.

Table No 3.1

Year	No of Tourists
2008	500277
2009	509956
2010	602867
2011	736215
2012	803092
2013	797759

Source: Nepal Tourism Board

2.1.4.1. Tourist products:

2.1.4.1.1Attractions:

Attractions are those elements which determine the choice of the tourist to visit one destination rather than other. Among four basic components of a tourist product, attraction is the most important unless this is there the tourists will not be motivated to go to a particular place. The attraction could be culture sites and area of archaeological interest, historical buildings and moments or scenic like flora and fauna, beach, resorts, mountains national parks or events like trade fair exhibitions, sports events, arts and music, festivals, game etc (Ghimire, 2002:74).

2.1.4.1.2 Facilities and Services:

Facilities and services are those elements in the tourist product which are necessary and to the tourist centre .The facilities complement the attraction. This includes accommodations, various types of entertainments picnic sites, recreation and so on (Bhattrai, 2006: 51).

2.1.4.1.3 Accessibility:

Accessibility is a means by which a tourist can reach the area where attraction are located. Tourists attractions which are located near to the tourist generating markets are linked by a network of efficient transport receive the maximum number of tourist (Bhattrai, 2006:51).

2.1.4.1.4 Accommodation:

The travelers who leave their houses require accommodations at their destination and during their journey, which cannot be completed in a single day. For this they, need overnight accommodation. As we know that tourism is the sum of total phenomenon related with accommodation so accommodation is one of the most important component of the most important component of tourism product (Ghimire, 2002:140).

2.1.5 Travel Agency:

Travel agencies are another important part of travel business. Travel agents function as an intermediary between their customers and the providers of tourist services like hotel, transport, entertainment, excursions etc. Moreover, travel agents work as an advisor to the

tourists providing required infrastructures which inspire them to travel to a particular place or buy particular packages.

Travel agency plays an important role in both the tourist generating and receiving countries. Its major role is establishing internationalism. The role which is played by travel agency and its agent is to send the tourist to the destination country and back to his home (Kunwar, 2006:278).

Travel agency is an axis of the tourism. The tourism activities revolve around the travel agency. The tourism is the result of the movement of the people from one place to another and travel agencies generate the movement. So, a travel agency is the generator or a creator of the tourism. It plays a crucial role in the tourism as a brain in human body. A mad person can survive but his action, thinking and behaviors may not be coordinated. In the same way, without travel agency, tourism will have no joint efforts, no planning and no programming. We cannot imagine tourism without travel agency because "tourism is the result of joint effort of travel related jobs" and travel agency joins them together to form a travel industry. Without a travel agency a travel is possible but there may not be tourism; accommodation is possible but hotel industry may not be there (Ghimire, 2002:156).

To facilitate the tour of a traveler is the objective of a travel agency. Travel agency is the business of taking responsibility of tour and travel. The agencies collect services charges of taking responsibility. For this purpose they co-ordinate between the enterprises and customers. They collect commission or service charge for the co-ordination work. As such, travel agents are the commission agent. They are the bridge and fill the gap between the customer and service agencies or facilities they provide. They stimulate and motivate the people to travel.

The history of the travel agency is not very old. Thomas Cook first developed the idea of travel agency in 1841; he arranged a railway trip for 570 members of his society. He reserved the railway seat and sold them. This reservation and selling gave him a new idea that "service can be sold, people are ready to pay for service; service can be a product which can be sold and business can be run". He learned that packaging of travel services could be a profitable business. Encouraged by the success of his venture Thomas Cook arranged similar venture by chartering trains. He developed the concept of "travel for pleasure". Then afterward Thomas Cook set up an office to arrange many more excursion trip on a fully commercial basis which is known as travel agency.

When Thomas Cook was organizing relatively complex tour and excursions, comprising several travel lines he published guide-book, periodicals and also published Cook's Excursionist ad Tourist Advertiser. He developed hotel coupon to book hotel rooms. He also added bank and foreign currency exchange to his business. Another important development, which can be associated with Thomas Cook, is the support in pleasure travel. The large-scale movement of people to various pleasure spots like sea beach resort and spas was the results of organized conducted excursion trips by Thomas Cook. It was Thomas Cook who is pioneer in organized travel. In the history of modern travel Thomas Cook's name is still remembered as "Father of Travel Agency".

In Nepal, the first travel agency was established in 1959 with the name of Shah & Rai Pvt. Limited and it was registered under the Company act of Nepal which was also the member of International Air Transport Association. This travel agency was working as a branch of Shah & Rai Company of India. Later this travel agency was fully controlled under the Nepalese management by the name of Third Eye Tours in 1965 (Satyal, 1988: 80).

With the increasing number to tourist arrival in Nepal it is natural for the increase in the number of travel agency also. In the year 1965 other 2 travel agency were established namely, Nepal Travel Agency and Everest Travel Services. Similarly, Yeti Travels (P) Limited was established in 1966. During the time of preparation of Nepal Tourism Master Plan of 1972, there were only ten travel and trekking agencies (Nepal Tourism Master Plan, 1972). The numbers of travel agencies are ever increasing in Nepal with the increase in the number of tourist arrival and the demand for their services. In the year 1990 there were 104 licensed travel agencies in Nepal and it raised to 1026 by the end of year 2009.

2.1.5.1 Functions of Travel Agency:

As being commission agent travel agencies perform unlimited varieties of work. With the introduction of new concept of travel and tour, the functions of modern travel agencies have widened. A travel agency carries two types of activities: 1) as a middleman 2.) as an organizer. The most important functions of travel agency are described below:

1. **Providing Travel Information:** A retail travel agent provides necessary travel information to the general public. The interested tourist come to the office of the travel agent and asks all the related information regarding their proposed visit.

2. **Preparation of Promotional Material:** A travel agency should prepare promotional materials to motivate the potential travelers. They should prepare reading materials to give information. In this respect they must prepare, programmer, itineraries, brochures, fliers, dossier, etc.

3. **Developing New Idea and Destination:** A travel agency must work constantly to find out new ideas, new destinations and do the calculation of the cost. He must try to find out best destination and quality in the best price.

4. **Reservation and Confirmation of the Services:** The travel agency, on behalf of its customer, reserve and confirm the services from the services agencies, such as booking of air, rail, hotel, etc. it provides the guarantee of the service to the customer and security to the service agencies.

5. **Agreement and Negotiation of Price:** To provide the facility to the customer and to facilitate the service agency it does the agreement and fixes the price.

6. **Money Transfer:** Many travel agencies provide the service of money transfer. The service of travelers cheque, credit card, Union Money Transfer, etc are handled by travel agencies. Similarly when a customer buys a tour he does not require carrying heavy amount with him and it will help a tourist to enjoy the tour. At the same time it is also very safe to the service agency to have the guaranteed sale of the product (Ghimire, 2002:159).

2.1.5.2 Nepal Association of Travel Agent (NATA):

Nepal Association of Travel Agent NATA is well known as the most prestigious and oldest organization among the travel related association of Nepal. It has been recognized as an established organization and is playing a significant role in comparing with rest of the other tourism associations. It has been recognized as the main representative body of tourism industry in Nepal. It was established in 1966 by a group of leading travel agent to formulate sound business principles to regulate the travel industry in Nepal.

The primary purpose of NATA was to protect the interests of those engaged in the travel business, to promote its orderly growth and development, to safeguard the travelling public from exploitation by unreliable agents. NATA is a non – political, non profit making, non governmental association of travel industry in Nepal. The number of its member has been increasing since its establishment. Today there are 165 active member and 14 allied member. NATA also offers provisional membership (Ghimire, 2002:77).

Objectives of NATA:

1. Contribute to the healthy development of tourist industry and trade;
2. Develop goodwill among travel agents on all subjects of common interests and welfare & protect the professional interest;
3. Provide co-operation and consultation to His Majesty's Government for the promotion of tourism in Nepal;
4. Work directly or indirectly for institutional mission of all matters pertaining to interests of tourist industry & trade;
5. Enthuse feelings of close co-ordination and professional ethics among all components engaged in tourist industry and trade;
6. Undertake research work for promotion of tourism;
7. Obtain national & international recognition for the association;
8. Promote and safeguard the interests of other professionals, trade & industries that are ancillary to tourism;
9. Make wide publicity for tourism industry;
10. To develop the intimacy of the association with government and non government.

Programs:

NATA performs different programs to achieve its objectives. Following Programs shall be undertaken for attaining the above mentioned aims and objectives.

1. Organize different meetings, conferences, seminars and workshops;
2. Actively represent in meeting and conferences on tourism within and outside the country;
3. Collect and publicize data, statistics and news about tourism industry and trade;
4. Publish souvenirs, membership directory, magazines, books and booklets, etc. Pertaining to tourism;
5. Conduct and encourage research works on tourism promotion to Government of Nepal from time to time;
6. Submit advice, suggestions on matters relating to tourism promotion to Government of Nepal from time to time;
7. Establish cordial relations and exchange delegation with organizations of other counties with identical aims and objectives;
8. Acquire land, building and other immovable and movable properties, give and take necessary contract and obtain donation and contributions for the association;
9. Appoint staffs, technical experts or other consultants as and when required;
10. Establish NATA Regional Associations in different parts of Nepal on Zonal or regional basis as per the criteria fixed by the executive committee;
11. Exercise the rights provided under the statute and prevailing laws in fulfillment of all tasks necessary for safeguarding the Association's interests;
12. Perform all tasks subservient to attaining or implementing the aforesaid aims and objectives;
13. Publish Company Profiles and Reports from time to time;
14. Carry out promotional campaigns in the potential markets and establish cordial relations with national and international associations of travel agents and tour operators;

2.1.6 E –Marketing:

The buying and selling through internet is called internet, marketing. Internet is the worldwide computer network .It works as communication media. It helps to have direct contact with every individual customer. The entire customer may not be equally profitable. Contact with some customer may need to cut off. So, profitable customers should be selected carefully. Internet helps in it .similarly, internet also helps to maintain long term relationship with profitable customers. Contact can be made with stakeholders such as suppliers, intermediaries or middleman, competitors etc through internet. Similarly internet also helps in promotion product, price and distribution including strategic association both at local and global levels. Internet use has become more suitable in marketing different products such as cars and other transport means, share , hotel booking, airways tickets booking, books tapes, magazines, dolls clothes equipments including many other things(Agrawal,2007:367).

E-marketing is "moving elements of marketing strategies and activities to a computerized, networked environment such as the Internet. It is the strategic process of creating, distributing, promoting, and pricing goods and services to a target market over the Internet or through digital tools. Sometimes it is also referred to as "Internet Marketing" or "Digital Marketing" by other researchers. Mohammed et al (2001) describes internet marketing as "the process of building and maintaining customer relationships through online activities to facilitate the exchange of ideas, products and services that satisfy the goals of both parties". Since the number of websites is growing with an unbelievable speed, e-marketing activities are now an integral part of all the companies.

Defining e –marketing is still highly problematic. Still, what do we mean when we use this term? As many other English words, the term was born by adding the prefix "e-" to the term already known and used, in this case marketing". The prefix "e-" is actually the extreme contraction of the word "electronic" and is quite omnipresent in today's language of many people: e-marketing", "e-business", "e-mail", "e-learning", "e-commerce", "e-", "e-",….. The simplest definition of e-marketing could be that suggested by Mark Sceats: the marketing that uses internet as manifestation channel.

In the case of tourism e-marketing can be particularly useful, as it can be used reducing congestion, crowding and environmental impacts), to restricts access to sensitive areas.

Travel agencies that adopt a modern marketing philosophy "that focuses on the satisfaction of tourist needs and wants while respecting the long-term interests in the community" (Mill & Morrison, 1985:360) will benefit not only themselves, but consumers the environment, and society.

E-Marketing has become a standard practice and today most companies add some of e-marketing elements into their existing marketing strategy. Even if the Internet doesn't play a significant role for a company, it is highly likely that some basic e-marketing elements will be added to traditional marketing approaches, (e.g. creating a web presentation of the company).Companies who are trying to maximize the power of the Internet will most probably have a separate e-marketing unit with its own e-strategy. For Internet Pure-plays, however, e-marketing is the central strategy and the use of traditional offline channels for communication(TV, print, radio), sales (shops) and service (mail, direct contact) is of less importance due to the special characteristics of digital products and services, online customers and other unique characteristics of the online environment. For Internet Pure-plays, e-marketing, in its broad definition, therefore, is in the centre of their business.

A more comprehension practical definition is the one formulated by specialists of CISCO Company: e–marketing is a generic term utilized for a wide range of activities advertising, customer communications, branding, fidelity program etc using the internet. More than the simple development of a websites, the e- marketing focuses online communications, direct dialog with consumer who, thus participate to the creation of new product, finding efficient method to win customer's fidelity and ease their business making process. E-marketing is the sum of activities a company makes with the purpose of finding, attracting, winning and retaining customers.

At last, for interested in a more scientific approach, could say that e- marketing allows relational exchanges in digital, networked and interactive environments. Earlier in the history of e – marketing, it was conceptualized as being focused upon the exchanges, but today's theoreticians suggest the exchange paradigm is a limited modality to define- marketing.
In early 90's ,the marketing theory re-oriented towards the relational exchanges paradigm, mainly because marketing used to give important to gaining customers rather than retaining the existing ones. Studies performed have indicated that major economic benefits come from raising fidelity among customers as a result of customer retention. This is the perspective that

led to the apparition of the rational marketing, which is based on the necessity of developing interactions with individual customers. The marketing management advanced by Philip Kotler promotes the idea of the transactional marketing being includes into a larger concept, that relational marketing. Such an enlarged perspective would see marketing as a relational made a continuous with each individual customer.

A second upon the marketing philosophy would be the reality of the internet- based interactions. In the online world, consumers are able to initiate interactions at any time, from anywhere, before or after the act of exchange itself, which means, in other words, that the exchange paradigm is highly restrictive as far as e- marketing is considered. Additionally, most interactions generated from websites tend to be personalized, at least at a minimal level such as recognizing a visitor by using cookies ("cookie" specialized file resident in the computer's memory, containing information about the websites accessed) The relational marketing became efficient in a large scale due to the relatively low cost of the new database technologies and the multitude of applications designed to work over the internet.

 In conclusion, the tendencies concerning the relational character of the e- marketing show that, from now on, marketing should be defined from a relational perspective rather than transactional.

2.1.6.1 Types of E-Marketing:

2.1.6.1.1 Electronic mail (e-mail):

E-mail or electronic mail can be defined as the exchange of messages and computer files between competitors over a computer network. This network can be small as a local area network or it can be as a large as the internet that spans the world electronic mail, is without doubt the most commonly used internet service. E-mail is much older than the web, and more people use it every system on the Net supports some sort of mail services, which means that e-mail can be sent and receive e-mail among millions of people around the world. E-mail is a popular communication medium among internet users.

Every one with e-mail access has an e-mail address, which is the cyberspace equivalent of a postal address or a phone number. When e-mail is sent, the sender enters the address or addresses of the recipients so that the computer knows to whom to send it. Internet mail

addresses have two parts, separated by an @ (the at sign). The part before @ is the mail box which is roughly speaking your personal name and the part after that is the domain. Usually is the name of your Internet service provider (ISP), such as wlink.com.np, mos.com.np, enet,com.np yahoo.com is the domain name.

2.1.6.1.2 Search Engines

People commonly refer to the current era the "Information Age". The best thing about today's internet is the enormous range of resources on it. The worst thing, of course, is that there is no guide to those resources. Finding information may be nightmare. Fortunately, there are web search engines to locate the information. The URL of the new site must be submitted to search engine. When any search engine is connected using its URL. One or two words should be typed in a search box. The search engine displays a list of locations that matches search parameters. Popular search engines are yahoo, www.google.com, www.lycos.com, www.exite.com, www.hotbot, www.msn.com etc.

2.1.6.1.3 Key Word Optimization

This is used to optimizing keyword pages for better positioning the website in search engines. For that they words should be incorporated within the Meta tags that help boost search engines ranking. The most important tags are the Title Tag and Meta Description Tag.

2.1.6.1.4 Travel Related Directories

Tourist service listings are websites that link or feature, details of tourism service on Website, in return certain amount is charged as service charge. Plenty of such directories can be found on the web.

2.1.6.1.5 URL

The World Wide Web is a network of information resources. The web relies on three mechanisms to make these resources available on the web, i.e. html documents, images, video clip, program, etc. has an address that may be encoded by a Universal Resource Locator. Like http://mountdigit.com.

2.1.6.1.6 News Letters

News letters are one person's editorial content being distributed to many readers like news paper with a couple of medium sized articles(400 to 500 words), a few news bits of a couple dozen words each, and a little editorial comment on the state of the world. Then the news newsletter is ready to distribute by using mailing lists to promote the website to online visitors.

2.1.6.1.7 Google Ad Word

Google Ad Words is a quick and simple way to purchase highly targeted cost per click (CPC) advertising, regardless of budget. Ad Words ads are displayed along with search result on Google, as well as on search and content sites in growing ad network, including AOL, EarthLink, How Stuff Works, and Blogger. With more than 200 million searches on Google each day and even more searches and page view s on ad network, Google ad word ads reach a vast audience. When a Google Ad Word ad is created, keywords are chosen for which ad will appear and specify the maximum amount willing to pay for each click. Clients only pay when someone clicks on their ad To save even more money, the Ad Words Discounter automatically reduces the actual CPC clients pay to the lowest cost needed to maintain their ad's position on the results page. There's no minimum monthly charge, just a $5 activation fee. Ads start running within minutes after they submit their billing information. They can easily keep track of their ad performance using the reports in their online account control centre.

2.1.6.1.8 Google AdSense

AdSense is an adverting program run by Google. Website owners can enroll in this program to enable text, image and, more recently, video advertisements on their sites, these ads are administered by Google and generate revenue on either a or per thousands impressions basis. Google is also currently beta-testing a cost per click based service. Google utilizes its search technology to serve ads based on website content, the users, geographical location, and other factors. Those wanting to advertise with Google's targeted system may sign up through Adwords. AdSense has become a popular method of placing advertising an website because the ads are less intrusive than most banners, and the content of the ads is often relevant to the website.

