

A Study on Dallagaon Homestay and Its Sustainability



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Forewords

Despite lots of prospects for tourism-led development, the tourism sector still holds a meager share in Nepal's GDP. The tourism benefits have also not reached up to the grass-root levels. A cause for this is that tourism has been mostly sought in and around the major destinations and trekking trails only. A broader view on tourism is required to promote it beyond mainstream areas. As an effort, alternative forms of tourism are growing in the country since last few years. One of them is homestay tourism.

The Tharu community from mid-west Nepal has also started their unique homestay program namely "Khata Biological Corridor Homestay" since the year 2011 in Dalla village which lies in the Suryapatuwa VDC of Bardiya district. Since a well-timed appraisal of such programs together with the analysis of their socio-economic impact and sustainability can be helpful to improve contribution of such programs and also the overall tourism sector in the national economy, the study on this subject was found to be significant.

As part of the study, a pilot visit of the study area was made to select the respondents and test the study-questionnaires. During final visit, 70 different respondents from homestay households, non-homestay households, guests and the homestay management committee were contacted to fill out the study-questionnaires. A focus group discussion was also conducted.

The study report has been organized into five sections. The first section presents introduction. The second section deals with review of literature. The third section presents methodology applied for the study. The fourth section presents and analyzes the study relevant data and information. And finally, the fifth section concludes the study findings and forwards appropriate suggestions. This report is believed to be fruitful to all the concerned government officials, policy makers, environmentalists, tourism business persons, students and those having interest to learn about the development and performance of homestay activities in Nepal.

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List of Abbreviations

BFI	Banks and Financial Institutions
BNP	Bardiya National Park
CBET	Community Based Eco-Tourism
CBT	Community Based Tourism
DDC	District Development Committee
DHCC	District Homestay Coordination Committee
DHMC	Dallagaon Homestay Management Committee
ECER	East Coast Economic Region
FGD	Focus Group Discussion
GDP	Gross Domestic Production
GoN	Government of Nepal
HAN	Hotel Association Nepal
HH	Homestay Households
MoF	Ministry of Finance
MoTCA	Ministry of Tourism and Civil Aviation
NATHM	Nepal Academy of Tourism and Hotel Management
NHH	Non- Homestay Households
NNCF	National Nature Conservation Fund
NRB	Nepal Rastra Bank
NTB	Nepal Tourism Board
RSRF	Rural Self-Reliance Fund
SCFCC	Shiva Community Forest Consumers' Committee
SCF	Shiva Community Forest
TAL	Terai Arc Landscape
TDC	Taragaon Development Committee
TID	Tourist Industry Division
UNEP	United Nations Environment Programme
VDC	Village Development Committee
WTO	World Tourism Organization
WTTC	World Travel & Tourism Council

Executive Summary

1. The contribution of tourism sector on Nepal's GDP has remained low despite immense potentiality. A reason for an underperformance of the sector is poor capacity for accommodating the tourists. Further, the tourism benefits have not reached to the residents equally. In later days, the homestay activities have begun in different parts of the country in pursuit of remarkable progress in the tourism sector. It is estimated that the community-based homestay systems can presently serve around 1 million guests in Nepal.
2. From the Tharu community in Dalla village of Bardiya district, a group of 22 households who are also largely engaged in agriculture, have begun their own homestay program since March 2011. This homestay depends largely on conservation activities that take place in the nearby community forest of the Khata Corridor and the Tharu culture. The program has provided employments to the locals, mostly the women. The program can now arrange stay facilities for around 19 thousand guests per year and the occupancy is above half of the capacity. The rooms are affordable.
3. The households' investment in this program has reached up to Rs. 1 million 18 thousand. Half of the households have taken short-term loan for homestay and most of this loan has flown in from the cooperatives. The debt-equity ratio for investment in homestay is 42.4 percent.
4. Income was the key satisfier in the beginning for most of the households. The study finds that the income from homestay alone is covering around 4/5th of their family expenses and this has helped them to achieve a saving rate of 45.1 percent. The homestay income-investment ratio is 2.35. Two-tailed Fisher's exact probability test has rejected any relationship between homestay investment and income.
5. Despite low marketing efforts by the host, 14 thousand 3 hundred 67 persons have visited the place in the period of 40 months since the beginning.
6. Most of the guests visiting the place have involved in learning local values and almost all in eye-sighting the rare one-horned Rhino. The guests mostly liked Tharu livelihood, cultures and traditions. The households have improved their skills through cross-cultural exchange with the guests.
7. The study has found that homestay activities in Dalla village have observable socio-economic impact on the local community. The impact is largest on environment and smallest on wealth of the families.

8. The involved households are satisfied with the gains from homestay and they are also committed to involve into this profession for longer periods with better plans. The non-homestay community in the village has positively accepted the homestay activities in the village. Efforts carried out by DHMC are also satisfactory. The guests visiting the place have returned highly satisfied. Most of the respondents have found the guests' satisfaction to play primary role for homestay sustainability.
9. A framework of relationship where sustainability of the homestay program depends on 5 factors viz. the households' satisfaction, their commitment for continuing involvement, the community's perception, the guests' satisfaction and the committee's effort, the homestay in Dalla village seems to be sustainable. Inclusion of any 6th factor in the framework has still maintained 63.6 percent probability for sustainability of the homestay.
10. There are some external challenges for doing homestay business in Dalla village. The qualitative and quantitative characteristics of social overhead capitals like road, transportation, power, water, communication, security, hospital and market are not supportive. Movement of wild animals in the corridor areas at times have also created terror to both the host families and the guests. There are some incidences of misbehavior by the guests to host families.
11. Besides, households have to overcome their own internal challenges. They do not have enough capital to improve their housing facilities. They need more skills to improve their service. The community does not have well managed Museum. Local food supply is insufficient. These external and internal challenges have made homestay a difficult business in Dalla village.
12. It is suggested that the government should begin a tourism campaign 'Homestay Promotion Year' facilitating homestay sector to grow under favorable and broader changes in its policies regarding homestay. Such policies should facilitate homestay registration, reduce homestay taxation and formulate long-term policies to promote conservation-based, backward-placed and organic homestay systems in the country.
13. Telecommunication sector should help promote homestay sector by improving communication quality and reducing tariff rates on calls made from homestay areas.
14. BFIs should provide concessional credit to homestay operators. NRB needs to support this by considering such credit as made in deprived sector. Further, RSRF lending should be focused on homestay sector.

