

Mobilising Nepalese Missions for Tourism Promotion

Chandra Prasad Bhattarai*

Abstract

With a huge comparative advantage, the tourism sector is Nepal's most potential sector for its economic development. Despite this, it has not yet been established as the engine of economic growth. The immense opportunities for its development can contribute eventually to the overall development of the country. The slow pace in its international marketing is one of the reasons behind the weak performance of the industry. Nepal's diplomatic missions can be mobilized effectively for branding and marketing if the government has a proper strategy for this. The Ministry of Tourism should realize this first, and take initiatives in benefitting from Nepal's diplomatic presence in the major source markets worldwide.

Keywords: Nepalese mission, tourism, destination, hindu, strategies

Introduction

Although Nepal had historically been a major destination for a few Hindu and Buddhist pilgrims from India and China, it became known to the wider section of international tourists only after the early 1950s. This Himalayan kingdom had entered the democratic era in 1951 at the end of 104 years of the autocratic Rana regime. Nepal was almost closed to the outside world until then. Another event that brought Nepal to the global limelight was the successful and historic climbing of Sir Edmund Hillary and Tenzing Norgay Sherpa from the British Expedition team to the summit of Mount Everest in 1953. Since then, growing numbers of people, interested particularly in adventure tourism such as mountaineering, trekking, sightseeing, etc., have been visiting Nepal every year. Lately, apart from the tourists from India and China, it has become a popular destination of international tourists, mostly from Europe, America and Asia.

Nepal is considered one of the most beautiful countries in the world. Its pleasant climate, unique natural beauty, varieties of elevations and altitudes within a comparatively narrow strip of land, several rare species of flora and fauna, long history, rich culture and friendly people make it an exceptional combination of attractions to people of different ages and interests from all over the world.

*Dr. Bhattarai, a Development Economist, is the Executive Chairman of the Centre for Research in Tourism.

The westerners are mainly fascinated by the Mount Everest and several other high mountain peaks covered with snow throughout the year. Nepal is home to eight (Everest, Kangchenjunga, Lhotse, Makalu, Cho Oyu, Dhaulagiri I, Manaslu and Annapurna I) of the world's 10 tallest mountain peaks. Lately, rock climbing, hot air ballooning, bungee jumping, paragliding, rafting, kayaking, canyoning, mountain biking, jungle safari, bird watching, Everest skydiving, Everest marathon, Annapurna marathon, elephant polo are some of other new products available to the adventurers.

While the temples of the holy Pashupatinath and several other holy shrines are the places of special importance to the Hindus from different parts of the world; Lumbini, the birthplace of Lord Buddha is equally significant to the Buddhist tourists from all over the world.

Several studies commissioned by the government of Nepal and its various development partners in the past have concluded that tourism industry is crucial to Nepal's economic development. Although Nepal treasures a large variety of such products that are capable of making it a significant tourist destination, its potential has hardly been exploited. The current number of tourists visiting Nepal is quite insignificant compared to the vast range of attractions it showcases. This single industry has the ability to absorb increased number of young workforce, provide market to the local agricultural products, develop the local areas, earn good amount of foreign currency and ultimately contribute substantially to the economic growth of Nepal. Unfortunately, its vast potential for the overall development is yet to be appreciated fully by the government, political leaders and the private sector.

Growth in Nepal's Tourism

The growth of the Nepalese tourism industry has been very sluggish ever since the early years. A total of 6,179 international tourists had visited Nepal in 1962, the year government initiated maintaining database on tourism. The data for the 25-year period preceding the outbreak of covid pandemic had revealed that absolute number of international visitors had grown only slightly over three times, from 363,395 in 1995 to 1,197,191 in 2019. It is worth-noting that the tourist arrival rate was even negative in many years during the decade-long armed conflict of 1996-2006. However, the numbers had gradually picked up in the subsequent years as the Comprehensive Peace Accord was signed between the Government of Nepal and the Communist Party of Nepal (Maoist) in November 2006.

The table below summarizes the total international tourist arrivals in Nepal, their mode of transportation and the length of stay in the latest quarter of a century.