It currently uses Java Script code to incorporate the advertisements into a participating site. If it is included on a site which has not yet been crawled by the Mediaboot it will temporarily display advertisements for charitable causes known as Public Service announcements (PSAs). (Note that the media boot is a separate crawler from the Google boot that maintains Google's search index,). Many sites use Ad sense to monetize their content and some webmasters work hard to maximize their own AdSense income. They do this in three ways.

1. They use a wide range of traffic generating techniques including but not limited to online advertising.
2. They build valuable content on their sites; content which attracts Ad Sense ads and which they pay out the most when they get clicked.
3. They use copy on their websites that encourage clicks on ads. Note that Google prohibits people from using phrases like "Click on my AdSense ads" to increase click rates. Phrases accepted are "Sponsored Links"and "Advertisements".

2.1.6.1.9 Sugar-CRM (Software):

Sugar-CRM software of community Edition which is used for social networking. It is an open source product which can be freely downloaded and used. Sugar-CRM can be deployed on-demand (on service provider's service) on on-site (inside clients firewall). Customers receive both a license key to download the software and on On- Demand accounts when they become a customer of Sugar enterprise, professional and express. Regardless of deployed options, all Sugar informations are accessible through a standard web browser. Customer can watch recorded demo of sugar Professional; sigh up for a free 30 day trial or contact Sugar CRM sales representatives for an in–person demo. Once one decides what development option fits his/her company best then it can be purchased directly from Sugar CRM, Inc or through an authorized reseller. Sugar University offers a blended learning program that includes easy access to self-placed online learning materials and interactive insulator-led options.

2.1.6.2 E-Marketing in Nepal:

2.1.6.2.1History:
The e-mail services provided by royal Nepal Academy for Science and Technology (RONAST) can be regarded as the first instance of the use of Internet technology in Nepal. The credit of introducing Internet amongst Nepalese people however goes to the private

sector. It was the initiative of Mercantile Office System that commercial e-mail service was first provided in June 1994. A year later, Mercantile communications, a branch of Mercantile Office System started Internet services. Mercantile had, at that time, established connection to Singapore Telecom, Singapore via a 64 kpbs leased line through Nepal Telecommunications Corporation (NTC), the only basic telecom service operator.

ISP, being a new concept in Nepal then, there was no provision for its regulations. Later, when two other ISPs, World Link Communications and Computer land Communications System came forward with their proposal to start Internet services, the Ministry of Information and communication decided to issue license to all three of them. In September1997, license to operate Internet service was finally issued to three ISPs by the Ministry. In 1998, Nepal Telecommunications Authority (NTA), a telecommunications regulatory body was formed as per telecommunications Act, 1997. NTA holds the power to issue License to issue internet service Providers and has so far issued 15 Licenses. At present the total Internet bandwidth exceeds 10 Mbps.

2.1.6.2.2 Present state:

The population of Nepal is around 23 million out of which approximately 3000,000 are estimated to have internet access in some way .This comprises only 0.65% of the total population. Moreover, only a small fraction of these 150,000 people fall under the category of internet users. Internet service is primarily being provided by internet service providers, which are 15 in number. However, recently academic institutes have also started to install their own VSAT terminal and provide internet facilities to their students and staff.

2.1.6.2.3 Government Policy of the Internet:

In Nepal, there is no separate body for regulation of the internet. Internet/ E- mail service has been categorized as a type of Value –Added Service which can be operated after obtaining a license from Nepal Telecommunications Authority. Nepal Telecommunications Authority is a telecommunication regulatory body established in 1998 in accordance with the telecommunication Act, 1997.It is the body responsible for issuing license to ISPs and for monitoring their activities.

2.1.6.2.4 IT Policy and Internet:

The IT Policy, 2000 is the most visible and commendable attempt made by the government to promote the Internet and Information Technology. Its vision is to create a niche for Nepal in the global IT map in the next five years. To achieve this goal, infrastructure development is a prerequisite and IT Policy expects private sector involvement in infrastructure building. In the working plan, it is stated "An Internet node shall be established in all development regions by fiscal year 2058/059B.S (2001/2002 A.D) and in district headquarters by fiscal year 2060/61B.S (2003/2004 A.D) with participation of the private sector in order to make Internet available throughout the Kingdom. In making telephone contact with such a node, the telephone charge shall be levied on a local-call basis; and telephone contact with a nearby node within the development region shall be deemed to be a local call, so long as the node in that district is not established. The use of the Internet shall be gradually extended to rural areas as well. The charge for telephone calls to be used for the Internet shall be gradually reduced." The IT Policy, if implemented timely, certainly gives a good reason to be optimistic about the future of Internet in Nepal.

The policy also states, "All ministries, departments and offices shall be linked to the Internet; and other agencies shall also be encouraged to be linked through the Internet." and "Websites for all ministries and departments and district offices shall be created within one year." Work is being done towards this goal, though it will be few years before it is accomplished.

The IT policy also promises to formulate necessary laws related to the development of information technology to protect the Intellectual property right. A draft of Cyber law has been prepared and it is under evaluation by a group of experts. It is possible that a bill on Cyber law will be introduced to the Parliament and if everything goes right, the law will come into force with in a year.

In a developing country like ours, there is a problem of not having an internet gateway provider. Because of this, internet traffic, within the country has to travel to another country where internet gateway provider is located and then terminate in the country of organization .This causes the international internet bandwidth to be consumed unnecessarily. So, to avoid this situation, ISPs in Nepal have come with the solution of Peering Arrangement. At present, this Peering Arrangement has made it possible for e- mail traffic, originating in Nepal to terminate in Nepal without the country.

2.1.6.2.5 Internet Market and its Trend:

Within the past 6 years, 15 ISPs have been opened and are providing their services to the people. There are two more ISPs in the process of acquiring license. So, within a few months the number of ISPs in operation will reach 17. It can be noted that the year 1999 observed a significant rise in the number of ISPs---following the formulation of Telecommunication Act, 1997 and the establishment of NTA in 1998. The setting up of guidelines to be followed by ISPs and the formalizing of the licensing procedure facilitated the process of commencing Internet Services business and created an environment conductive to its growth.

Although there is no accurate data available on the number of Internet users in Nepal, it is estimated to be around 300000. This is actually a very rough estimate. Because no such survey has been performed, the only basis available is the number of Internet subscribers, which is around 30,000 according to the data provided by the ISPs. However, as the subscribers vary from residential and business users to cyber cafes and academic institutes, the ratio of number of users to subscribers is difficult to determine. Nevertheless, as business rather than home users constitute the majority of subscribers, a multiplier of 4 or 5 may be appropriately applied to Internet subscribers to come up with a value for Internet users.

Nepal, at present has a limited market for the Internet. Although its use is increasing steadily, it is still a luxury to most of the Nepalese. ISPs are now expanding their services to other regions of the country. However, in the absence of proper infrastructure, it is indeed a very difficult   job.

For further enhancement and expansion of Internet facilities, infrastructure development should be given top priority. Nepal has a telephone density of 1.30%. Unless this figure is raised, the percentage of Internet users is bound to remain low. Therefore, promotion of Internet services entails that infrastructure development be paid due attention. Moreover, as the Internet is in its early phase of its development, policies that are supportive and encouraging should be formulated and promptly implemented.

Internet connectivity, though increasing at a faster pace, is far from being at a satisfactory level. The majority to the users are with in Kathmandu valley. Since the potential foreleronic commerce within and outside Nepal will also depend on the number of users who have access

to the internet, one of the priorities must obviously via in increasing this number. But this alone will not be sufficient to guarantee the development of e-commerce in the country. The development of e-commerce depends upon factors like the number of users internationally who could have a prima facie interest in Nepal, quality and types of products and services offered by Nepalese companies, the skills and creativity employed in designing websites and the bandwidth available for user and service providers. One should thus be aware of potential pitfalls resulting from lopsided view of treating e-marketing issues solely from the information and communication technology perspective. These technologies no doubt enable e-commerce but there are hosts of other issues that must be taken into consideration while trying to formulate policies conductive to growth of e-marketing and e- commerce.

2.1.6.2.6 Benefits of E-marketing:

Electronic commerce provides both consumer and business enterprises with information on the availability of products or services worldwide, prices and conditions of sale, enabling them to obtain their supplies on the best term possible.

It provides suppliers with an online marketing service and can enable them to do business directly with consumer without having to open an establishment or hire an agent abroad. The widely publicized experience of some big companies that have embraced e- commerce have shown that e- commerce processes can speed up the flow of information along a supply main by allowing consumers to order directly from suppliers, without going through an intermediary. Internet communications within a business ("intranet") or between a business and its suppliers can also help to reduce delays in the supply main. When businesses have better information about the availability of supply and customer demand, they may be able to reduce the level of inventories and stocks they hold. This could, and has helped companies to reduce their costs. However, it is questionable whether the experience of large companies, particular with regard to inventory costs (stock costs), may be applied in an unqualified way to small medium-sized enterprises (SMEs).

Most enterprises do not want to design a web site simply to attract customer. In brief many see electronic commerce as providing the following opportunities:

1. Enhance credibility by projecting a more solid, up to date professional image.
2. Promote products and services.
3. Advertise in more markets at less expense.

4. Answer questions about product or services.

5. Provide online quotations.

6. Improve response time to customer queries

7. Obtain feedback from customers.

8. Improve customer service.

9. Provide same day services or service out of working hours.

10. Use e- mail as a marketing tool.

11. Use e- mail as a customer communication tool.

12. Offer paperless documentation.

13. Coordinate supply and customer relation from several outlets

14. Operate a dealer network more efficiently.

15. Conduct foreign market research.

2.1.6.2.7 Internet Marketing Saves time, money and resources:

a) Electronic versions of catalogs, brochures, white papers, data sheets etc, don't have to be printed, stored or shipped to customers resulting in an enormous saving in printing and stored storage costs.

b) No longer requires as many people to handle mailing and distribution of marketing collateral….more saving.

c) Updating catalogue, brochures and other marketing collateral produced can be accomplished as needed online and in lightning speed. There's no send revised material out to print and then have to wait for a revised version, a great saving in time and time in money.

d) IT can provide more information to customer with little if any additional cost. Adding more pages to a document online involves virtually no expense compared to the additional cost and space required to deliver the same thing in print format.

e) IT can reach more customers than ever before and it doesn't cost a penny more. There's no postage or courier charges to pay. Distribution costs are the same whether to reach one or one million.

f) Finally, for little or no cost can have several electronic versions of the same catalog customized to meet the needs of different audiences.

g) The difference between traditional and internet marketing is money and internet marketing improves bottom line.

2.1.6.2.8 Possible Areas for E-Marketing in Nepal:

Due to inherent resources limitations, the following could be some of the potential areas where Nepal has relative competitive advantage of e- commerce application**.**

1. Travel and tourism
2. Hotels
3. Handicrafts
4. Carpets
5. Web site design and maintenance
6. Computer programming and other IT related services
7. Food products, herbal products tea and spices

2.1.6.2.9 E-Marketing in the Tourism Industry:

Millions People access the internet every day. This highlights the fact that the internet is the one medium, which can be used to reach every city and every country over the globe. It means tourism does not just have to concentrate on traditional marketing method-nothing is impossible. If travel agencies have a web site, this in itself means it is accessible by the global market and it is vital that this business take advantage of this. The only way to market globally is via the internet, and it is important that the business take time to learn how to do this effectively. Normal media advertising and promotion (such as through magazines, radio and local promotions) cannot gain the site remotely as much traffic as marketing on the internet can. If done correctly, the sky can be the limit.

The tourism industry encompasses many businesses, such as accommodations, attractions, transportation, and restaurants, each of which may undertake marketing efforts. That is, there are different scales at which marketing can occur, from large-scale marketing of individual business or attractions (such as cultural tour operator, adventure tour, eco-tourism business), to small-scale marketing of regions or entire countries. The focus of this thesis is marketing of services through internet and destination regions, because it is at the regional, or community, level that "successful tourism is likely to take place" (Health and Wall, 1992:6) and at which "most of the impacts of tourism, both positive and negative, occur" (Murphy, 1983, in Health &Wall, 1992:6).

Tourism is largest industry in the world. It is a very competitive industry with a highly volatile product. Destinations in vogue today often are out of fashion tomorrow. E-marketing is one of the main ways for services or destinations to inform and entice potential tourists and to gain competitive advantage. However, many service industries such as tourism have traditionally used marketing less than manufacturing firms, as they felt it was too expensive, time-consuming, unnecessary, and unprofessional (Kotler et al:1996), relying primarily on an established reputation to attract business. And there are still those who consider marketing unprofessional, particularly within area of advertising. Such detractors hold on the belief that marketers will do anything to sell their products or services, with their number one goal being the market of a "quick buck." They are seen as having a complete lack of respect for customer's opinions, desires and intellects, and the environment or society as a whole. But this is an unfair view of many of today's marketers, because in a true marketing philosophy, customer satisfaction is first priority.

Some have noted that e-marketing also can be used to protect the environment, improve quality of life, and help society as a whole. E-Marketers can be use demand management to increase, decrease, or shift demand for a product or service either temporarily or permanently. In the case of tourism, e-marketing can be particularly useful, as it can be used to even-out demand (i.e.. increase off-season visits, and limit high-season visits, thus reducing congestion, crowding and environmental impacts), to restricts access to sensitive areas and to inform and educate tourists about problems facing various areas.

Travel agencies that adopt a modern marketing philosophy "that focuses on the satisfaction of tourist needs and wants while respecting the long-term interests in the community" (Mill & Morrison, 1985:360) will benefit not only themselves, but consumers the environment, and society. This is corroborated by Poon (1993:7) who believes that "new tourism can play a leading role in providing and promoting more sustain table patterns of development and in saving Planet Earth." Thus, tourism marketing can and could assume an important role in education and conservation, because in the tourism industry, there is much more to gain (or lose) than just profits.

In these days of increased amounts of leisure time, higher standards of living, greater quality of life, higher expectations, and increasing choices (at least in so-called "developed

countries"). Travel Agencies must work harder to provide tourist satisfaction and to ensure they obtain and retain share of the market. But, Travel Agencies should be sensitive to the new/high-tech way of doing marketing. They must realize that internet does have a sizeable impact on the global. Due to the rapidly changing worldwide tourist trends, business principles and related socio-economic circumstances, is essential for any new or established tourism business to constantly revisit its product offering and target markets.

E-marketing allows to find new markets, redefine existing markets and to apply the appropriate strategies to ensure that market share is increased and sustained. The internet has provided tourism marketing with many new tools and given old tools new or improved meanings. "Because the World Wide Web presents a fundamentally different environment for e-marketing activity than traditional media, conventional marketing activities are being transformed, as they are often difficult to implement in present form. This means that in many cases, these marketing activities have to be reconstructed in forms more appropriate for the new medium." The E-marketing medium changes tourism marketing so much that a new set of concepts need to be adopted or old ones to be up-dated so that a better match between these concepts and unique qualities of the new medium is attained. The new medium has bought about new tones to old marketing ideas and concepts and at the same time room for completely new typologies and terms has opened. Adoption of a marketing philosophy is the key to success, and tourism marketers that adopt the E-marketing concept will be better off in the future, a consumers are becoming more and concerned about choosing products and services.

Tourism is inevitable human phenomenon. Tourism is, therefore a composites phenomenon which embraces the incidence of mobile population of travelers who are strangers to places they visited. It is essential a pleasure activity in which money earned in one's normal domicile is spent in the place visited. Tourism is a very complex industry because of its multifaceted activities which together produce the tourism product and various sub-sector that are themselves complete industries if considered independently (transport industry, hotels accommodations, food industry etc) so, development of tourism also means development of these sub- sectors. The biggest advantage which tourism has for developing country like Nepal is the lure of foreign exchange and employment.

Due to rapid growth of technology led to rapid growth of tourism. The social causes of the rapid growth of tourism are linked with new attitudes towards travel and leisure. The impact of the modern transport technology, especially in aviation field has brought a completely new meaning to tourism. Travel to ever remote destinations like Nepal has now become a reality.

Every principles of marketing are developed in economically developed country and they are viable for such countries only. Most of the marketing theories are developed in America. These concepts are basically based on American Companies. Thus, such marketing concepts may not be appropriate to other countries. Nevertheless, some principles are relevant to both developing and developed countries. When marketing tourism, there are special characteristics which must be considered. Firstly tourism is a service. The product of tourism is satisfying activities of desirable destination. Tourism is undergoing dramatic changes due to the development of technologies. The fact that tourism will continue to be a valuable industry the world over, and that "marketing within it will be a subject of growing significance and interest". Furthermore, traveling agencies need to adopt a more professional marketing tool to reach the potential customer or traveler.

The World Wide Web is the fastest growing market place. The internet has provided marketing with many new tools and given old tools new or improved meanings. Today information technology is one of the most powerful tools. As applied to the tourism industry, the most important function of marketing is to bring awareness of the services in the mind of consumer in the market areas. This is done by the way of promotion. Tourism promotion is one of the elements of the marketing mix and an important tool for marketing.

Like in any other industry, successful marketing in tourism cannot rely on a product of right kind, on a market related pricing policy on a reliable and effective distribution network. Thus, promoting tourism internationally, involves great amount of money. Individual travel agency can't afford to spend s such amount of money in promotional but there is alternative, simple and cost effective solution to promote your company image through internet. E-marketing can reduce your marketing costs dramatically. The best free marketing tool invested ever….e-mail. Existence of web doesn't mean you will get customer all depend on the promotion is done. E-marketing is affordable, dynamic and wide reaching. It is an incredibly powerful communications and research tool which can help the travel agencies to effectively perform marketing duties.

The tourism industry is highly competitive, and travel agencies must constantly review and revise their, marketing goals and marketing tools effectively. The communication of a desirable and realistic image of tourism destination to potential tourists is crucial as nothing will convince potential tourists to visit a destination unless they posses desirable information of destination. E-marketing is the only cost effective tool, less time consuming, wide reaching way of promoting tourism products.