Chapter 1

Introduction

1.1 Background of the Study :

In year 2011, the travel & tourism sector contributed to 9.1% of global GDP. This sector alone sustained 2 hundred 55 million jobs in 2011 with the total impact of 8.7% of world employment (WTTC, 2012). The contribution of tourism sector to GDP of Nepal for fiscal year 2011/12, however, was estimated to be 2.0% only and it is estimated to have provided direct employments to 1 hundred 60 thousand people (MoF, 2012/13). Despite being rich for diversity in flora and fauna, beautiful range of mountains, varieties in people's cultures and traditions, abundant presence of greeneries and conserved wildlife, the tourism sector is not growing to its potential level. One reason among many for this is poor touristic infrastructure relating to accommodation.

Nepal Tourism Year, 2011 was declared as a national campaign targeting one million international tourists to Nepal in 2011 (MoTCA, 2009) and this was almost double of the previous figure of slightly over half a million tourists in a year. Apart from this overarching goal, the campaign had also targeted to at least 40% of the international tourists travelling beyond the present tourism sites, encouraging additional investment on tourism infrastructure by 50% and promoting and maintaining the record of domestic tourism (Bhandari, 2011).

The average length of tourist's stay in Nepal for year 2010 was 12.67 days (MoF, 2012/13). With this length of stay, a bed could provide accommodation to 28.8 tourists every year. For a million tourists during the Nepal Tourism Year, Nepal was in need of 34 thousand 7 hundred 13 beds. As on December 2010, the total capacity of 1 hundred 3 star and 6 hundred 86 tourist class hotels in the country was only 29 thousand 3 hundred 42 beds (MoF, 2012/13) showing, thereby, a straight shortfall of 5 thousand 3 hundred 70 beds. A way to resolve the situation was to increase bed capacity of the existing hotels and lodges by over 5 thousand, which was impossible considering the then annual accommodation growth rate of below 3 percent and the imminence of the tourism year. This reveals that Nepal was unprepared to meet its own target. Since then, the importance of identifying new touristic destinations, and developing touristic infrastructures and systems near those destinations on a regular basis have been realized to facilitate targeted arrivals of tourists. The rapid environmental crisis in urban areas mostly in Kathmandu further widened the scope of tourism outside the urban areas (Upadhyay). Apart from low accommodation capacity of tourism sector, the tourism benefits was also not equally distributed throughout the country. The tourism income confined to only the major trekking trails, destinations

and tourist triangle viz. Everest, Langtang, Annapurna, Kathmandu, Pokhara and Chitwan (Thapa, 2010). A broader perspective on tourism was required to expand it to the rural, deprived and marginal sections of the country. Therefore, the Tourism Vision, 2020 issued in May, 2009 set quantitative goal of 2 million annual arrivals by 2020 and qualitative goal of improving people's livelihoods and spreading benefits of tourism to the grass-root level (MoTCA, 2009). Realizing that the homestay system is necessary to meet both the quantitative and qualitative goals of the Vision and also to increase alternative touristic destinations to widen the scope and capacity of tourism sector in the country, the GoN issued Homestay Operating Guidelines, 2011. Preparing homestay systems took momentum in different parts of the country. As of January 2011, the number of homestay units reached to 44. (MoTCA, 2011).

Since March 2011, the Shiva Community Forest Consumers' Committee has started the "Khata Biological Corridor Homestay" program, locally known as Dallagaon homestay, in some houses of the Tharu community of Dalla village from the Suryapatuwa VDC, ward no. 4 in Bardiya district. This homestay lies in the vicinity of Shiva Community Forest that is one of the community forests situated within the Khata Corridor¹. Out of 1 hundred 5 households of Dalla village who are also the beneficiaries of SCF, 11 households joined the program at the very outset. The homestay program was then started with initial conceptual and technical support from TAL-Nepal². With joining of another 11 households, the number of households involved in the homestay has reached to 22 since December 2013. SCFCC³ has formed an Eco-Tourism Development Sub-Committee to act as homestay management committee. The committee manages the entire homestay operations in the village.

Homestay is an alternative name for village tourism, which means staying in someone's home and providing an opportunity for the visitors to experience a place in an authentic, comfortable and homely setting. In general, homestay provides visitors (i) unique (one of a kind) opportunity to experience the rich and hospitable cultures of the village; (ii) an opportunity to see and experience astonishing objects no one else has seen or done before- especially amazing food; (iii) to meet and really connect with the local people from the host country, and not just see them through a bus window;

¹ A biological corridor for wildlife linking Bardiya National Park, Nepal with Katarniaghat Wildlife Sanctuary, India.

² TAL-Nepal is a program run, jointly by Government of Nepal and WWF Nepal since July 2001, with an objective of protecting 4 ecosystems in Nepal out of 11 trans-border protected ecosystems of the Terai and nearby foothills of the Himalayas of Nepal and India. The scope of TAL spreads from Nepal's Bagmati river in the East to India's Yamuna in the West covering Nepal's Parsa Wildlife Reserve, Chitwan National Park, Bardiya National Park & Sukla Wildlife Reserve and India's Valmikinagar Wildlife Sanctuary, Sohelwa Wildlife Sanctuary, Katarniaghat Wildlife Sanctuary, Dudhwa National Park, Kisanpur National Park, Corbett National Park & Rajaji National Park. Similarly, WWF is an international non-governmental organization working since 1961. It started working in Nepal since 1967 to preserve nature within Terai Arc Landscape (TAL), Sacred Himalayan Landscape (SHL) and Chitwan Annapurna Landscape (CHAL).

³ A community forest management committee in Suryapatuwa VDC, Bardiya that manages a community forest that lies in the Khata corridor, a pathway for wildlife of Nepal and India.

(iv) become a part of a family, and an important part of a household, that is, a homely environment; (v) learn about environments and cultures through other people's eyes, (vi) contribute directly to the rural economy and people in need and (vii) provide opportunities to support the community in conservation initiatives (Devkota). Homestay activities are believed to promote tourism at the local level by protecting local culture, tradition and environment as well as empowering the locals by creating income and employment opportunities.

Today, most governments, international development agencies, trade associations, academic institutions and non-governmental organizations acknowledge that, without sustainability, there cannot be development that generates benefits to all stakeholders, solves serious and urgent problems such as extreme poverty, and preserves the precious natural and man-made resources on which human prosperity is based (UNEP & WTO, 2004). So far as the homestay system is a concept to co-exist with the nature, its sustainability largely depends on conservation progress. Tourism will be sustainable only if local people benefit from it (Sharma, Upreti & Upadhyaya: 2010). Its sustainability depends on commitment, cooperation and the efforts coming from its stakeholders viz. homestay households, local community, guests and the committee responsible for its management.



