



Tourism Service Marketing and Development Efforts in Nepal

A Case Study: Alfresco Adventure Private Limited, Kathmandu, Nepal

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Tourism services are the pioneers of the tourism industry. Services determine the level of industry and its future at large. Tourism service marketing hence, has a significant role in uplifting country's tourism industry. The main aim of this Bachelor's thesis is to magnify Nepal's tourism service marketing structure, process and execution. The authors further researched on the developing efforts made by Nepal so as to uplift the standard of the tourism service marketing in domestic as well as international arena. Along with the research, the authors have provided their views and suggestions for the development of tourism services marketing in Nepal.

In this study various practices, implementations, methods, strategies, challenges and cultures regarding tourism services marketing in Nepal were examined by the researchers. Both practical and theoretical studies were incorporated in this study. The tourists, stakeholders, service providers and tourism experts of Nepal were interviewed. Various articles, journals, books and magazines related to tourism services marketing were read. From the both practical and theoretical study, an ideational framework of the tourists', stakeholders' and experts' perception towards Tourism Services marketing in Nepal was built. The framework was used as a tool for the empirical analysis of the study. Alfresco Adventure travel agency was chosen as the case study. The travel agency was small part of the study as the researchers' biggest challenge was to study the whole country's tourism. The study of the Alfresco travels agency's tourism marketing methods and challenges have played an inclusive role in this thesis. In order to carry out the research, 35 tourists, 6 service providers and 2 tourism experts of Nepal were interviewed. 43 responses were received and the results were empirically analyzed.

The results of the respondents showed that there is a huge need to develop the tourism services, infrastructures, the level of marketing and the standard of Nepal tourism as a whole. The results have the blend of tourists', service providers' and the experts' take on the tourism services and marketing. The common perception from all the respondents was that Nepal lacks various things in terms of tourism services marketing and the government of Nepal has to play the biggest role to develop the standard and take up the responsibilities to rectify the errors.

Key words: Tourism service marketing, development of tourism in Nepal, motivation to travel

ABBREVIATIONS

CEO: Chief Executive Officer

DOT: Department of Tourism

EU: European Union

FDI: Foreign Direct Investment

HAN: Hotel Association of Nepal

IATA: International Air Transport Association

IUOTO: International Union of Official Travel Organization

NARC: Nepal Agriculture Research Council

NATTA: Nepal Association of Tours and Travel Agents

NGOs: Non- governmental Organizations

NID: Nepal Irrigation Department

NRB: Nepal Rastra Bank

NTB: Nepal Tourism Board

NTTR: Nepal Trade Travel Reporter

NTY: Nepal Tourism Year

PAN: Permanent Account Number

PATA: Pacific Asia Travel Association

SWOT: Strength, Weakness, Opportunity and Threat

TIA: Tribhuvan International Airport

TRA: Tourism for Rural Poverty Alleviation

TRPAP: Tourism for Rural Poverty Alleviation

TTDC: Thamel Tourism Development Council

UNESCO: United Nations Educational, Scientific and Cultural Organization

UNWTO: United Nations World Tourism Organization

WB: World Bank

WTTC: World Travel and Tourism Council

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1 Introduction

This chapter briefly indicates the main components and segments of the thesis. Firstly, the background of the study is described to give the reader prevalent view on the thesis. Secondly, the rationale of study is explained to provide the purpose of the study. Thirdly, the objectives of the study have been illustrated and lastly the problems and hypothesis of the study and research methodology are discussed correspondingly.

1.1 Background of the Study

Tourism has been considered as the fundamental instrument for the economic development of the country. This is the main reason why many governments of developing or developed countries are involved in design, development and operation of the tourism industry. In the context of Nepal, it is also regarded as one of the important sources of foreign exchange earning of the country, besides this it has a significant impact on the social and physical structure of the country. Here the researchers have tried to describe briefly the country's geographic locations, economic activities, natural resources, population, culture and history.

The Himalayan country of Nepal covers an area of 147,181 square kilometers, and stretches 145-241 kilometers from north to south and 850 kilometers from west to east. The country is located between India in the south and China in the north, at latitudes 26° and 30° North and longitudes 80° and 88° East. Nepal is topographically divided into three regions: The Himalayas to the North, the Hills consisting of the Mahabharata range and Churia hills and the terai plain areas to the south. The northern temperatures are below -40° Celsius and in the Terai, temperatures rise to 40° Celsius in the summer. During June, July and August, the country is influenced by monsoon clouds (NTB Destination Nepal, 2012/13).

Nepal has variety of climates due to substantial topographical variations, ranging from tropical to alpine climate which exists in the country. Generally, tropical climate exists in the area up to an altitude of 1000 meters, in the mountain region between 1000m to 2500m, sub-tropical climate prevails with a cool temperature climate in the zone 2500-4000m, region and above that the arctic climate prevails. Nepal experiences four climatic seasons, spring (March-May), summer (June-August), autumn (September-November) and winter (December-February). Heavy rainfall occurs during the monsoon season from June to September and the average rainfall in the country is about 1500 mm per annum. The Kathmandu Valley receives around 1300mm of annual rainfall with a heavy concentration from June to August (Nepal irrigation dept., 2012).

Nepal is rich in different types of landscapes caused by the abundance of flora and fauna. Nepal grows bamboo, sal trees, rhododendron plants, pine and cedar forests and all sorts of jungle plants including brightly colored orchids. Nepal's four wild life reserves are situated in Terai lowland in the south of the country. The most famous of these is the Chitwan National Park, once a big game hunting area and covering an area of 900 square kilometers. These days, it has become home to Asian one horned Rhinoceroses, Royal Bengal Tigers, Leopards,

Sloth Bears and Gaurs (wild bison) and more than 400 species of birds. Three other parks, Koshi Tappu, National Bardia and Sukla Phanta also teem with game and bird life. The Himalayas are home to a variety of fauna and flora that survive at high altitude, such as the Snow Leopard, the Wolf, the Bear and Lynx. Similarly, other national parks i.e. Sagarmatha National Park, Makalu-Barun National Park and Conservation Area, Annapurna Conservation Area, and Shivapuri National Park, etc. encounter different species of wildlife, forest and grassland.

Nepal is a developing country with a per capita income UD \$ 742 (Nepal Rastra Bank 2012). At present, the country's efforts to expand into manufacturing industries and other technological sectors have achieved much progress. Farming is the main economic activity followed by manufacturing, trade and tourism. The main sources of foreign currency earnings are merchandise export, service, tourism and remittances. The GDP of Nepal is \$ 19,415 million (The World Bank, 2012).

Nepal is predominantly, an agricultural country with beautiful agricultural landscape, agro-ecosystems and wide variety of crops and animals. Farming is still highly labor-intensive. The agriculture sector absorbs more than 80 per cent of the total labor force of the country. However, the agricultural sector contributes only 55 per cent on gross domestic product and 50 per cent on the total export. It has received the top priority in every periodical plan and has enjoyed the large amount of budget allocations over the years. Similarly, the manufacturing sector is also providing employment to 10 per cent of the population and contributing about 20 per cent in the gross domestic product. Many efforts are directed for the development of the industrial sectors with priority and resources but the achievement has been embarrassing over the year (Nepal Agriculture Research Council, 2012).

Nepal is divided into five development regions, fourteen zones, and seventy-five districts. Each zone consists of four to eight districts. Sixteen districts lie in the Himalayan region, thirty-nine of them lie in the hilly region and the remaining twenty of them lie in the Terai region. The local level administrative unit is the Village development Committee. There are 3996 VDC's in the country (NTB- Destination Nepal Campaign 2012).

According to the population census 2012, Nepal has about 29 million people and is increasing at the rate of 1.77% annually. Both male and female occupy equal status in size. About 90% of the total population lives in the rural area. Though the Nepalese Market is characterized by the rural market, the marketing activities are heavily concentrated in the urban area due to the difficult topography of the country. The process of urbanization is increasing rapidly. Since all the marketing opportunities have been concentrated in the urban area, the migration rate from the hills to the Terai and city areas has been increasing every year.

In Nepal, the National language is the mother tongue of the majority of the people though many other linguistic groups exist like Maithili, Bhojpuri, Newari, Rai, Kirati, Magar, etc. Ethnically, the largest groups are Chhettries, Brahmins, Magar, Tharus, Newars, Tamangs and so on. In terms of religion, Hinduism is predominant followed by Buddhism, and Islam. Cultural forces are very powerful in Nepal. Most of the Nepalese people have the tendency to spend

more money during the period of colorful festivals like Vijaya Dashami, Deepawali, New Years and many other local festivals.

The country offers a number of annual festivals that are celebrated throughout the year in the traditional style highlighting various beliefs (Nepal Guide Book: 2012). Nepal is also called the country of non-stop festivals, because festivals are a prominent aspect of Nepalese life, in which all participate enthusiastically. Almost every week, people celebrate a festival on a local basis or national level in different parts of the country. The cult of Kumari- the living Goddess, the brave Gurkhas, the Sherpas also known as “snow leopards” are the living heritage of Nepal.

For centuries the Kingdom of Nepal was divided into many principalities. The Kirats ruled in the east, the Newars in the Kathmandu Valley, while Gurungs and Magars occupied the mid-west. The Kirats ruled from 300 BC and during their reign, Emperor Ashoka arrived from India to build a pillar at Lumbini in memory of Lord Buddha. The Kirats were followed by the Lichhavis whose descendants today are believed to be the Newars of the Kathmandu Valley. During this period, art thrived in Nepal and many of the beautiful woodcarvings and sculptures that are found in the country belong to this era.

With the end of the Lichhavi dynasty, Malla kings came to power in 1200 AD and they also contributed tremendously to Nepal’s art and culture. However, after almost 600 years of rule, the kings were not united among themselves and during the late 18th century, Prithvi Narayan Shah, King of Gorkha, conquered Kathmandu and united Nepal into one Kingdom. Recognizing, the threat of the British Raj in India, he dismissed European missionaries from the country, and Nepal remained in isolation. During the mid-19th century Jung Bahadur Rana became Nepal’s first prime minister to wield absolute power. He set up an oligarchy and the Shah Kings remained as figure heads. The Ranas were overthrown in the democratic movement of the early 1950s. After the Partyless Panchyat System, there was a multiparty democratic system with a constitutional Monarch. Previously, Nepal was recognized as the country of peace, but at the present time it has been converted into a politically disturbed country. Especially, the political problem has affected the permanency of the government, which has had an adverse effect on the country’s business economic performance.

Frequent changes in government and national policies and laws have posed a great challenge not only to production and business sectors, but also to the foreign investment and tourism sector. Nepal has a comparative advantage in the development of tourism because of its natural topography such as mountains, rich valleys, lovely landscapes, rich cultural heritage and so on. With the vast potential for tourism, many countries around the world have enlisted it as a major destination. The “observer” and the “Guardians”, famous British publications, had rightly described Nepal as a second tourist state after New Zealand in the world tourism perspective.

1.2 Rationale of the Study

Tourism, also known as smokeless industry, is one of the fastest growing sectors in the world. It is learnt that various terrestrial and aquatic ecosystems, including socio-cultural heritage, are opening up for tourist use in order to earn more foreign exchange through a sustainable use of these resources. This sector has been understood as a vehicle of foreign exchange earnings, intensive labor generator, consumer of farm products and promoter of ancillary industries and handicraft.

Tourism has also been counted as the largest industry in the world contributing to its economic developments. It has helped the country's economy in various ways. It is a service industry and can have a significant effect on those countries with surplus labor. Most sectors of tourism industry are labor intensive and require relatively short training for most of the jobs. It is supported by hotels, airlines, travel and tours and handicrafts. The benefits of tourism in the economy of the host country is measured mainly in terms of foreign exchange receipts from tourists and its multiplier effect on different activities, contribution to national income, employment and balance of payments.

Tourism has become an important factor to the Nepalese economy. The number of visitors staying overnights has practically increased from zero at an extraordinary speed during the past 35 years. It is especially so for Nepal. Tourism is not the choice but an economic compulsion since the country does not have any other alternative. Tourism has become one of Nepal's most important sources of foreign exchange. It appears to possess higher comparative advantages in view of its being one of the important industries earning foreign currency without causing any adverse effect on the environment and being endowed with the opportunity of using the existing geographical and cultural heritage. It has also been realized that tourism can play a significant role in the development of rural and mountainous areas of Nepal. Similarly, the nature based activities has emerged as a popular tourist product since 1960s. Nature tourism has been found to be significant in improving the economic conditions of the rural areas through income and employment generation in the remote areas where alternative economic activities are virtually non-existent.

Tourism and travel related services accounted to 10% of the world GDP and employed 255 million people worldwide (WTTC, 2012). In Nepal, tourism generates about 1.5 million direct and indirect employments and it creates opportunities ranging from small to large scale industries like hotels, airlines, travel, and trekking agencies (NTB, 2012). The tourism industry, unlike some other industries, is critical enough to be affected and often damaged by a change in the weather/season, occurrence of incidents and even by rumor or propaganda and on the other the stakeholders cannot afford to have gold rush in an area which is both environmentally and socially vulnerable.

In Nepal, the knowledge of tourism service marketing is very useful, especially for earning foreign exchange currency from airlines, hotels and travel and trekking agencies. This study may also be useful to increase the income through customer care, employee satisfaction and offering of quality product or services. In the present situation, the study of tourism service

marketing is important to meet the standard and expectation of a growing awareness of the customer's perception and expectation and their measurement of satisfaction. There is no doubt that it will provide a broad knowledge about tourism services, which will prove to be a valuable guide for the development of tourism in Nepal. It is also beneficial to the government to make plan and policies and implement rules and regulations for the development of tourism. Similarly, for the researcher, it will be a base for further study in the field of tourism services.

1.3 Objectives of the Study

The basic objective of this study was to examine into the status of tourism service marketing in Nepal. The specific objectives of the study are as follows:

- To examine the development of tourism service marketing in Nepal.
- To evaluate the status of tourism products and the tourism infrastructure in the country.
- To assess the nature, strength and weaknesses of Nepal's tourism products and services.
- To assess the impact of tourism on the national economy of Nepal.
- To evaluate the customer's satisfaction and the quality of tourism services in Nepal.

1.4 Problems and Hypotheses

Nepal has a large number of snow peaks offering immense attractions, cultural values and archaeological beauties that are the main attractions to the tourists. However, the potentiality so far has not been fully exploited. Various studies have been conducted highlighting various aspects of tourism yet none of these studies have seemed to address the current problem of the tourism of Nepal. The main purpose of the study is to find out the main reasons behind the less development of Nepal tourism along with the purpose to increase the international visitors to Nepal assuring them the quality tourism products and services which will enhance the visitor's satisfaction.

Nepal being a landlocked country has limited transportation options for tourists. Tourists travelling by the land transportation especially Chinese and Indians have increased in recent year but the tourists from other parts of the world have to use air services. Limited financial resources and inefficient managerial capacity have led to the insufficient number of aircrafts with huge bodies. Similarly, due to the limited number of international operations, lack of direct link with tourist generating countries for e.g. Europe, America, Australia, etc. and limited participation of private airlines in the international operation, the international tourists have to travel to Nepal transiting through different countries. This has created immense prob-

lem to the international tourists as they have to bear more costs and time for the trip to Nepal.

Pleasure and recreational tourism is predominant in Nepal. According to the Nepal tourism statistics 2012 about 47 per cent of tourists, visited Nepal represented for Pleasure. But the means of recreation are not adequate for such type of visitors. Basically, tourism products like temples, idols, cultural and religious sites are the pillars for the development of tourism, but on the other hand their conditions are found to be improperly conserved and maintained. However, for the sustainable development of this industry, it is better to give them due emphasis for its maintenance and preservation from the side of the government as well as the local people. Lack of good quality hotels are also the one of the biggest problem for the development tourism. In respect to service infrastructure, its number has substantially increased in terms of volume, but their quality of services are not satisfactory.

Pollution has become a very big problem in Nepal. The degrading conditions of environment is said to be one of the most serious problems faced by Nepalese tourism. We need to focus on environmental issues especially pollution in big cities like Kathmandu valley, trekking routes and touristic places. Sometimes, solid wastes are seen scattered in the streets and the garbage is not collected in time. This has made the life of the city dwellers and tourists miserable.