2.1.6.2.10 Challenges of E- Marketing in Tourism in Nepal:

E-marketing is totally depends on electronic medium(internet, e-mail, websites, online directories and search engines).Infrastructures like electricity, IT education, IT policy, cyber laws are not effective in Nepal. Proper awareness of computer and e- marketing is not conducted adequately by government and other sector. Online transaction is not valid in Nepal in absence of cyber laws. There is always threat by unethical hackers. Although it is easy to exchange information and online booking but clients are not safe to transact online.

The quality of internet is not as ISP assured. Frequent load shedding is interrupting to be on line continuously with clients and customers. Most of the travel agencies have website but not updated timely. They are not able to use e-marketing tools professionally. Service providers charging high for on line promotion which is not effective as they assure.

2.2 Review of Previous Studies:

2.2.1 Review of Articles/Reports:

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

In 1972, with an aim to run tourism in a planned way and formulating policy the Nepal Tourism Master Plan (1972), a detailed and comprehensive document about Nepalese tourism, was prepared with a joint co-operation of Bundesstelle Fur Entwicklungshilfe of Germany and Nepal Government of Nepal. This Master Plan defined the tourism development programs and projects for ten years. The plan defined the tourism development programs to be adopted and the market segments of Nepalese tourism were identified as organized sightseeing, independent "Nepal style" tourism, trekking and pilgrimage.

The primary markets for Nepal were identified as USA, France, Scandinavia and Australia as secondary target market. In the Master Plan Kathmandu was seen as continuing to be the principal centre of tourism activities in Nepal and to lengthen the average length of stay, tourists measures can be done by creating resort areas and the provision of recreational attractions suited to the needs of international tourism and opening up the country "attractions suited to the needs of international tourism and opening up the country's attractions by round tours operated from Kathmandu with intermediate stops and short stays in selected sites.

Furthermore, the plan has emphasized for development outside Kathmandu such as the development of Pokhara, Chitwan, National Park, development of national parks at Langtang, Annapurna and Dhaulagiri and Khumbu. The development of pilgrimage centers at Lumbini,

Mukhtinath, Barahachettra and Janakpur was also envisaged. The Master Plan had recommended for the establishment of a Ministry of Tourism and Culture of Archaeology, the Department of Culture, the Department of forestry, the Ministry of Foreign Affairs and the Immigration Office.

Pradhananga (2000), in his book 'Tourists' Consumption Pattern and its Economic Impact in Nepal' had presented the changing pattern of tourists' employment and national revenue. The study has analyzed the direct, indirect and induced effect of tourist expenditure on Nepalese economy as well as has examined both forward and backward linkage of tourism, impacts of goods and services, and employment generation. The study has shown that the tourism sector contributed 37.99 percent as direct expenditure and the benefits of tourist money mainly went to hoteliers, travel and trekking agencies and airlines. The direct import content was 33.49 percent in tourism sector, 17.34 percent in tourism percent in tourism related sectors and 8.94 percent in non-tourism sector, the study has added, thus an increase in imports. This also mentioned that the revenue at current price increased to Rs. 314.97 million in 1987/88 from 34.91 million in 1974/75. The analysis has also shown the impact of tourist expenditure on employment. The direct employment opportunities generated were 12.41 percent in tourism sector, 32.88 percent in tourism related sectors and 54.71 percent in non-tourism sector.

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

1. As the stay of tourists cannot be prolonged for now, the number of international visitors should be increased substantially.
2. Image of secondary destinations like Pokhara, Lumbini and Chitwan should be built up.
3. Nepal should become a gateway for South-East Asia.
4. Nepal should become the starting point of any Asian tour, as it is the cradle of religion and culture that influenced the history and life of the major parts of Asia.

In his report, Susnik has suggested for the formation of Nepal Tourism Marketing Committee as well as Nepal Tourism Infrastructure Committee with representation Office, which should concentrate, on the marketing and promotional activities abroad with independent operational budget.

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

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

"Nepal Tourism Master Plan Review (1984)" is a review study and it has suggested action program for implementation for the promotion of tourism in Nepal. This study contains three parts. In part one, a background to be 1972 Tourism Master Plan, its contents and intents, and its practical use and operation together with a comprehensive review of past developments in key areas of tourism. Part two sets forth an updated set of policy objectives and a market development concept forth e five years and part three provides action-oriented recommendations. According to this review report, there is no need for a new comprehensive master plan in tourism. The 1972 Master Plan is relevant in its long-term policy contents, and most of its basic conceptual assumptions have been fully verified. This study focuses on a pragmatic policy framework essential to solving priority of tourism.

This study observed that active market promotion was the most important factor for the tourism development in Nepal. This study, therefore, suggested to various destinations oriented marketing programs. The major programs include:

1. Developing a systematic concept of promotional material,
2. Determining the quality standard for each individual product,
3. Producing a Travel Agents manual containing comprehensive up to date information regarding tourism in Nepal,
4. Establishing representative offices in Western Europe, USA and Japan,
5. Participating in selected tourism trade fairs,
6. Offering familiarizations tours to agents and journalists,
7. Establishing a Nepali-style tour package,
8. Directing sales to tour operators from the country of origin without middleman from India,
9. Expanding the trekking possibilities.

The conclusion and action-oriented recommendations of this study focused on improving the capability of the Ministry of Tourism to assume to assume its responsibilities in tourism, institutionally, administratively and technically.

Nepal Rastra Bank (1989) carried out an econometric study with an objective to study and estimate the level and patterns of tourist expenditure in Nepal, to estimate the value-added and imports contents and thereby not foreign exchange earnings from tourism sector of Nepal, and to estimate income and employment generation in the tourism sectors of Nepal. In this study, regressions were run on the time-series data as well as cross-sectional data for the period 1974-1987.

The major findings of the study included tourism demand to be income inelastic independent variables, tourist expenditure and number of tourists, for the total time-series analysis for the period 1974-1987. Tourist expenditure was found to be highly sensitive with respect to exchange rates, but the sensitivity of tourist arrivals to his variable was less. Country-wise time series regression for 14 countries gave mixed results.

Among tourism sub-sectors (when direct, indirect and induced effects were combined), the ratio of import content for hotel was estimated at 53.45 percent, travel agencies 74.51percent, trekking agencies 54.04 percent and airlines 67.05 percent. The ratio of direct import content when the indirect and induced effects were taken out was estimated at 35.45percent for hotels, 15.12 percent for travel agencies, 10.79 percent for trekking agencies and 57.60

percent for airlines. The value added for the tourism sector i.e., total payment to domestic factors including payments to intermediate and final inputs. (When direct, indirect, and induced effects were combined) was estimated at 37.74 percent as compared to44.66percent for tourism related sector and 42.82 percent for the overall sector (Nepal Rastra Bank, 1989:2).

This study estimated the average per capita per day tourist expenditure (Rs. 742), the average length of tourist stay (9.3 nights), and the employment in the tourism sector. The study suggested liberalizing exchange, emphasizing trekking tourism, doing aggressive marketing, expanding both international and national air services, developing integrated tourism development policy, and establishing a fully-fledged apex body.

T.C. Pokharel (2003), has also prepared a separate review article entitled "Summary of past Marketing Strategies and Plans for Tourism in Nepal" with description of the studies and seminar reports related to Nepalese tourism marketing encompassing important studies and seminar proceedings with an emphasis on marketing of Nepalese Tourism.The basic tasks of "Nepal Tourism Development Programme" (1990) were:

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

"Nepal Tourism Development Programme" consists of four reports. Product development program and marketing strategies have been defined in this study. For both trekking tourism and sightseeing tourism of the strategy is to establish Nepal as a premium product able to command the price of a premium product. The main marketing strategies initiatives for Nepal mentioned in the report were:
1. To establish Mount Everest and the Himalayan as a "must see" attractions for any world tourist;
2. To establish Kathmandu as the unique mystic city within a valley of exceptional scenic appeal;
3. To establish Pokhara as the "Gateway Resort to the Himalayas"

4. To establish and promote a series of outstanding excursions for the ordinary sightseeing travelers.

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

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

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

1. Domestic Air Transport
2. Urban Tourism (Kathmandu)
3. Infrastructure in Pokhara
4. Institutional Development and
5. Tourism Manpower Development and Training.

Upadhaya Dr. R.P., in his another article headed "Outlook on development of Nepalese tourism" published on NTTR, Sept 18-24, 2006, has explained the role of NTB to develop Nepalese tourism as follows:

Since the political situation is changing, NTB should focus more in the promotion of the country, which can only be possible with the help of the stakeholders. Role of government cannot be denied and therefore it is the time for the ministry and the line agencies to take corrective measures. They should be sincere and work towards developing tourism-the only sector with benefits.

Since the main objective of tourism is human welfare and prosperity, the government should promote distributive justice, which can results in mass participation. Government should sincerely work towards the promotion of rural tourism by conducting a high-level national survey and exploring new destinations like Sirubari with receptive capacity and which is easily accessible from the main tourists generating outlets.

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

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

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

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

Bhandari K. (2000), in his article "Tourism in the new Millennium" posted on "The independent" has written that Nepal government attaches priority to tourism even though this sector has not been able to receive higher share in government spending due to certain other obligations in basic need areas. A major problem with the Nepalese private sector is that it is small, disorganized and is limited in its capacity to raise resources and invest in the form of equity. The saving/investment rates are low. There is a limited exposure to international trend. The culture of state intervention still prevails and is generally accepted.

Similarly, he has added that tourism considered a major component of the Nepalese economy, has so far, been concentrated in a few major locations, and confined to few major

products. We have not able to add more places of interest to the tourist, so he has claimed for need of the future action. His suggestions are:

Despite our immense potentiality, we are unable to exploit the economic benefits proportionate to this, due to poor infrastructure, meager investment and irrational marketing. However, spreading tourism to new places with more activities is of utmost necessity, with the increase of competition among the South Asian countries.

Various policy measures need to be initiated to attract investment in new areas with potentials. These policy measures can be introduced after detailed consultation with the entire travel trade sector and with the mobilization of newly formed Nepal Tourism Board (NTB). Also this helps the Board to plan marketing of these zones in advance, which also helps in the marketing budget of the individual private sector in those regions.

There needs to be various reforms carried out in the aviation policy so as to make favorable condition for the airlines to open up in new sectors. The various social and tourist routes need to be redefined. Distinction between commercial and remote routes within social routes is required. Nepal Tourism Board should be very clear in its marketing strategies. Advertisements should be well connected with the events taking place in the country, efforts should be initiated to make documentaries, and they should be telecast through various international channels. Finally, a very strong research base will certainly help in effective planning. Thus, various studies have been undertaken mostly however, confining to enquire the economic impact.

Although tourism is important for a developing country like Nepal, there is a dearth of literature relating to marketing and promotion of tourism. . In view of the importance of tourism marketing in Nepal need to go for extensive promotion of good production and services in respect to this sector. Thus, the present study about the potentiality of tourism market in Nepal to grow Nepalese economy by promoting production and services is very crucial and foresee to bring new strategies to face many new challenges. So far the marketing strategy initiated by Nepal Tourism Board has been seen as encouraging but is not sufficient.

W.W. Rostow (2007) has made it clear that in the process of economic development of backward country some sector must play the role of a leading sector. So, the not only the

sector (s), in question, grow rapidly but also have the capacity to move other sector of the economy forward. This process leads the entire economy on higher growth path. He has depicted the fact that the tourism sector has been improving its significance in the economy. It has been improving its significance in the economy. It has been estimated that the activities related tourism sector has strong inducement effect on the other activities of the economy. Beside foreign exchange earnings, it is equally important to employment. Further, he argued that, no doubt, Nepalese economy is moving faster and faster on the path of globalization.

2.2.2 Review of Previous Theses:

In this section related and appropriate studies to the title are reviewed. The reviews of some related theses are as below:

2.2.2.1 Mr. Shrestha, Sandeep Pyara (2008), in his Master's thesis entitled **"Tourism Marketing in Nepal: Problem and prospects"** has presented the situation of Nepalese Tourism Marketing. Based upon his research study, he had taken the following objectives:

1. To analyze the problems and prospects of tourism in Nepal.

2. To evaluate Nepalese tourism trend in general while focusing on the e development of tourism marketing plan.

3. To examine the effectiveness of the present marketing and promotional plans.

4. To find out the effectiveness of promotional activities for tourism development.

5. To find out the trend of tourist in Nepal.

6. To highlight the vulnerability of the industry in term of environmental adaption political   instability and other similar problems.

His findings were:

1. The tourism industry yet flourishing is still vulnerable since there has been noticeable amount of drop in tourist arrivals in some previous particular years. In recent years also there has been a significant downfall of tourist arrivals.

2. Looking at the overall amount of tourist visiting Nepal, the researcher found that about 80% of the tourists enter the country by air but the length of the stay of tourist has decreased a bit than previous years.

3. The official tourism record shows that tourist usually come to Nepal for spending holidays rather than for other purpose which shows that Nepal has been able to be as trekking and adventure in term of tourist numbers.

4. Seasonality factor is one of the issues since we have seen the downfall of tourist in the monsoon season but recent few years have yielded a good amount of tourist in the monsoon season than the years of previous decades.

2.2.2.2 Mr.Hirachan, Bijay Lal (2003), in his Master's thesis entitled **"A study on E-Marketing prospect practiced in Tourism sector by Travel Agencies in Nepal"** has presented the effectiveness of e -marketing used by travel agencies to promote tourism industry. In order to find the perception of travel agencies regarding e-marketing prospect practiced in tourism sectors. The researcher had taken following objectives*:*

1. To survey the current market situation of Travel Agencies.

2. To find and examine Travel Agencies perception regarding E-marketing.

3. To find out popularity of internet as marketing tools among Travel Agencies.

4. To find out the internet base tourism marketing and its needs, wants and preference.

5. To explore the problem and prospects of E-marketing

6. To supply recommendation.

His findings were:

1. The majority of the survey respondent reported that the current situation of travel and tourism sector is poor. Only 12% respondent seems satisfied.

2. Most travel agencies (84%) do have website published on web, where as only (16%) do not have website.

3. The respondents rated their website performing below expectation whereas (28.57) respondents believed they got what they have expected from website.

4. About the contribution made by internet on tourism sector majority of respondent (51%) were satisfied with internet for promoting tourism in Nepal.

5. The most of the travel agencies know the importance of internet as marketing tools but due to lack of knowledge and fund they were not using e-marketing concept in professional way.

2.2.2.3 KC, Dil Bahadur (2009) conducted a research entitled **"Prospect of E-marketing in Travel Agencies of Nepal".**

His objectives were:
1. To analyze current state of tourism in Nepal.
2. To analyze Travel Agencies' perception regarding e- marketing.
3. To study popularity of internet as marketing tools among travel agencies.
4. To explore the problems and prospects of tourism and e- marketing for travel agencies.

His findings were:
1. Travel agencies business is not good because of the current situation of the country.
2. Most of them whose target is local as well as international customers have website and whose target is local customer than international have no website, but the maintaining website is increasing day by day.
3. Majority of respondents have no idea about the e- marketing because of unawareness of the latest technology and ignorance of information technology.
4. E-marketing is widely by the travel agencies to promote their website because of simple, short and quick medium. Likewise only 2% are using search engines due to lack of professional knowledge about online promotion.
5. Most of them are not focusing on optimizing key words to promote their website because of lack of proper knowledge of search engine optimization.
6. Nepalese travel agencies are more cost sensitive and less sensitive to use e-marketing as it is the effective medium of promoting their tourism product or service.

7. Majority of travel agencies in Nepal are using online booking system and minority of them are not using online booking system. It means that Nepalese travel agencies are not only promoting online but also doing business and getting benefit through it also.

2.2.2.4 Pandeya, Deependra (2009), conducted a research entitled **"Tourism Marketing and promotion in listed Asian Market by Nepal Tourism Board".**

His objectives were:

1. To know the type of promotional effectiveness tools on Asian markets.

2. To know general model of marketing of NTB.

3. To analyze the travel trend figure of Asian markets.

4. To evaluate the environment necessary for tourism development in the country.

5. To suggest affordable measures for promoting Nepal effectively in Asian big market.

His findings were:

1. Nepal is unable to promote its promotional activities on international market and emerging new market as per its competitor.

2. Maximum tourists usually coke to Nepal for spending holidays and trekking and mountaineering.

3. Many promotional events are being designed and being implemented to make this campaign a great success.

4. Tourism industry in Nepal has not developed as much of bad political situation of Nepal, proper planning and promotion.

5. Effort done by governmental to promote Nepal on international tourism market through international fair, exhibitions through NTO, followed by publicity, destination promotion organizing special events and development of new products.

2.3 Research Gap:

Various studies have been undertaken mostly however, confining to enquire the economic impact. Although, tourism is important for a developing country like Nepal, there is a dearth of literature relating to marketing and promotion of tourism (including e-marketing). In view of the importance of marketing and need for Nepal to go for extensive promotion, the research study on the topic "An analytical study on E-Marketing of Tourism Industry in Nepal" has been initiated.

In this age of information and technology, the importance of E-marketing cannot be ignored to promote the tourism products and services worldwide. Travel agencies are playing important promotional role for tourism sector while acting as the agency role in the travel and tourism sector. The knowledge, attitude and awareness of the travel agency operators regarding e-marketing is attempted to find out in this study. Hopeful environment is created after the election of constitutional assembly and the initiation of peace process in the travel and tourism sector. This study has been conducted to present the problem and prospects of e-marketing in travel and tourism sector of Nepal and to present the current scenario of e-marketing, its prospects and level of perception and ability to utilize these technique by travel agencies. No any this type of survey and study is found within five years (2009 to 2013) related to this topic. So this study will be important reference study for anyone who is interested in E-marketing and Travel & Tourism sector. Thus this study has fulfilled a research gap.