Google Map of the ways to Dalla Village, Bardiya

Based on geo-regional situations, the Tourism Vision, 2020 has divided Nepal into 18 ecological belts and has taken Bardiya district as a hub (epicenter) for mid-western Terai belt. Since the homestay started in Dalla village can help meet the goals set by the Vision, the study of this homestay, focusing particularly on its details and activities, socio-economic impacts and sustainability, appears to be relevant.

1.2 Objectives of the Study:

The objectives of this study are:

- To study and analyze the demographic, financial, administrative and marketing aspects of Dallagaon homestay,
- To study and analyze the socio-economic impact of the homestay on different facets of the local community,
- To measure sustainability of the homestay, and
- To recommend appropriate measures for development of the homestay sector.

1.3 Relevance of the Study:

There is lack of ample studies on Nepalese homestay programs. This report is believed to be a step forward for enriching students, researchers, resource persons and others with facts and figures about one of the homestay activities growing in Nepal. This study itself is unique in analyzing impact of the homestay on local community as well as measuring its sustainability on Likert-type scale with adoption of WTO suggested baseline issues (Annexure-24) as the cause factors for sustainability. This study also highlights on the problems of the homestay operators in rural communities like Dalla village and also recommends appropriate measures to promote such program. This is expected to help policy makers in Nepal in setting long-run strategies for tourism-led development of the country.

1.4 Limitation of the Study:

This study has following limitations:

- a) It uses the information and opinions obtained from the respondents. The respondents' biased opinions can influence the results.
- b) Instead of looking for adopting the scales developed earlier by other researchers in studies of similar type, separate scales have been constructed solely for this study purpose which may not be as strong and acceptable as the former.
- c) During pilot-test, 7 to 15 number of items (questions) were written and tested. As this size of items is not too large, assuming multiple factors within the scale and developing the sub-scales could lead to subscales with few items, hence suicidal. So, factor analysis has been deliberately skipped.
- d) While revising the scale, only item deletion has been favored. Items addition has not been opted due to budgetary and time constraint for retest.

Box 1: Few Information about Dalla Village

Dalla village is a small mid-west village of Nepal that lies in Suryapatuwa village development committee in the south of Bardiya district. According to National Population & Housing Census, 2011 published by Central Bureau of Statistics, the total population of Suryapatuwa VDC is 9947 (1761 households) in which people of Tharu caste are 7665 (77.06%). Similarly, ward no. 4 of Suryapatuwa VDC has 353 households (population of 2022) out of which 105 households of Dalla village are members of Shiva Community Forest Consumers' Committee (SCFCC). Among the 105 households, 22 households have been engaged in homestay activity. Turning left from Tiger chowk and travelling 18 km to the south of the East-West highway along the graveled way to Thakurdwara and further 5 km chase of motor trail takes one to Dalla village. Alternatively, riding 35 km west from Gulariya bazaar to Kothiyaghat but turning right from Orali bazaar before reaching Kothiyaghat takes to the Orai river. Crossing the river from the hanging bridge and riding or walking few minutes down takes us to the village. From the place, the nearest sub-health post is in just 40 meter distance and the nearest police station is situated in Kothiyaghat which is 5 km away. Similarly, the nearest local market is Kusmaniya bazaar which is 1.5 km away. (Source: National Population & Housing Census of Nepal, 2011 published by CBS & Focus Group Discussion)

Chapter 2

Literature Review

World Tourism Organization (2004) has suggested more than 50 different indicators of sustainability to be selected by locations to show the current state of the industry, the stresses on the system, the impact of tourism, the efforts of management and the effect of their actions. WTO does not expect using all of these indicators at a time but suggests to select them as per local priority issues. It has recommended 12 key baseline issues of sustainable tourism, related to these indicators, which are local satisfaction with tourism, effects of tourism on communities, sustaining tourist satisfaction, tourism seasonality, economic benefits of tourism, energy management, water availability and conservation, drinking water quality, sewage treatment, solid waste management, development control and controlling use intensity. **United Nations Environment Program and World Tourism Organization (2005)** further added that other issues and indicators which could arguably be included in the short list—such as health, security, environmental protection, and employment with their corresponding indicators.

Bhuiyan, Siwar, Ismail & Islam (2011) studied about the potentialities of homestay for eco-tourism development in East Coast Economic Region (ECER). They used secondary data for the analysis. They found that the homestay operations were creating alternative accommodation opportunities in ECER. With proper planning and implementation, operational regulation and management, appropriate development and financial allocation, they viewed that homestay operations would ensure sustainable eco-tourism development in ECER.

Plenty of studies have been conducted on homestay issues in Malaysia, where homestay affairs are growing as major part of Malaysian tourism. **Osman, Hazlina Ahmad, Ariffin Ahmad, Husin, Bakar & Tanwir (2008)** studied the women run homestay enterprises in Malaysia with objectives to prepare demographic profiles of those enterprises, to know about the factors that motivate & empower women homestay entrepreneurs and their views on sustainability of homestay operations. Conducting face-to-face survey interviews with 4 hundred 83 women homestay operators sampled from the homestay directory of Malaysia's Ministry of Tourism, they found that majority of these women entrepreneurs were between the age of 41 to 60 years, 89.9 percent of them had completed their lower secondary education, and they fully owned and operated their homestay businesses on part-time basis. They found that the “pull factors” like personal satisfaction, passion and encouragement by friends motivated them more than “push factors” like economic depression, unemployment, retrenchment, and dissatisfaction with former jobs. Additionally,

these women were found to have moderately to highly empowered, especially in terms of getting access to training and education services, as well as making decisions on matters related to business. Economic and social benefits were more rewarding to these women entrepreneurs than environmental benefits. Regression analysis revealed that motivation and empowerment of women homestay entrepreneurs were significantly related to both economic and social sustainability and to a lesser extent environmental sustainability.

Based on a longitudinal study from 2005 to 2010, **Hamzah & Mohamad (2012)** analyzed the performance of Miso Walai Homestay, Malaysia in the Lower Kinabatangan, Sabah in relation to 3 other community-based tourism projects in the same area. They used qualitative approach combining semi-structured interviews and participant observation to model the critical success factors that ensured the success and sustainability of Miso Walai homestay as it moved up the value chain. The study found that the dynamic leadership and organization, the setting up of a tourism cooperative, the partnerships with government agencies and tourism industry players, and a strong commitment to biodiversity conservation had made Miso Walai Homestay into a model community-based eco-tourism initiative.