Nepal has not been able to make adequate efforts to promote tourism. This is a major factor that Nepal is not being able to attain up to the expected level. The tourism policies and strategies that are being pursued up to now by Nepal seem to give only limited attention towards tourism marketing. Similarly, tourist safety has appeared as the number one concern for tourism development. Safety in terms of crime, theft, murder, terrorism, harassment, health, hygiene and sanitation are the pioneers for the development of tourism in the country. Though Nepal is a peaceful country, the unstable political situation has been creating an obstacle as travellers and tourists think it is not the right time to visit Nepal because of the possible risks and problems they had to face while travelling. In view of the problems discussed above, this study has examined the following research questions. They are as follows:

- How tourism service marketing has evolved and developed in Nepal?
- What is the status of tourism products and the tourism service infrastructure in the country?
- What are the strengths and weaknesses of Nepal's tourism products and services?
- What is the impact of tourism sector on the national economy of Nepal?
- How do tourists perceive the quality of tourism services in Nepal?

2 Literature Review

In the second chapter of this study, an attempt had been made to review the literature on the theoretical background on tourism, concept of tourism, motivation for travel and tourism services. Equal emphasis has been given to the role of service marketing, and tourism marketing. A brief history of tourism development has also been enriched.

Similarly, in the second part of this study to increase the horizon of knowledge, researcher has reviewed various books, articles, journals and research paper written and published by different writers and scholars, and scrutinized previous research works conducted by different scholars on related subject. The tourism marketing has been studied and analyzed in terms of tourism services and its urge to reach the market consumers.

2.1 Meaning of Tourism

According to Dr. Ghosh (2000; 3) tourism is very difficult to describe. Some think of tourism as an industry, and some say it is an activity. If an industry is defined as a number of firms that produces similar goods and services, in competition with each other, then tourism cannot be conceived as an industry, because it offers complementary service rather than competing products and services i.e. the airlines, hotels and attraction industries which do not compete with each other. So, it is better to call it an activity. It is an activity that takes place when people move to some other place for leisure or for business and stay at least for twenty-four hours. Tourism and travel are not synonymous. All tourism involves travel, but all travel is not tourism.

So far as tourism is concerned, some authorities have described tourism as a system. As a system, it is viewed as consisting of inter/related parts. According to the authorities, the tourism system consists of four parts e.g. market, travel, destination and marketing. First the individual makes a decision to travel, then he thinks where, when and how to go. The second segment of tourism system analyses those choices. The destination is the third part of the system which consists of attractions and services used by the traveller and finally the destination encourages people to travel through the process of marketing (Ghosh, 2000; 3).

2.1.1 Scope of Tourism

According to Bhatia, 2002, 87-91 that the general Assembly XXIII of IUOTO (International Union of Official Travel Organization) Caracas (Venezuela) held in October 1973 recommended a study to draw a common standard and acceptable definition of domestic tourism. The following definition was put forward by IUOTO in 1974/75. For statistical purposes, the term 'tourist' designates any person who travels within the country where he resides to a place other than his usual place of residence for at least 24 hours or one night, for a purpose other than exercising a gainful activity and which may be classified under one of the following:

- Leisure activities like recreation, holiday, health, study, religion, and sport are the basic spirit of fun and entertainment.
- Business activities that are carried out with the purpose of economic involvement which includes meeting, seminars, projects, mission etc.

2.2 Motivation to Travel

Robinson (1976, 32-34) has elaborated and classified four categories of motivators. According to Robinson, the main reasons for people to engage in tourism are relaxation, health and pleasure, curiosity and culture, interpersonal reasons, spiritual purpose and professional or business reasons.

In recent years there have been a number of studies on various aspects of travel and tourism and many theories and propositions have been put forward by writers. It was mentioned at a fivefold classification of tourism, based on modes of tourists experiences, (viz. Recreational, diversionary, experimental and existential models) offered by E. Cohen, on the other hand, Valene Smith mentioned classification of tourism as ethnic, cultural, historical, environmental and recreational tourism (Tewari, 1994, 28-29).

2.3 The Travel Market

The marketing is a management philosophy which, in light of tourist demand, makes it possible through research, forecasting and selection to place tourism products on the market most in line with the organization's purpose for the greatest benefit. The definition suggests several things. First, it indicates that marketing is a way of thinking about a situation that balances the needs of the tourist (as indicated through tourist demand) with the needs of the organization or destination. Second, the definition stresses tourist research in the selection of tourist demand. Thirdly, the concept of product life cycle and positioning are useful for the proper placement of tourism products on the market and to suggest an appropriate marketing policy and strategies resulting from that decision.

2.3.1 Service Marketing Concept

The concept of "service" was recognized by writers on economics. Adam Smith, the classical economist had distinguished between tangible output (agricultural products and industrial products) and intangible output (services for these intermediaries were unproductive). But Alfred Marshall, a neoclassical economist, modified the thinking of Adam Smith and said, "A person providing a service was host as capable of giving utility to the recipient as a person producing a tangible product. Indeed tangible products may not exist at all, if the series of services performed in order to, are not made available to consumers." He argued that a service agent like a transporter or a commission agent actually provides value for the farm output and without the services of these agents, agricultural products produced in areas of surplus would be of no value. Although service sector is contributing in its own way it was not recognized as a major sector of the economy till recently (Dr. Reddy P.N., 2000, 1-3).

However, in the Nepalese context, the service sector plays an important role in the all-round development of a country. The development of the service sector in the country like Nepal not only accelerates the pace of economic growth of the country, but also supports the development of other sectors of the economy. The development of the service sector such as

transportation and communication directly influences the development of the productive sectors such as agriculture and industry.

2.3.2 Tourism Marketing Concept

The tourism phenomenon has attracted almost the entire world. Those responsible for managing the affairs of nations have universally recognized the economic advantages of tourism. It is a very important source for maximizing scarce foreign exchange earnings for not only developing countries but for many developed countries of the world. Marketing in tourism would follow the same principles of general marketing but it has some peculiar qualities. The historical approach to tourism marketing was that of endeavoring to convince potential visitors about the assets and resources of specific destinations. The product was specially the combination of attractions of destinations. In brief, the main focus was given to the product; however it did not matter whether potential visitors had any interest in such attractions. Thus the product-oriented marketing has helped to increase visitor's arrivals. But in recent years, attention has been shifted from product destination to potential destination visitor.

Seaton and Bennett (1996) identified five essential features of tourism marketing. They are philosophy of consumer orientation, analytical procedures and concepts, data-gathering technique, organizational structure and strategic decision areas and planning functions.

According to them technology is a vital component in today's tourism strategies and an essential tool in an organization's quest to compete and to surpass competitors. They also consider tourism as an international activity requiring specialized marketing skill (Seaton and Bennett, 1996, 6-7).

Tourism marketing is different from other forms of marketing because it must present an overall vision of the complete tourism product, including peripheral services from other sectors. Business success is not determined by the producer, but by the customer. The success of tourism marketing means overcoming four dimensions of marketing by achieving the targeted audience- segmentation-objectives-evaluation.

2.3.3 Feature of Tourism Marketing

Marketing of tourism product is different from marketing of physical product because a tourism product has unique features that differentiate it from the physical product. As tourism is a service industry, tourism products have distinct characteristics which differ from other physical products.

Intangibility is one of the important features of tourism industry which is different from other physical product. Tourism product is the set of all services offered to tourists during the period of visit of the visitors to the destinations. It is performance, deeds and efforts. As a result, the tourism products cannot be inspected, sampled, stored, seen, touched and tasted in advance to their purchase. This can cause lack of confidence on the part of the consumer.

Therefore the element of greater risk is involved on the part of the tourist. So to overcome risk and doubt consumers tend to look for evidence of quality and other attributes.

Perishability is the services cannot be stored and, due to the perishable nature of the tourism product, it is not sold today, it cannot be stored for tomorrow unlike other physical products and will be a total loss. As we have known if an airline seats or hotel rooms are not sold today, it is lost forever. We cannot sell them after a few days or months. The opportunity is lost which leads to a financial loss. This will adversely affect the airline and hotel business. Hence, due to perishable nature of the tourism product, the marketer has to cut down on the prices of such products during the odd season.

Tourism product is a service product, it does not move through a channel of distribution. The product cannot be transported to the consumers and consumers must come to the product to experience it. This is mostly related in the case of tourism service and destination. In such a situation, the marketing manager can adjust the fluctuation demand by offering a price reduction, price conscious target market, such as families with children, which help to alter their demand pattern in the off season.

The demand for tourism product is usually fluctuating. It can be affected by the factors like political instability, seasonal change and religion etc. The demand for tourism product varies as per the situation and season. So the marketers have to spend money for the promotion of tourism, and they have to manage the additional room in a hotel and an airline seat during the peak seasons.

In physical products, the ownership of goods can be transferred i.e. seller to the buyer, but in a tourism product, that is impossible because the consumer simply use the service. The airline seats or hotel rooms, etc. can be used by paying the bill for a particular period while the ownership remains with the proprietors, but not transferred to the service user. It is clear that ownership is not affected in the process of selling the services. The buyer is only buying the rights of service process.

The tourism product unlike physical product cannot supply within a short period of time i.e. rooms or facilities in a hotel cannot change or be built within an hour. Similarly, once the hotel property constructed to serve for specific customer segments i.e. hotel room segmented for economy type customer cannot be moved up into luxury one without considerable expenses and time. Like physical products, the service providers cannot manage within day or weeks.

One of the major features of tourism product is heterogeneity. Especially in hotel business and airline services, most of the time human services are involved in the delivery and consumption processes. It refers to the fact that services are delivered by individuals to individuals, and therefore each service encounter will be different by virtue of the participants or time of performance. As a consequence, each consumer is likely to receive a different experience. Service rendered varies from customer to customer, and sometimes the services are rendered according to the needs of the customers.

In tourism marketing most of the services are handled by people i.e. in a hotel industry the service quality is generally influenced by staff and the services offered to the guests and customers are substantially influenced by the quality of personnel. The housekeeper not managing bedroom properly, the waiter and related staff failing to maintain good quality service in restaurants and bars, the staff not decorating the rooms properly, the receptionists not showing empathy, etc. would influence the quality and image of the hotel adversely. Hence, these are the basic things which must be taken into account while providing service to the customers. A receptionist holding a telephone for a long time will certainly spoil the image of the hotel in the mind of the customer waiting for their query.

2.4 Tourism Development in Nepal

Modern day tourism in Nepal began after the dawn of democracy in 1951 A.D when the country was opened to the outside world. Successful climbing of Mount Annapurna in 1950, Mount Everest in 1953 and the coronation ceremony of the late King Mahendra in 1956 with the assembly of a large number of foreign dignitaries exposed Nepal as potential tourists' destination in the international community. Tourism Development Board was then constituted in 1957 under the Ministry of Industry and Commerce and a full-fledged Department of Tourism in 1959; which in 1962 came under the Ministry of Public Works and Transport (NTB 2000).

In the 1960s, the direct air links to Indian cities of Delhi, Calcutta and Patna made this landlocked country more accessible from the outside world and the number of foreign visitors escalates from 1,857 visitors in 1957 to 4,017 in 1969 and 9,526 in 1964. The increase in tourist arrival saw more rapid gain during the last four decades, jumping from 45,970 in 1970; 162,897 in 1980; 254,885 in 1990 and marked the highest number (491,506) of arrivals in 1999 in the history of Nepal. The resilient nature of tourism symbolizes a strong achievement for a country like Nepal, which has undergone through a decade long internal conflict and also exposed external shocks. However, the arrival of tourists in the country has crossed the level of half a million in 2007 for the first time in the history of Nepal and it has continued to be the same in the recent years (NTB 2012).

2.5 Conclusion of the Literature Review

In this chapter, the researcher has reviewed the literature on various theories and introduces a brief historical development of tourism in Nepal. This study shows that 'travel' is as old as human civilization and it is natural for human being to travel to different places to satisfy their desires. In the old age, tourism has been looked at as a journey, pilgrimage and adventure, while in the modern age, travel has become 'tourism' i.e. activities provided by an increasing number of personnel involved directly, and indirectly in the travel sector to satisfy the needs and desired of the visitors.

There are different views regarding the definition of tourism. Some say that tourism is traveling for recreation and some consider tourism as a system consisting of four interrelated parts i.e. market area where the potential buyer and seller interact with each other to sell and buy

the products and services, travel - is related to activities of tourists for entire trips, destination is a place where visitors can enjoy with its features, and satisfy the desires and finally destination encourages people to travel through the process of marketing. Therefore marketing is the process that stimulates and satisfies the need of the Human Beings. It is an integrated effort to satisfy the tourists by making available to them the best possible services. To sum up, tourism is an experience rather than a good.

Tourism may be domestic as well as international. The person who travels within the borders of his own country for leisure, pleasure and recreation and business is called domestic tourist, and the activities of the domestic tourists are called domestic tourism. On the other hand, the international tourism involves the movement of people among different countries in the world, and a person who goes outside of his/ her own country for leisure, pleasure, business etc. is called International tourist.

Marketing of tourism means marketing a service, this means marketing something intangible and it is marketing a promise. Being a service oriented industry, the marketing management of tourism should consider that the distinguished characteristics of tourism products are mostly services oriented hotel, airlines, travel and trekking guide etc. and highly perishable, inseparable, intangible, heterogeneous and the ownership is non-transferable.

Tourism in Nepal has taken different forms and shape since its origin to till date. However, the modern day tourism in Nepal began after the dawn of democracy in 1951 A.D. when the country was opened to the outside world such as, Nepal's expanding diplomatic relations, membership of the United Nation Organization and other World Organizations and the far reaching expeditions by mountaineering teams from different parts of the world. Besides this, the development of direct air links to Indian cities of Delhi, Calcutta, and Patna in 1960 increased the accessibility of Nepal to the outside world. Similarly, the establishment of different star hotels, and the formation of different private associations i.e. travel association and Nepal mountaineering associations in the mid-60s and the extension of air links to different places i.e. Dhaka, Hong Kong, Singapore, Osaka, Bombay and London in the late 1980s and in 1990s had greatly facilitated the flow of tourists in Nepal. The number of international visitor's arrival escalated from 254,885 in 1990 to 491,504 in 1999. However, due to the internal as well as external disturbances, the number of tourist's arrival fluctuated till 2006, while after the improvement of the political condition, the tourist arrival in Nepal crossed the level of more than half a million 526,705 in 2007 for the first time in the history of Nepal. In recent years the development in tourism has been improved and arrival of tourists has increased rapidly.

In the part to explore views, knowledge and ideas, the researcher has studied various important theoretical foundations of tourism and relevant literature on Nepalese perspective. Similarly, various publications carried out by different planners, researchers, experts, academicians, professionals and foreign experts published in national and international publications theories were deduced.

The present study is different from others in various forms. Generally, the present study deals with tourism marketing as service marketing and it is more concerned with the customer's satisfaction through improvement in the quality of tourism and services.

3 Tourism Products of Nepal

The nature of tourism product is different from physical product. It is the most important and crucial part of tourism. It is the product which motivates tourists to visit and experience certain things in certain destinations. The nature and features of tourism products are also described briefly in this chapter. The status of present tourism products and services of Nepal and its major strengths and weaknesses along with opportunities and threats have also been considered. The researcher has also tried to mention the views expressed by different writers and scholars about tourism products.

3.1 Ecological Resources

The Mountains are the main focal point for the international visitors. Nepal is famous for its Himalayas, with many high peaks, beautiful and attractive mountains. Peaks like Mt. Everest (8848 m), Kanchenjunga (8598 m), and Dhaulagiri (8137m) are found here and sparse vegetation is found up to 4500 m.

Kathmandu, the capital of Nepal is located in the hill. During summer the temperature reaches an average of 32 degrees Celsius. Winters are cold with temperature reaching 1 (one) degree Celsius sometimes. There are other major cities in the hill area where city is surrounded by hills.

The Terai provides excellent farming land and the average elevation of flatlands is 100 to 300 feet above the sea-level. Sub-tropical forest areas, marshes, and wildlife which include the Royal Bengal tiger, one-horned rhino, and the Gharial crocodile are found here.

There are many rivers, lakes, and ponds in Nepal. The rivers of Nepal run in north-south direction corresponding to the southward slope of the geographical layout of the country. Nepal has three main river systems, namely, the Koshi River in the east, the Gandaki River in the central and the Karnali in the west. Among them, Koshi is the greatest river and the Karnali is the longest. These rivers are also tourist attractions.

Forest is another major natural resource which has tremendous potential to attract many people of the world. Flora and Fauna both are rich and varied in Nepalese forests due to altitudinal and climatic variance. Extreme bio-diversity is noticed and vegetation types range from alpine to tropical nature making Nepal extremely rich in biological and genetic resources indicating its potentiality as a major tourist attraction.