CHAPTER: THREE

3.0   RESEARCH METHODOLOGY

This chapter describes methodology employed in this study. Research methodology is a way to systematically solve the research problem. In other words research methodology describes the methods, progress applied in the aspect of the study. This chapter describes research design, nature and sources of data, population and sampling, data collection procedure, tools and techniques of analysis and plan work of the study. The study of research methodology gives he student the necessary training in gathering materials and arranging them, participating in the field work which required, and also training in techniques for collection of data appropriate to particular problems, in the use of statistics, questionnaires and controlled experimentations and in recording evidences, sorting out the interpreting it (Kothari, 2003:13).

3.1 Research Design:

Research design is the framework of controlling the collection of data for scientific conduction of the research project. It helps to collect necessary data required for the project. Information which is collected through different sources has been analyzed in order to achieve the objective of the study.

The main intention of this research is to collect the factual information which describes the marketing problem and prospects of e-marketing in tourism industry in Nepal. For this purpose, survey was conducted. Survey is descriptive and analytical research design. They are designed to obtain detail information from sample population. Survey is conducted to obtain detail information existing variable by either structure questionnaires or unstructured interviews. Collected data are simply explored by using some statistical tools.

3.2 Population and Sample:

The large group about which the generalization is made called population under study. Because of the large group size, it is fairly difficult to collect detail information from each member of population. Rather than collecting detail information from each number, the small portion is chosen as representation of the population is called the sample. There are altogether 2112 travel agencies which is the population of the research study and out of that, 25 travel agencies from Kathmandu valley has been selected as sample.

In order to narrow the parameters of this study to a manageable scale and to obtain a meaningful and comparable sample, the sample are collected incorporating all level of travel agencies like big, small and medium. A sample of 25 travel agencies is purposive and based on the location, level and date of establishment.

Location: More than 60% Travel Agencies are located in the area of Thamel, However, in sampling, travel agencies are selected to represent from other locations too.

Level: The sample is selected incorporating all level of travel agencies according to operating capacity.

Date of establishment: While selecting sample data of establishment is also taken into consideration. It is selected from oldest to newer.

Table: 3.1. Population & Sample

S.N	Group of Respondents	Sample Size
1	Thamel	15
2	Durbar Marg	5
3	Other places of Kathmandu	5
4	Total sample size	25
5	Population size	2112

3.3 Nature and Sources of Data:

To achieve the real and factual result out of this research, both primary and secondary data are collected .But most of the data and information related with this study are based on primary data source. Primary data are collected through the questionnaire. The questionnaire schedule was designed in view of data requirement and distributed to the authorized person of travel agencies through which a field survey is conducted. Apart from this, some information and data are also collected through unstructured interview with personal and other data are collected from Nepal Tourism Board, Nepal Association of Travel Agents, articles, books and other relevant reports related with the study.

3.4 Data Collection Procedure:

A of set of questionnaires was developed and distributed to the selected samples. The distribution was done personally through field visit to get accurate and actual information in time. However, additional information was also collected from unstructured interviews with the respondents.

3.5 Tools and Techniques of Analysis:

This step is a blue print for decoding the information of the data collected from primary and secondary sources. After the collection of data, an analysis of the data and the interpretation of the results are necessary because data collected from various sources might be in raw form. So, they cannot be used directly. Further, they need to be verified and simplified for the purpose of analysis. The data collected through questionnaire were categorized, tabulated, processed and analyzed using different methods. The systematic analyses is done using quantitive and as well as qualitative techniques. Simple statistical data tools such as percentage, weighted average, Tables, charts, diagrams, and pie chart are used to analyze and present the collected data and information to make it more easily understood. Since the study is mainly descriptive, so the analyses of the result are described logically.

3.5.1 Bar- Diagrams and Graphs:

Diagrams and graphs are aids which give a bird's eye view of a set numerical data which show the information in a way that enable us to make comparison between two or more than two sets of data. Diagrams are in different types .Out of various type of diagram one of the most important forms of diagrammatic presentation of data is simple bar diagram, which is perhaps the effective graphic method for comparing quantities.

3.5.2 Pie-Diagram:

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

3.5.3 Percentage:

Percentage is one of the most useful tools for the comparison of two quantities or variables. Simply, the 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-FOUR

4.0   PRESENTATION AND ANALYSIS OF DATA

In this chapter the data which have been collected from questionnaires are tabulated analyzed and presented in a reasonable manner. Major objective of this research is to find out the current trends of e-marketing practices by travel agencies in Nepal. This chapter examines the perception of travel agent regarding tourism situation, knowledge of internet marketing/e-marketing, problem for not implementing as a promotional tools and the major problem the sector face at present. So, data are analyzed accordingly to get the clear picture of e-marketing practice in tourism sector by travel agencies. In the respond with the objective of this research, views of travel agents are analyzed. The questions were objective, ranking and subjective types. The respondent's views are analyzed using statistical tools.

4.1 Analysis of the Respondent's Perception Regarding the Current Situation   of Travel and Tourism Industry in Nepal.

Table: 4.1

Distribution of Respondents' Perception Regarding Current Situation of Travel and Tourism Industry in Nepal.

Current situation of Travel and Tourism industry in Nepal	Respondents	
	Numbers	%
Poor	21	84
Satisfactory	4	16
Good	0	0
Very Good	0	0
Total	25	100

Source: Field Survey march, 2014

Figure: 4.1

Distribution of Respondents' Perception Regarding Current Situation of Travel and Tourism Industry in Nepal.
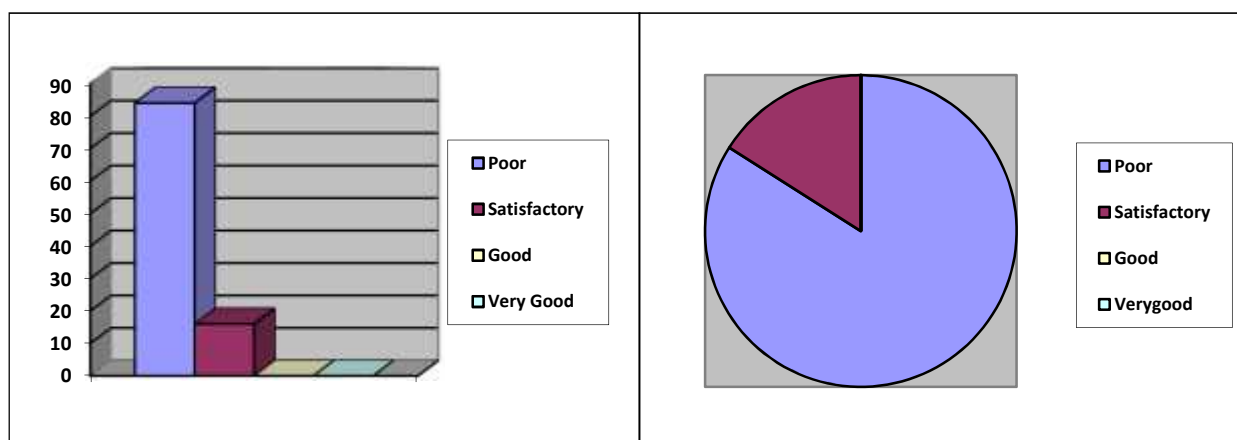
Table no 4.1and figure no 4.1, shows that the current situation of travel and tourism industry in Nepal is poor. Among 25 total respondents there were in majority 21 (84%) thought the situation is poor, 4 (16%) thought that the situation is satisfactory and none of the respondents thought the situation of Travel and Tourism industry in Nepal is appreciating. It seems that the condition of tourism industry in Nepal is at its worst stage.

4.2 Analysis of the Respondent's Perception Regarding Nepal as Potential Tourist Destination.

Table: 4.2

Distribution of Respondents' Perception Regarding Nepal as Potential Destination.

Nepal as potential Destination for tourist	Respondents	
	Numbers	%
Low	2	8
Medium	3	12
High	15	60
Very High	5	20
Total	25	100

Source: Field Survey. march, 2014

Distribution of Respondents' Perception Regarding Nepal as Potential Destination.
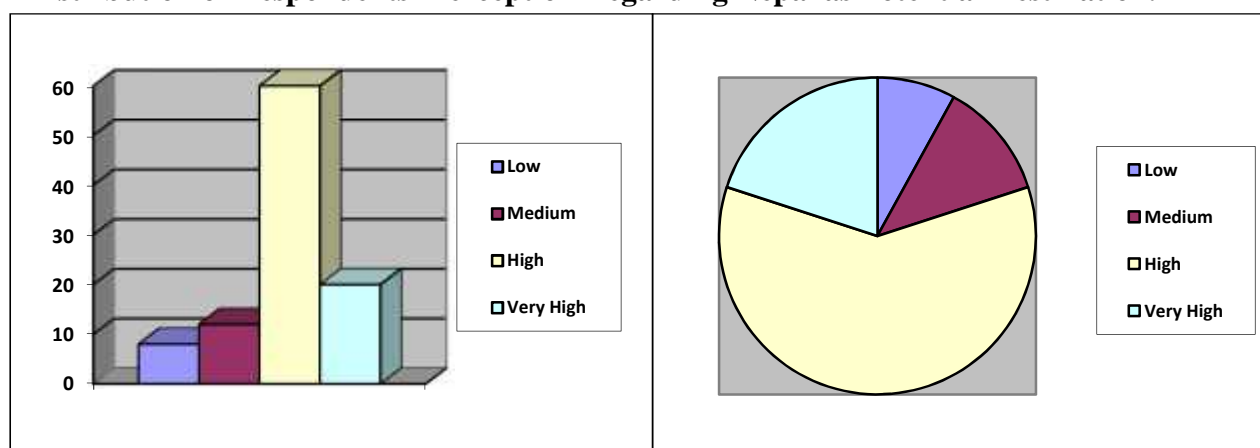
Table no 4.2 and figure no 4.2 shows that, Nepal is a highly potential destination. Out of the total respondent i.e. 25, 15 (60%) respondents thought that Nepal is highly potential destination. There were 5 (20%) respondents who thought that Nepal has very high potentiality as a tourist destination and 3 (12%) believe that Nepal has medium potential tourist destination. Only 2 (8%) believe that Nepal has low potentiality as the destination of tourism. It seems that Nepal was rated as high potential tourist destination due to its mesmerizing natural beauty.

4.3 Analysis of the Respondent's Views on Better Year for Tourism Industry in Last Five Years.

Table: 4.3

 Distribution of Respondent's views on Better Year for Tourism Industry in Last Five Years.

Better Year for Tourism industry in last Five years	Respondents	
	Numbers	%
2009-2010	0	0
2010-2011	0	0
2011-2012	23	92
2012-2013	2	8
Total	25	100

Source: Field Survey. march, 2014

Figure: 4.3

**Distribution of Respondent's views on Better Year for Tourism Industry in Last Five Years.**
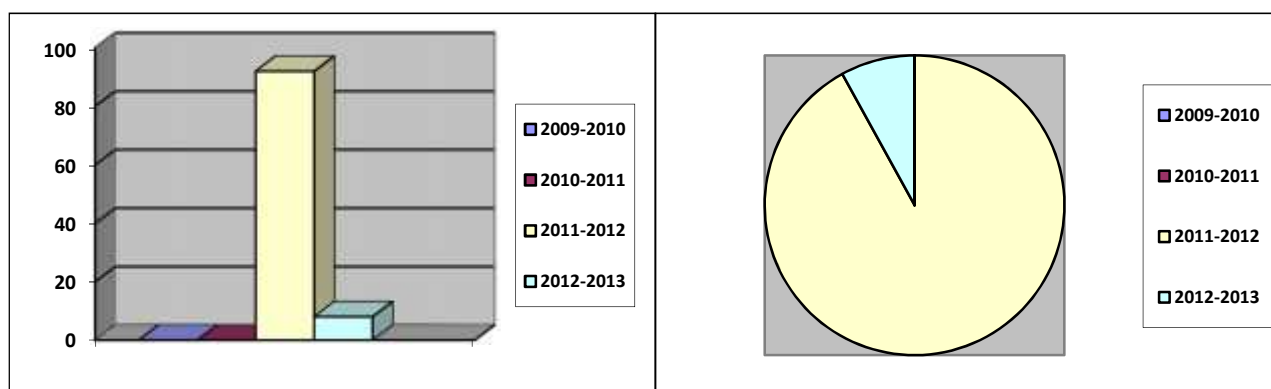
Table no 4.3 and figure no 4.3 show that 2011-2012 was the better year among the last five years. Out of 25 respondents, 23 (92%) believe that 2011-2012 was better year for tourism industry. Similarly, 2 (8%) respondents believe that 2012-2013 was better year where as none of the respondents believe that 2009-2010 and 2010-2011 were the better years. It seems that 2011-2012 were the jolly years for tourism sector. Thus travel agents were more satisfied with their business and promotion in 2011-2012.

4.3 Analysis of the Respondent's reason for the better inflow in those years.

Table: 4.4

Distribution of the Respondents Reason for Better Inflow of Tourist.

Reason for better inflow of tourists in those years	Respondents	
	Numbers	%
Government Promotional Campaign (G.P.C)	9	36
Government Policy (G.P)	1	4
Better Environment (B.E)	11	44
Private Sector own promotional effort (P.S.P.E)	4	16
Total	25	100

Source: Field Survey. march, 2014

Figure: 4.4

Distribution of the Respondents Reason for Better Inflow of Tourist.
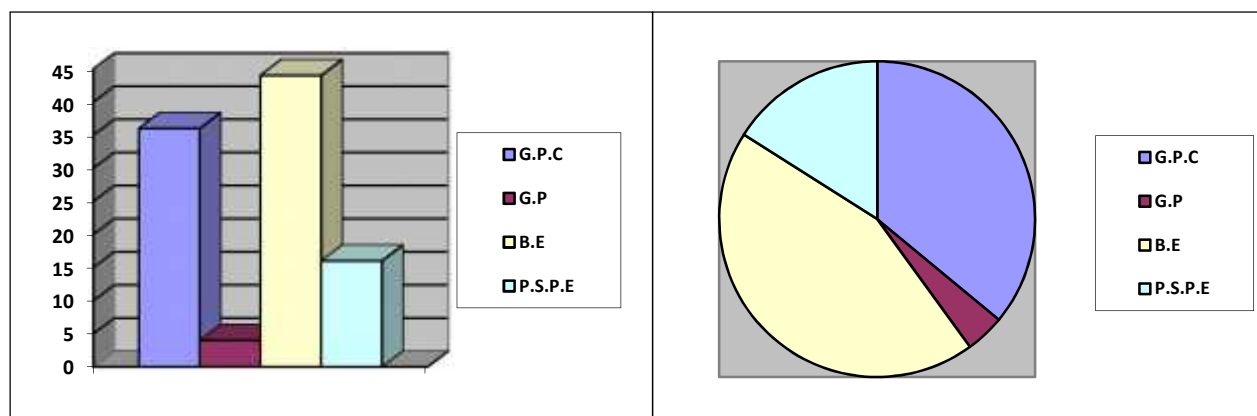
Table no 4.4 and figure no 4.4, shows that the better inflow of tourists is due to the better environment of the country. There were 25 total respondents. Out of 25 respondents, 11 (44%) respondent believed that it was due to better environment of the country. Similarly, 9(36%) respondents thought that it was due to Government Promotional Campaign whereas, 4(16%) respondents believed that it was due to private sectors own promotional effort. Only 1(4%) respondents thought that it was due to Government Policy. It seems that tourism industry had great time in 2008-2009 due to better environment of the country.

4.5 Analysis of the Respondent's Views on the Evil Year for Tourism Industry in Last Five Years.

Table: 4.5

Distribution of the Respondents Views on Evil Year for Tourism Industry in Last Five Years.

Evil year for tourism industry in last five years	Respondents	
	Numbers	%
2009-2010	21	84
2010-2011	4	16
2011-2012	0	0
2012-2013	0	0
Total	25	100

Source: Field Survey. march, 2014

Figure: 4.5

Distribution of the Respondents Views on Evil Year for Tourism Industry in Last Five Years.
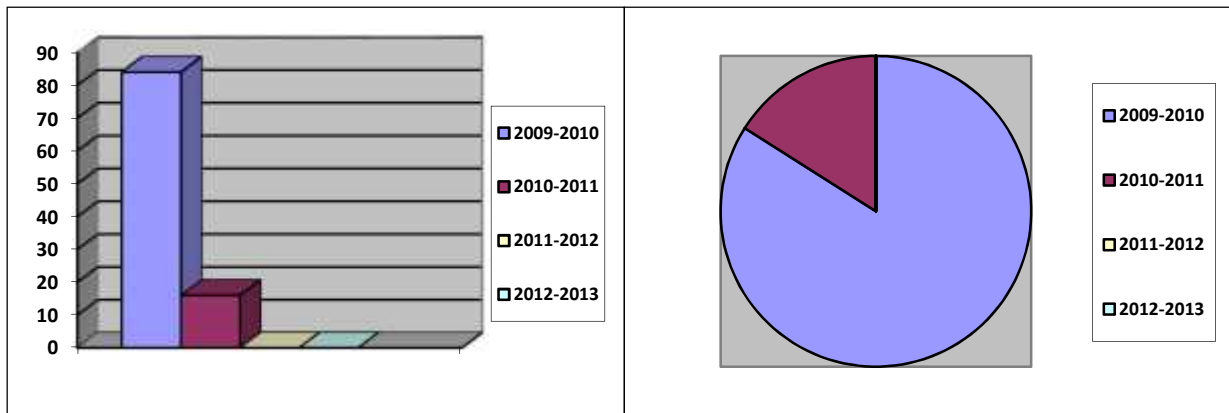
Table 4.5 and figure no 4.5 shows bad year for tourism industry in last five years were 2009-2010. Among 25 total respondents there were in majority 21 (84%) respondents who expressed that 2009-2010 were the worst year for tourism industry and it was due to emergency period and insurgency. Only 4 (16%) respondents expressed 2010-2011 were the worst years and no one of the respondents expressed 2011-2012 and 2012-2013 were the worst year. It shows that in the later years the travel agencies are felling that the situation was improving.