Kumar, S. Gill & Kunasekaran (2012) jointly studied about the contribution made by tourism towards poverty eradication in selected rural areas in Selangor, Malaysia. They mentioned poverty as the root cause of many social ills such as illiteracy, crime, drug abuse and high rate of divorce, and tourism was adopted as a strategy for poverty eradication in Selangor. However, they found that it had not been fully exploited by the rural community and those who had, were finding it difficult to sustain. Their study, therefore, aimed to put together a model (or identifying variables) that would ensure the economic sustainability of rural homestay programs in Selangor, Malaysia. They used factor analysis to identify the variables of the communities' involvement in tourism activities.

With its potential to earn foreign exchange, create employment, reduce income and employment disparities, strengthen linkages among economic sectors, control outmigration of the local youth force, help in alleviating poverty, strengthen a sense of ethnic identity, protect land rights, and reduce deforestation, **Devkota** found homestay as a vehicle for economic development. As unwanted culture could be introduced influencing the identity of local areas and resulting in cultural pollution in the village, he suggested to have a broader perspective and better understanding to accept homestay tourism development with both positive and negative effects. He further suggested all of the stakeholders involved in tourism from the community level to the national level need to find a means to work together more proactively to maximize the positive effects of homestay tourism minimizing the negative.

Sedai (2011) tried to analyze and interpret the capacity of tourist accommodation enterprises in major tourist areas of Nepal using the inventory data maintained by Nepal Tourism Board as in June, 2010. The study revealed the presence of more than two-and-half times tourist bed capacity than the formally registered tourist accommodation in the country and an overwhelming number of enterprises coming up in tourist areas like Pokhara valley, Annapurna region, Everest region, Langtang region, Rolwaling-Sailung areas and upcoming tourist sites. The study suggested TID/MoTCA, NTB and HAN to develop a standard and uniform format for maintaining the records of tourist accommodation enterprises throughout the country. The study recommended for initiating special campaign to bring all potential tourist accommodation enterprises under the jurisdiction of TID/MoTCA, and also suggested TID/MoTCA, NATHM, NTB and HAN to initiate tourist accommodation enterprise upgrading and strengthening program, particularly in the trekking destinations and upcoming new areas.

Lama (2013) tried to analyze and explore the contribution of homestay programs for sustainable tourism development in Nepal. Her study focused on three objectives: first, knowing about implementation of homestay programs in Nepal, second, analyzing three dimensions of sustainable tourism development such as socio-cultural practice of the program, environmental effects and the economic situation of the community, and third, examining the challenges of homestay operations in Nepal. She applied quantitative research technique and used secondary data for analysis. Her study found the homestay programs contributing significantly for economic sustainability and natural sustainability of rural community through preservation of local traditions and cultures. Her study also suggested for well structured government mechanism, basic infrastructure and capacity development of local community to overcome challenges.

Chapter 3

Research Methodology

3.1 Sources of Data:

Data and information have been collected from both primary and secondary sources. The respondents from homestay and non-homestay households, guests who visited this place earlier and the members of DHMC and focus group discussion are the primary sources of information. Newspapers, internet sites, different publications, leaflet about Dallagaon homestay obtained from Dalla village and the library at NRB, Nepalgunj are the secondary sources of information.

3.2 Data Collection Methods:

For collecting primary data and information for the study, the questionnaires as given in Annexure-28, 29, 30 and 31 have been used. Unstructured interviews have been undertaken with some people or experts met during the study visit. Similarly, discussion has been made with the focus group viz. the locals and the experts other than the respondents.

For collecting secondary data and information for the study, study relevant news on different newspapers have been studied and quoted wherever required. Internet sites have been used to download relevant reports. Similarly, articles & books published by different researchers, authors and agencies have been studied and quoted as required. The information about the origin of Dallagaon homestay have been gathered from the leaflet provided to the study team in Dalla village.

3.3 Selection of Samples:

The entire 22 homestay households of Dalla village have been studied. Similarly, 22 non-homestay households have been randomly selected from the village. Similarly, the names and contact details of guests who had visited the homestay in Dalla village and returned most recently have been collected from the visitors' register maintained by DHMC. After this, 22 guests have been randomly selected and contacted over their cell phones. Also to get some study relevant information and suggestions, the members from DHMC, TAL-Nepal, Khata Coordination Committee, Suryapatuwa-VDC, SCFCC, National Nature Conservation Fund (NNCF) of Bardiya have been discussed with.

3.4 Data Presentation:

Tables, charts, diagrams and figures have been used as required to present the numerical data. The non-numerical subjective information have been descriptively presented.

3.5 Data Analysis:

The information obtained for this study have been analyzed using trend analysis, growth analysis and ratio analysis as and wherever needed. The respondents' opinions on some abstract subject matters have been rated in 5-point Likert-type scale with score of 1, 2, 3, 4 and 5 standing for strong disagreement, simple disagreement, indifferent or unknown opinion, simple agreement and strong agreement respectively. For collective opinion of a group of respondents, the mean of all respondents' individual scores has been calculated and such score has been analyzed as strong disagreement (1 to 1.5), simple disagreement (1.5 to 2.5), indifferent or unknown opinion (2.5 to 3.5), simple agreement (3.5 to 4.5) and strong agreement (4.5 to 5.0). To state simply, following scale has been used to analyze individual scores and mean scores:

Individual Score	1	2	3	4	5
Mean Score	1.0 to 1.5	1.5 to 2.5	2.5 to 3.5	3.5 to 4.5	4.5 to 5.0
Opinions	Strong Disagreement	Simple Disagreement	Unknown (Indifferent)	Simple Agreement	Strong Agreement

3.6 Research Methodology:

In order to measure sustainability of homestay tourism, 6 baseline issues have been presented as cause variables which are given in Annexure-25. Out of them, 3 variables are adopted as suggested by WTO, 2 variables are new and the final 1 represents rest baseline issues and is introduced as the 6th factor for measuring the overall probability of sustainability (Annexure-13). Following relationship is postulated between sustainability as effect variable and 6 cause variables:

$$S = f (Z_1, Z_2, Z_3, Z_4, Z_5, Z_6, W_{Z1}, W_{Z2}, W_{Z3}, W_{Z4}, W_{Z5}, W_{Z6}) \quad \text{or,}$$

$$S = Z_1 \times W_{Z1} + Z_2 \times W_{Z2} + Z_3 \times W_{Z3} + Z_4 \times W_{Z4} + Z_5 \times W_{Z5} + Z_6 \times W_{Z6} \dots\dots\dots(i)$$

In equation (i), S is the score of effect variable, Z₁, Z₂, Z₃, Z₄, Z₅ & Z₆ are the respective mean scores of the cause variables, W_{Z1}, W_{Z2}, W_{Z3}, W_{Z4}, W_{Z5} & W_{Z6} are the weights of cause variables Z₁, Z₂, Z₃, Z₄, Z₅ & Z₆ respectively.