Table: Tourist Arrival and Average Length of Stay in Last 25 Years (1998-2022)

Year	Total		By Air		By Land		Average Length of Stay (days)
	Number	Annual Growth Rate (%)	Number	% of total	Number	% of total	
1998	463,684	9.9	398,008	85.8	65,676	14.2	10.76
1999	491,504	6.0	421,243	85.7	70,261	14.3	12.28
2000	463,646	-5.7	376,914	81.3	86,732	18.7	11.88
2001	361,237	-22.1	299,514	82.9	61,723	17.1	11.93
2002	275,468	-23.7	218,660	79.4	56,808	20.6	7.92
2003	338,132	22.7	275,438	81.5	62,694	18.5	9.60
2004	385,297	13.9	297,335	77.2	87,962	22.8	13.51
2005	375,398	-2.6	277,346	73.9	98,052	26.1	9.09
2006	383,926	2.3	283,819	73.9	100,107	26.1	10.20
2007	526,705	37.2	360,713	68.5	165,992	31.5	11.96
2008	500,277	-5.0	374,661	74.9	125,616	25.1	11.78
2009	509,956	1.9	379,322	74.4	130,634	25.6	11.32
2010	602,867	18.2	448,800	74.4	154,067	25.6	12.67
2011	736,215	22.1	545,221	74.1	190,994	25.9	13.12
2012	803,092	9.1	598,258	74.5	204,834	25.5	12.16
2013	797,616	-0.7	594,848	74.6	202,768	25.4	12.60
2014	790,118	-0.9	585,981	74.2	204,137	25.8	12.44
2015	538,970	-32	407,412	75.6	131,558	24.4	13.16
2016	753,002	40	572,563	76	180,439	24	13.4
2017	940,218	25	760,577	81	179,641	19	12.6
2018	1,173,072	25	969,287	82.63	203,785	17.37	12.4
2019	1,197,191	2.05	995,884	83.19	201,307	16.81	12.7
2020	230,085	-80.7	183,130	79.6	46,955	20.4	15.1
2021	150,962	-34.3	150,625	99.7	337	0.3	15.5
2022	614,869	307.3	592,631	96.4	22,238	3.6	13.1

Source: Government of Nepal, Ministry of Culture, Tourism and Civil Aviation.

This growth in numbers cannot be considered satisfactory particularly in the context of the multitude of treasures Nepal can offer to the international visitors.

For instance, in several other countries international tourists outnumber their own populations. Among them, while France and Spain welcome the highest number of tourists annually, Austria and Greece receive tourists more than three times their national populations. In the Asia Pacific region, countries hosting larger number of tourists are China, Thailand and Japan. Despite having an increased number of destinations and increased range of new products, particularly in adventure tourism, introduced and promoted in Nepal, it has hosted visitors only around three to four PERCENT of its population in the most successful years so far.

A recent example of the under-achievement the government target is the much publicized Visit Nepal Year 2020. The government of Nepal had declared 2020 as the Visit Nepal Year and had fixed a target of 2 million international tourist arrivals within the year. In view of both the 1.17 million actual arrivals in 2018, and the average annual growth rate of 17 percent achieved in the preceding five year period 2014-18, this target was already much ambitious, and hence was unachievable.

Further, as the outbreak of the novel coronavirus was declared a public health emergency of international concern by the World Health Organization on January 30, 2020, the target became totally unfeasible. Economies and livelihoods around the entire world were affected unprecedentedly. Many countries had applied quarantine, travel ban and border closures as some of the most effective measures for the containment of the pandemic. Aviation and tourism industries being directly involved in people's movement were obviously the most affected sectors globally. Both the nationwide lockdown and the suspension of all international flights to Nepal for several months made the case severe. Finally, the government had to suspend the campaign itself. The number of international visitors in Nepal dropped sharply down to just 230, 085 against the target of 2 million that year.

Calculating the Benefits from Tourism

While analyzing the benefits from tourism, the total number of visitors alone does not represent the scenario fairly, the average length of stay and the average expenses per visitor per day need to be considered importantly in the calculations. The average length of stay of international tourists in Nepal in most of the normal years in the last quarter of a century, presented above, could not grow to more than 14 days. As an exception it was 15.1 days in 2020 and 15.5 days in 2021. It happened due to the closure of international borders and suspension of flights during the pandemic period. Many European tourists who were already in Nepal were stuck here. Likewise, the 7.9 days mark in 2002 was as the impact of the royal massacre in 2001.