3.2 Social and Cultural Aspects

Another important factor attracting tourists are the social and cultural wealth of a country. The Nepalese culture is remarkably rich and fascinating. One of the specific features of Nepalese culture is religious harmony between the Hinduism and the Buddhism. On the other hand

there is always unity on the cultural diversity of people of Nepal. Although there is diversity in religion, ethnic language, customs, lifestyle, traditions, and folklore of people, a plethora of colorful fairs and festivals celebrated over the year provides a feast for the eyes. These fairs and festivals are accompanied by various forms of music and dance. It is said that Nepalese people observe more festivals than there are days in the year. Most of the Nepalese festivals are of religious as well as social values and although it may be of Hindu or Buddhist origin it is celebrated in common by the people with enthusiasm. Nepal is recognized as a country of multilingual, multi religious and multi-ethnic society so that culture is also attractions of Nepal.

3.3 Art and Sculptures

Art is a mirror of the past society and the culture through which the development of human civilization of that particular society or a country could be better understood. In the history of Nepalese culture and civilization, the role of art is very significant. The art and architecture of Nepal is inspired by Hindu and Buddhist religion and culture. Nepal is famous and unique in the world in the field of arts, crafts and architecture. Actually it is said that Nepal is a land of many temples and houses of gods and goddess, gallery of ancient sculpture, painting and architecture.

3.4 Adventure

Natural scenario, landscape and physiographic are main products of Nepal for attracting the foreign visitors. The country's mountainous and hilly regions offer some of the most spectacular trekking routes in the world. While the high Himalayas make up Nepal's northern region, the southern lowland known as the Terai is covered with dense tropical jungles teeming with diverse wildlife and exotic birds. Nepal is one of the most important adventure sports. Nepal has earned a reputation as one of the best destinations in the world for white water rafting. Another adventure tourism product is hot air ballooning. The adventure of hot air ballooning is now available in Kathmandu. Mountain biking is a fast way to see rural Nepal. There are many mountains mud tracks that have created a paradise for the action biker. The ultimate thrill of a bungee jump can now be experienced in Nepal. Ultra-light aircraft flight is available for sightseeing tourism in the Pokhara Valley. Paragliding in can be a truly wonderful and fulfilling experience for the adventure seekers. Besides, other adventurous attractions such as rock climbing, zip flyer, paragliding etc. The event of Tenzing Hillary Everest Marathon is conducted on May 29, 2013 every year at Namche Bazaar solukhumbu is also famous tourist attraction.

3.5 Fun and Entertainment

A variety of tourism products are available in Nepal. This ranges from botanical gardens, sight-seeing spots such as Nagarkot, Dhulikhel, Daman and Kakani, and limestone caves. Earlier, Nepal was the only country with casino facility in South Asia. However, these days many countries are trying to establish similar concept of entertainment. People from different countries can enjoy in the casinos of Nepal. All five star hotels have a provision of Casino.

Nepal residing in between two giant countries like China and India also offer tremendous opportunities for honey moon programs and provides an image of ultimate destination for honeymooners. Similarly, amusement and recreation parks, zoos, cinema and theatres, night life and cuisine are also valuable tourism products of Nepal.

3.6 Attractive Places

There are many varieties of places in Nepal. This ranges from sightseeing spot to mountaineering and trekking to pilgrimage.

Pokhara is a popular tourist destination for the domestic as well as international holiday makers, offers a variety of natural and cultural products to the domestic as well as international tourists. Its natural ambience allows enjoying lakeside tranquility and breathtaking views of magnificent mountains such as Machhapuchhare, Dhaulagiri, Manaslu, and Annapurna at the backdrop of Lake Phewa.

Chitwan National Park is one of the best and most developed tourist areas of Nepal. It is one of the largest and third major tourist destinations. It comprised a large number of important biodiversity, endangered mammals including one -horned Rhinoceros, Bengal Tiger, Asiatic Elephant, Sloth Bear, Giant Hornbill and reptiles like the Gharial, Crocodiles and other endemic flora and fauna.

Gorkha is a scenic hill town with great historical significance. Great King Prithvi Narayan Shah, who unified the Kingdom of Nepal during the eighteenth century, was born in the township of Gorkha. It offers a panoramic view of snow-fed mountains and this beautiful township has always remained as the centre of attraction for many Nepalese as well as foreign visitors.

The famous temple of Muktinath lies in the district of Mustang. The temple is situated on a high mountain range and is visited during fair weather. During the festival of Janai Purnima, Hindu devotees gather here to pay homage to lord Muktinath. Another famous temple of Jwaladevi, the goddess of flame, is situated about hundred meters south of Muktinath. This place is very famous for Hindus and Buddhists.

Lumbini is a holy ground for Buddhists all over the world. The restored garden and surroundings of Lumbini have the remains of many of the ancient stupas and monasteries. A large stone pillar erected by the Indian Emperor Ashoka in 250 BC bears an inscription about the birth of the Buddha. An important part of Lumbini is the temple of Maya Devi. Besides its religious and historical significance, Lumbini offers cultural insights into the village life of southern Nepal.

3.7 Analysis of the Tourism Products and Services of Nepal

There are various attractions in Nepal But analytical point of views of tourism products and services of Nepal is also very important to all. Here researcher point out its strengths and weaknesses, opportunities and threats of Nepal's tourism products and services.

3.7.1 Strengths of Tourism Products and Services

Geographical wonders of the country are the biggest strength. One of the world's most incredible countries filled with geographical wonders and ethnological enigma. Everest is the world's highest peak 8848 meters and many other mountains including eight of the world 14 highest above 8000 meters peaks are present in Nepal. This geographical wonders attract tourists forever and it is a great strength of Nepal's tourism.

United Nations Educational Scientific and Cultural Organization passed a convention to protect the natural and manmade heritage of the world. Nepal became the member of the Convention in 1978 and in 1979; seven monuments of Kathmandu Valley were inscribed upon the world heritage list under the terms of the UNESCO convention concerning the protection of the World's Cultural and Natural Heritage like - Sagarmatha National Park, Chitwan National Park and Lumbini. One of the strength of tourism products are the history and architecture of Nepal. Art is the mirror of the past society. Nepal is famous in the world in the field of art, crafts and architecture.

On the account of uniqueness Nepal can be a Centre of attraction to the world as refreshment to their loneliness, and tourist can experience the heavenly joy and peace among the people with a simple life style and high thinking. Nepal has been known a mystical country where people can become a part of the experience. The people of Nepal are very hospitable, friendly, simple, honest, innocent and helpful to others. The warmth, the gentleness, the pride of Nepalese are depicted by on every street of Kathmandu, every corner of the Terai, and from the Himalayas to Pokhara, North to South of the great country.

It is also said that Nepal is a cheap destination compared to other countries. One can travel and enjoy in Nepal even by spending a small amount of money. Nepal has offered different standards of hotels, lodges and restaurants and the means of transport are also varied. However, the transportation fare and charges of star and non-star hotels, restaurants, lodges and guest houses are found to be minimum compared to other South Asian countries.

Religious practices are an important part of the lives of the Nepalese people. Especially, Hinduism and Buddhism, the two main religious harmonies are found in Nepal. It is a country where Hindus preach Buddhism and visit Buddhist Vihars and Stupas and so are the people. The cultural heritage, shown in its Hindu temples and Buddhist Stupas, the diversity of language spoken, the differences of mountain, hillside and valley folks just makes Nepal one of the most interesting places to visit in the whole world.

The study shows that about half of the UK's visitors will have visited Nepal before. They have expressed that they would like to visit Nepal due to the attraction of culture, nature and heritage. Similarly, Nepal attracts very high repeat visits from Japan, Germany, USA and Canada. They seek undiscovered and non-commercial place where they can return to Nature.

The history of Nepal tells that Sherpas are known as one of the gracious and the best known tribes of Nepal, living a tough life in the valleys to the North of the Mount Everest till Helambu in the west. The Sherpas also known as "the Tigers of the Snow" live in the Himalayan re-

gions up to an average altitude of 4570 meters. They have a suitable disposition to work as alpine porters and guides in mountaineering expeditions and they are known as the world's most famous climbers. Nepal is a famous destination for trekkers and mountaineers. The reports show that (Nepal Tourism Statistics of various years) the number of trekkers and mountaineers have increased slowly during the last few years. Even in the difficult situation of Nepal, people from different countries have travelled to Nepal for the purpose of trekking and mountaineering.

Nepalese artisans are well known for hand made products since ancient times. Nepalese handicrafts are renowned for craftsmanship. They consists of wood carving, stone works, silver, bronze and brass art works including gold and silver plated, thanka paintings, potteries, jewelries, masks and household utensils.

In Nepal there is also the facility of casino for the casino players. Nepal is regarded as famous destination for casino lovers. Every year basically, visitors from India, China and some other countries come to Nepal for this purpose and have and entertainment. Due to her different bio -diversity, people from different countries come for sport tourism like mountaineering, mountain biking, cricket, golf, elephant polo riding and others. Similarly, special interest of tour facilities like bird watching, archaeological, botanical, zoological tours, honey hunting are also the important strengths of the tourism products of Nepal.

3.7.2 Weaknesses of Tourism Products and Services

Though Nepal is a small and beautiful country; it has a major weakness that it has possessed no beaches or island, as of Maldives and no Cruise ship access. It is completely a landlocked mountainous country which lies in the southern part of the Himalayas and India and northern part of the China, and it has to fully depend upon India and China and there is no other means of travel except by land and air route. Nepal's main economic activities are agriculture, followed by manufacturing, trade, and tourism. About 70 % of the total labor is engaged in the agriculture sector (Nepal Rastra Bank, 2012).

Pollution of air, water, noise and garbage is one of the major weaknesses of tourism. There is a growing concern that Kathmandu, the capital city of Nepal has been losing its tourism appeal. In most of the busy roads of Kathmandu valley, due to the excessive noises and smoke emission from vehicles, have made the life of city dwellers as well as tourists miserable and there is a serious traffic problem in the main streets of the valley. Pollution in mountain Everest is being ruined Everest's beauty.

Environment and tourism are interdependent. They support each other. If there is no congenial environment, tourism development and promotion will be hindered. Unless the environment is conserved, the tourism industry has very little room to expand. Environmental degradation especially in Kathmandu due to the untimely collection of garbage by municipalities as well as the practice of throwing garbage and waste materials and littering on the roads by the city dwellers have made the quality tourists embarrassed greatly and they wish to shorten their tour in Nepal.

Compared to other countries due to the budget constraints it is also one of the hurdles of tourism development. Due to the lack of sufficient budget, Nepal has not been able to utilize CNN, BBC, ZTV, Star Television facilities as desired.

Though Kathmandu, Pokhara, Chitwan, Lumbini, Nagarkot and Sagarmatha National Park are the most visited areas of the country for the tourists however, Kathmandu valley has become more polluted and congested than ever- before.

It is obvious that the access of roads to potential tourist spots is extremely limited. Therefore, the road network should be well developed to diversify the tourism industry. There is also the problem of air seat capacity and lack of direct link with the major tourist generating markets in the world. There is no reliability of services of Nepal Airlines.

Another problem impeding the proper development of tourism in Nepal is concerned with provision of good hotels in different parts of the country. In some of the places tourists are compelled to have rest and to have unhygienic food served by the low standard hoteliers. Cut-throat competition among the service industries i.e. hotels and travel agencies for survival have become a common phenomenon in the tourism industry leading to competitive price cutting at the cost of the quality of service. This has made Nepal a cheap tourist destination. It is really a serious issue regarding the weaknesses of institutional infrastructure. It is not found with a clear vision to develop tourism in a sustainable manner. Lacks of education of people of Nepal are not making clear vision of the tourism development.

It has appeared as the number one concern for tourism development. Assured safety, in terms of crime, theft, murder, terrorism, harassment, natural disaster, health hygiene, sanitation and environmental hazard is the key factor for tourism development. Nepal does not have a good track record in tourist safety. Trained workers on the other hand were considered to be crucial for improving the quality of service to the tourists. There are various institutions which train workers and produces trained manpower for various sectors of tourism. Their quality does not seem to be satisfactory for a higher level of profession.

Another important factor which is very important is the service of tourist guides. Some of the tourists experienced that tourist guides were not competent to attend to the queries of inquisitive tourists about art, culture, and history of the country. Tourism is greatly made useful to the tourists, if they have the manpower of those who are well versed in the knowledge of different things and have the ability to explain in an interesting, convincing manner. Thus study shows that there is the absence of a technically sound workforce in the tourism field. Lack of knowledge about the language of different countries is also one of the hurdles of tourism development. Basically, Germany, French, Chinese and Japanese nationals are less conversant in English, and they would like to talk to others on their own language. Due to the language problem, they are found to be less interested and friendly to the tourist guides.

Market promotion is largely based on "Word of Mouth". Tourism statistic shows (2011) that about 28.040% tourists visit Nepal with the information from their friends and relatives. Nepal Tourism Statistics shows the average length of stay of tourists recorded highest of not more

than 13 days and from that point there is no increment in the length of stay of tourists. Dollar spending by tourists has been declining in recent years. The opportunities for tourists spending are also limited. The benefits of tourism have largely been reaped by a few urban centers. There is lack of effort to introduce quality village tourism and inability to diversify tourism spots within the country.

It is another problem which connotes itself as one of the weaknesses of the tourism products and services in Nepal. Lack of safety standards of vehicles and roads have led to an increase in accidents. Hardly, a day passes without the news of road accidents. Mountain flights are not 100% safer even in the 21 century due to lack of safety rules and regulations. Nepalese roads lack timely repair and maintenance. Nepal is getting dependent on donors to maintain roads. The lack of sustainability of Nepalese roads has become the biggest concern. More so, poor institutional capacity also proves to be one of the weaknesses of the tourism products and services. Efficient use of resources has been lacking in the implementation of projects in the air transport sector. Political interference in award of contracts and procurement decisions has perpetuated corruption. Institutional capacity has remained poor.

3.7.3 Opportunities of Tourism Products and Services

Nepal has got the greatest and varied concentration of wildlife, biodiversity, landscapes and culture. It is the richest country in water resources and is home to almost 25% of Hindu Kush Himalayas. Till now Nepal has 15 protected areas but not all of them have been exploited from the tourism point, except for Langtang, Everest, Annapurna and Chitwan and most of the other parks, despite their unprecedented potential to promote eco and wildlife tourism which have been untouched by tourism experience.

It has claimed that from the development of tourism, we can invest the revenue generated from tourists permit fees for the development of roads, sanitation, electricity, food and housing on the local level. Nepal has many tourism attractions and it is a virgin market where foreign investors ready to investment but lack of political stability and legal things are barriers of investment now. The development stage of tourism would create the opportunity of upgrading and controlling the quality of services through human resource management by which the quality assurance mechanism can be established including monitoring and supervision system cater to both low and high-end tourists.

Realizing the need of a full-fledged tourism policy; the government formulated the tourism Policy 1995 with a view to develop Nepal as an attractive tourism destination and other sectors of economy. The announcement of this tourism policy has also encouraged the private sector to invest in the tourism. Again for the development of tourism industry in Nepal -a New Tourism Policy 2007 was formulated by incorporating the long-term vision and broad based reform agenda of the tourism sector. The government has expressed to take certain important steps in order to increase the quality and quantity of tourists under the special Tourism Promotion Program next year. For the implementation of this program, the government will make efforts to make the special Tourism Promotion Program successful by mobilization of non-residential and honorary consulates, Nepalese students and the Community workers

abroad. The government will also use renowned Nepalese mountaineers, athletes, and others and encourage them by rewarding the brand ambassador to promote “Nepal for All Seasons” program.

It is also noted that concepts like village, eco and trekking tourism are not capital intensive e.g. Sirubari, Ghandruk, Ghalegaon, and Koshi Tappu. Because of the features like increased local and environmental preservation and cultural promotion, these kinds of tourism have become the attractions. These special feathered small places are lots in Nepal where tourists couldn't reach yet. Such kind of places will attract more tourists in future if government or tourism organization focuses for development. Encouraging to the private sector from the facilities concentrated regions to locations with less facility. The creation of facilities in other regions might open opportunities in rural areas. Nepal can regain its lost image again with the implementation of policy intervention and restoration of peace and security. Policy intervention to allow annual leave incentive for travel can improve the domestic market. Biratnagar, Pokhara, Nepalgunj and Dhangadi have the potential to be the regional centers for hosting meetings and conventions.