To measure the first 5 cause variables (Z₁, Z₂, Z₃, Z₄ & Z₅), the scales have been constructed in 5-point Likert-type format with items (questions) on a scale measuring the same underlying concept. The scales initially contained 7 to 15 items worded purposively to relate to a single factor to skip over subscales and conveniently leave

out factor analysis. Cronbach's alpha reliability coefficients have been computed using STATA to test scale reliability. The STATA outputs have been presented in Annexure-19, 20, 21, 22 and 23. For increasing scale reliabilities, some items have been dropped. Due to budgetary and time limit for retest, items addition has not been opted. The final scales have contained 3 to 5 items. Z_6 and W_{Z6} have been liberated to take any value while analyzing probability of sustainability.

Since, the measurement of Z_6 and W_{Z6} is not in the scope of this study, estimation of W_{Z1} , W_{Z2} , W_{Z3} , W_{Z4} , & W_{Z5} and measurement of the value of 'S' in equation (i) are difficult. An alternative equation without the 6th factor (Z_6) and its weight (W_{Z6}) is required. We then have the following equation:

$$s = Z_1 \times S_{Z1} + Z_2 \times S_{Z2} + Z_3 \times S_{Z3} + Z_4 \times S_{Z4} + Z_5 \times S_{Z5} \dots \dots \dots (ii)$$

In equation (ii), S_{Z1} , S_{Z2} , S_{Z3} , S_{Z4} and S_{Z5} are the weights of factors Z_1 , Z_2 , Z_3 , Z_4 , & Z_5 respectively as expressed by the respondents in the given setting where Z_6 is absent. If equation (ii) is to be rewritten introducing the 6th factor, we get the following equation:

$$S = (1 - W_{Z6}) * s + Z_6 \times W_{Z6} \dots \dots \dots (iii)$$

In the above equation, the value of 's' is discounted by the weight $(1 - W_{Z6})$. The equation (iii) can be extended into equation (iv) as:

$$S = (1 - W_{Z6}) * (Z_1 \times S_{Z1} + Z_2 \times S_{Z2} + Z_3 \times S_{Z3} + Z_4 \times S_{Z4} + Z_5 \times S_{Z5}) + Z_6 \times W_{Z6} \dots \dots \dots (iv)$$

Comparing equation (i) and equation (iv), we can conclude on the following relationships:

$$S_{Z1} = W_{Z1} / (1 - W_{Z6}) = W_{Z1} / (W_{Z1} + W_{Z2} + W_{Z3} + W_{Z4} + W_{Z5})$$

$$S_{Z2} = W_{Z2} / (1 - W_{Z6}) = W_{Z2} / (W_{Z1} + W_{Z2} + W_{Z3} + W_{Z4} + W_{Z5})$$

$$S_{Z3} = W_{Z3} / (1 - W_{Z6}) = W_{Z3} / (W_{Z1} + W_{Z2} + W_{Z3} + W_{Z4} + W_{Z5})$$

$$S_{Z4} = W_{Z4} / (1 - W_{Z6}) = W_{Z4} / (W_{Z1} + W_{Z2} + W_{Z3} + W_{Z4} + W_{Z5})$$

$$S_{Z5} = W_{Z5} / (1 - W_{Z6}) = W_{Z5} / (W_{Z1} + W_{Z2} + W_{Z3} + W_{Z4} + W_{Z5})$$

Besides, Fisher's exact probability test has been used to observe any relationship between row and column variables or classifications given by a contingency table. For this purpose, the calculator provided in <http://www.vassarstats.net> has been used to compute exact probability of the matrix.

BOX 2: Computation of Cronbach's Alpha As Reliability Coefficient

A. Cronbach's alpha is computed with a set of data collected upon a Likert scale. Such scale may have 2-point with YES(1) & NO(0) choices or 3-point with Disagree(1), Not Sure(2) & Agree(3) choices or 5-point with choices of Strongly Disagree(1), Simply Disagree(2), Don't Know(3), Simply Agree(4) & Strongly Agree(5) or even 7-point or 9 point depending upon the study purpose. The scale was named after Rensis Likert who first forwarded the idea of using such scale to measure attitudes in his article "**A Technique for the Measurement of Attitudes**" in 1932 and further expanded it in his another article "**A Simple and Reliable Method of Scoring the Thurstone Attitude Scales**" in 1934.

B. **Cronbach's alpha (α)**: was named after Lee Cronbach who first provided a measure to test the internal consistency of a scale in 1951. Internal consistency describes the extent to which all the items in a test scale measure the same concept or construct. If the items in a test scale are correlated to each other, the value of alpha increases. The concept of reliability assumes unidimensionality to exist in a sample of test items. If not, factor analysis can be used to identify dimensions of the test. The value of alpha above +0.7 is said to be acceptable by most. However, it depends on the researcher's design of the entire research. Alpha cannot exceed +1.0 but sometimes may be negative. The high value of alpha indicates that items are closely correlated, and the low value of alpha indicates the opposite. However, the value of alpha also depends on the number of items in the scale, dimensionality of the test and irrational scoring by respondents. Higher the number of items, higher will be the value of alpha. Squaring the alpha and subtracting it from 1.0 gives an index of measurement error or variance.

C. Suppose, we measure a quantity which is the sum of K number of items as follows:

$$X = Y_1 + Y_2 + \dots + Y_K$$

The Cronbach's alpha (α) is, then, calculated using the following formula:

$$\alpha = \frac{K}{K-1} \left(1 - \frac{\sum_{i=1}^K \sigma_{Y_i}^2}{\sigma_X^2} \right)$$

Where, σ_X^2 is the variance of the observed total test scores, and $\sigma_{Y_i}^2$ is the variance of item i for the current sample of persons.

D. Sometimes, the value of alpha is less than +0.7 due to poor inter-item correlation. In such situation, items whose deletion can increase alpha are suggested to be deleted. If deletion of any item cannot increase alpha value, the next option is to add more items in the test. However, it requires further time and additional budget for revisit.

E. One can compute alpha with the use of excel program by applying the above formula. Alternatively, it can be computed by using SPSS or STATA in a much easier way. In present study, the reliabilities of different scales have been examined using STATA program.

F. This study measures the sustainability of Dallagaon homestay as sum of the product between the scaled opinions of four groups of stakeholders, namely, the homestay households, the non-homestay households, the guests and the members of DHMC, and the relative significance of those opinions.

Chapter 4

Data Presentation and Analysis

4.1 Homestay Systems in Nepal:

There were 44 homestay units in Nepal as of January 2011 (MoTCA, 2011). A recent survey report has shown the number of the private and community-based homestay industries together having reached to 2 hundred 26 as of 2014 (MoTCA, 2014). However, the information about the number and capacities of registered community-based homestay systems in Nepal have not been published yet.