As for the average spending by international tourists in Nepal, the picture is even gloomier. Lately Nepal is known in the international market as one of the cheapest destinations in the world. The table below presents the average per day spending by international tourists in Nepal in the recent-past decade.

Table: Average Spending by international tourists in Nepal (2013-2022)

Year	Average expenses per visitor per day (US\$)
2013	42
2014	48
2015	68
2016	53
2017	54
2018	44
2019	48
2020	65
2021	48
2022	40

Source: Government of Nepal, Ministry of Culture, Tourism and Civil Aviation.

Nepal, until few decades ago, was a favorite destination of high- end tourists. The ones who like to spend much obviously expect uniqueness, comfort, personal attention and superior service quality in return. The accommodation, food, transportation, safety standards, etc. should unavoidably meet a certain standard when it comes to serve this category of guests. The products, service or destination should be appealing, without failure. Such a responsibility clearly demands in the hosts a high-class entrepreneurship made up of best service quality, special approach and proper communication skills to deal with people from different corners of the globe, the art of seeing things from the guest's eyes, etc.

Interestingly, some specific pocket areas in Nepal already used to host not only high end but ultra-high end guests in the past. The jungle lodges inside Chitwan National Park have been the preferred destinations of this class of tourists since the 1970s. The service providers in Chitwan feel that with the closure of the lodges inside the jungle in 2012, such clientele has almost vanished. The construction in late 1960s of the Hotel Mountain View in Syangboche at an altitude of 3880 metres above sea

level within the Sagarmatha National Park was another initiative in attracting high-end tourists those days. Thanks to the visionary team of Takashi Miyahara and his Nepali colleagues for the operation of this world-class hotel, that gives the guests a 360 degree view of the Himalayas.

Moving a step ahead, Nepal should now target increased income from the tourism industry instead of merely counting the heads of guests. There are hundred and one reasons for how Nepal's nature, culture and adventure can appeal to high end tourists. Lots can be learnt from the experience of other countries. Maldives can be an example in the neighborhood. The only thing required is clear understanding in the country's political leadership and policy makers of what assets Nepal possesses and how they can be capitalized for mass benefit. The private sector is always ready to provide services, but the government should stand there equally responsibly to facilitate.

Recognizing the pivotal role of both public and private sectors for the development and promotion of tourism in the country, government had established the Nepal Tourism Board in 1998 in the Public Private Partnership (PPP) model with the mandate to promote tourism in the international market. Although this organization has been spending a lot in promotional activities such as participating in international tourism fairs, its success has been very limited. Questions are raised frequently in all concerned sections, including in the parliament, on the effectiveness of their promotional activities. It is sad to note that despite spending larger funds in the name of international marketing, neither the average length of stay nor the average per day spending has improved; nor the country has earned the feasible amount from tourism.

While inadequate physical infrastructure and insufficient human resource development are some of the crucial issues, ineffective marketing at the international level has remained the main reason for the gross under-exploitation of Nepal's source markets. If marketed properly, tourists from around the globe will love to make it one of their favoured destinations for travel and holidays.

Need for Source Markets Focused Strategy

Besides the Visit Nepal Year 2020, the government of Nepal had launched several other special promotional campaigns in the last two and a half decades. The Visit Nepal Year 1998 was an effort to introduce Nepal as one of the destinations to a broader section of the foreign tourists. Likewise, the Nepal Tourism Year 2011 was aimed to establish Nepal as a choice of holiday destination. Other campaigns were Visit Lumbini Year 2012 and the Everest Diamond Jubilee Year 2013.

Tourists do not visit Nepal simply because the government has such campaigns. They have their own priorities, preferences, likes and dislikes for any particular country. Not all the tourists have the same purpose of visits, nor are their spending capacities similar. Even in the case of visitors from any particular country, their likes and dislikes of products differ with their age, sex, culture, educational status, financial status, etc. Definite class of people looks for specific products that go with one's interest and size of purse. Informed people always like to visit new places if they are appealing enough and affordable.