3.7.4 Major Threats of Tourism Products and Services

Product diversification has been one of the major threats. The length of stay of the tourists has a positive relation to the availability of various types of tourism products and activities of tourist's interest. In this connection also some of the regular visitors have remarked that Nepal has not been able to diversify the tourist products and it has been selling the same kind of products for a long time.

Tourism process refers to the formalities that have to be fulfilled by the tourists while visiting the destination. It must have been a great headache to the tourists going through all such processes, causing enormous constraints on time and dis-appointments. These formalities which cause annoyance to tourists include formalities as at airports, immigration, customs and issue of visa. Even in the matter of recreational activities for pleasure seekers and holiday tourists, the facilities offered for them are very limited than that of their expectation. Because of their age, health, accessibility of time, etc., tourists feel difficulty to pass their time with enjoyment. Nepal is famous for adventurous tourism but middle aged foreigners and pensioners can't get recreational facilities in Nepal.

There is an urgent need for the government to invest in infrastructure development to promote tourism. Basic facilities like well paved roads and sanitation have a dual purpose at the local level. It will not only help to upgrade the living condition of local communities but also promote tourism. Foreign direct investment is one of the important sources to boost up many potential areas in the tourism sector. However, there is very little information about the possible sectors where FDI Company can be attracted except for hotels, rafting and cable car. Foreign investors can invest in opening multinational chain of hotels, airports and new transportation systems like trams or metros in Kathmandu, Pokhara, and Birgunj. Foreign investment harms local culture and local environment rather than its advantages.

The government also has to scale up the total tourism budget to meet the increasing need of international demand, promotion and compete with the international market. It is also known that till now although the government has a regulation of investing 50.0 % of the total revenue back to the area from where it was generated through tourism activities, it has not been seriously implemented.

The government should not only encourage the locals to invest in local development activities, but also allow the locals more autonomy and decentralization in making decisions about development efforts to carry out choices in the area. The entire process of policy formulation of the government must now be decentralized by giving power to locally based tourism communities. It is time to pull local resources and experts and allow extensive debate, research and exchange of inputs and ideas. The local people must be made the priority while devising any policies.

The competitive strengths of India and other South Asian countries pose threats to Nepal. There is less participation of the private sector for making plans, and the policies, and it should not remain only in paper only. Monitoring and networking is very vital in policy implementation, which on the part of the government is lacking. Nepal with the end of a decade long armed conflict is passing the state of transformation. However, frequent strikes called by political parties and union related strikes have hurt the tourism business throughout the country. Even a peaceful demonstration and rally have number of times brought the entire traffic in the valley to a standstill.

3.8 Conclusion of Tourism Products of Nepal

It is known that the tourism product is a bundle of activities, services and benefits that constitutes the entire tourism experience. The product for the tourists covers the complete experience from the time the tourists leave home to the time they return back and the availability of a product is the prerequisite in the marketing function. In other words, the tourism product can be seen as a composite product as the sum total of a country's tourist attractions, transport, accommodations and entertainment, which hopefully result in consumer satisfaction. It can be entirely a man-made one or nature's creation improved upon by man, and each of these components of a tourist product is supplied by individual providers of services like hotel, airlines or other suppliers, and offered directly to the tourist.

It is important to evaluate the strength and weakness of the tourism product of the country for the diversification and position of the tourism market in the international market. Relating to the strengths of the tourism product of Nepal, it has possessed a diverse language, customs, UNESCO World Heritage Sites, favorable climate, art and architecture. Nepal is also famous as the birth place of Gautama Buddha, a cheap destination, and hospitality of the people. On the other hand, it has some weaknesses which need to be eliminated for the development of tourism. The major weaknesses of Nepal's tourism products are pollution, environmental degradation, lack of promotional and marketing activities, overcrowding in a congested area, lack of infrastructure development. However, there are enough opportunities for the development of tourism, i.e. varied bio-diversity, unexplored caves and lakes, investment

opportunities, concept of eco-tourism, and trekking tourism. Besides these, there are other opportunities like pilgrimage tourism, preservation of national heritages and implementation of new rules and regulations. The major threats gathered from the study are the lack of ability to diversify the product, procedural delay of work, breaking the rules and regulations, lack of recreational facilities for all types of visitors, inadequate physical infrastructures, lack of foreign direct investment in tourism, lack of government investment and lack of stability of the government and lack of safety and security of life and property.

4 Research Methodology

In this chapter, authors have mentioned the stages, mechanism and execution of research for the study. The qualitative research method was adapted and various stages were followed by the authors.

4.1 Qualitative Research Method

Generally, the qualitative research is a method of exploring issues, understanding the facts and answering the questions. While the organizations, individuals, scholars, students are in its pursuit, Qualitative research happens in every workplaces, study environment and in day to day life. It is the method of finding the fact and dealing with the issues. Moreover, focus groups, in-depth interviews, analysis of the content, ethnography, evaluation and the study of signs and symbols and their uses or interpretations are among the many approaches that are used, but qualitative research in its most basic form involves the analysis of any unstructured data and the data that includes: open-ended responses, literature reviews, audio recordings, pictures and web pages.

Appropriateness of the methods i.e. qualitative method or quantitative method is hard to judge by an individual or a writer without knowing the study's purpose, agreed- on uses and targeted or intended audiences. No firm rules can prescribe what data to gather or to investigate a particular interest or a problem. Basically, there is no recipe or formula in making method decisions. The appropriateness of the qualitative research method depends on:

The purpose of the inquiry is one of the main factors that dictate the appropriateness of the qualitative research. The inquiry regarding the issues determines the research method to opt. Qualitative methods enhance the study of issues in depth and detail. Operating field research without restricting the scope of the predetermined categories of analysis contributes to the depth, openness, and detail of the quality inquiry. Whereas quantitative methods require the use of standardized measures so that the varying opinions and experiences of people can be fit into a limited number of predetermined response categories to which numbers are assigned. For example: if the researcher wants to research on tourism marketing strategy of any part of the world, he/she can apply qualitative research method where researcher takes few tourism related companies for the case study to explore the facts. If researcher is to research the effectiveness of a product or a company, he/she has to go to the masses and carryout the research. Thus, the researcher is obliged to use the quantitative research in this case.

The research method selection thoroughly depends on the primary audiences. The audiences are required as per the nature of the study. Whether masses or the quality audiences are required will eventually determine the need for the research method. For the research, appropriate questions are indispensable. Questions are the heart of any kind of research. Theory-oriented questions, practical oriented questions, academic degree or specialization priorities, matters of personal interest and concern and even the passion of the researcher are the keys when it comes to the nature of the inquiry. The appropriate research method is required to meet the objectives and the nature of the questionnaires of the research.

The objectives of a research are fulfilled by the data collections. Data is a basic tool that answers the inquiry questions. The type of data that needs to be collected demands the nature of the research method. Qualitative research method motivates the data collection in the form of interviews, field observations, documents and so forth. On the other hand quantitative research methods orchestrate survey, experiments, and secondary data.

Resources play the vital role in choosing the research method for the study. Financial resources, time, human resources, accessibility and connections or networks play a pivotal role in the research method. Before choosing the method, researcher should take these factors into consideration and make decisions as per the availability of the resources.

The criteria will be used to judge the findings of the research. There are three types of research criteria. They are traditional research criteria which judges rigor, validity and reliability. And second one is evaluation research criteria which judges utility, feasibility, propriety and accuracy. And the third one is non-traditional criteria which judges trustworthiness, diversity of perspectives and clarity of voice and credibility of the inquirer to primary users of the findings.

4.2 Data Collection Procedure

Both Qualitative and quantitative data and information were collected. The researcher had prepared different sets of questionnaires to collect the opinions from different categories of respondents. At the questionnaire preparation stage, both closed and open ended format were framed to address the tourists, tourism organizations and the experts. In order to learn the in-depth perception of tourist, tourism organizations and experts, the questionnaires for them were designed accordingly.

Data and information from Alfresco Adventure Private limited company were studied. In order to know the opinion of tourists, they were enquired about the nationality, reasons of choice of Nepal as their destination, preference for mode of transport, selection of accommodation and main sources of information. Similarly, an attempt was made to know their views about the need for new product development, need for product positioning in the international market, major strengths and weaknesses of tourism products and services and infrastructure development in Nepal in the form of closed-ended questionnaire format. Like-

wise, efforts were made to know the views of tourists regarding the quality of services and facilities provided to them by different tourism organizations and valuable suggestions to improve the quality of tourism services were expected from them. The main sources of information were collected from the feedbacks, suggestions, experiences and opinions of the tourists, experts and tourism organizations.

The researchers interviewed Alfresco Company's manager as a tourism organization representative to know about the nature of tourism business, the need of product development and product positioning in the international market, and major strategies for the development of tourism products. Likewise, an attempt was made to obtain the views regarding the major concentration of marketing efforts and also attention was drawn for the promotion of tourism. As people are one of the major factors of tourism, the relationship of employers with their employee and realization of importance of human resource development were also enquired. In the same way, they were enquired to express their views about the quality of tourism product and service standard, and customer's satisfaction in the form of open and closed-ended questionnaire format.

In the same way, the third set of questionnaires were prepared for the tourism experts (Govinda Raj Oli and Sunil Sharma, Senior Officers, tourism marketing and promotion of the Nepal Tourism Board), in order to obtain the valuable opinions from tourism experts who were requested to express their opinions regarding the economic importance of tourism, infrastructure development, tourism marketing strategy and product positioning in the international market. They were asked about the responsibility of different sectors for the promotion of tourism and the value of quality of tourism services. They were also requested to express their views regarding the sustainable development of tourism and to provide valuable suggestions.

4.3 Survey Method and Study Sample

Data collection was anticipated with a questionnaire survey. One of the researchers went to Nepal (July 2012 to September 2012). He conducted of the surveys, interviews and study of the case of the concerned country. 50 of survey questionnaires were distributed to tourists, out of reach 35 feedbacks were received whereas 15 tourists out of which 10 didn't participate and 5 feedbacks were incomplete. Altogether, 70% feedbacks were received. Besides, the costumer survey, the service providers and the tourism experts (senior officers of the Nepal Tourism Board). In average, 10 questions were asked to the tourism experts and tourism service providers. The numbers of tourism experts interviewed by researcher were two, those who were the senior government employees who work in tourism marketing and its promotion in Nepal Tourism Board, Bhrikutimandap, and Kathmandu, Nepal. The interviewed lasted for around 20 minutes each.

Tourism services providers those who took participation in the interviewed were mostly the manager of travel agencies, hotel's managers and tour operator. Altogether, 3 managers of travel agencies including the manager of Alfresco Adventure Limited were interviewed. The 2

other travel agencies were Your's Tour & Travels and Deurali Tours and Travels Sundhara, Kathmandu. 2 hotel managers of the hotel Himalaya, pulchowk, Kathmandu and The Dwarika's hotel, Battisputali, Kathmandu took part in the interviews. 1 tour operator Dhani Ram Tharu, Director of Tharu culture and preservation centre and Jungle guide of Chitwan National Park, Sauraha, Chitwan. Chitwan happens to be the hometown of the researcher. Some of the interviews were conducted face to face whereas some were emailed because of the time issues with the interviewees and the answers of the queries were received by email. And the missing information was collected later on through emails during the research.

4.4 Secondary Sources of Data

The Research conducted was entirely Qualitative. The information collected was mostly in the descriptive pattern. Feedbacks and the answers collected from interviews and surveys were the prime sources of the information and data in the research. Beside this, the researcher has taken assistance from secondary sources of data. Secondary sources of data were collected from the annual report of Nepal Tourism Board (2011/2012), annual report of Hotel Association Nepal (HAN), annual report of Nepal Association of Tours and Travel Agents (NATTA). Researchers have informally communicated with the people like professors, fellow mates and tourism related professionals. In this study, every secondary source of data have played important role.

4.5 Data Processing and Analysis

The Qualitative data were collected, edited, coded, tabulated and interpreted in the appropriate formats, and a great deal of the qualitative information obtained from the study was processed thoroughly, and documented as precious information. Microsoft Office Excel was used to analyses the collected data from the field survey. Descriptive statistics like average and percentage were used to analyze the data. Tables and graphs were used to compare the data. The primary data were processed in a percentage of total response. The questionnaires and interviews were tabulated along with the frequencies and percentages. Tourists were segmented basically on the basis of their demographic, geographic, product base and expenditure level, to find out the need and preference of target market. The problem and prospects of tourism were assessed on the basis of SWOT analysis.

4.6 Measurement of Variables

In the first set of the questionnaire, the demographic features that consists of 3 items which orchestrates the status of the respondents namely age, gender, ethnicity, demography, purpose, motivation, agents, infrastructure. In order to measure the perception and verdict of the respondents, where measured by four point agreement scale in the other section. Those are " totally agree", "agree", "disagree" and " totally disagree". Andereck K.L. (2005, 1064) suggests that the "neutral" or " do not know" or " do not have any idea" category should be

omitted because participants' perceptions and verdicts rather than factual knowledge were meant to be measured.

4.7 Validity and Reliability

Researchers have given immense priorities to the reliability of the questionnaires and survey materials. The questionnaires were based on the subject matter and they represent the facts and the purpose of the study. While preparing the questions, high focus was given to the ethical perspective of the study. Those questionnaires were avoided that were of harmful or offensive and bias nature. All the target groups could easily understand the queries made by the researcher because of the simplicity and clarity that was adopted while preparing the questionnaires. Validity is the reliability and consistency of the results of the field research. The data and information received from the research has the challenge of various factors. The authenticity and the practicalities of the subject determine the value of the result. Valid result only gets accepted otherwise it fails miserably. So as to make the result valid the researchers have undergone through the measurement of the reliability and practicality of the result. The genuine opinions were considered and offensive or irrelevant results were avoided. Out of the topic results were synchronized and somehow irrelevant issues were seriously dealt and the researcher had tried to find out the reason for such aggressive results or opinions as per to make the information valid.

5 Case Study

The main aim of this chapter is to give general information of Alfresco Adventure Private Limited. The company had been the case study of the authors during their study and research. Alfresco Adventure Travel Company has been established by the tourism professionals, who have been working in Nepal tourism sector for more than 15 years. The company was legally established in 19th of March, 2010. The company is registered with the office of the Company Registrar No. 71502/066/067, Domestic & small cottage industry NO. 11868/412, Taxation registered (PAN) No. 304222816, Tourism ministry License No. 1573 & Nepal Rastra Bank. It is processing to affiliate with NATTA, PATA, TTDC, IATA & more.

Alfresco Adventure Travel is an adventure Organization in Nepal that deals with trekking/hiking, climbing expeditions, tours, white water rafting, safari, filming, and research programme in the Himalayan land of Nepal. The company claims that it is fully aware of the potential of the country to offer the adventurous extravaganza. It runs a number of environmentally/conscious programme to suit all tastes and abilities from fully outfitted treks complete with guides, porters cooks, tents, mattresses, provisions and Portable toilets to make and dismantle the camp for 'off the beaten trek' to the value-oriented 'Lodge'. The company also claims that their main priority is the safety of the customer. The travel company provides services regarding the hotel facilities as per the budget of the tourists and the company provides guides facilities for the non-English speaking tourist, for example, Japanese, German, French, Spanish, Italian etc.

5.1 Market Analysis of the Company and Its Market and Demand Expectation

As every organization, Alfresco Adventure Travel Company carries out bulk of tasks to analyze the desires and demands of its customers. The CEO MR Gautam Wagle said that the company gives high importance to study the customer and their background, education, income, preferences, likes and so on and so forth. Gautam further shared us that the business situation of the company is improving gradually as it was adversely affected by the political instability and strikes that was undergoing throughout the country for a long time.

The company specially focuses on increasing the Americans, Europeans, Australians and Indo-Asian as they are the prime tourists that come to visit Nepal. The company estimates the total customer and the market based on the varying backgrounds, education, income and the preferences. The customers are divided into the special category-

- Students & Professionals Travel Traded Members
- Corporate and Business Travel Decision Maker
- Leisure and Holiday Travellers

The market analysis is carried out based the categorization of the customers. The study as claimed by the company is done with the quality research and with the use of modern technologies.

5.1.1 Marketing Plan of the Company

The Alfresco Adventure Travel has a very simple marketing strategy to figure out the opportunities and threats to create a conducive network that can analyses the market position, target customer groups, customer's desire and expectations. The company's objective is to develop the innovative and creative strategies in order to successfully access the target customers, tourists and audience. The company accepts that it is really a tough ask to reach the global clients using the poor and immature technology that exists in Nepal.