Information gathered from a number of research reports, publications and personal inquiries (Annexure-1) has shown that about 6 hundred 2 houses have been affiliated to 34 homestay units registered and operating in different parts of the country. The joint capacity of all these homestay systems is 1 thousand 6 hundred 86 beds in 8 hundred 42 rooms. With this capacity in hand, the Nepalese homestay systems can serve 615 thousand 3 hundred 90 person-nights every year if the capacity is fully utilized.

It is also believed that much more than the formally registered number are informally existent in the country. There are more than thousand homestays running all over the country but only few are registered (Lama, 2013). Including unrecorded and unregistered homestay systems and their capacities, it can be assumed that Nepalese community-based homestay systems can serve around 1 million guest-nights each year.

4.2 National Policy on Homestay:

Tourism development in Nepal dates back to the early 1950s following the successful ascent of Mount Annapurna by French mountaineer Maurice Hergoz, and 3 years later the successful ascent of Everest, the World's highest peak, by the Nepalese mountaineer Tenzing Norgay and Sir Edmund Hillary, a New Zealander. (Thapa, 2010)

In 1985, the Kathmandu Research Centre carried out a detailed study on the prospects of village tourism in Nepal. Positive suggestions from foreign visitors/tourists paved the way forward to clarify this concept. After a long battle, the government of Nepal included a village tourism program in its tourism policy, 1995. (Upadhyay, 2005)

Nepal government's 9th 5-year plan (1997 to 2002) and 10th 5-year plan (2002 to 2007) gave due consideration to village tourism and promised to establish 14 different village tourism destinations in each geographical region within 5 years. (Pradhananga, 1999)

The tourism income remained confined to only the limited areas. To diversify tourism benefits to other parts of the country, the concept of village tourism in Nepal was first introduced in Sirubari village of Syangja district in 1997. (Thapa, 2010)

The Maoist-led armed conflict (1996 to 2006) had only minor effects up to 1999 because the insurgency was then largely confined to the western parts of Nepal. The Visit Nepal Year campaign in 1998 also boosted visitors numbers. But the royal massacre in June 2000, which coincided with the intensification of the insurgency, caused a rapid decline in tourist arrivals. This decline recovered only after the Comprehensive Peace Agreement between the Maoists and the government in November 2006. Since then, the number of visitors has continued to rebound, albeit with fluctuations. The country marked arrivals of around 5 hundred thousand tourists in 2007 for first time (Sharma, Upreti & Upadhyaya: 2010). National and international interest for investment in tourism sectors then

Box 3: Tourism in Nepal: Retrospect

- 1949 – Maurice Herzog climbed Mt. Annapurna (8091m)
- 1953 – Edmund Hillary and Tenzing Norgay reached the Summit of Mt. Everest
- 1966- First travel trade Association was established
- 1972- first Tourism Master Plan of Nepal was drafted
- 1978- Ministry of Tourism was created
- 1990s – Tourism was regarded as a means of poverty overall economic development
- 2001-2006 - The worst years for the tourism in Nepal
- 2006- Peace Treaty has been signed among the political forces ending a decade long insurgency
- 2007-1/2 million mark was crossed for the first time
- 2008/2009- Arrivals continued to grow despite the recession
- 2010 – Arrivals reached 6,00,000 in a year
- 2010-500,000 overland Indian visitors (*Source: Bhandari, K.R.*)

increased. The GoN then realized to amend the then tourism policy to provide provisions for poverty alleviation and improved quality of life. The government brought new tourism policy in 2008 accordingly.

With the objectives to share tourism benefits with the rural community, deliver tourism service with rural participation, improve living standard of rural community through income generation, use self-employment as a tool for rural and local development, inform the tourists about rural traditions, arts, cultures and livelihoods and give them opportunities to experience them, and make arrangement of simple and easy stay for tourists, the GoN issued Homestay Operating Guidelines, 2011 on August 2011 to be

effective from September 2011. Some of the key features covered in the guideline are as follows:

Classification of homestay:

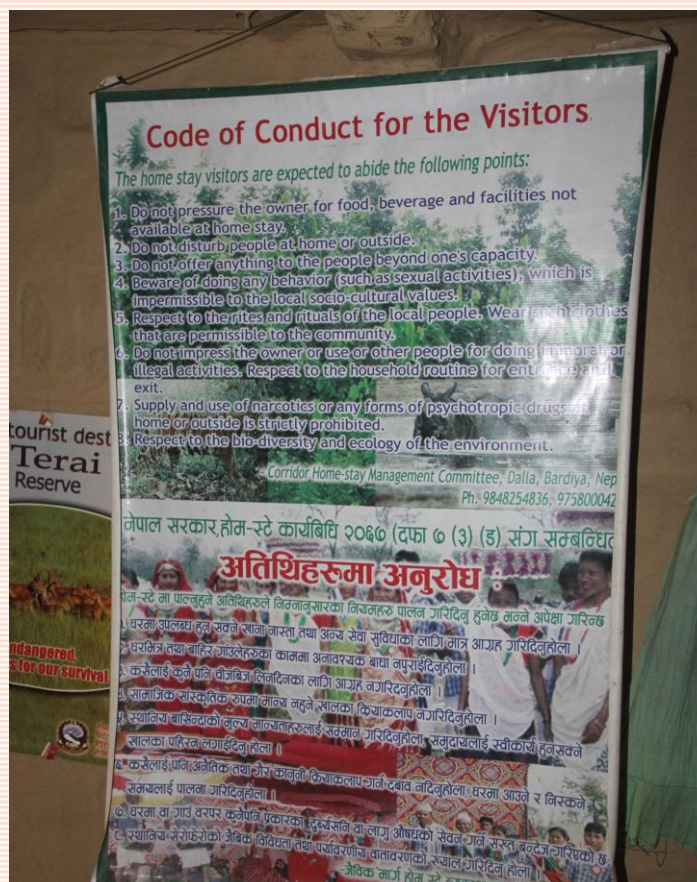
The guideline has classified homestay into community homestay and private homestay. The community homestay program should include at least 5 household units owned by separate families. The homestay privately run in urban areas is called private homestay.

Specification of minimum basic standards:

The guideline has permitted each household to arrange maximum 4 separate rooms and maximum 2 beds in each room for homestay. Additionally, this guideline has clearly specified how the room, toilet, bathroom and kitchen should be managed. It has also specified the minimum measures to be taken for guests' safety.