4.6 Analysis of the Respondent's Region for Bad Inflow of Tourist in those Years.

Table: 4.6

Distribution of Respondents Reasons for Bad Inflow of Tourist.

Reason for evil inflow of tourist in those year	Respondents	
	Numbers	%
Internal Factor	19	76
External Factor	2	8
Both	4	16
Total	25	100

Source: Field Survey. march, 2014

Distribution of Respondents Reasons for Bad Inflow of Tourist.
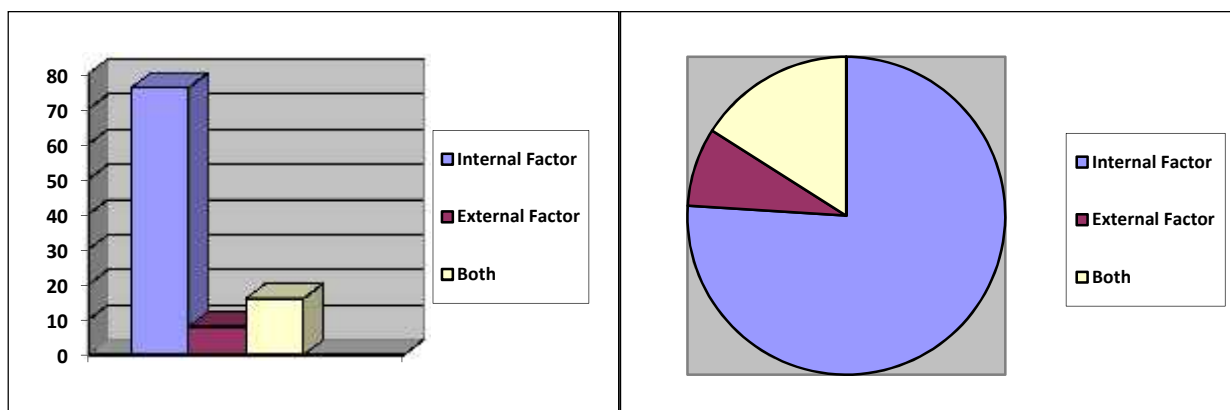
Table 4.6 and figure no 4.6 shows the main reason for bad inflow of tourists in last five years is internal. Majority of travel agencies believed that Nepal's own political crisis and insecure environment; the inflow of the tourist is badly affected. Out of 25 respondents, 19 (76%) believed that it was due to internal factors for bad inflow of tourist for tourism industry. Similarly 4 (16%) respondent believed that both internal and external were the reasons for the bad inflow of tourist in those years, whereas 2 (8%) respondents believed that external was the reason for bad inflow of tourist in those years. It seems that tourism industry was badly hampered by internal problems rather than external one.

4.7 Analysis of the Respondent's Which Region Does Most Travelers Comes From?

Table: 4.7

Distribution of the Respondents which Region does Most Travelers Come From?

Region	Respondents	
	Numbers	%
Asia	15	60
Europe	9	36
North America	1	4
South America	0	0
Total	25	100

Source: Field Survey.March, 2014

Distribution of the Respondents which Region does Most Travelers Come From?
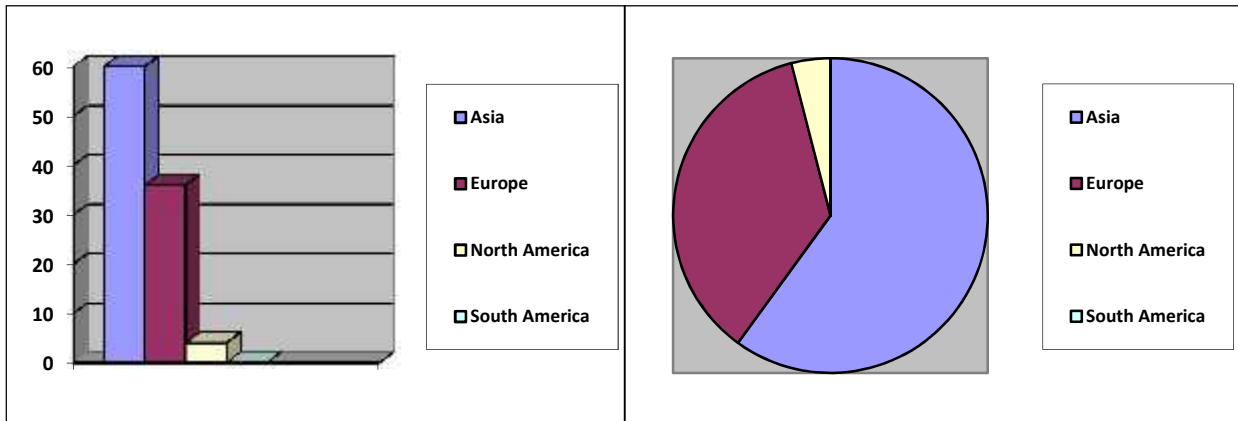

Table no 4.7 and figure no 4.7 show that Asian and Europeans are the major tourist visitors. Among 25 respondents, majority of 16 (64%) respondents expressed that Asian are the frequent visitors. Similarly 9 (36%) respondents expressed that Europeans are the second most frequent visitors. Only 1(4%) respondents expressed the North America as the main region from where most tourists come. Thus Europeans and Asian are highly influenced by the beauty of this country and from those continents most tourists often come. Thus, it shows that other continents are not significant for tourism sector because of less arrival.

4.8 Analysis of the Respondents Opionion on Most Suitable Promotion Medium.

Table: 4.8

Distribution of the Respondent's Choice of Promotional Medium.

Promotional Medium	Respondents	
	Numbers	%
Magazines	2	8
Personal Contact	3	12
Website	14	56
E-Marketing	6	24
Total	25	100

Source: Field Survey. March, 2014

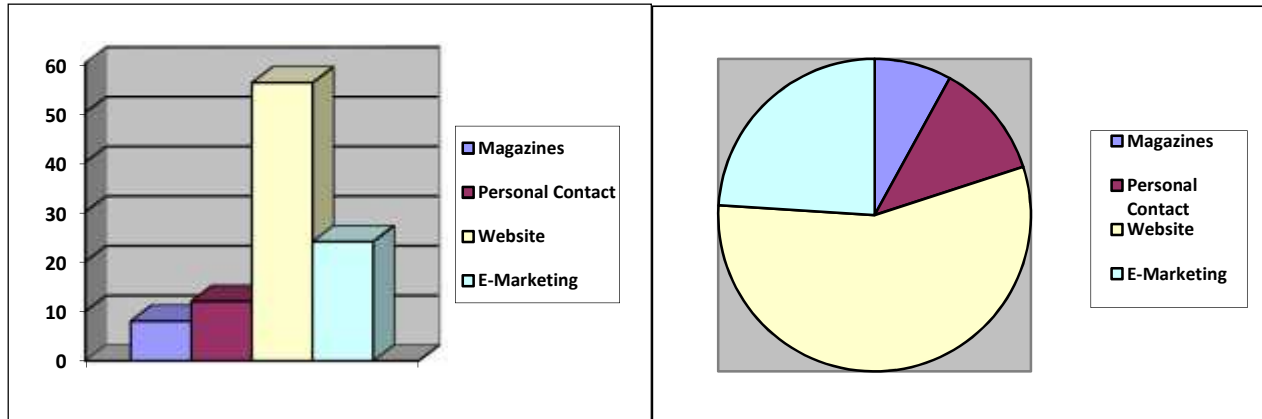**Distribution of the Respondent's Choice of Promotional Medium.**

Table no 4.8 and figure no 4.8 shows that most suitable promotional medium for travel agencies is websites. Out of 25 respondents, 14 (56%) respondents views were website, 6 (24%) of respondent's views were E-Marketing, 3 (12%) respondents views were personal contact and only 2(8%) respondents views were magazines as promotional medium for their business. Majority of respondents 14 (56%) thought that website is the most suitable promotional medium for their business because of wide access at a time and least of them magazines as a suitable medium whose target is local customers than international.

4.9 Analysis of the Respondent's Opinion on Factor of Healthy Tourism.

Table: 4.9

Distribution of the Respondents' Opinion on Factors of Healthy Tourism.

Factors	Respondents		
	Rating	Total	%
Environmental	16*(4)+6*(3)+2*(2)+1*(1)	87	32.60
Political	8*(4)+11*(3)+5*(2)+1*(1)	76	28.46
Promotional	1*(4)+7*(3)+16*(2)+1*(1)	65	24.34
Hospitality	0*(4)+6*(3)+3*(2)+15*(1)	39	14.60
Total		267	100

Source: Field Survey. March, 2014

Figure: 4.9

Distribution of the Respondents' Opinion on Factors of Healthy Tourism.
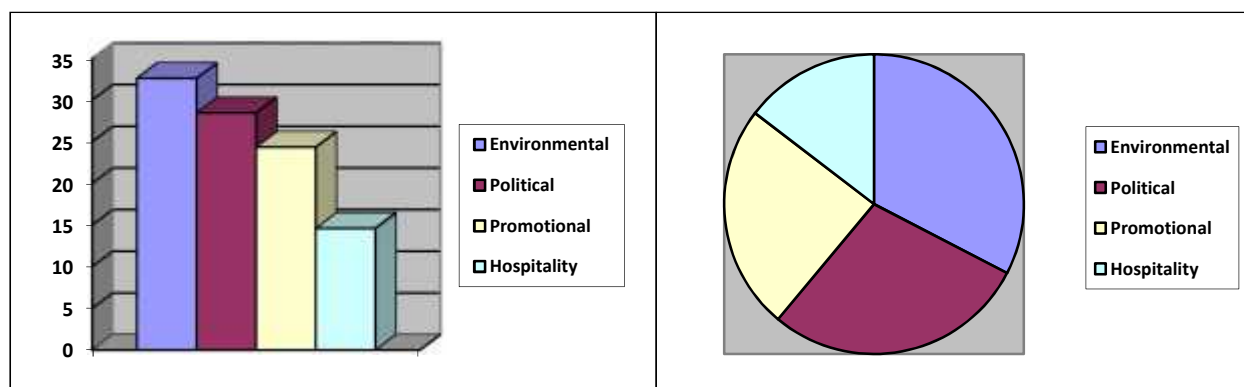
In the above table no 4.9 and figure 4.9, respondent's perception are given about the factors affecting the healthy tourism in Nepal. Among 25 respondents they rated the given preference according to their priorities. Here all the ratings are added up to get the clear picture of factors that influence most for the healthy tourism. According to the sum up preference out of 275, environmental factor got 87 (32.60%) which indicates that 32.60% of respondents believed environmental factor for healthy tourism. Likewise 76 (28.46%) respondents believed political factor for healthy tourism. Similarly 65 (24.34%) and 39 (14.60%) believed promotional and hospitality factor respectively for healthy tourism in Nepal respectively.

4.10 Analysis of the Respondent's whether they have website or not.

Table: 4.10

Distribution of the Respondents'whether they have Website or not.

Do you have a website	Respondents	
	Numbers	%
Yes	25	100
No	0	0
Total	25	100

Source: Field Survey. March, 2014

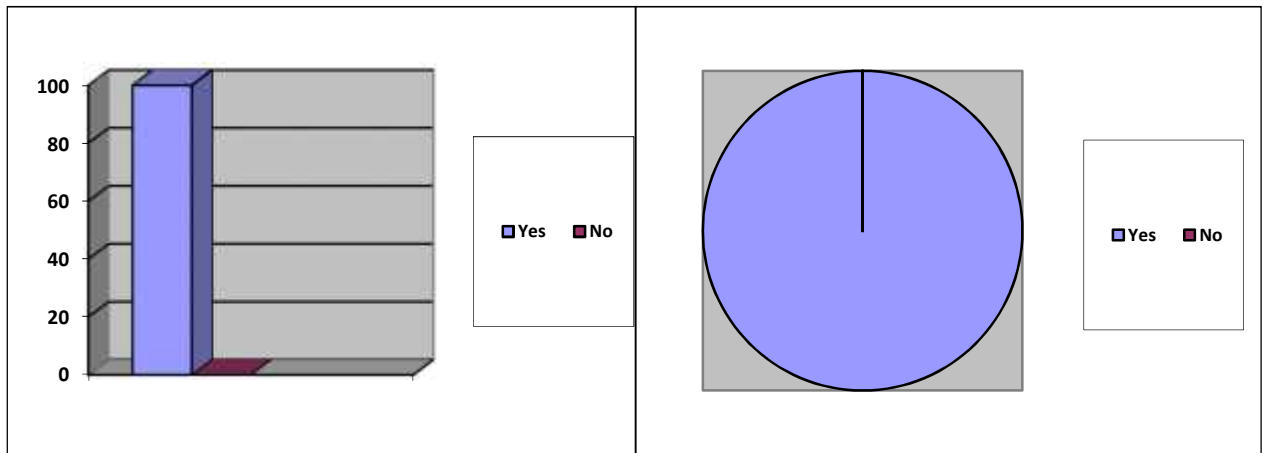**Distribution of the Respondents'whether they have Website or not.**

Table no 4.10 and figure no 4.10 show that maximum respondents have website. Among 25 respondents 100% have website and 0 (0%) respondents do not have. All respondent whose target is local as well as international customers have website.

4.11 Analysis of the Respondnets' Views Regarding the Objective of Using Website.
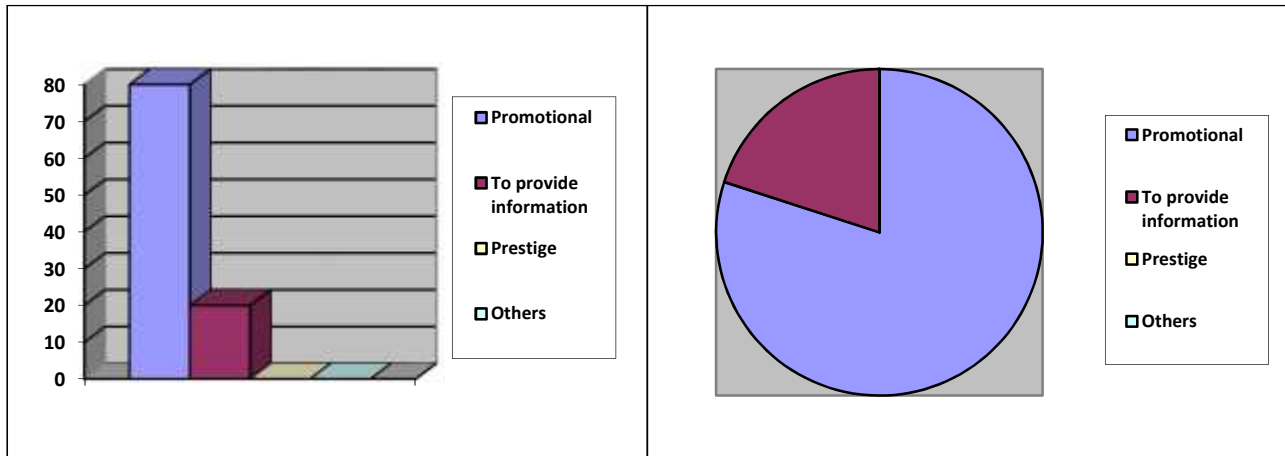
Table: 4.11

Distribution of the Respondents' Views Regarding the Objective of Using Website.

Reasons	Respondents	
	Numbers	%
Promotion	20	80
To provide information	5	20
Prestige	0	0
Others	0	0
Total	25	100

Figure: 4.11

Distribution of the Respondents' Views Regarding the Objective of Using Website.

Above table no 4.11 and figure no 4.11 shows that the objective of using their website is to promote their services and products. Among 25 respondents, majority of 20 (80%) respondents thought that they had created website for promotion purpose whereas where as 5 (20%) thought they had created web site to provide information about their profile and services. It seems that most of the travel agencies have created website for promoting their services.

4.12 Analysis of the Respondent's Rating on Own Travel Agency Website.

Table: 4.12

Distribution of the Respondents' Rating on their Own Website.

Factors	Respondents	
	Numbers	%
Exceeds Expectation	5	20
Meets Expectation	15	60
Below Expectation	5	20
No Expectation	0	0
Total	25	100

Figure: 4.12

Distribution of the Respondents' Rating on their Own Website.
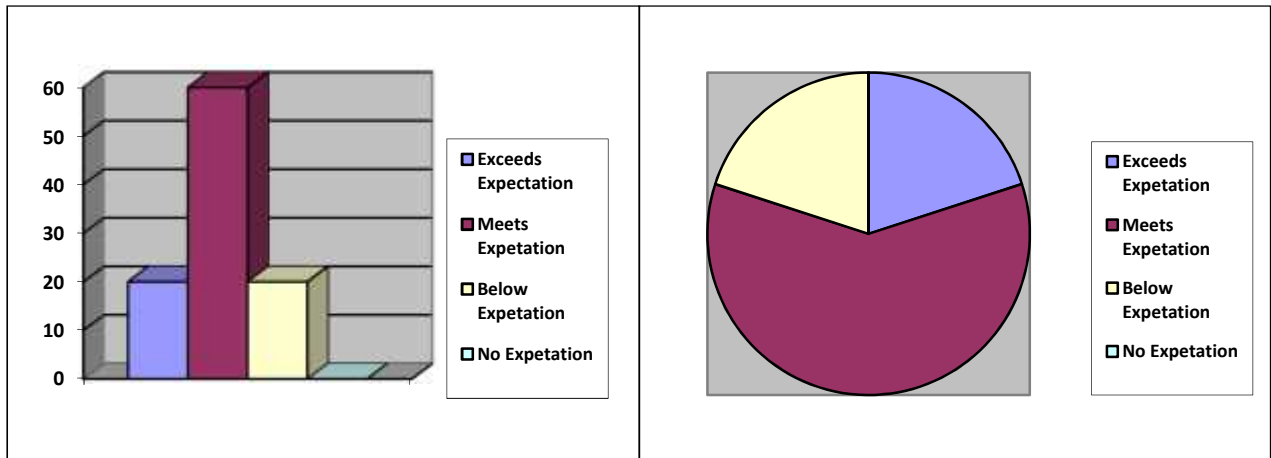

Table 4.12 and figure no 4.12 shows majority of the respondents' expectation from their website is met. Among 25 respondents, 15(60%) respondents expectations were met, it means they got what they have expected from their website, whereas 5(20%) of respondents got less than what they has expected and only 5 (20%) respondents expectation were exceed. Majority of respondents expressed that their expectation were met but least respondents expectation were exceed from website. Thus it shows that they are not able to promote the tourism product effectively from website.