The Alfresco Adventure Travel has appointed agents to promote its business within and outside the country. It uses the promotional tools like banner, hoarding board, Flyers, brochures, websites, blogs, etc. Both electronic media and printed media are used for the promotion. The company has designed their website for the marketing purpose. The company promotes its business inside the country through advertisements in the leading dailies and travel trade publication. For its international marketing the company organizes country-wise direct mail campaign for inviting trade visitors, holiday travelers and so on. For the advance publicity the company goes through press briefing.

5.2 SWOT Analysis of the Marketing of Alfresco Adventure Pvt. Ltd.

The researchers had a deep study and research about the Alfresco Adventure Pvt. Ltd. The company is run with small scale of tourism services. The problems and the opportunities of the company depend upon national situation of tourism. The strengths, weaknesses, opportunities and threads of the company are listed below.

Strengths

- Tourism potentiality of the country is the biggest strength for marketing.
- There are huge numbers of interest groups.
- The Nepal is an ideal destination for Adventure oriented packages.
- Uniqueness is the promising factor for the promotion and marketing.
- The country has the cultural and religious diversity.

Weakness

- Lack of adequate infrastructures e.g. transportation, communication, technology, electricity, health services, etc. are major setbacks for marketing.
- Political instability e.g. strikes, malpractice in immigration, vandalism are challenges.
- The country is financially backward.

Opportunities

- There is rise in quality education.
- There is huge development in technology.
- Nepal is getting more diasporic than ever before.
- Nepal is gaining gradual political stability.

Threats

- There is illiteracy prevailing all over the country.
- Lack of good Governance is a major threat.
- Poverty has also the negative impact for marketing and promotion.
- Third world factor is a major concern for promotion and marketing.

6 Empirical Analysis of Tourism Service Marketing and Development Efforts

The evaluation of tourism service marketing and development efforts being initiated by various segments of tourism industry to promote tourism in Nepal has been conducted both on the perceptive basis as well as secondary data and information. In this chapter, an attempt has been made to assess the tourism development and marketing efforts on the basis of views and perceptions collected through the questionnaires and interviews with the tourists, tourism business organizations and tourism experts.

6.1 Results from the Survey of Tourists

In this section, an attempt has been made to analytically present the interviews conducted with tourists visiting Nepal during June, July and August 2012. The component of interviews includes the situation of Nepalese tourism services, tourism products, and facilities available and problems.

Altogether 35 tourists participated in the survey. This is the results of the profile of the tourists, the services they used, the opinions and the suggestions as well as the strengths and weaknesses of Nepal tourism products and its positioning. The results and their opinions are tabulated and presented in the form of percentage as per the requirement.

Table 6.1 represents the region-wise distribution of tourists. The profile of the tourists who were interviewed in the course of this study is presented here under. Altogether 50 tourists were interviewed, out of which only 35 tourists participated. They were interviewed in two places i.e. Kathmandu and Chitwan of Nepal. Chitwan happens to be the home town of one of the researcher. The proportionate share of the tourists on the basis of regions reported 37.14% (SAARC countries), 20% (other Asian countries), 14.29% (Western European), 11.43% (North America), 8.57% (Eastern Europe) and 2.86% (Asia Pacific), while 5.71% were from others countries.

Table 6.1 Region-wise distribution of tourists

Among 35 tourists interviewed the proportionate shares on the basis of the regions are shown in 6.1.

Regions	Number	Percentage (%)
Asian(SAARC)	13	37.14
Asian(others)	7	20
Western European	5	14.29
Eastern European	3	8.57
North American	4	11.43
Asia Pacific	1	2.86

Others	2	5.71
Total	35	100%

Source: primary survey, 2012

Table 6.2 represents the country-wise distribution of respondents. Of the total tourists surveyed during the year 2012, the highest represented from India (28.57%) followed by Japan (14.29%), and USA (11.43%). Germany and Sri Lanka represented (8.57%) each. China, Britain, Poland and Brazil were (5.71%) each. Similarly, Australia and Russia represented (2.86%) each.

Table 6.2 Country-wise distribution of respondents

Country	Number	Percentage %
Australia	1	2.86
Brazil	2	5.71
Britain	2	5.71
China	2	5.71
Germany	3	8.57
India	10	28.57
Japan	5	14.29
Poland	2	5.71
Russia	1	2.86
Srilanka	3	8.57
USA	4	11.43
Total	35	100%

Source: primary survey, 2012

Table 6.3 represents the age-wise distribution of tourists. Of the total respondents surveyed, a majority of them (40% occupied by the mature age groups between 31- 45 years, followed by the age group of 46-60 years (37.14%) and the age group of 16- 30 years (17.14%), while the age group of 61 and above represented 5.72% and 0-15 years reported to (0.00%).

Table 6.3 Age and gender-wise distribution of the respondents

Age groups	Male	Female	Total	Percentage %
0-15	0	0	0	0
16-30	6	0	6	17.14
31-45	8	6	14	40
46-60	6	7	13	37.14
61 and above	0	2	2	5.72

Total	20	15	35	100%
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Source: primary survey, 2012

The table 6.4 represents the purpose of visits of respondents. Of the total respondents surveyed about 40% arrived to Nepal for holiday and pleasure, followed by trekking and mountaineering (28.57%), pilgrimage (2.29%) while 2.86% came to Nepal for official visits and (14.29%) came for other purposes such as honeymoon, research etc. This shows that holiday and pleasure represented the highest percentage. So, it is suggested that Nepal should be declared as a holiday and pleasure destination for tourists linked with trekking and mountaineering, pilgrimage and others.

Table 6.4 Purpose of visit

Purpose of visit	Number	percentage %
Holiday and Pleasure	14	40
Trekking and Mountaineering	10	28.57
Pilgrimage	5	14.29
Business	0	0
Officials	1	2.86
Conference	0	0
Others (research, study, Health, honeymoon, ETC)	5	14.29
Total	35	100%

Source: primary survey, 2012

Accommodation is one of the vital infrastructures for the development of tourism. Regarding the query raised on preference for the selection of accommodation, the table 6.5 represented that five star hotels were the choice for none of the tourists interviewed by the researcher. While 2.86 per cent preferred four star hotels, 28.57 per cent preferred three star hotels, 20 per cent opted two star hotels, whereas only 5.71 per cent showed interest in one star hotel and about 42.86 per cent stayed in non-star hotels. It is also observed that none of the tourists with their friends and relatives, apparently many of the tourists travelled to the country side as a volunteer and preferred home stay. The data related to the tourists those who preferred for were not possible to achieve as qualitative survey was carried out only in the Kathmandu valley. Eventually, this shows that the majority of tourists prefer to stay at non-star hotels and it is also noticed that tourists always do not stick to only one type of accommodation. They shift to different types of star and non-star hotels. These shows that majority of tourists preferred to stay at different types of star and non-star hotels in Nepal. So,

the different types of tourist interest accommodation facilities should be developed in different places of the country.

Table 6.5 Types of Accommodations preferred

Type of Hotels	Number	Percentage %
5 stars	0	0
4 stars	1	2.86
3 stars	10	28.57
2 stars	7	20
1 star	2	5.71
non-star	15	42.86
tourists living with friends and relatives	0	0
Total	35	100

Source: primary survey, 2012

Table 6.6 exhibits help for the selection of accommodation. With reference to the query to the respondents regarding the help for the selection of accommodation, about 62.86 per cent of tourists were helped by travel agents for the selection of appropriate accommodations for them. Similarly, 20 per cent were helped by hotel chains, and few were assisted by their tour operators as well as tour operators of Nepal. Others were helped by their friends and relatives. This indicates that travel agents have a greater role for the arrangement of suitable accommodation for the tourists.

6.6 Help for the selection of Accommodation

Help for Accommodation	Number	Percentage %
Travel Agents	22	62.86
Transportation Agents	0	0
Tour Operators of Nepal	2	5.71
Tour Operators	2	5.71
Hotel Chain	7	20
Other (friends & relatives)	2	5.71
Total	35	100

Source: primary survey. 2012

Table 6.7 reveals the mode of transportation used by tourist. Nepal being a landlocked country it has no water route, particularly the sea route for passenger traffic. The physical features of Nepal are such that barring India it has almost insignificant land connectivity for the purpose of transport. So, the international tourists have the only option of air route to land in Nepal. Alternatively, they may plan to visit India from where they can take the land route to Nepal, since international tourism in Nepal is heavily dependent on air services.

Of the total respondents, about 82.86 per cent favored traveling by air, while 17.14 per cent enjoyed traveling by land. This shows that air service is the safest and fastest means of transport, and most of the international tourists would like to arrive in Nepal through the air route. However, due to the difficulty in getting an air ticket, tourists (especially Indian those who live in border areas) have to come to Nepal via different borders like Birgunj, Bhairahawa, Kakarbhita, Kodari, Nepalgunj, Mahendranagar, and Dhangadhi etc. It appears that tourists arriving by land routes are increasing at a higher pace, however the dominance of the air route still continues.

6.7 Mode of Transport

Mode of Transport	Number	Percentage %
Air Transport	29	82.86
Land Transport	6	17.14
Total	35	100

Sources: primary survey, 2012

Table 6.8 indicates the sources of the information of respondents. Regarding the main source of information, about 37.14 per cent respondents agreed that their friends and relatives were the main sources of information for their traveling, followed by travel agents 22.86%, their prior visits 14.29 %. Trade shows and fairs, and information technology (internet, fax email) helped 8.5% each to travel to Nepal. Whereas, 5.71% were informed by newspapers and magazines and 2.86% tourists were acquainted by guide books. However in particular, this shows that friends and relatives were the main source of information, followed by travel agents, prior visits, newspapers and magazines, and guide books.

The study shows that the overall word of mouth and personal recommendations from their friends and relatives were the main sources of information for tourists coming to Nepal. Guide books are also important for package tour visitors. Travel agents are highly important, more so than any other sources.

Table 6.8 Sources of Information of Respondents

Source of Information	Number	Percentage %
Friends and Relatives	13	37.14
Travel Agents	8	22.86
Newspapers and Magazines	2	5.71

Televisions and Radios	0	0
Guide Books	1	2.86
Tourist Office/Embassy	0	0
Prior Visit	5	14.29
Business linkage	0	0
Trade shows and Fairs	3	8.57
Airlines	0	0
Others(internet, email, fax)	3	8.57
Total	35	100

Source: primary survey, 2012

Table 6.9 shows that 31.43 per cent respondents suggested that Nepal should concentrate in pleasure tourism followed by adventure (22.86%), cultural (17.14%), pilgrimage (11.43%), nature (8.57%), and sport tourism (5.71%), while 2.86 per cent suggested others i.e. agro tourism, voluntary, and Ayurveda tourism etc. As Nepal is one of the most attractive countries in the world, the grandeur of the natural scenery from the high mountains to the tropical low land is coupled with a population of diverse, friendly, ethnic and caste groups. Thus the study suggests positioning the market of Nepal into pleasure, adventure, and pilgrimage tourism linked with nature and sports tourism in the future.

6.9 Products Positioning in the International Market

Area of Tourism	Number	Percentage %
Pleasure Tourism	11	31.43
Adventure Tourism	8	22.86
Cultural Tourism	6	17.14
Pilgrimage Tourism	4	11.43
Nature Tourism	3	8.57
Sports	2	5.71
others	1	2.86
Total	35	100

Source: primary survey, 2012

Referring **table 6.10**, In terms of need to the tourism product development, the tourists tend to strongly agree on preserving and presenting the authentic products. Moreover, they strongly agreed on modifying products and well as combing products or developing its features so as

to enhance the effectiveness of the products for the tourists. Tourists' verdict was huge in terms of the presentation or the language while buying or using the products and promotion was also a big issue for the tourist as they thought that Nepal being such a rich nation in terms of natural beauty should uplift its marketing standard. Apparently, very few tourist disagreed on those development needs for the new products. This shows that regardless of the fact that Nepal has tremendous tourism products to offer, it has May drawbacks when it comes to infrastructure, marketing and communication and technology.

6.10 Need of Product Development

Items	Strongly Disagree	Disagree	Agree	Strongly Agree
Develop New products	6	16	13	0
Preserve and Present as it is	0	0	14	21
Modify Products	0	2	10	23
Combine or Develop product feature	0	3	22	10
Market it properly	0	0	6	29
Understandable language while presenting the products	0	3	2	30

Source: primary survey, 2012

Referring **table 6.11**, In terms of the strengths of the current tourism products of Nepal, Tourists tend to strongly agree about uniqueness and historical and cultural wonders of Nepal. Most of the tourists felt that Nepal is worth visiting again as it has immense potentiality in natural beauty, flora and fauna, wild life and amazing land structures. Moderate climate fascinated most of the tourists whereas very few tend to disagree about it. The travelers found Nepalese people very hospitable and their ethnical diversity fascinated them. As a result, they found emotional factors really high which made the value for the money they spent. Nepal being a land locked country with lots of valleys, hills, and mountains, many tourists found it discomfort able in mobility but some of them tend to disagree on this. Nepali tourism market and customer service didn't attract many tourists as they didn't find competitive value amongst the service providers.

Table 6.11 Strengths of Present Tourism products of Nepal

Strengths	Strongly Disagree	Disagree	Agree	Strongly Agree
Uniqueness	0	0	0	35
Repeat Value	0	1	25	9
Favorable climate	0	4	16	15
Emotional Value	0	0	0	35

Diverse Ethnic Culture	0	1	7	27
Value for Money	0	4	0	31
Location	0	10	7	18
Competitive Value	9	16	7	3
historical and cultural factors	0	0	11	24

Source: primary survey, 2012

Table 6.12 shows that tourists tend to agree that Nepali tourism products do not have good preservation mechanism. The valuable properties are being taken care with less effectiveness and carelessness of the government has to be blamed for this. Although, the major cities, for example Kathmandu is hugely populated, other cities and tourism spots are not congested for the travelers. Big cities are polluted and the air, water and solid waste management is poor but some tourists agreed that many other places are completely pollution free. The tourist agreed that Nepal lacks quality in terms of customer services not because of the poor quality of the products but because of the lack of technology and communication infrastructure. The visitors tend to disagree that Nepal has limited products but very few agreed as limited infrastructure has completely out played its potential as far as products are concerned. Most of the visitors tend to agree that Nepal doesn't have good national transportation and there are many places which are unexplored.

6.12 Weaknesses of Tourism Products of Nepal

Weakness of Tourism Products	Strongly Disagree	Disagree	Agree	Strongly Agree
Lack of preservation	0	0	18	17
Congestion	9	19	7	0
Lack of quality of products and services	0	11	18	6
Limited products	0	21	9	5
Unreliable national carrier	0	0	5	30
Unexplored areas	0	5	30	0
Weak infrastructure	0	0	0	35
Pollution of air, water and solid waste	0	11	17	7
Lack of competitiveness	7	3	16	9

Source: primary survey, 2012

Table 6.13 shows that In terms of attractive factors for visiting Nepal, most of the tourists tend to agree that climate, nature beauty, trekking and mountaineering, peace , birth place of Buddha, and hospitable people are the most promising factors for the travelers to visit

Nepal. Whereas, some of the tourists tend to disagree that Nepal is worth spending money because of various factors such as lack of infrastructure, non-accessibility, insecurity, and lack of modern technologies. And there was mixed reaction upon religion as the reason for the attraction for tourists. Tourists mainly from India and China tend to agree that religion is main attractive factor because Nepal has Hindu pilgrimages and Buddhist monasteries as the founder father of Buddhism Lord Buddha was born in the country.

6.13 Attractive factors for visiting Nepal

Attractions	Strongly disagree	Disagree	Agree	Strongly Agree
Climate	0	4	28	3
Nature Beauty	0	0	0	35
Trekking and Mountaineering	0	0	28	7
Peace and quite	0	3	20	12
Birth place of Buddha	0	0	0	35
Historical and Architecture	0	0	30	5
Friendly people	0	0	0	35
Value for money	0	17	10	8
Religion	0	10	3	22

Source: primary survey, 2012

Table 6.14 referring, in terms of quality of tourism products and services in Nepal, the tourists who used various kinds of services and products were interviewed. Very few of the tourists interviewed stayed in 5 star hotels were most of tourists used other normal hotels for their accommodation. The visitors were mostly satisfied with the facilities of the hotel as per the standard they seek and money they paid. But, they were plenty others visitors who were somehow not satisfied although they did not have anything to complain about. Very few visitors were disappointed by services they got in the hotel. As far as travel agencies were concerned visitors were mostly satisfied although they didn't say that the best quality was provided. Airlines services were quite satisfactory but national land transportation was poor as per interviewees. Catering services got mixed reaction for the tourists and some few of them conferenced that services was below par. Communication and Technology; and government facilities for example legal formalities regarding residence permits and other security concerns were found to be of low standard. Health and security didn't appeal the visitor as they were complaining about very basic things such as drinking water facilities, vaccination facilities, etc. The tourists were mostly satisfied and didn't complain much about the product packages that were offered to them during the stay in the country. Overall, from the survey

the conclusion can be drawn that products and services were not able to satisfy visitors immensely but it wasn't worst.