Visitors' preferences of products and services differ according to their purpose of visit. While the large majority of American and British tourists love to visit Nepal for holidays, obviously expecting fun and pleasure; majority of Srilankan tourists' purpose is religious, visiting Lumbini. Effective communication with the targeted people in source markets on the unique products Nepal can offer to them matters much.

In 2022, as much as 64.7 percent of the total visitors in Nepal were for holiday and pleasure, 12.9 percent for pilgrimage, 10.0 percent for adventure including trekking and mountaineering and 12.4 percent for other purposes. Such figures in the past as well have established Nepal as a favoured destination of holiday lovers.

India, China, USA, UK and Srilanka have been Nepal's largest source markets over the last couple of years. In 2022, the total international arrivals collectively from three countries (India, USA and UK) were as much as 53.9 percent of the total annual arrivals.

Nepal is located in between two economic powerhouses. India is already Nepal's largest source market. Majority of Indian tourists visit Nepal for pilgrimage, and pay homage to lord Pashupatinath and Muktinath. A few of them are here in transit to Manasarovar in Tibet. The casinos have been attraction to a small portion of Indian tourists, mostly middle class, who visit Nepal for fun. There seem immense growth potentials if quality research is conducted in India's high-end religious and fun-lover market segments.

Likewise, China has been growing as a big tourism source market for the entire world. With the increase in their individual income the number of outbound travelers is growing substantially. The Nepalese hospitality industry also witnessed this growth. The number of Chinese guests in Nepal jumped very substantially from 32,272 in 2009 to 153,633 in 2018, indicating further growth potentials.

The timings of travelers of Nepal's existing source markets also differ quite significantly, which is an added benefit to the Nepalese tourism industry. While

most of the Indian tourists visit Nepal in May and June, the preferred months of the westerners are February-March and October-November. The Chinese travelers generally love to visit Nepal throughout the year, however, their number drops down slightly in May and June. Proper strategies can help Nepal receive good flow of visitors round the year.

Nepal has always been a favored destination of UK and several other European countries. The following table presents share of Europe in Nepal's overall source market:

Table: Visitors from some European countries in Nepal

Country	Visitors in 2022	Highest Number in the Past
France	16,933	31,810 (2018)
Germany	17,742	36,879 (2018)
Italy	6,388	15,676 (2019)
Netherlands	7,515	15,352 (2018)
Spain	8,349	20,214 (2018)
UK	45,094	63,466 (2018)
Total	102,021 (16.6%)	

Source: Government of Nepal, Ministry of Culture, Tourism and Civil Aviation.

As for the UK market, very insignificant portion of their total outbound tourists, 63,466 out of 72.3 million, visited Nepal in 2018. It suggests ample room for expansion in UK if Nepalese products and services are made appealing, and marketed efficiently.

Apart from those six countries there are visitors in smaller numbers from many other European nations as well. Accordingly, total European visitors in 2022 can be estimated to be around 20 percent of the total arrivals.

Nepal is yet to develop markets in several other maiden geographical regions. A country with minimal scope for the development of manufacturing sector, and simultaneously possessing unparalleled opportunities in tourism, Nepal can explore potential new markets in the global landscape. Each of the Western European nations can be a high-spending tourism market for Nepal. It can bring the Nordic states, the Baltic countries and the Middle East into its net. The list goes longer.

The Nordic region covering Norway, Sweden, Denmark, Finland and Iceland are

high income economies; and so are Estonia, Latvia and Lithuania in the Baltic. All those European countries maintain a very high Human Development Index.

The scenario clearly suggests that there is abundant scope for the market growth opportunities in several potential countries. But the success depends mainly on the government’s proper strategy and a concentrated and coordinated approach. In-depth country specific analyses from several perspectives- number of their outbound visitors, length of stay, preferences and spending behavior, from both existing as well as the potential markets provide useful inputs in designing appropriate strategies. Periodic monitoring of such trends helps in the success of the strategies.