4.13 Analysis of the Respondent's How Long Have You Been Using Internet?

Table: 4.13

Distribution of the Respondents' Answers Regarding Time Period of Using Internet.

Time Duration	Respondents	
	Numbers	%
Less than 1 month	0	0
1 to 3 years	7	28
4 to 7 years	18	72
Not at all	0	0
Total	25	100

Source: Field Survey. March, 2014

Figure: 4.13

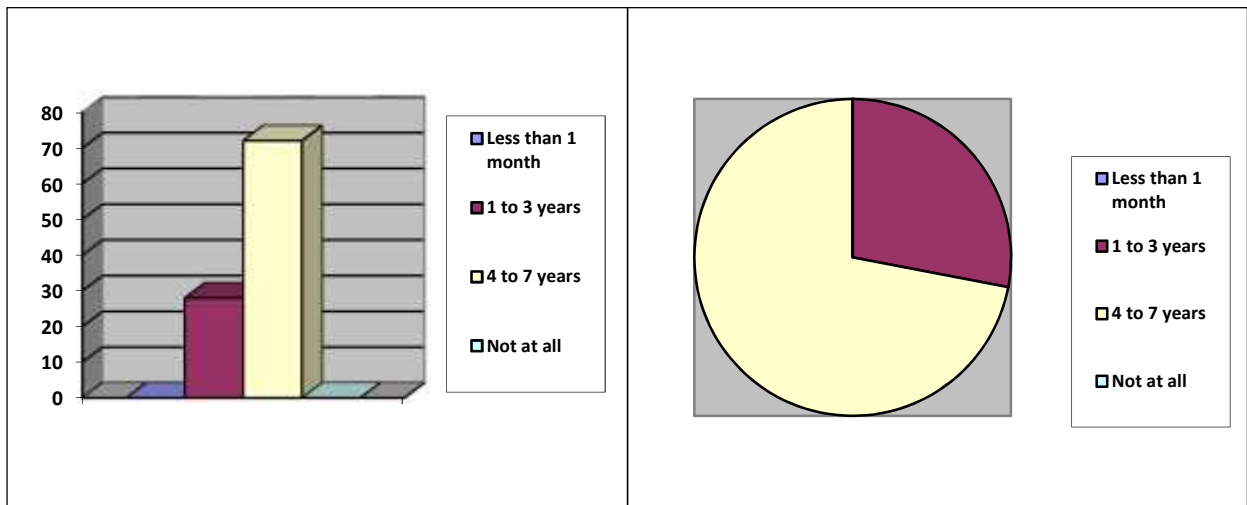**Distribution of the Respondents' Answers Regarding Time Period of Using Internet.**

Table no 4.13 and figure no 4.13 shows that majority of respondents are using internet from 4 to 7 years. Among 25 respondents, majority of 18 (72%) respondents had been using internet from last 4 to 7 years, whereas 7 (28%) respondents had been using internet from past 1 to 3 years. It shows that majority of respondents are using internet since long time and some of them are using internet since few years back.

4.14 Analysis of the Respondents Regarding Familarity with E-Marketing.

Table: 4.14

Distribution of the Respondents Regarding Familarity with E-Marketing.

Familiar with E-marketing	Respondents	
	Numbers	%
Yes	17	68
No	8	32
Total	25	100

Source: Field Survey. March, 2014

Figure: 4.14

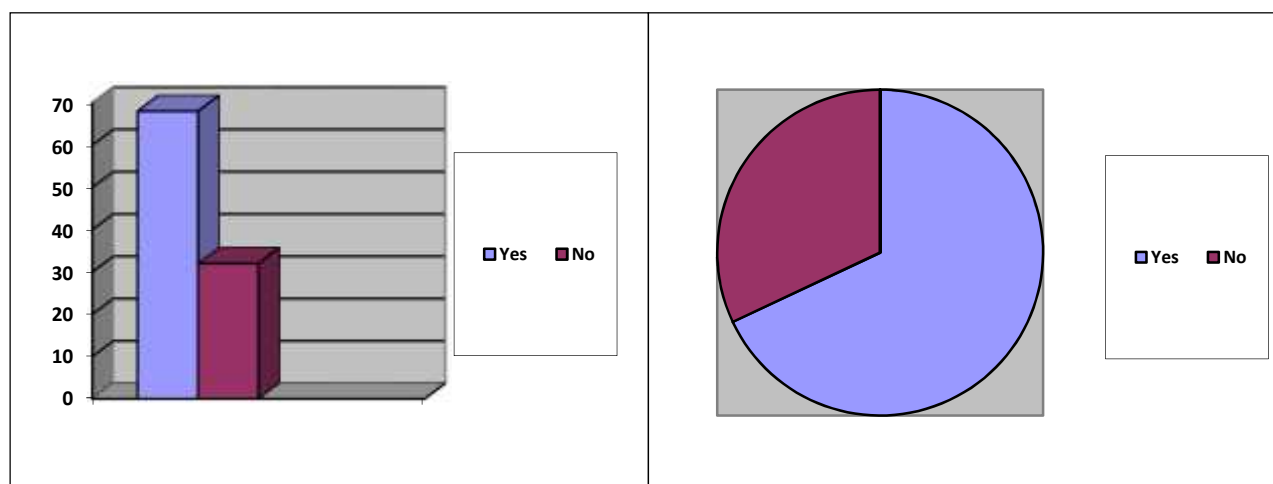**Distribution of the Respondents Regarding Familarity with E-Marketing.**

Table no 4.14 and figure 4.14 show majority of respondents are familiar with e-marketing. Knowledge, familiarity or idea of e-marketing helps promoting site through internet. Among 25 respondents, majority of 17 (68%) respondents answers were yes and 8 (32%) respondents answers were no regarding familiarity with e-marketing. It seems that most of the travel agents do have idea about e-marketing. This is encouraging result for tourism sector.

4.15 Analysis of the Respondent's what are the Promotional Tools you are Undertaking for Promoting Your Site

Table: 4.15

Distribution of the Respondents' Way of Promoting Site.

Promotional tools	Respondents	
	Numbers	%
Not at all	0	0
E-mail Marketing	13	52
Search Engine	8	32
Including URL in tourism related directories	4	16
Total	25	100

Source: Field Survey. March, 2014

Figure: 4.15

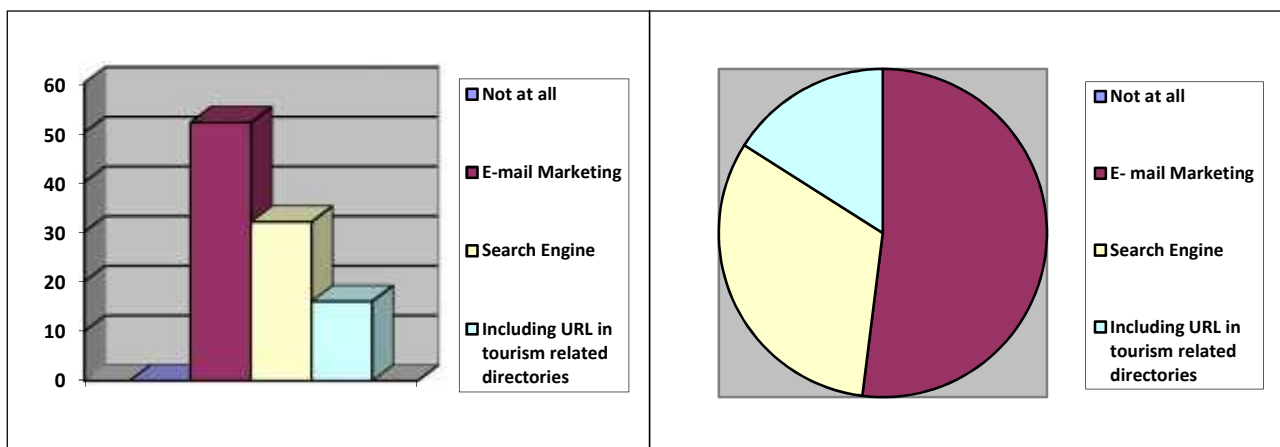**Distribution of the Respondents' Way of Promoting Site.**

Table no 4.15 and figure no 4.15 show that e- marketing is the major promotional tool for promoting Travel Agent's website. Out of 25 respondents majority of 13(52.%) respondents were undertaking e-marketing options to their promote site. similarly 8 (32%) no of respondents' were undertaking search engine option to promote site. whereas only 4 (16%) of respondent were undertaking URL inclusion in tourism related directories method to promote their site. It seems that both e-mail marketing as well as search engine were taken tentatively equally by travel agents to promote their site.

4.16 Analysis of the Respondent's Which E-mail Marketing Method you are Following?

Table: 4.16

Distribution of the Respondents' Answers for E-mail Marketing Method they are Following.

E-Marketing Method	Respondents	
	Numbers	%
Normal E-Mail	9	69.2
New content notification	0	0
News letters	0	0
Blog email marketing	4	30.8
Total	13	100

Source: Field Survey. March, 2014

Figure: 4.16

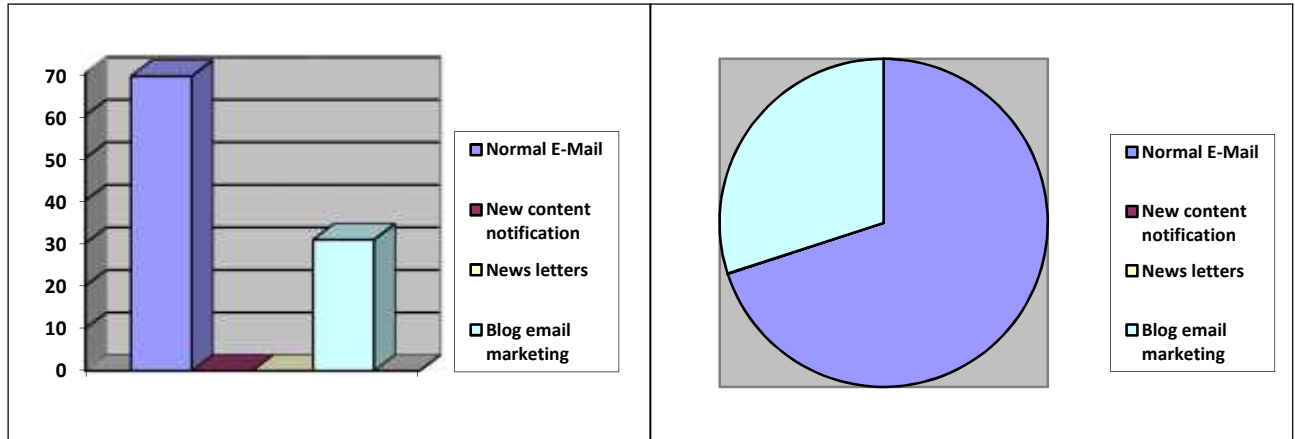**Distribution of the Respondents'Answers for E-mail Marketing Method they are Following**

Table no 4.16 and figure no 4.16 shows that most of the respondents are using normal method of e mail marketing. Out of total 13 respondents, majority of 9 (69.2%) respondents had used normal e-mail as a promotion tools where as only 4(30.8%) has used blog e mail marketing for promoting their sites. This indicates that majority of respondents are using normal method of e- mail marketing because of easiness and simplicity in order to inform or promote its services to the outside world.

4.17 Analysis of Respondents Which Method You Have Used for Submitting Your Website in Search Engines?

Table: 4.17

Distribution of the Respondents' Method for Submitting Website in Major Search Engines.

Method of submitting in search engine	Respondents	
	Numbers	%
Pay inclusion	3	37.5
Free submission	5	62.5
Not at all	0	0
Total	8	100

Source: Field Survey. March, 2014

Figure: 4.17

Distribution of the Respondents' Method for Submitting Website in Major Search Engines.
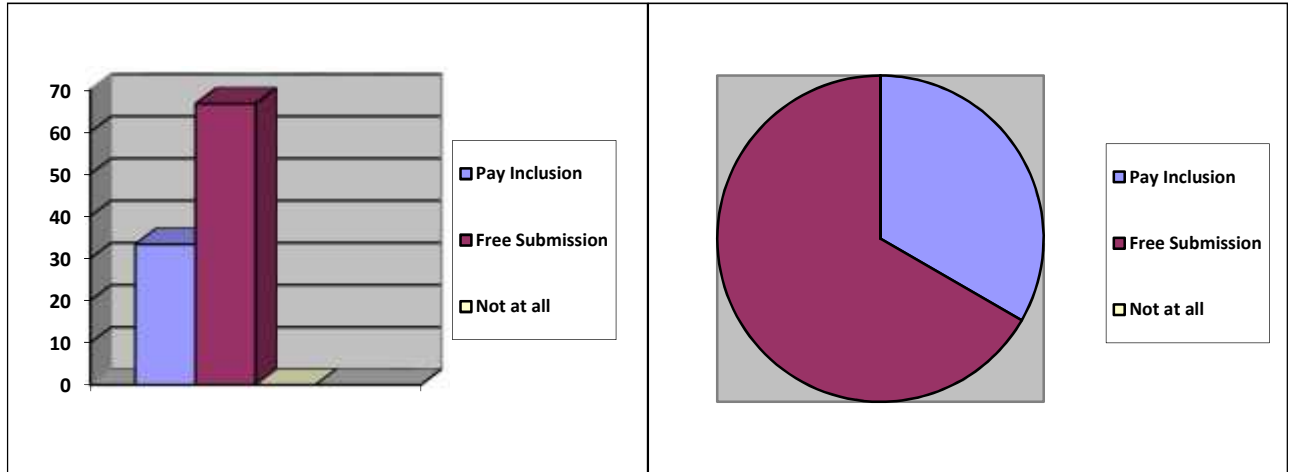

Table no 4.17 and figure no 4.17 shows that method of submitting website in major search engines. It shows that free submission method is the most used method to submit their website in the search engine. Among 8 respondents, 5 (62.5%) of respondents are using free submission method, whereas only 3(37.5%) of respondents are using pay inclusion method for submitting website in major search engines. It seems that free submission is popular among respondents for submitting website in major search engine.

4.18 Analysis of the Respondent's which Pay Inclusion Option are You Using?

Table: 4.18

Distribution of the Respondents' Option for Pay Inclusion.

Pay inclusion option	Respondents	
	Numbers	%
Vista	0	0
Yahoo	0	0
Google	3	100
Others	0	0
Total	3	100

Source: Field Survey. March, 2014

Figure: 4.18

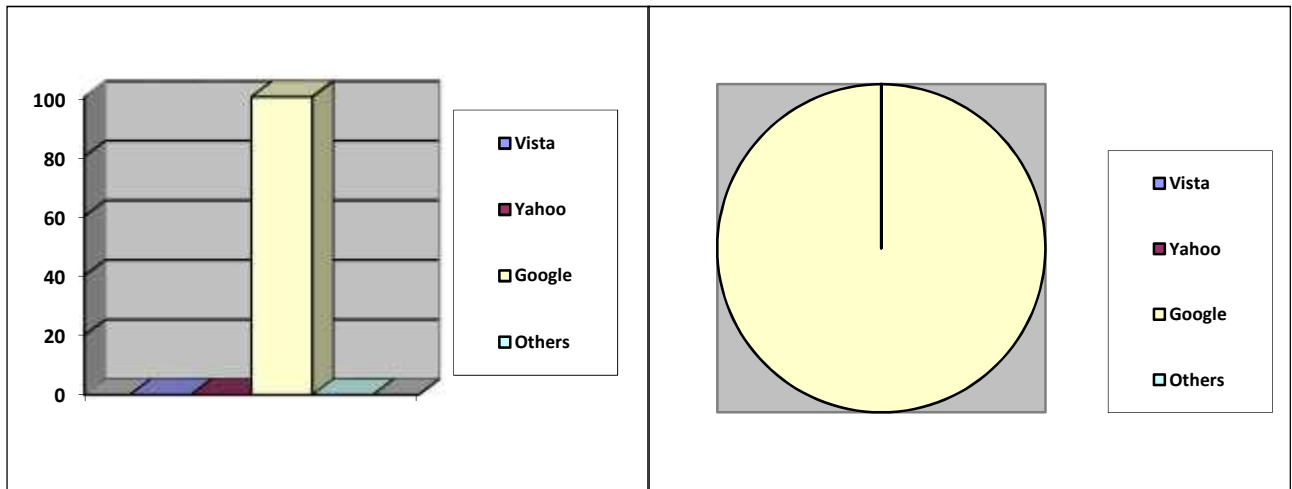**Distribution of the Respondents' Option for Pay Inclusion.**

Table no 4.18 and figure no 4.18 shows that Google is the most used option of the pay inclusion. Out of 25 respondent s' views only 3 had responded regarding use of pay inclusion option. Among 3 respondents all respondents 3(100%) had chosen www.google.com for submitting their sites in search engine. It seems that respondents had used Google for submitting their site in search engine.

4.19 Analysis of the Respondent's Focus on Optimizing Keywords or Pages on their Site for Better Positioning their Site in Major Search Engines.

Table: 4.19

Distribution of the Respondents' Focus on Optimizing Keywords or Pages on their Site.