Formation of committee: The guideline has required to form a 5-member homestay operation and management committee and has also allowed to add maximum of 6 members for inclusive participation of all the households in the committee.

Duties & responsibilities of the committee: The guideline has specified the key duties and responsibilities of the committee. The committee is made responsible for arranging proper stay of guests, maintaining records of guests and income received, monitoring the households, arranging cultural programs, preparing location map, preparing menu and



Code of Conduct Calendar put in a room for Guest's Information

price list, undertake other promotional activities, etc. and also keep liaison with related government agencies.

Institutional Support: The guideline has set a provision for formation of District Homestay Coordination Committee (DHCC) in each District Development Committee (DDC) with member of DDC that looks after tourism sector of the district as a coordinator and representatives from government offices related to infrastructure development, health, education, communication, security, drinking water, electricity as members. The functions, duties and authorities of this committee have also been specified. Further, Nepal Tourism Board and Taragaon Development Committee have been discharged with the duties of promoting and marketing of homestay. Homestay trainings are made available in Nepal Tourism & Hotel Management Training Institute. The guideline has also required Homestay Association to cooperate GoN in policy formation, management, promotion and formulation of uniform operating standards relating to homestay.

4.3 Conservation & Homestay Activity in Dallagaon:

Khata corridor is one of the important international biological corridors that links Nepal's Bardiya National Park with India's Katarniyaghat Wildlife Sanctuary. This corridor is also the path used by the rare wild animals like tiger, rhino, elephant, etc., to travel between the conserved areas of the two countries. Since such a movement of animals is necessary to promote genetic diversity, the importance of the corridor



A homestay house no. 4 in Dallagaon

rises from both of the environmental and biological points of view. To preserve this corridor, the GoN forcefully removed around 14 to 15 hundred of unauthorized households settled in the corridor during 2003. Later, the management of 48 different forests from Suryapatuwa, Sanoshree and Dodari VDCs which also create the corridor

were handed over to the local communities. The government of Nepal gives top priorities to the corridor and the community forests to preserve wildlife and its genetic diversity.

Shiva Community Forest, one among those community forests, covers 103.43 hector land area of Bardiya district. This forest is a habitat for rare birds, tiger and rhino. The 1 hundred 5 households of Dalla village are presently the beneficiaries of this forest. These households are also the members of Shiva Community Forest Consumers' Committee (SCFCC). The forest is also known for its management and the conservation effort laid by SCFCC. An animal information centre, view tower, grassland and fire-lines have been managed. Besides, the community forest is also running a school from its own income.

During focus group discussion, the participants mentioned that some of the foreign tourists who were in visit to Bardiya National Park in the past showed interest in this community forest for their studies on tiger and rhino. Later a foreign couple was also found to have spent a night in the forest in their study mission. It was a turning point. The community thought that had there been any alternative arrangement for their stay in the nearby



Room for guest's stay in one of the houses in Dallagaon

village, the couple did not have to spend their night in the jungle. Until then, the community used to think that animals are only threats to human lives. By then, the community in Dallagaon believed that Shiva Community Forest was catering high prospects for eco-tourism development. The conservationists were also looking for an appropriate way to teach the locals that conservation actually does not bring threats to public life but benefits them. Promoting homestay activities in Dallagaon was taken as a strategy.

Ultimately, the homestay activity in Dalla village began in 2011 with 11 selected households under the name of "Khata Biological Corridor Homestay". Though the homestay was started, a major challenge ahead was to make it guest-friendly. A lot of improvements were required in the way the local Tharu community used to live, eat and

behave. They used to eat spicy food and in *duna-tapari* (leaf-plates). The entire community was dirty. The road network was poor and dusty. The community women were less empowered and exposed. Big change in the livelihoods was deemed necessary. Different organizations came forward to support this mission. Tal-Nepal provided hospitality, cook, health and beauty parlour training to the households. The snail, *ghungi* and mouse were introduced as main foods of Tharu community. Tiger Tops and Taragaon Development Committee also provided cook and hospitality training to the members of the households. The District Development Committee provided dustbin to each household in the village. The road was improved and cleaned. Every household installed bio-gas system for cooking. However, the households had to manage any required finances themselves.

In 2012, additional 10 households joined the activity. With 1 more household joining in 2013, the total number of households in the Dallagaon homestay system have reached to 22. Due license has been obtained from Tourism Office, Nepalgunj on May 7, 2012. The validity of the license is up to May 6, 2017, i.e., for 5 years from the date of issue. Presently, the license has been granted for 20 houses and rest 2 households are in the process of registration.

SCFCC has formed an Eco-Tourism Management Sub-Committee (ETMSC), also known as DHMC, to manage entire homestay related managerial and administrative activities. The committee selects appropriate households for homestay, monitors their service quality, promotes it in the market, coordinates with other hotels and travel agencies to bring guests into the village, and take parts in different local and national conferences and meetings on behalf of the homestay. Presently, there are 10 members in the committee (Annexure-26).

4.4 Demographic Aspect:

4.4.1 Respondents' Statistics:

Annexure-2 presents the age-wise, gender-wise, profession-wise and residential region-wise classification of all of the 66 respondents from the group of HH, NHH and the Guests.

Agewise Respondents: 51.5 percent of respondents were from age group of 25 to 40 years, 19.7 percent from age group of 0 to 25 years, same percentage of respondents from age group of 40 to 55 years and 9.1 percent respondents from age group of above-55-years. Similarly, 72.7 percent, 45.4 percent and 36.4 percent respondents for each of homestay, non-homestay and guest groups respectively were from age group of 25 to 40 years.

Gender-wise Respondents: In total of 66 respondents, male respondents were 63.6 percent while female respondents were 36.4 percent. The male respondents dominated within non-homestay and guest groups with 68.2 percent and 77.3 percent respectively whereas female respondents dominated in homestay group with 54.5 percent.



Study team in excursion to Shiva Community Forest

Profession-wise Respondent Guests: According to their primary profession, in total of 22 respondent guests, 22.7

percent were employees, 18.2 percent were business persons and equal percent were also agriculturalists, 13.6 percent were journalists and equal percent were also unemployed and 4.5 percent each were lecturer, student and housewives.

The Respondent Guests according to their Region of Residence: In total of 22 respondent guests, as many as 45.5 percent were from Mid Western region whereas 31.8 percent were from Mid region. Similarly, 18.2 percent and 4.5 percent were from Western and Eastern region respectively. None of the guests represented far Western region.