Table 6.14 Quality of tourism products and services

Services	Highly Satisfied	Satisfied	Fair	Less Satisfied	Poor
Hotel	5	15	13	0	2
Travel agencies	0	22	6	7	0
Airlines	0	15	17	3	0
Land transportation	0	0	11	17	7
Catering Service	0	12	14	5	4
Communication and Information Technology	0	0	9	16	15
Government facilities (formalities)	0	0	8	18	9
Health and Security	0	9	19	7	0
Product Packages	4	15	12	4	0

Source: primary survey, 2012

6.2 Results from Interviews of the Tourism Related Organizations

To assess and evaluate Nepalese tourism marketing efforts, an intensive interview with the travel trade business organizations was conducted. A total of 6 business organizations i.e. hotels, travel agencies and tour operator were interviewed. This included 3 travel agencies, 2 hotels, and 1 tour operator. An attempt has been made to identify and present the existing marketing situation, policies, marketing efforts and problems as perceived by the business organizations.

Table 6.15 Status of Organizations

Types of Organizations	Number	Percentage %
Travel Agencies	3	50
Hotel	2	33.33
Tour operator	1	16.67
Total	6	100

Source: primary survey, 2012

6.2.1 Product Development Needs

Nepal being a potential tourism market has been lacking in its promotion, operation, execution, and management. The service providers were interviewed and they gave explanations about what is going on and what factors and areas should be upgraded and uplifted so as to enhance the better product. Since researchers interviewed only 6 service providers, the following strategies are drawn from their mutual opinion.

All 6 organizations have the common opinion about the government. As a developing nation Nepal has many challenges in formulating plan and policies to uplift the tourism sectors. And the plan also is not being implemented which is worry for the organizations.

The organizations mutually agreed upon the uniqueness feature of the country's tourism and further focused on presenting it to the world as it is. They had the opinion that if the products are marketed as per their original significance, the more effective and profitable is the business.

The service providers focused on the fluctuating taste and the demand of the tourists. The new trend that has been seen in tourism around the world lately has also been a challenge for them. As per to meet those demand, expectations and challenges, the organizations opined the need to modify the products for the specific groups and specific trend.

Service providers focused on the monotonous nature that has ruined the tourism industry up to some extent. In order to eradicate such issues or problems, they suggested the product need to be change time to time. For example trekking route for the trekkers are always same which can be changed and packages for instance entertainment, amusement etc., can also be incorporated.

The organizers embarked up on need to combine product features so as to add the value of travel and to get read of monotonous activities. For example, the religious travel those who come to visit pilgrimage Kathmandu can also be given a change to visit the jungle near the city or go for adventure near the valley.

The organizers main focus was on the issues related to women, children and old people during the travel. Those group of people have to face challenges in the country like Nepal where geography itself it is a big challenge. So as to meet this challenge and to eradicate the problem, firm and concrete plan and policies need to be formulated. For example, Nepal has several adventurous spots where it lacks quality amusement park, Fun Park, children park etc., which can make travel more fruitful and relaxing.

6.2.2 Nepal's Tourism Product Positioning in the International Marketing Arena

The researcher asked the service providers about Nepal's tourism and its products positioning in international marketing arena. As per the service providers Nepal possesses several tourism opportunities. Nepal having such potential in tourism still lacks proper marketing strategies, marketing infrastructures and promotion of its products. Pleasure tourism, adventure tourism, culture based tourism and nature based tourism are the prominent attractions of the country. It has not been able to attract as many tourists as its potential should have attracted. The organizations those who provide services were worried mainly on the incapability of the country to attract the foreign visitors. Nevertheless, their studies and research suggested that Nepal is popular country in terms of tourism in an international arena. People across the globe see Nepal as pleasure, adventure, religious, nature based and culturally diversified destination to travel regardless of the fact that not enough promotion and marketing have been carried out.

6.2.3 Product Development Strategies

Product development strategies are the basic tool for the product enhancement. The organizers were reluctant to share their private policies and strategies but they shared basic strategies with the researchers. All the service providers agreed and suggested following strategies.

The organizers agreed on the need of the product development. In order to develop quality product they emphasized on crucial strategies and policies that would enhance the standard of the services they would provide to the target groups inside and outside of the country. The service providers mutually suggested that the improvement of quality of the product and services play vital role in the overall development tourism industry. Hence, they were concerned about the impression of the product and services in international market.

The organizers were excited about the unexplored beauty that country has but never was highlighted. As per them, the tourists mostly visit Kathmandu, Mount Everest and Pokhara whereas all the other places that are full of natural wonders are left unnoticed. They were eager to suggest the tourism board about addition of several areas which are unexplored. Service providers during the interview were worried about exploited has been done in last decade mainly because of decade long civil war. Many historical and cultural heritages were destroyed which effected whole tourism industry badly. The concern they shared with the researchers are about the government and the citizen's role in maintaining and safeguarding the national and symbolic heritages and properties.

The organizers lamented on the brain drain of the manpower that the nation is facing these days because of the migration of the educated citizen to the developed countries. They suggested that there should be movement of educating professionals. They further suggested that there should be an effort made from the government to bring educated citizen back to the country. The institutions those who are responsible for producing tourism professionals should be more innovative as per the service providers. They further focused on the need of developing the level of practical education, language trainings, and information technology

based curriculum. Service providers all in all suggested uplifting the level of education so as to produce the quality manpower in the industry. The organizers felt that there is a need of continuous research and studies so as to get updated with latest trends, demands, tastes, preferences, and expectations of the travelers. They further felt that research not only from the government sectors but also from the private sectors needed to be carried out.

All the organizers strongly felt the urge of the mutual co-operation amongst the government and the private sectors. They said this will not only strengthen than the tourism industry but also will give a foundation for the all the stakeholders, travelers, agents, and the service providers. The organizers suggested that the quality of the marketing and promotional strategies should be done in more scientific way taking the emerging trends, and expectations of the travelers into consideration. They felt that this should be done by both private and public sectors.

6.2.4 Concentration of Marketing Effort and Tourism Promotion

Researchers asked the organizers about the procedure of marketing effort and tourism promotion so as achieve effectiveness in promoting tourism. The organizers felt that the plans and policies and its implementation should follow the following mechanism.

National level step is a pioneer to tourism promotion in Nepal. It should mainly focus the domestic arena and its target is to promote tourism within the country. It is a mechanism for promoting the national assets but at the same time it should educate the citizen about the preservation, maintenance and wise utilization of the assets. Another step is international level of tourism promotion. This step is crucial tool that defines a passion of the nation for tourism. It should focus basically the international citizen but at the same time it has the challenges to compete with the emerging trends, expectations, and the demands of the consumers. It is critical as well as the significant step that will decide the future of the tourism industry of the nation.

The organizers mainly focused on two specific target markets i.e. China and India in context of Nepal tourism as they are biggest consumer. They felt the need of realizing and finding the target market and promoting tourism products as per their need and expectation. This will not only increase the number of tourists but also will create a niche in tourism industry. The service providers felt that there is always an emerging new market which needs to be recognized. If new potential new market is not recognized, the overall market will never flourish. They said this is the biggest challenges Nepal is facing right now. The country is known all over the world for its potential in tourism but the lack of capability to recognize the market has forbidden new opportunities and probabilities of overall tourism business future.

6.2.5 Area of the Attention for the Promotion of Tourism

Researchers interviewed six service providers and asked the area of attention that they pay while promoting their products. They also suggested the attention to be paid for the promotion of tourism. The suggestions are listed below as per the priorities they have given. As per the service providers the development of the airlines is first priority that should be given to promote the tourism. All the service providers agreed that the accommodation, sanitation services should be upgraded. The services like immigration, customs and other official issues should be carried out in fast and effective manner. The infrastructures like road transportation, bridges, electricity, internet, etc. should be upgraded and these services should be used as a tool for the promotion of the tourism in Nepal.

6.2.6 Reliability of Media

Tourism service providers were asked about the reliability of media on tourism in the context of Nepal. Most of the service providers answered that word of mouth is the most reliable tool that promotes tourism in the context of Nepal. Friends and relatives and email and internet are the second and third most reliable tool for the promotion. Travel and trade journals, television, magazines, and radio have also played the major roles in promoting tourism as per service providers.

6.2.7 Efforts initiated by Government

Tourism service providers agreed mutually on the shallow role that the government has played in uplifting standard of Nepal tourism. But they also agreed that the government has been playing crucial role in decision making and executing which is not enough. When researchers asked the organizers about the initiative that should be taken by the government, all of them agreed on the efforts that are to be made which are described below.

Government is the most powerful decision maker in any sectors of the nation. Hence, promotion of the destination of Nepal would only be effective if the government takes big step towards it. Basic infrastructure such as transportation, communication, and security are the responsibilities of the government. Without improving the basic infrastructures, promoting tourism is useless as entire tourism industry is dependent upon infrastructures. So the most important step that government has to take to improve Nepal tourism is to create conducive infrastructures. Nation should empower the stakeholders of the tourism industry. Permission should be granted as per the promotional strategies of the stakeholders. There are various supports that government can give to the tourism organizations such as security, flexible rules and regulations etc.

The nation can support the tourism organizers financially or with moral support. The government can empower local tourism organizers which will result in overall growth of the national tourism. For example, when the domestic tourism gets develop, it results in in preservation, good utilization of resources and financial prosperity. Nation should participate

in fairs and exhibitions and co-operate with international organizations and foreign government. This will be a breakthrough for domestic tourism organizers. This will motivate the tourism organizations to take big decision and promote the country in more effective ways. Government has the only power to mobilize embassies. Thus, the embassy should also be utilized for the tourism promotion along with the diplomatic activities. This will make the process of promoting national tourism in an international arena more reliable and effective.

The preservation, utilization of resources, promotion, and infrastructures development require adequate amount of capital. For this the government can play a great role by increasing the budget for tourism development. The problem in Nepal tourism these days is that it has been able to attract many tourists but the waste management is very poor. The other problem is the wild life and the jungles are not being preserved and utilized in proper way. There is various problems cause due to the poor management strategies toward environment. So the organizations claimed that the government role toward managing environment should be are serious and strategies have to be made according. Since tourism is a huge industry with various people are engaged. People all over the world with various cultures, values, and beliefs come to Nepal. For mobilization of country's tourism clear plans and policies are to be made by government. There should not be incomplete rules and regulations which will lead to toward unpleasant condition. Therefore government should come up with clear vision and policies which will mobilize tourism industry not only in domestic arena but also in international arena.

6.2.8 Importance of Human Resource Management in Tourism Organizations

All the tourism organizers agreed that human resource management is biggest issue in the tourism industry of Nepal. They further shared that the level of human resource is not up to the mark. When researcher asked the reason for human resource not being effective, the service providers mentioned various factors responsible for it. For example, sound education and knowledge about the field, level of motivation and proper management of the human resources are the prime pillars of development of the human resource in any industry. Service providers suggested the researcher few strategies which are listed below:

- Selection of the employee should be done on the basis of merit and there should not be any bias during the recruitment of the right person in right place.
- The employee should be facilitated with trainings and scientific way of coaching.
- Right person is always motivated but there are certain factors that need to be incorporated so as to maintain the same level of motivation for example good salary, flexible working hours, bonus, and good working environment.
- The service providers agreed that the proper management is the only way to achieve success and mobilizing human resource in a proper way. Therefore, a good administrative environment, well executed plans and policies and visionary decision

should be made by the managerial sector.

6.2.9 Nepal's Marketing Efforts of Organizations compared to competitive countries

All the tourism service providers interviewed were less than satisfy with the Nepal's tourism marketing efforts compare to competitive countries. They said decade long civil war has destroyed the infrastructures which are not yet rebuilt and recovered. The poor economy of the country has played an immense role in over shadowing the entire country's industries. Information and technology has not been developed as a result technical side is worst. Nepal has not been able to sanction the adequate budget for tourism as a result the industry has to compromise in marketing and promoting reason. Lack of good education, advance training and human resource management has also affected the marketing and promotion of Nepal tourism. When the country is failing badly in terms of economy and political stability, tourism organizers also had to face the adverse effects.

6.2.10 Suggestion to Tourism Development and Promotion

The tourism business entrepreneur had provided various suggestions to promote Nepalese tourism in the international arena. The highest proportion of respondents emphasized the need to improve promotional and marketing efforts to project Nepal at the international level. In this field, the respondents suggested to promote Nepal as a multifaceted and unique destination like, leisure, culture, adventure and natural beauties through massive advertisements in international travel trade magazines, internet and participation in travel fairs and exhibition in abroad. Some of them have suggested increasing the security of tourists and trying to keep peace in the country. They have also suggested that there should be enough infrastructure development like arrangement of an alternative international airport and standard accommodation facilities in different parts of the country. Similarly, some of them have suggested focusing in uniqueness of natural beauty and exploring the adventurous area which would prove to be a new destination for the tourists. Regarding the suggestion to promote international tourism in Nepal, a few of them have advised to improve the conditions of roads and linking to the remote area and they also emphasized to maintain peace, law and order in the country.

6.3 Results from the Interviews of the Tourism Experts

An attempt was made to present the questionnaires findings to tourism experts as given below. An in-depth interview was conducted with two tourism experts, which comprised of tourism professionals of Nepal tourism board. The views and opinions of the experts are described below.

6.3.1 Source of Foreign Exchange Earnings of Nepal

In the context of Nepal, tourism can be regarded as one of the main sources of income of foreign exchange. The role of tourism as an important source of foreign exchange earning has been well established the world over. In most of the developed countries, tourism is an important source for maximizing foreign exchange earnings and Nepal is no exception. But the tourism experts were satisfied with the way tourism is handled in the country. Annual income of Nepal by tourism is 250 million USD.

6.3.2 Sufficiency of Tourism Infrastructures

Pertaining to the queries raised to the experts to express their views whether the present infrastructures were sufficient for the development of tourism, they were not satisfied with the infrastructures that is available in the country. So it needs to be developed for the further development of tourism. Especially, airlines, transportation, electricity, information technology and security are the biggest concern as well as challenges as per the experts.

6.3.3 Strategies followed for the Improvement of Tourism

As per the reply to the questionnaires of the researcher, experts' opinions are listed below:

- It is necessary to develop new tourism products to excite the tourists.
- New value should be added for the exciting tourism products which will attract international tourists.
- The heritages of the country should be well conserved and renovated.
- The environment, flora and fauna, and natural resources should be protected by concerned authorities and by the country.
- Additional infrastructures should be developed and there should be effective management of the existing infrastructures.
- The quality of services should be increased and the more focus should be given to collect new ideas and innovation to upgrade the quality of service as per the demand of tourist.
- Marketing and promotional activities should be improved by the tourism organization and government itself.
- Government policy and regulation should be improved.
- Awareness campaigns and programme should be done among people.
- Safety and security are the major concern in tourism. These issues should be dealt properly and the standard should be upgraded.

6.3.4 SWOT Analysis of Tourism Marketing

Tourism experts shared various dimensions of Nepal tourism. They focused mainly on future possibility of Nepal tourism but were very concerned about the challenges the country is facing. Below is the SWOT analysis of Tourism marketing in Nepal.

- **Strengths**

Uniqueness of the country and its geographical diversity is the major strength for tourism marketing. Natural beauties of the country are biggest appeal as far as marketing is concerned. Favourable climate is the major strength of the country. Due to cheap market, Nepal's biggest strength lies in affordability for the all group of tourists. Nepal is raw and an emerging market with young professionals. This factor is huge strength for tourist marketing in Nepal.

- **Weakness**

The country has limited investment of fund. There is lack of strategic planning everywhere in tourism sector. Lack of professionals is a major setback for promotional activities. Lack of budget of the government has also played negative role in development of Nepal tourism. Less research works is done to plan and promote tourism marketing. The country has not been ability to identify market. There is tremendous lack of co-ordination between private sectors and the government. There is lack of publicity in right time and lack of human resource development is major problem for Nepal as far as tourism marketing is concerned.

- **Opportunities**

Young population and the young professionals are the biggest opportunity for the county to deploy them to promote the tourism. Nepal is an emerging market which has various opportunities. It is easy to promote Nepal in an international arena because of the wonders like Mount Everest, birth place of Buddha, Adventurous destinations etc.