The private sector, which has already developed some sorts of business relationship with those countries, obviously expects government’s facilitating role in strengthening the relationship to expand the market sizes.

Mobilising the Nepalese Missions

Currently Nepal has bilateral relations with 181 countries and has its embassies in 31 countries. Further, it has its permanent missions to the UN and other international organizations in three places, namely New York, Geneva and Vienna. Likewise, 7 Nepalese Consulates General are stationed in Kolkata, Hong Kong, Lhasa, New York, Jeddah, Guangzhou and Chengdu.

The following table presents region-wise location of Nepalese embassies.

Table: Nepalese Embassies in Different Regions

Asia	Europe	Middle East	North America	South America	Africa	Oceania
Bangladesh	Austria	Israel	Canada	Brazil	Egypt	Australia
Pakistan	Belgium	Bahrain	United States		South Africa	
China	Denmark	Kuwait				
India	France	Oman				
Japan	Germany	Qatar				
Malaysia	Russia	Saudi Arabia				
Myanmar	Switzerland	United Arab Emirates				
Sri Lanka	United Kingdom					
South Korea						
Thailand						
10	8	7	2	1	2	1

Source: Government of Nepal, Ministry of Foreign Affairs.

Discussion

One of the objectives of the Nepalese foreign policy is to contribute to the socio-economic transformation of the country through the conduct of economic diplomacy in sectors such as the mobilization of development cooperation, and promotion of investment, export and tourism. (MOFA, 2023)

In the course of conducting economic diplomacy the ministry itself and the diplomatic missions abroad are mandated to work to expand bilateral and multilateral economic relationships and partnerships with the friendly countries. Tourism is one of the identified priority sectors to be developed through economic diplomacy; others being infrastructure development, export trade, foreign investment, technology transfer, development assistance, and foreign employment. A high-level Economic Diplomacy Monitoring Committee is in place to monitor the implementation of country specific strategies and strengthening interagency cooperation and coordination among the ministry, missions and the relevant government agencies and private sector organizations in the conduct of economic diplomacy. These organizational structures and the presence of the Nepalese missions in several potential countries can be utilized proactively for the development and expansion of the tourism sector.

Nepal can promote high-end tourism in countries in the higher income brackets. Particularly Europe could be a focused region for this. There are three distinct reasons: the distance from Europe to Nepal is almost half of that from the Americas to travel to Nepal, most of the European countries are high income countries, and they have a culture of holidaying. Apart from Europe, Nepal has the opportunity to utilize its presence in Australia and the United States for hosting the high-end tourists.

However, Nepal has not been able to utilize its diplomatic missions adequately for promoting tourism. The lack of effective interagency coordination in the government has for long remained one of the crucial factors in the slow progress of Nepal's overall development. The Ministry of Tourism, in close coordination with the Ministry of Foreign Affairs, should take initiations in mobilizing the Nepalese missions to the fullest extent possible for the development of tourism. It's good to note that while the development of tourism demands country specific strategies, the Ministry of Foreign Affairs also believes in this model in the implementation of Nepal's economic diplomacy. The Ministry of Foreign Affairs seems ready to lend its proactive support. Proper strategy needs to be developed for this by the government at the initiation of the Ministry of Tourism.

Another area that needs immediate attention is the critical review of the sluggish growth of the tourism sector over the years. The Ministry of Tourism depends fully

on the Nepal Tourism Board for international marketing of the national tourism industry. The Board is not known to conduct transparently any source market-specific research. The lack of such research contributes to the under-exploitation of available opportunities. Reports of studies, if any sponsored by the Board, are not made transparent limiting the benefits of the entire stakeholders. It is high time to make an independent assessment of the Board's achievements in the last twenty-five years of its existence.

Conclusion

Finally, the tourism industry in Nepal demands very firm commitment and effective strategies from the government if the latter is serious enough in its development. It needs to plan appropriate country-specific marketing strategies, based on quality research, and ensure their effective implementation. The implementation part of the National Tourism Strategic Plan's recommendations on several important areas needs very critical review. At the same time the government needs to mobilize its missions abroad for the promotion of high-end tourism and shift its priority from mere headcounts to increased earnings from tourism.

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