Focus on optimizing site	Respondents	
	Numbers	%
Yes	9	36
No	16	64
Total	25	100

Source: Field Survey. March, 2014

Figure: 4.19

Distribution of the Respondents' Focus on Optimizing Keywords or Pages on their Site.
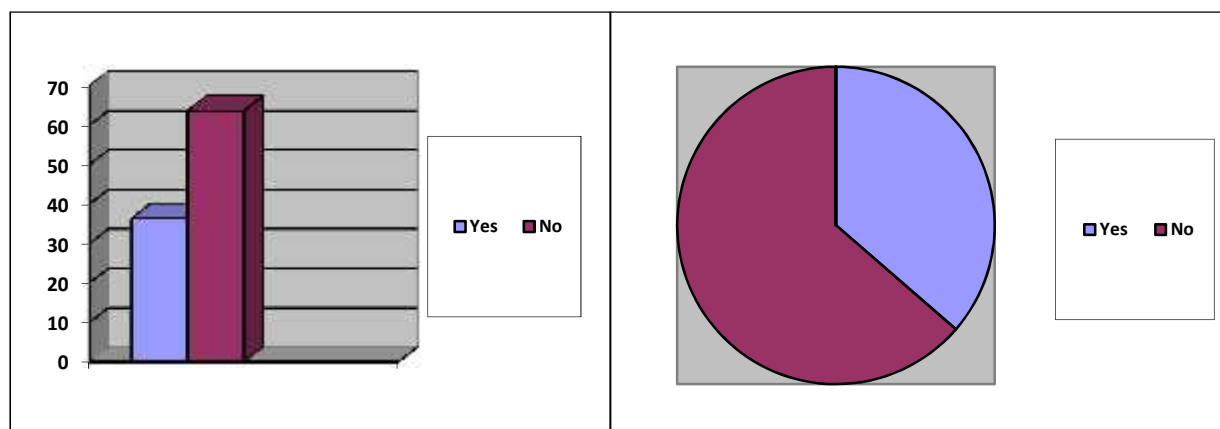

Table 4.19 and figure no 4.19 shows the focus of respondents' regarding optimizing keywords' or pages in their site for better positioning their site in major search engines. Out of 25 respondents majority of 16 (64%) respondents' answered 'No' and 9 (36%) respondents answered 'Yes.' It means that most of the respondents had no idea about optimizing keywords or pages in their site for better positioning their site in search engines because of lack of proper knowledge of search engine optimization.

4.20 Analysis of the Respondent's Reason for not Implementing Internet as Promotional Tools.

Table: 4.20

Distribution of the Respondents' Reason for not Implementing Internet as Promotional Tools.

Reasons	Respondents	
	Numbers	%
Lack of fund	2	25
Lack of Knowledge	6	75
Inefficient medium	0	0
Others	0	0
Total	8	100

Source: Field Survey. March, 2014

Distribution of the Respondents' Reason for not Implementing Internet as Promotional Tools.
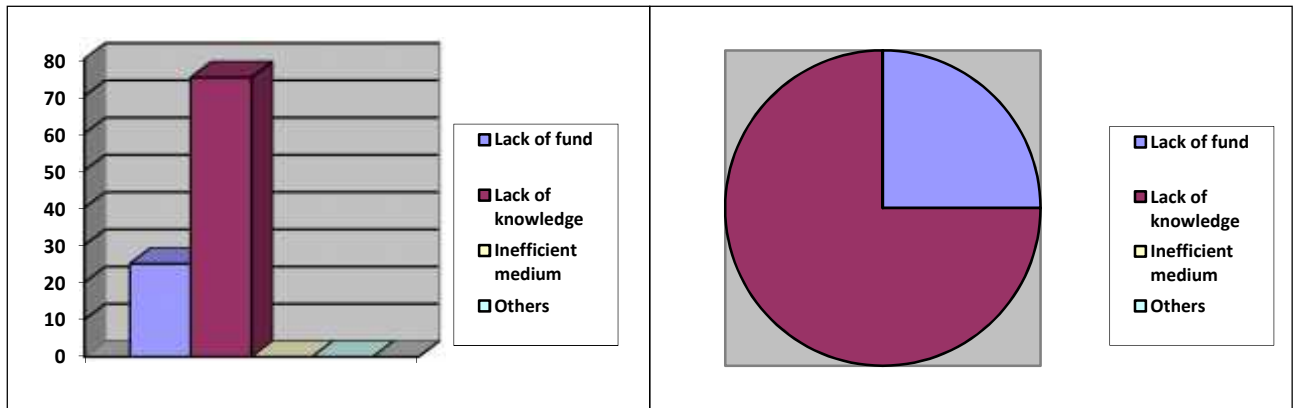

Table no 4.20 and figure no 4.20 show the majority of respondents' reason of not using internet as promotional is due to lack of knowledge. Among 8 respondents majority of 6 (75%) respondents had not implemented internet as promotional tools due to lack of knowledge whereas, 2(25%) respondents said that due to lack of fund they had not implemented internet as promotional tools. It seems that most of the travel agencies are not implementing internet as promotional tool due to lack of knowledge.

4.21 Analysis of the Respondent's rating of Contribution Made by Internet for promotion of Tourism in Nepal

Table: 4.21

Distribution of the Respondents' Rating about Internet Contribution

Contribution	Respondents	
	Numbers	%
Poor	3	12
Satisfactory	12	48
Good	6	24
Very Good	4	16
Total	25	100

Source: Field Survey. March, 2014

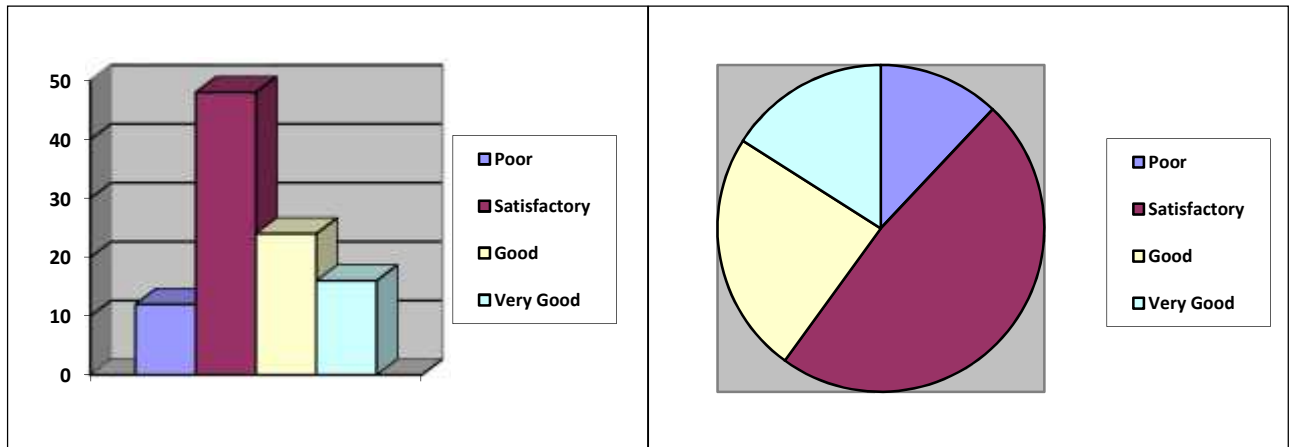**Distribution of the Respondents' Rating about Internet Contribution**

Table no 4.21 and figure no 4.21 shows the respondents' opinion about contribution made by internet for promotion of tourism in Nepal. The respondents were asked about internet contribution. Out of 25 respondents, majority of respondents' i.e. 12 (48%) respondents answered satisfactory similarly 6 (24%) of respondents answered good and 3 (12%) respondents answered poor. Only 4 (16) of respondents answered very good. It seems that the majority of respondents were satisfied by the contribution made by internet for promoting tourism in Nepal.

4.22 Analysis of the Respondent's Frequency of Using Mail for Getting Touch with Clients

Table: 4.22

Distribution of the Respondents' Frequency of using mail.

Answers	Respondents	
	Numbers	%
Every day	22	88
Several times a week	3	12
Several times a month	0	0
Not at all	0	0
Total	25	100

Source: Field Survey. March, 2014

Figure: 4.22

Distribution of the Respondents' Frequency of using mail.
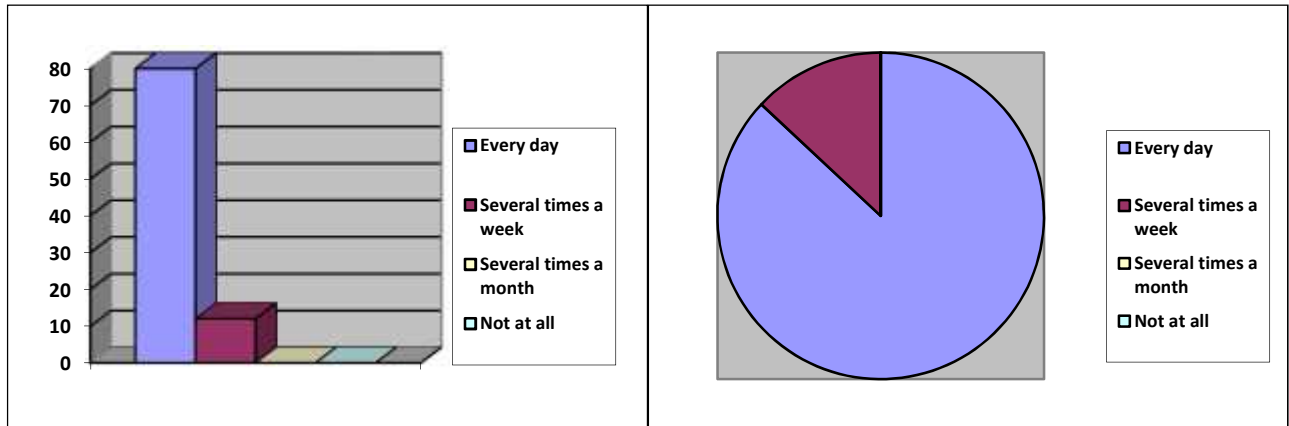

Table no 4.22 and figure no 4.22 shows the respondents' frequency of using e-mails for getting touch with clients. Out of 25 respondents there were majority of 22 (88%) respondents who were using e-mail daily in order to correspondent with clients. Whereas only 3 (12%) respondents were using e-mail several times a week for getting touches with clients. It seems that majority of travel agencies are using email daily for correspondent with clients.

4.23 Analysis of the Respondent's Rating the Advantages for using E-Marketing as Promotional Tool.

Table: 4.23

Distribution of the Respondents' Rating the Advantages for Using E-marketing as Promotional Tool.

Answers	Respondents		
	Rating	total	%
Cost saving	9*(1)+ 8*(2)+4*(3)+4*(4)	53	21.2
Time saving	3*(1)+12*(2)+6*(3)+4*(4)	61	24.4
Effective	4*(1)+4*(2)+6*(3)+11*(4)	74	29.6
Exposure to the outside world	8*(1)+4*(2)+6*(3)+7*(4)	62	24.8
Total	25	250	100

Source: Field Survey. March, 2014

Figure: 4.23

Distribution of the Respondents' Rating the Advantages for Using E-marketing as Promotional Tool.
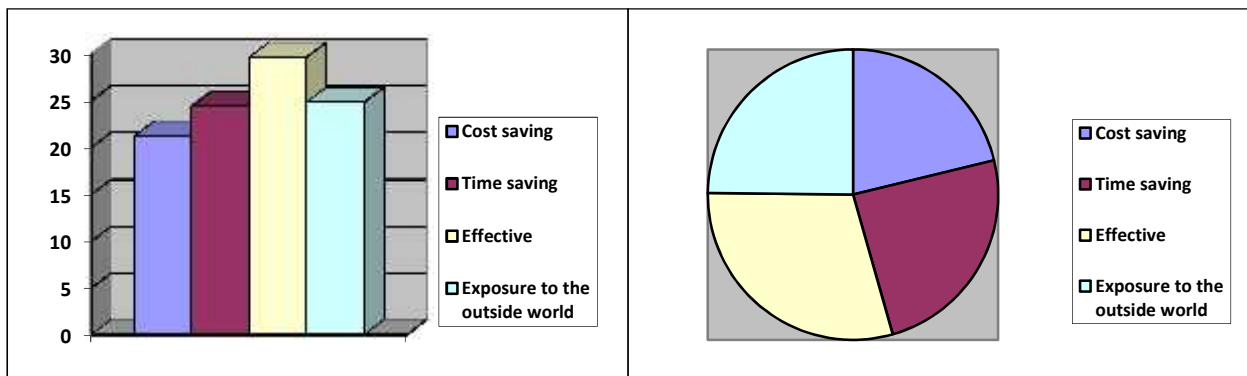
In the above table no 4.23 and figure no 4.23, the respondent's ratings are given about the advantage of using e-marketing as promotional tools. Among 25 respondents they rated the given advantages according to their perception. Here all the ratings are added up to get the clear picture of advantage of e-marketing as promotional tools. According to the sum up rating out of 250, advantage effectively got 74 (29.6%) which indicates that 29.6% respondents believed effectively was the major advantage of e-marketing. Likewise 62 (24.8%) respondents believed exposure to the outside world was the advantage of e-marketing. Similarly 61 (24.4%) believed time saving was the advantage of e-marketing. Whereas only 53 (21.2%) favor cost saving advantage as a promotional tools. It graphs shows that all were the tentatively equal advantages of e-marketing.

4.24 Analysis of the respondent's whether they have online payment and booking system or not.

Table: 4.24

Distribution of the respondents whether they have on line Payment and Booking System or not.

Answers	Respondents	
	Numbers	%
Yes	17	68
No	8	32
Total	25	100

Source: Field Survey. March, 2014

Figure: 4.24

Distribution of the respondents whether they have on line Payment and Booking System or not.
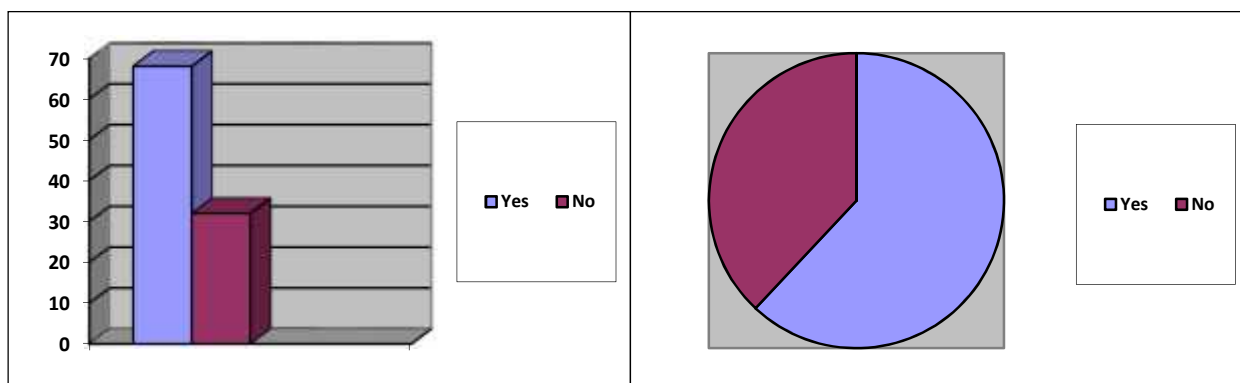

Table 4.24 and figure 4.24 show that most of the respondents have online payment and booking system. Out of 25 respondents, 17 (68%) of respondents said Yes whereas 8 (32%) of respondents said No for online payment and booking system. It shows that majority of them are using online payment and boooking system and minority of them are not using.It means that Nerpalese travel agencies are not only promoting online but also doing business and getting benifit through it also.

4.25 Major Problem the Sector Face at Present.

This question was asked to different travel agencies personnel regarding present problem does sector face at present .Among 25 respondents' all of them gave the same type of answers. Every respondent's had pointed out same problem the sector face at present. They believe at present, the sector is badly hit by internal problems such as unsuitable government, law and order situation, transportation problems, hospitality problem, rumor that international media had been spreading regarding Nepal as an unsecured destination for tourist etc. These are the problems that had been demoralizing the tour operator in Nepal. It seems that if these problems will be rectified and effectively marketing is undertaken than goods day will definitely come back.

4.26 Major Findings:

1. The majority of survey respondents (84%) reported that the current situation of travel and tourism sector in Nepal is poor. In addition only (16%) respondents seem satisfied with the current situation of travel and tourism industry in Nepal.

2. Perception of respondents regarding Nepal as a potential destination for tourist (60%) respondents considered Nepal as high potential tourist destination.

3. Regarding better year for tourism industry in last five years, the majority of the respondents (92%) thought, 20011-2012 were the better year for tourism industry

4. The reason for the good inflow of the tourist in those years was due to better environment of the country (44%) respondents responded.

5. Majority of (84%) respondents expressed that 2009-2010 were the worst year for tourism industry and it was due to lack of emarketing.

6. Majority of (76%) respondents thought due to the internal problem of the country i.e. Nepal's own political crises and insecure environment the flow of tourist is badly affected.

7. Asian and European are the major tourist visitors of this country. Majority of (60%) respondents expressed that Asian are the frequent visitors. Similarly (36%) respondents expressed that Europeans are the second most frequent visitors.

8. Majority of (56%) respondents thought that website is the most suitable promotional medium for their business whereas (24%) prefer e-marketing, (12%) prefer personal contact and (8%) prefer magazines.

9. There were comparative opinion found regarding the factors effecting for healthy tourism (32.60%) respondents reported better environment is must, similarly (28.46%) respondents reported political factors, whereas(24.34%) and (14.60%)

respondents believed promotional and hospitality factors is important for the healthy tourism in Nepal respectively.

10. All travel agencies do have website published on web.

11. Majority of (80%) respondents said that the objective of using website is to promote their business and remaining (20%) of respondents said that the objective of using their website is to inform about their profile and services. It means that they want to flow information though website about them and tourism destinations. But no one wants to maintain website just for prestige.

12. Majority of (60%) respondents' expectations from their website were meet, (20%) respondents' expectations were below and again only (20%) respondents expectations were exceed.

13. It has found that majority of (72%) respondents and remaining (28%) of respondents have been using internet from last 4-7 years and 1-3 years respectively.