- **Threats**

Nepal has competitive market as China and India. Because of this Nepal looks vulnerable market. Nepal is developing county it has economical risk while spending for the tourism promotion and marketing. Because of the mismanagement there is huge insecurity of the national heritages.

6.3.5 Areas of Attention for the Promotion of Tourism

The respondents were asked to find out in which area of tourism they should give more attention for the promotion of tourism in Nepal. As the air transport constitutes the main transport system for international tourist arrival in Nepal, Both the experts are of the same opinion that prior attention should be given to air accessibility. Experts opined that increment in airline facility should be given the highest priority for the promotion of tourism in Nepal followed by the sanitation and environmental pollution. They added that pollution in the major cities, including Kathmandu valley, pollution of garbage, riverside and emission pollution have created a negative effect in the minds of the tourists. So, the experts have suggested that it should be controlled as soon as possible.

The experts viewed that the road transports are also very poor for travelling from Kathmandu to Kakani (Way to Trishuli), Pokhara (a second destination), and Biratnagar and Jhapa the east of Nepal. Even the local roads in many parts of Kathmandu, Patan and Bhaktapur have been found not satisfactory. Similarly, the condition of vehicle facilities was found to be unsatisfactory. Regarding the road transportation facilities, the experts viewed that the condition of vehicles plying on these roads should be improved. Similarly, for the development of tourism, the experts viewed that tourists services should be given due attention for example travel and trekking agency services, immigration procedures, rules and regulation of the government and development and modernization of accommodation and visa rate. As per the experts views increment in airline facility, improvement in sanitation, controlling of environmental pollution and development of transportation facilities are the main factors to be solved for the development of tourism in Nepal.

6.3.6 Sector Responsible for the Development of Tourism in Nepal

The experts viewed that the government has a significant role for the development of tourism. Government plays various roles in planning, coordinating, controlling and implementing national tourism policies. Besides, the experts opined that the role of air transport certainly is a key factor for the growth of international tourism, especially in respect of long distances. They viewed that air travel has a very promising role for the development of tourism.

In a developing country like Nepal private sectors are also equally important for the development of tourism where the government has to do development works in so many sectors like industry, commerce, irrigation, health, sanitation, security, education and so on at one time. As a result, the experts opined that the responsibility of the private sector is also equally important for the development of tourism. They added that the private sector should be equally active and take initiative for the development of tourism followed by Hotels, Travel and Trekking Agencies whereas, the experts equally viewed Transport and Media, and INGO as the

pioneer for the development of the tourism. The experts further shared that municipalities and NGOs are also responsible up to some extent for the development of tourism.

6.3.7 Views about the Present brand “Naturally Nepal”

Regarding the present brand ‘Naturally Nepal - once is not enough’ various responses have been observed. This new brand name was revealed on March 5, 2006. This is regarded as a highly commendable approach by the national tourism organization to reposition Nepal in the global tourism market. This brand has been adopted to counter its negative image and rebuild Nepal as a good destination for different types of tourists in the international market. This brand has been adopted by all the travel trade, tourism and other concerned agencies to market Nepal nationally and internationally. Nepal is well suited to both short and long haul destinations.

According to our experts, they rated the logo and the promotion as good tool to present Nepal in the international arena. They further said that tourism industry once again is moving ahead with renewed enthusiasm fighting against the impression portrayed internationally by the civil unrest and negative messages. Similarly, they expressed their view that it is an excellent job done by Nepal Tourism Board and moreover they have chosen the right time because this was the time to tell the world about Nepal. They added that they needed to wait for its outcome and expressed their happiness over this new venture of Nepal Tourism Board.

6.3.8 Suggestions to Promote Nepal as a Sustained Destination

The majority of experts suggested that government should give more priority to the tourism industry and declare it as a National Industry. They also suggested that there should be active involvement of both the private sector and the government with due cooperation. The Planning Commission of Nepal makes plans and policies regarding the tourism only with close co-operation of ministries, which flows from a top to down and the grass roots level and private sectors have a rare chance to raise their voice in such planning. The planning is based on the information presented by the concerned offices and there is less chance to interact and make comments on such a planning exercise. The experts viewed that the planning should be based on down to top level, and should hear the voices of the floor, grass roots level as well as private entrepreneurs.

6.4 Conclusion of Emperical Analysis

In this chapter an attempt has been made to assess the tourism development and marketing effort on the basis of views and perceptions collected through the questionnaires and by conducting in-depth interviews with the tourists, tourism business organizations and tourism experts.

Under the profile of tourists, various questions were raised concerning their nationality, age, purpose of visit, decision about the tour, expenditure pattern, and duration of stay, choice of accommodation, transportation, destinations and quality of service of hotels. Similarly, they have also been asked about the need of product development, major weaknesses and strengths of tourism product of Nepal.

It was also noticed that holiday/pleasure and business groups were found to have shown their preference for star hotels and their length of stay was reported to short periods, while the other groups i.e. student, researcher, mountaineers and trekkers showed their choices for non-star hotels and guest houses. It was also noticed that students, researchers, mountaineers and trekkers generally stayed for longer periods.

Regarding the query about the major weaknesses of tourism products, the majority of tourists were not satisfied with the service facilities provided by NAC relating to the domestic as well as international flights. Besides this, pollution of the environment, lack of maintenance and preservation of natural, cultural and religious heritage sites, frequent Chhaka jam and strikes have brought further disappointment in their minds. However, the major strengths i.e. natural beauties, cultural and religious diversity, and favorable climate, birth place of Buddha, land of Pashupatinath, and Mount Everest have attracted them and made their trips to Nepal more enjoyable. Regarding the query about their valuable suggestion for the development of tourism, they suggested to develop the new tourism products, diversification of tourist destinations and development of infrastructures in the potential tourist area of Nepal. As people are quality conscious, they also suggested improving the quality of tourism products and services.

Similarly, the second kind of respondents was persons involved in different sectors of tourism organizations i.e. travel agencies, hotel business entrepreneurs, trekking and mountaineering and airlines companies. They were requested to provide their views about the need of product development, product positioning, major difficulties which they have faced. However, regarding the tourism product positioning, the majority of entrepreneurs expressed the same views as the tourists. They suggested to position tourism product on pleasure destination followed by adventure, nature, pilgrimage and so on. Besides this, they emphasized to improve the quality of services of NAC, infrastructure development of TIA, the extension of aircrafts for international flights, road network and standard hotels in potential tourists areas. They also suggested exploring new tourist areas and to diversify tourism destinations along with preservation and maintenance of valuable tourism products.

Similarly, an attempt has been made to collect opinions from tourism experts. They have been asked to provide opinions regarding the problems, prospects, and development of tourism in the national as well as international markets. The majority of experts emphasized the need for new product development, improvement marketing activities, product preservation, and maintenance for the sustainable development of tourism. According to the views of ex-

perts the lack of professional man power, strategic marketing planning, research works, limited fund and coordination between private and government bodies were the main weaknesses of tourism marketing of Nepal. Regarding the query about the product positioning in the international market, they suggested to position tourism market especially in adventure, pleasure, culture, and pilgrimage and others for the medium and high spending categories of tourists. They also emphasized to improve the quality of airline service of NAC by developing and expanding new wide bodied aircrafts for international flights, and to encourage private parties to operate international flights. They further added that the quality of service of domestic airlines should also be updated. Hence, it should be more reliable in its service. Similarly, they recommended for the extension of road network as well as different categories of accommodations in different potential areas of the country. Likewise, they also emphasized that for the sustainable development of tourism in Nepal, the role of government, private bodies, associations, NGO's and INGO's should be encouraging and they should cooperate and join their hands for the infrastructure, human resource and technological development. They added that as tourism is a labor intensive industry, the role of human resource development is also equally important for the satisfaction of the customers. They suggested making more efforts for the development of the employees. They emphasized that the government should give more priority to the tourism industry and declare it as a national industry, and planning should be based on bottom-to -top level, and should acknowledge the voices of the ground floor/grass roots level as well as private sectors.

7 Summary, Conclusion, and Recommendations

In this chapter, authors have given the brief summary of the study and its findings. The issues rose in the study and the information that has been gathered are concluded. The authors have given their opinions and briefly discuss the recommendations of the participants as well as their own views about many issues. The base on previous chapters, implication is suggested for planning and strategies making in the future.

7.1 Summary

Nepal is known as an important tourist destination in the world due to the presence of natural wealth; cultural, religious and archeological heritages. Due to the fact, since long, tourism has been considered as one of the important and major sources of foreign exchange earnings for Nepal. Apart from this, tourism has been creating significant employment opportunities and many other direct and indirect benefits to the country. Thus, tourism has played a significant role in the Nepalese economy. Despite the tremendous tourism potential, it has not been explored properly due to many constraints like limited air access, poor infrastructure, marketing strategy and proper planning.

Therefore, the basic objectives of this study were to review the current status of tourism service marketing in Nepal, to assess the nature, strengths and weaknesses, opportunities and threats of tourism products; to assess the impact of tourism on the national economy; and to evaluate the customer satisfaction and quality of tourism products and services.

As this study was related to the perception of tourist about the current tourism products and services of Nepal, basically survey and analytical research approaches were used to carry out the research. Both primary and secondary data and information were collected through the design and formation of proper questionnaires. Opinions were collected from 35 international tourists including Indian who visited Nepal through different modes of transport, 6 tourism entrepreneurs engaged in different business sectors like hotels, travel agents and tour operator and 2 tourism experts. Similarly, secondary data were collected from various government and non-government offices, different business organizations pertaining to the tourism, travel trade journals, reports and newspapers etc. Analysis was carried out using descriptive and statistical approaches.

During the study various important theoretical foundations of tourism and relevant literature on Nepalese perspective were appraised. Similarly, from various publications carried out by different planners, researchers, experts, academicians and professional and foreign experts, published in national and international publications theories were deduced. However, study in the area of tourism service marketing has not been conducted. Primarily, tourism has been inferred as a labor intensive and service oriented industry and it is deduced that the quality of service of different sectors have a great role for the marketing and promotion of the tourism. Hence, considering the importance of service marketing in the field of tourism as the basic assumption, the study was entirely formulated.

Relating to the availability of present infrastructure for the development of tourism, more than half of the experts have opined that the present infrastructures for the development of tourism are inadequate. Further they elaborated that there are no sufficient facilities such as road access, airports, electricity and provision for safe drinking water. Regarding the query about the strategy followed for the development of tourism, the majority of the experts have a view that the development of a new tourism product would be the best strategy for the development of the entire tourism, followed by adding new value to the existing tourism products. They also suggested improving the marketing activities through effective promotion in the international market and development of additional infrastructures.

Concerning the main weaknesses of tourism marketing of Nepal, lack of strategic planning is indicated as the main weakness of Nepalese tourism marketing, followed by lack of professional manpower, limited promotional fund, lack of research work, and timely publicity. Besides these, the lack of government budget and inability to identify the market are indicated as major weaknesses of tourism products. Further human resource development is indicated as one of the major weakness of tourism marketing of Nepal.

As regards the pricing policy of tourism products of Nepal, the majority of the experts have expressed that a competitive pricing policy would be the best to follow, whereas, some of them have a view that seasonal pricing should be the best policy. They expressed that during the off season; the price should be considerably reduced, and should be increased during the season.

As for the area of attention for the promotion of tourism, the air transport is the main factor for international tourist arrivals in Nepal. Almost all the experts are with the opinion that prior attention should be given to air accessibility. They emphasized that increment in airline facility should be given the highest priority for the promotion of tourism, which is to be followed by the improvement of sanitation and environmental pollution in the major cities.

Regarding the sector responsible for the development of tourism, the majority of the experts opined that the government has a significant role for the development of tourism in planning, organizing, coordinating, controlling and implementing. The role of INGO is also identified to be very important for the financial, infrastructure, technical human resource development, preservation and conservation of natural cultural heritage for the development of tourism.

The role of NGO is also identified to be equally important in the area of tourism development. They are actively involved in tourism training and product development, especially for the improvement of the community based and village tourism with the provision of highly successful home stay, guest houses and guide training on trekking routes, environmental awareness and preservation of the environment, cultural heritage and society.

As tourism is a labor intensive industry, its success depends upon the quality of service provided by the people. The importance of people within the organization has led to a great interest in internal marketing, which recognizes the importance of attracting, motivating, training and retaining quality employees by developing jobs to satisfy individual needs. With the present brand “Naturally Nepal” as a contemporary approach and the slogan “Once is not enough”, Nepalese tourism industry has felt it necessary to reposition its image in the international tourism market with a popular brand amidst the stiff competition among destinations.

7.2 Conclusion

From the study, it can be deduced that tourism is the key resource for sustainable socio economic development. It provides the best platform for business promotion and income generation, preserving the indigenous knowledge and skill.

Tourism is the most sensitive industry and it is greatly affected by the occurrence of small incidents. So all tourism organizations should cooperate and join their hands for the development of tourism in their respective way. Besides these, the government should streamline the facilities to the tourism entrepreneurs by making rules and regulations, providing financial support as well as enforcement of law and order for the development of tourism. As the market is highly competitive with the international market, it is better to provide more facilities and the quality of services to the tourists better than that of other competitors. Organizing more trekking tourism in the country is the most beneficial for raising income at the national level in terms of increasing the tourist’s expenditure by increasing their length of stay as well as creating more employment opportunities.

An alternative market segment to raise the level of tourist expenditure is to increase the volume of package travelers. To attract tourists of different segments, investment should be made on the development of infrastructure relating to air access, transportation, communication and promotional activities. In Nepal, various studies relating to tourism have been carried out and most of them confined themselves to the economic impact and did not seem to address tourism as a service marketing issues adequately. Pollution of air, water, sewage and sound should be managed properly and frequent strikes are unnecessary hassles to the tourist should be restricted. Political instability as well as Terai unrest is a deterrent in the development of tourism.

7.3 Recommendations

Based on the analysis, it is derived that the tourism sector is one of the most important sectors for the economic development of Nepal. This study basically concentrates on tourism services marketing; however the relevant recommendations are deemed necessary in related areas wherever improvement is essential. The recommendations are basically made in six broad titles which are tourism products, tourism infrastructure and services, promotions and marketing and few others like environment, governments role etc.

7.3.1 Products

Tourism products are those products which are offered to the tourists to see, experience and to taste.

The survey suggests that it is the time to consider the demand of children and elderly tourists seriously in product development strategy. It is noticed that most of the Indian visitors come for a family holiday including their children. Therefore, the tourism products suitable for children and facilities to elderly visitors need attention. In a country where there is less number of child visitors, it indicates the deficiency of tourism products for the children. It is also suggested to increase more fun and entertainment facilities for child visitors e.g. increment of a children's park, picnic spots, museum, library and arrangement of games etc.

Often holiday and pleasure, adventure, culture, nature, health, and sport tourism are more popular in Nepal for international visitors. As already discussed, recent trends in the area of pilgrimage, river rafting, bird watching, photography, agro and volunteer tourism are also increasing. Hence, more attention is required for the promotion and development of such areas. The tourism industry should be in a position to meet the demand of such visitors and be able to introduce package programs for them. The study shows that the most popular destinations in Nepal are Kathmandu, Chitwan and Pokhara and Lumbini. Some trekkers do trekking in Annapurna, Langtang and some other popular trekking trails. Overcrowding of tourists in limited areas are the major problems of the country. So, the tourism products should be diversified to other potential areas like Janakpur, Dharan, Palpa, Nuwakot, Trishuli, Jumla, Khaptad, Dolpa, Dhorpatan, Ilam, and so on, which might attract visitors. Therefore it is the

right time to increase more infrastructure facilities for the development of such new areas of the country.

Besides this, the influx of international visitors should be managed properly according to the carrying capacity of each area. The new potential places should be developed as tourist places by developing the necessary tourism infrastructure.

Health and leisure tourism demand have drawn the attention of planners and policy makers. Nepal could be converted into a year round tourism destination for health and leisure tourism destination along with adventure tourism. We could also develop products like yoga, meditation, naturopathy, Ayurveda, etc. during the off seasons. Nepal has numerous locations, which can serve as quiet retreats, away from the stresses of the city. Nepal is likely to gain popularity as a health and leisure tourism destination, because the prices would be cheaper compared to other Asian countries like Thailand, Malaysia, and Singapore. The study shows that though the number of tourist arrival for holiday and pleasure are always higher in number but their average length of stay is very short. This indicates that there is a lack of recreational as well as shopping facilities for such type of visitors. So it is highly recommended that recreational as well as shopping facilities should be increased and diversified in different parts of the country, where there is accessibility of good transportation and accommodation.