14. Out of total respondent's majority of respondents (68%) were familiar or they had an idea about e-marketing

15. E-mail marketing was the promotional tools widely used by travel agencies to promote their website, (52%) of respondents were found using e-mail marketing, (32%) were found using search engine submission and only (16%) were found including their URL in tourism related directories.

16. It has found that those who were using email marketing method, majority of (69.2%) respondent were found   using normal email because of simple and easy method and only (30.8%) were found using new blog e mail marketing method to inform or promote their services to the outside world.

17. It has found that of those, who were using search engine submission, (62.5%) of respondent were found using free submission method for submitting their site in major

search engines, where as only 37.5% were found using paying inclusion method for submitting website in major search engines..

18. Of those, who had chosen pay inclusion option, all of them had used Google for submitting their site in search engine.

19. Majority of (64 %) respondent had never focused on optimizing keywords or pages on their site because of lack of proper knowledge of search engines optimization whereas, (36%) had taken keyword optimization into their concerned sites.

20. Majority of (75%) of the respondents had not implemented internet as promotional tool due to lack of knowledge whereas (25%) had not implemented due to the lack of fund.

21. It has found that the majority of respondents were satisfied by the contribution made by internet for promoting tourism in Nepal.

22. Majority of (88%) respondents were found using email everyday for getting touch with clients . only (12%) respondents were found using e-mail several times a week for getting touch with clients

23. The advantages for using e marketing as promotional tools, the most common responses were cost saving (21.2%), time saving (24.4%), effectively (29.6%) and exposure to the outside world (24.8%) respectively.

24. Majority of (68%) respondents were found using online payment and booking system. It means that Nepalese travel agencies are not only promoting online but also doing business and getting benifit through it also.

25. At present, the sector is badly hit by internal problems such as unstable government, law and order situation, transportation problems, hospitality problem, rumor that international media had been spreading regarding Nepal as an unsecured destination for tourist etc. These are the problems that had been demoralizing the tour operator in Nepal. It seems that if these problems will be rectified and effectively marketing is undertaken than goods day will definitely come back.

CHAPTER-FIVE

5.0 SUMMERY, CONCLUSION AND RECOMMENDATIONS

This chapter is the important chapter for the research because this chapter is the extracts of all the previously discussed chapters. This chapter consists of mainly three parts: Summary, Conclusion and Recommendation. In summary part, revision or summary of all four chapters is made. In conclusion part, the result from the research is summed up and in recommendation part, suggestion and recommendation is made based on the result and experience of thesis. Recommendation is made for improving the present situation to the concerned parties as well as for further research.

5.1 Summary:

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

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

We have abundant resources for which the country enjoys competitive advantages. Tourism represents one among such sectors, which could rebuild the image of the country bringing back multifaceted benefits to the country and the people at large .It also emerged as an exemplary model for the Nepalese economy and represents around 4% to the country's GDP is also a major source of employment. She has developed as an independent sector of the economy heavily involving the Nepalese private sector. Travel agencies are among such private sector wings which are responsible to bring or has contributed to great extent to invite lots of tourist from all over the world. So to great extent promotion of tourism by these travel agencies has direct correlation with the inflow of tourist in Nepal. In order to find the perception of travel agencies regarding e-marketing the topic problems and prospects of e marketing in tourism industry in Nepal was undertaken. With this respect, five objectives were taken into consideration i.e. to analyze current situation of tourism in Nepal, to analyze travel agency's perception regarding E- marketing, to study popularity of internet as marketing tools among travel agencies, to explore and identify the problems and prospects of tourism and E- marketing and to suggest for the improvement based on research findings.

To determine the objective of the research field survey was conducted using survey questionnaires (Appendix) and responses were collected during the period of March 2014. Approximately 60% of all respondents were from Thamel area and rests were from DurbarMarg, Kamalpokhari, and Naxsal and other palaces collected information was analyzed in order to determine objectives of the research using static tools. Collected information and data were analyzed using statically tools in order to determine objective of the research study.

5.2 Conclusion:

The most crucial factor is that without correct promotion and marketing of Nepal as tourism destination and marketing product for potential tourists the flow of tourist will not increase. Though travel agencies are paying vital role for promoting Nepal as tourist destination in its own way and knowledge of internet seems satisfactory but the way of marketing through internet seems minimal.

Over the last five years, the growth of internet has been exponential, internet is part of hundreds of millions of peoples, lives, and the number of users keeps growing. If tourism is to be developed sensibly the travel agencies must promote its site and services through internet to reach wide number of tourist all over the world. Only way to do it is through internet. Though travel agencies are participation trade fair have website and using email forgetting in touch with their clients but that's not enough with the growing no of international tourist and its competitors.

Almost all the travel agencies in Kathmandu valley do have website but existence of website doesn't mean visitor will come to visit their site, for that promotion is must. It seems that travel agencies do have knowledge about e-marketing but they are not taking into professionally or to a great concern, may be due to lack of knowledge or fund. We must expand our tourism. Currently travel agencies stuck in promoting through personal contact, through tour agents and marketing in local area to grab bunch of tourist and focus on Europe and Asia but with the advantages of internet they can reach all corner of the world.

Travel agencies must not overlook the fact that a new trend in international tourist is emerging. Before every visit to any country, tourist are more concern about the security and activities that region can offer. They get all those information through websites. Travel agencies have abundance to packages to offer the only concern at present is lack of security to tourist and proper way of doing marketing on internet. If the current problems solved and travel agencies undertake internet as promotional tools definitely the flow of tourist will rise.

Tourism industry is a foreign currency spinner and its impact on Nepalese economy can hardly be exaggerated. Given the diverse nature of tourism resources in this part of the world, promotion is must in order to better inflow the number of tourists in Nepal .Internet marketing or e-marketing is one of the promotion tools to promote our destination and services throughout world. This major aims of the study was to assess the travel agencies perception regarding e-marketing. The research presented in this thesis is an important step in the examination of the current situation of e-marketing prospects practices and its problems. This research has demonstrated the current trends of internet marketing and its knowledge among travel agencies.

The research process itself has been valuable learning experience about current situation, e-marketing popularity and its problems among travel agencies. Almost all the respondents

perceived that the situation is very critical at present. Though, the country possesses high natural potentiality to enchant tourist from all over the world. Mostly Asian and European are the major source of tourist. During last five years 2011-2012 were the better year for tourism industry and reason for great inflow of tourist in those year were due to better environment of the country. 2009-2010 were considered as the evil year, during those years there were heavy influx of tourist and reason for that were due to country own internal problems. So, for the healthy tourism the country must first settle down its own internal problems and create better environment for tourist to come. Almost all the respondents prefer website and e marketing as promotional medium and very few chosen personal contact and magazines and e-marketing as promotional tools.

 Almost all the travel agencies do have website and most of them kept it for promotional purpose and few for providing information about Nepal. Website seems not effective to promote their services i.e. performing just or below expectation but truth is that existence of website doesn't mean people will come and visit your site for that, promotion is essential.

Though most of the travel agents are using internet from last 4-7 years and most of them possess knowledge about e-marketing and using email and search engine submission as a promotional tools but not giving more concentration in submitting their URL in tourism related directories.

They are only using normal email for promoting their site; it seems that they are not considering other email marketing tools such as newsletters, blog email marketing and new content notification. While submitting their site in search engines they are not choosing pay inclusion option, they are only choosing free submission options. It seems that they are not conscious about professional of guarantee way of submitting their site in search engine and only nominal no of travel agency are using Google search engine services for submitting their site in search engine. Most of the travel agencies were not giving priorities to optimizing key words or pages for better positioning their site in major search engines.

Almost all the respondents were satisfied by the contribution made by internet but due to lack of knowledge and fund they were not implementing as promotional tools in effective manner. Though they are using email in regular basic for getting in touch with the clients and have common responses regarding its advantages like effectiveness, exposure to outside world,

time saving and cost saving. And most of the travel agencies have online payment and booking system for the visitors The entire respondents consensus that present tourism is badly hit by interval problems such as unstable government, pollution problems, law and order situation and rumor that international media had been spreading regarding Nepal as an unsecured destination for tourist etc. If the current crisis is settled down and hi-tech way of doing marketing is also consider for promoting tourism by these travel agencies the future of tourism industry will gloried to great extent than before. After going through the whole research what I have concluded is that most of the travel agencies knows the importance of internet as marketing tools, due to the fact that most of them have a website and using e-mail on regular basis but due to lack of knowledge, fund and ignorance they are not utilizing e-marketing in professional way of seriously.

5.3   Recommendations:

1. Tourism is hampered by the political instability and conflict in the country. First of all political and security system should be made suitable for the development of tourism sector in the country.

2. Nepal has been regarded as high potential destination for tourists, but lack of proper planning and information we are not able to increase the flow of tourist in the country. So, effective marketing strategies should be made jointly by the government and private sector and proper coordination between the concerned bodies should be maintained.

3. Nepal Tourism Board and all the tourism related association should also take some initiatives and organize training program regarding internet and its effectiveness as promotional tools and suggest way of doing it for travel agencies and other tourism related organization like hotels, trekking agencies, transports etc.

4. Education regarding internet and computer plays a vital role to determine changes in the world. This study recommend that education about e-marketing is must for travel agents in order to promote its services through internet or can take help with internet marketing consultants like www. mountdigit.com for promoting its services through internet.

5. Travel agencies can also use tourism related services directory or websites that link or feature your details of your tourism services on their websites. I would like to recommend www.safari.com for better services. They also charge annually few dollars for their services. Travel agencies can also search such directories in web.

6. Popular travel agencies can also exchange banner of their respective company with one another and can ask for one another to set up a banner on each other's websites or can add its company banner in most popular sites like msn, yahoo, goggle etc by paying few dollars annually.

7. Nepalese travel agencies should optimize keywords or pages for better positioning the websites in the search engines. For that their words should be incorporated within the Meta tag that helps to boost search engines ranking. They can use the most important tags like Title Tag and Meta Description Tag.

8. The most important way to bring more traffic to travel agencies' site is by using pay per click programs where travel agencies can create ads and link them to keywords. Both Yahoo and Google have these programs available. Where travel agency have to only pay when someone clicks on your ad. The rate may be from two cents to hundreds of dollars per click. The more you pay per click the higher your ad appears in the search engines. This can also be the good strategy for the travel agencies to cover their customers worldwide and can sale the tourism packages they have made.

9. Links from other popular website back to your website is one way of increasing your site's popularity. You need to search for websites that there are the right ones. Then you need to send the webmaster an email asking for a link in exchange for a link to his site. Then you need to setup a link on your site to his site and then you need to check that he has set up a link in return.

10. Travel agencies also can submit its site using pay inclusion. Although there are several different kinds of paid inclusion like pay-per-click or positioning your site on top 10 popular search engines. Advantages of pay inclusion are that are indexed much faster than submitting through free add URL. There are different pay inclusion program you can search on internet all you need to do is spend few hundred dollars

annually as service charge or you can submit your sit using fee add URL search engines like Google etc.

11. Travel Agencies can use the E-commerce newsletters method that allow to develop relationships with their clients and let them know when we invent something they may be interested in. Travel agency may start with just a few names and email addresses asking those folks to forward their newsletter (it should have a link to a permission-based sign up form) to their friends and urge them to sign up. Before long they have a new client base to market your product. They will not be spamming since everyone on their list has given the permission to email them.

12. The internet marketing is the best way of marketing the tourism packages, but one thing it lacks is, personal interaction with the potential client. So travel agents must convey their message with words and pictures to sell their product. Therefore, their website needs to have a call to action. They must ask the customer to buy the product or hire them. At the very least they should ask the visitor to click on a link and get more information. Make sure they have an easy payment system in place to handle credit card purchases.

13. The more traffic your Website receives, the more sales you are likely to close. One way to increase traffic to your site is through SEO (search engine optimization). This means your Website is clear of any obstacles that would deflect traffic and has plenty of keywords and metatags to attract search engines. I suggest the travel agencies of Nepal to hire someone who knows how to write in code language and create style sheets rather than set up their own website through one of the templates offered by email providers.

14. Online magazines offer ad space for a fee (depending upon the magazine's popularity and traffic) and may appear for the duration of the current issue of the magazine. Travel agencies can also adopt this type of e marketing method by selecting a magazine that relates to the tourism product they are able to direct their ad to their target market rather than to a generic audience.

These are the few of the promotional way to promote web sites on internet in order to inform about the services on internet. If the correct methods of promotion are used on internet to popularize travel agencies sites definitely it will contribute to promote tourism sector in Nepal to a great extent.

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http://ezinearticles.com/?Marketing-Online---8-Types-of-Internet-Marketing&id=360552.

ANNEX-I

SAMPLE TRAVEL AGENCIES SELECTED FOR SURVEY

1. Yeti Travel service Pvt Ltd   Durbarmarg
2. Indra Travel and Tour Pvt Ltd   Thamel
3. Om Travel and tours Pvt. Ltd   Thamel
4. Land Mark Travel Pvt. Ltd.   Thamel
5. Tibet Travel and Tour   Thamel
6. Kumari Tours And Travel Pvt Ltd   Durbarmarg
7. Alpine Travel Service Pvt Ltd   Durbarmarg
8. Vardan Travel and Tours Pvt Ltd   Durbarmarg
9. Link Travel and Tours Pvt. Ltd   Thamel
10. Samrat Travel and Tours Pvt. Ltd   Thamel
11. Plan Holiay Travel and Tours Pvt. Ltd   Thamel
12. Anuska Travel and Tours Pvt Ltd   Naagpokhari ,Naxal
13. The Snowland Travel and Tours Pvt. Ltd   Kantipath.

14. Maitri Travel and Tours Pvt. Ltd.   Thamel
15. Swan Travel and Tours Pvt. Ltd.   Thamel
16. Cheerful Holidays Pvt. Ltd.   Newroad
17. Raika Travel and Tours Pvt. Ltd.   Thamel
18. Diana Travel and Tours Pvt. Ltd.   Thamel
19. Marvel Travel and Tour Pvt. Ltd.   Thamel
20. Durbar Travel and tours Pvt. Ltd.   Thamel
21. Monal Travel Center Pvt Ltd.   New Baneswor
22. Natapolo Travel and tours Pvt. Ltd.   Durbarmarg
23. President Travel and Tour s Pvt. Ltd.   Durbarmarg
24. Kamal Tours and Travel Pvt. Ltd.   Anamnagar
25. Sherpa Travel Service Pvt. Ltd   Thamel

ANNEX-II

RESEARCH QUESTIONNAIRE

Dear Respondents,

This questionnaire is prepared to make the study on **"An Analytical Study on E-Marketing of Tourism Industry in Nepal"** as partial fulfillment of M.B.S. Degree. So, the researcher would like to share your ideas and information. The information that you supply would be used only for academic purpose and would be kept confidential.

Name of the Travel Agency:

Location:

Date of Establishment:

1. How do you state the current situation of Travel and Tourism industry in Nepal?

    ☐ Poor ☐ Satisfactory ☐ Good ☐ Very Good

2. How do you rate Nepal as a potential destination for tourist?

    ☐ Low ☐ Medium ☐ High ☐ Very High

3. In last five years which was the best year for tourism industry?

    ☐ 2009-2010 ☐ 2010-2011 ☐ 2011-2012 ☐ 2012-2013

4. Indicate Reasons for better inflow of tourists in those years? Due to

    ☐ Government Promotional Campaign ☐ Government Policy

    ☐ Better Environment ☐ Private Sector own promotional efforts

5. In last five years which was the evil year for tourism industry?

    ☐ 2009-2010 ☐ 2010-2011 ☐ 2011-2012 ☐ 2012-2013

6. What might be the Reason for bad inflow of tourist in those years? Due to ……..

☐ Internal factor ☐ External factors ☐ Both

7. From which region does most travelers come?

☐ Asia ☐ Europe ☐ North America ☐ South America

8. Which promotional medium mostly suits your choice?

☐ Magazines ☐ Personal Contact ☐ Web site ☐ E-marketing

9. Please rate your preference in following factors for healthy tourism (4-high preference to 1-low preference)

☐ Environmental Factor ☐ Political Factor ☐ Promotional Factor ☐ Hospitality Factor

10. Does your office use personal website?

☐ Yes ☐ No ☐ Direction: If Yes www……………….

11. What is the objective of using website?

☐ Promotion ☐ To provide information ☐ prestige ☐others

12. Please rate your site

☐ Exceeds Expectations ☐ Meets Expectation ☐ Below Expectation ☐ No Expectations

13. How long have you been using the internet (including using e-mail etc)?

☐ Less than 1 month ☐ 1 to 3 years ☐ 4 to 7 years ☐ Not at all

14. Are you familiar with e- marketing?

☐ Yes ☐ No   if no, skip to question no 20

15. What are the promotional tools you are undertaking for promoting your site?

☐ Not at all ☐ E-mail marketing ☐ Search Engine ☐ Including your URL in Tourism related directories

16. Which Email Marketing method you are following?

☐ Normal E-mail ☐ New content notification ☐ New Letters ☐ Blog email marketing

17. Which method you have for submitting your website in search engines?

☐ Pay inclusion ☐ free submission ☐ Not at all

18. Which pay inclusion option you are using?

☐ Vista ☐ Yahoo ☐ Google ☐ others

19. Have you ever focus on optimizing keywords or pages on your sites for better positioning your site in Major search engines?

☐ Yes ☐ No

20. What are the reasons that you are not implementing internet as promotional tools?

☐ Lack of fund ☐ Lack of knowledge ☐ Inefficient medium ☐Others

21. How do you rate the contribution made by internet for promotion of Tourism in Nepal?

☐ Poor ☐ satisfactory ☐ Good ☐ Very Good

22. How frequently do you make e mail for getting in touch with your clients?

☐ Every day ☐ several times a week ☐ Several times a month ☐ Not at all

23. Please rate the following advantages for using E – marketing as promotional tools? (4-high preference to 1- low preferences)

☐ Cost saving ☐ time saving ☐ effectively ☐ Exposure to the outside world

24. Do you have online payment system?

☐ Yes   ☐ No

25. What is the major problem does the sector face at present?