There are most important tourism products like historical and archaeological sites of Nepal. Nepal is famous in the world for the temples, idols, cultural and religious sites, arts, crafts and architecture. But arts, which are the mirror of the past society, are not properly conserved and maintained and their condition was found to be degrading day by day by men and animal. For the sustainable development of tourism and realizing its importance, these products should be maintained, updated and preserved properly. Both the government and the local people should give due attention for the development and enhancement of such products.

The study reveals that, the majority of tourists coming to Nepal are low spenders, therefore efforts should be made to attract medium and high spending category of tourists with the offering of good quality of products and services and measurement of their satisfaction. Regarding the quality of air service facilities provided by the Tribhuvan International Airport almost half of the visitors were dissatisfied. Services of domestic airlines of NAC are still unreliable and incompetent due to its inappropriate management. Cancellation and delay of internal flights have become a regular process. It is agreed that the availability of quality tourism products and services can attract the quality tourists. It is also noticed that deluxe five star hotels, deluxe vehicles, services and facilities are only available in the urban and city area of Kathmandu and the number of such products and services are very rare in other parts of Nepal. It is also highly recommended to extend these facilities and services to other tourist places of the country. Similarly, the survey shows that there are high influxes of low and medium spending tourist in Nepal. As a result, to gain more economic benefits, Nepal must try to

attract high and middle category tourists by improving in the quality of products, services and facilities comparatively at a reasonable price.

7.3.2 Tourism Infrastructure and Service Facilities

We have foreseen the positive future of tourism and catered to increased number of tourists, for which, we need better infrastructure. Adequate infrastructure is essential for the successful development of tourism. It can be particularly a critical factor for less developed countries. It is obvious that the development of tourism is not possible without the development of infrastructure and service facilities.

Since international tourism in Nepal is heavily dependent on air services. It is absolutely necessary that it should receive the utmost importance. But it should be noticed that there are inadequate direct air connections from Nepal with those important tourist generating countries of the world. In the absence of such facilities the potential tourists have to come to Nepal transiting through different countries which must be quite bothersome and discouraging. Due to the increase in the number of tourists and frequency of flights, TIA, the only airport of the country has really become congested and unable to provide quality service to the visitors. Therefore, efforts should be made to extend the area of the airport itself and to equip it with modern and sophisticated equipment. Moreover, the quality of service should be given the top most priority for the convenience of the visitors. It is thus highly suggested to develop immediately another international airport preferably in the Terai regions as well as in Lumbini that would be technically and economically viable.

It is said that quality is very important, so efforts should be made to control the quality of products and services which are to be sold to the tourists. It would be advisable to improve the efficiency of the airlines through the new energetic, experienced and qualified team of managers and let the management work in a free environment without any intervention from the government and the pressure from any political parties. It is also suggested that to keep away from political intervention in the management of this organization, all powers (appointment, selection, hiring, reward and punishment) should be vested in the hand of an executive body and not from a politically backed force.

Accommodation is one of the vital infrastructures for the development of tourism which is said to be both a capital intensive and a labor intensive industry. As it is capital intensive, it needs a big amount of investment in luxury hotels, tourist lodges and other necessary services. It is also labor intensive because it creates various employments in the classified hotels and has employed many skilled, semi-skilled and unskilled people. Hotel industry, as elsewhere, requires a great deal of personal service, which would be difficult to mechanize or automate.

The government should help and encourage the local people of different trekking routes to run small standard hotels, restaurants and lodges. The government has to provide the hotel management and tourist guide training on the spot and provide them financial support

through the banks, which are located near their places. For their encouragement, the government has to provide them bank guarantee and request the bank to finance loan at a low interest. Besides this, the government should cut down its taxes for those already established hotels, which are running in a financially weak condition. Considering the role of telecommunications for tourism development, facilities should be made available to potential tourism areas and in major trekking trails from a safety and security point of view. Similarly, rescue and medical facilities should be made available at such places where there are natural scenic and adventure spots.

The cut throat competition among service providers has become a common phenomenon in the tourism industry leading to competitive prices cutting at the cost of the quality of service. This has turned Nepal into a cheap tourist destination. It is really a serious issue, so that the concerned authority should monitor the prices charged and the quality of service offered by them. In fact, the cut throat competition among the service providers is the side effect of a liberal economic policy adopted by the government. Therefore it is desirable that in the name of liberal economic policy the license to service sectors should be strict and the regular monitoring system should be done in order to maintain the quality of tourism services.

Regarding the needs for the development of tourism products, the majority of tourists have suggested the need for new products followed by the need to preserve and present as it is now, modify the product to suit the target market and combining product features. As there is high competition within the neighboring markets i.e. India, Sri Lanka Malaysia, and Singapore, so the new products should be developed and existing products should be improved for the attraction of tourists. Similarly, regarding the product positioning in the international market, the majority of tourists and experts suggested concentrating on pleasure tourism, followed by adventure, culture, pilgrimage and nature tourism. Nepal is one of the most attractive countries in the world coupled with a population of diverse, friendly, ethnic and caste groups. The study suggests positioning the tourism market of Nepal into pleasure, adventure, culture, pilgrimage and others.

As the theme of this study is the customer service, it is a philosophy in which all employees feel and act accountable for creating customer's satisfaction. For this, everyone in the business organization should be responsible and work to exceed the customer's expectations. The treatment of the customer is more powerful than the money spent on advertising. It is said that advertising only draws customers towards organization. But it is the organization's performances that brings them back or chases them away. Development of basic tourism infrastructure in the potential areas plays a vital role in the development of tourism. So, the basic infrastructure such as renovation and construction of trails, bridges, monasteries, resting places, and drinking water and small irrigations, etc. have to be developed in the potential tourist spots, which will greatly benefit the local people, people for neighboring villages and the country as a whole.

7.3.3 Promotions and Marketing

Tourists from diverse areas and interests have different things to do, experience and enjoy. So in order to bring light to the necessary potential products and activities, events and festivals, sports, such as tennis, golf, water sports summer recreation camps, winter recreation camps, documentation through research-based books, profiles, CDS and documentations are essential. In Nepal, there still remains a lot of product, areas and activities which are unexplored, unrecognized and undeveloped. So in order to bring light to the unrecognized potential products and activities, it is recommended to focus events and festivals through the research based books, profiles, CD's and documentaries.

The majority of tourists have expressed that word of mouth and personal recommendations from their friends and relatives are the main sources of information for them followed by travel agents, guide books and prior visit. This sharply indicates a need for Nepal to concentrate its marketing activities in two areas viz., public relations and travel trade marketing. Tourism activities require active involvement and mutual cooperation among various stakeholders and partners both in national and international levels. Similarly seminars, conference and interaction play a vital role in bringing together all players at the same point in order to make discussions, reviews, observations and decisions on vital issues pertaining to Nepalese tourism.

Nepal possesses a diverse attraction on nature, culture, religion, socio-economic and traditional livelihood according to geographical proximity. Nepal's remote and rural areas can offer exotic experiences which one cannot find elsewhere else in the world. To cash and make sustainable use of these resources for livelihood of the local people, it is important to propagate community level awareness, understanding and knowledge about the development. So it is recommended to the concerned bodies to apply the Appreciative Participatory Planning and Action which Tourism for Rural Poverty Alleviation (TRPAP) had used.

7.3.4 Environment

Environment and tourism are interdependent. They support each other. If there is no congenial environment, tourism development and promotion will be hindered. Nepalese mountains are mind-blowing. But the news like Everest becoming a dumping site is very painful and the nature lovers feel pity about such tendencies. So it is recommended that a strict monitoring of tourists and traveler's activities be made. To control environmental degradation, we should also raise awareness and avoid using plastic products and bottles for food and drinks. At present, nature is treated as a final product of tourism. Hence, it should be sold as it is and it should not be touched, destroyed or tamed, and it should be protected to ensure the continuity of the tourism industry. Environment is the most powerful magnet to attract the tourists. With the growth of trekking and mountaineering and other adventure activities in the mountain region, various kinds of environmental pollution have appeared, and one of the main problems faced by Nepalese tourism is the deteriorating conditions of the environment.

We need to evaluate the environmental impact of tourism. This is evident from the deforestation, littering, solid waste, pollution and overcrowding in tourist routes and sites. It is most urgent to mitigate such pollution and initiate appropriate steps. So, it is recommended that the concerned bodies divert trekkers and mountaineers from most popular trekking regions to other places. Tourist must be diverted from Annapurna, Khumbu, and Langtang region to other less pressurized regions like the far western and eastern regions.

Pollution in the major cities, including Kathmandu Valley, visual pollution of garbage, riverside pollution, and emission pollution have created a negative effect in the mind of the tourists. Besides this, the pile of visual garbage is not only a visual embarrassment but it is equally hazardous to the health of the people. On the other hand, it is really a matter of shame for all Nepalese that tourists have been traveling at different historical monuments and major areas on the cities with their masks on. So it is suggested that it should be controlled as soon as possible, with coordinated efforts of the government, private parties, local people and municipalities of the cities. Pokhara is the hub of all tourism activities of the western Region. Lakes are the key to the future of sustainable tourism growth in Pokhara and in the western region. Since the lakes like Fewa are getting dirtier day by day, its natural attraction is decreasing consistently and its original beauty has been degrading causing unwanted water weeds like Jal Kumbhi, which not only encroach into the water, but also give a negative impression. A clean-up campaign is necessary every year and all the stakeholders should cooperate in this matter.

7.3.5 Government's Role

The government's role is also very important for the development of tourism. All forms of violence must come to an end with immediate effect for the economy to flourish. As all these types of strikes leave a negative impact in the country's tourism, it is suggested to the government to make the service oriented sector including hotels a strike free zone. Since the hotel is a very sensitive segment, such strikes and sudden closure will have a direct negative impact on the tourists who will be staying in such hotels. It may be possible only if both the private and the public sector join hands and cooperate with each other. The message of peace should also reach to the international media for wider dissemination. It is also important for the government to develop all kinds of industry in the country including tourism. Simply allocating the budget by the government will not make sufficient environment for tourism development. There are many activities in the tourism industry, conducted by the private sectors. So, to develop tourism in a coordinated approach, the government should take the supportive attitude towards the private sector for comprehensive tourism development. Also the government has to develop a conducive tourism policy with rules and regulations.

The government has a significant role in the preparation of the plan, policies and implementation of rules and regulations as a development leader. It should be active in maintaining law and order in the country. The government has to fine those who break the rules and regulations. There is no equipment and technology to know whether the passport is genuine or not;

and normal civil servants serving the department face a serious bottleneck. Similarly, the leading tourism entrepreneurs, hotel managers and travel agents have a whole set of complaints. The government should be vigilant in this matter coordinating with the other concerned governments through their diplomatic missions.

7.3.6 Action Recommendations

The government should disseminate positive information about Nepal at the international level through mobilizing its embassies, students, and tour operators of different countries.

Under the new democratic setup, the government has to develop open attitudes, and draw the attention of foreign investors to Nepalese tourism. The Government should assign new rules to all Nepalese ambassadors and encourage them to play a creative role for the promotion and expansion of tourism. Tourism development process should be decentralized and local communities' participation for conservation and development should be encouraged. The Government should provide maximum facilities to the private parties, by making available low interest loan facilities, simplifications of rules and regulations and protect them when they are in difficulty.

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9 APPENDICES

Hello, we are Achyut Gautam and Amar Deep Rayamajhi from Laurea University of Applied Sciences, Kerava, Finland. We are writing our thesis on "Tourism Service Marketing and Development Efforts in Finland". We are conducting a research on the standard of tourism services and marketing in Nepal. For our research we have prepared the survey forms and questionnaires. Our main purpose is to collect the information from the related participates, pro-

professionals and service providers so as to study about the subject in depth. The information is used only for our thesis purpose and their findings are only used for our study.

We appreciate your valuable participations and we assure you that it will not take more than 15 minutes to fill up the survey forms and questionnaires.

Your honest answer will have Nepal's tourism service development and its marketing in future.

Questionnaires for Tourists

Nepal tourism services marketing survey form (for Tourists)

1. Nationality:

2. **Region:** Asian (SAARC) Asian (others) Western Europe Eastern Europe North America Asia Pacific Others

3. **Gender:** Male Female

4. **Age:** 0-15 16-30 31-45 46-60 61 and above

5. Purpose of visit

- Holiday and Pleasure
- Trekking and Mountaineering
- Pilgrimage
- Business
- Official
- Conference
- Others (study, research, health etc.)

6. Accommodations

- 5 star
- 4 star
- 3 star
- 2 star
- 1 star
- Non star
- Living friends and families

7. Help for the selection of Accommodation

- Travel agents
- Transportation agents
- Tour operators
- Hotel chain
- Others

8. Mode of Transportation

- Air transportation
- Land transportation

9. Main sources of Information

- Friends and relatives
- Travel agents
- Newspaper and magazines
- Televisions and radios
- Guide books
- Tour offices / embassy
- Prior visit
- Business linkage
- Trade shows and fairs

- Airlines
 Others (Email, Internet)

10. Nepal's tourism products positioning in international market

- Pleasure tourism
 Adventure tourism
 Cultural tourism
 Pilgrimage tourism
 Nature tourism
 Sports tourism
 Others

11. Product Development Needs (Please tick)

Items	Strongly Disagree	Disagree	Agree	Strongly Agree
Develop New products				
Preserve and Present as it is				
Modify Products				
Combine or Develop product feature				
Market it properly				
Understandable language while presenting the products				

12. Strengths of present tourism products of Nepal (Please tick)

Strengths	Strongly Disagree	Disagree	Agree	Strongly Agree
Uniqueness				
Repeat Value				
Favorable climate				
Emotional Value				
Diverse Ethnic Culture				
Value for Money				
Location				
Competitive Value				
historical and cultural factors				

13. Weakness of present tourism products of Nepal (Please tick)

Weakness of Tourism Products	Strongly Disagree	Disagree	Agree	Strongly Agree
Lack of preservation				
Congestion				
Lack of quality of products and				

services				
Limited products				
Unreliable national carrier				
Unexplored areas				
Weak infrastructure				
Pollution of air, water and solid waste				
Lack of competitiveness				

14. Attractive factors for visiting Nepal (please tick)

Attractions	Strongly disagree	Disagree	Agree	Strongly Agree
Climate				
Nature Beauty				
Trekking and Mountaineering				
Peace and quite				
Birth place of Buddha				
Historical and Architecture				
Friendly people				
Value for money				
Religion				

15. Quality of tourism products and services (please tick)

Services	Highly Satisfied	Satisfied	Fair	Less Satisfied	Poor
Hotel					
Travel agencies					
Airlines					
Land transportation					
Catering Service					
Communication and Information Technology					
Government facilities (formalities)					
Health and Security					
Product Packages					

16. Suggestions.....

Questionnaires for Service Providers

Tourism service marketing and promotion efforts in Nepal

- What are the main sources that you use for the marketing of your tourism products and services?
- What are the strengths, weaknesses, opportunities and threats in marketing tourism services and products inside and outside Nepal?
- How significant is information and communication technology (ICT) in the Marketing?
- What innovative measures are you taking so as to upgrade the level of services and products marketing?
- How do you collect the feedbacks and suggestions from the customers?
- What mechanism do you operate for meeting the customer's expectations?
- How do you incorporate the changing trends of the customer and their expectations?
- How do you incorporate yourself with the continuously developing information technology in the market?
- What level of government assistance do you have?

Questionnaires for Tourism experts

Tourism service marketing and promotion efforts in Nepal

- What is situation of Nepal tourism today?
- What is the speed of development?
- How is Nepal handling the new trends and technologies in tourism?
- What are the positive and negative factors that are affecting Nepal tourism?
- What are the programmes that have been carried out to uplift Nepal tourism in domestic as well as international arena?
- How effective are those tasks, campaigns or efforts taken by public and private sectors?
- Is the present tourism marketing phenomenon enough for uplifting Nepal tourism or is more effort required so as to attract more tourists from all over the world?
- How is the relation between private and public tourism sectors?
- Is there more need of mutual cooperation between the public and private sectors?
- What are the strengths, weaknesses, opportunities and threats for Nepal tourism development and its marketing in an international arena?
- What vision do you have for Nepal tourism and its marketing?
- How is the balance between the vision, commitments and their implementations?
- What are the future plans for the betterment of the tourism services marketing?
- What can you forecast about the condition of Nepal tourism?