4.4.2 Number of Members Involved in Homestay:

Table below presents the gender-wise classification of total number of family members of all the households involved in homestay:

Table 1: Members' Involvement

S.N.	Gender	Number	Percent	Involvement Type	
				Full-time	Part-time
1	Male	29	40.3	10	19
2	Female	43	59.7	28	15
Total		72	100.0	38	34

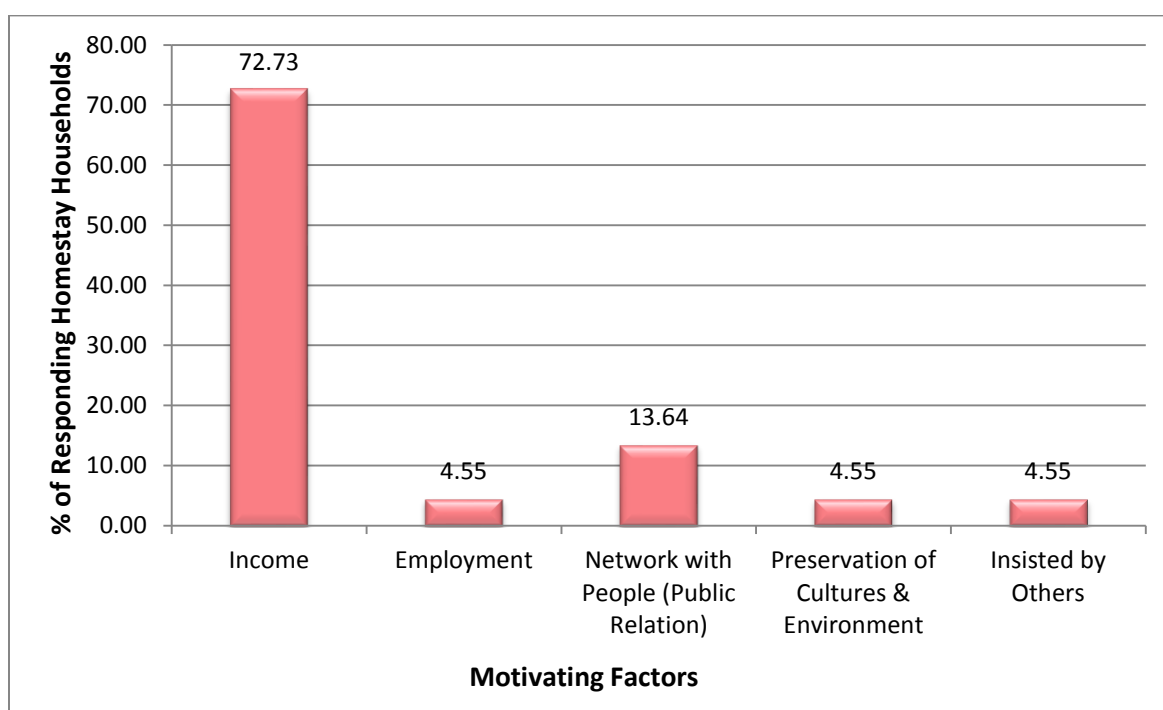
As mentioned above, 72 members from those 22 homestay households are involved in the homestay business affairs. Out of these members, 59.7 percent are female and 40.3

percent are male. Out of the female members, 65.1 percent are involved full-time, i.e., they are fully engaged in homestay management. Likewise, out of male members, only 34.5 percent are fully involved in homestay. Also out of 38 full-timers, 73.7 percent are female members. It shows that Dallagaon homestay is basically female-led and female-managed.

4.4.3 Motivational Factor:

During the study, the key respondents from all 22 homestay households were asked to mention about the factor that primarily motivated their family to adopt homestay business. The following figure presents the findings:

Figure 1: Factors of Motivation

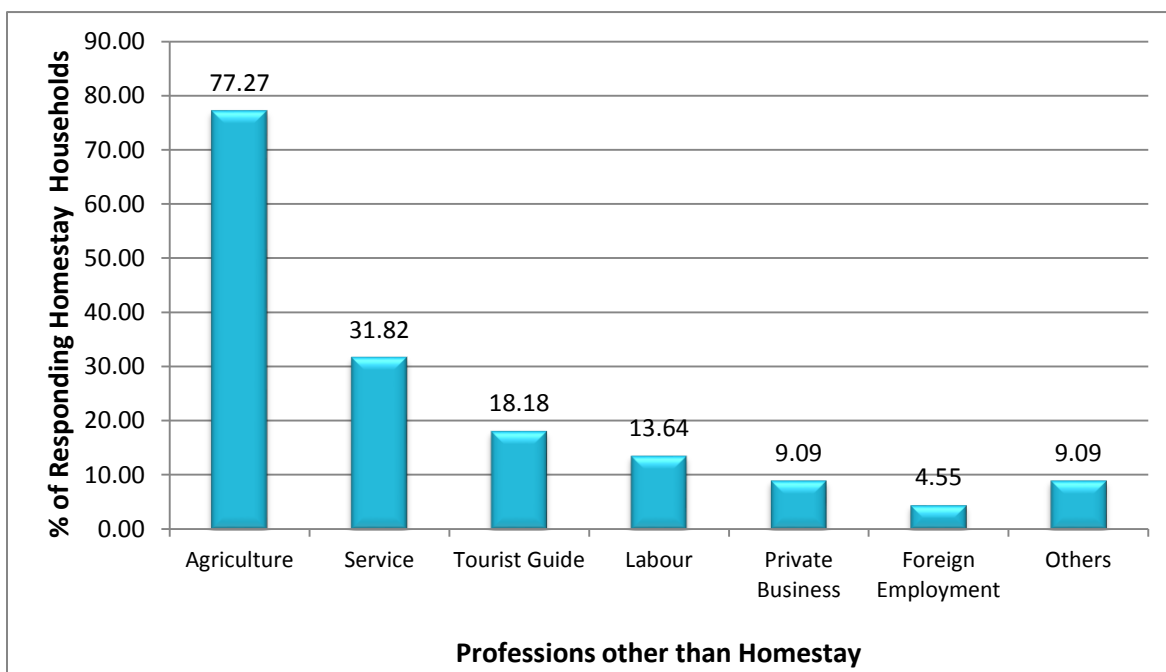


The findings as figured above show that income was the initial motivating factor for 72.7 percent households to adopt homestay business. Similarly, network with people (public relation) was key factor for 13.6 percent households, and each of employment, preservation of cultures & environment and insistence from others for 4.5 percent households. Though most of the households expressed their agreement on contribution of homestay in women empowerment and social unity, none of these households expressed any of these two as primary drivers for homestay business. (Annexure-3)

4.4.4 Other Professions of Homestay Households

Some of the homestay households were involved in multiple professions. Alternative professions in which homestay family members were involved are agriculture, service in government offices or non-government or private institutions, tour guiding, labour, private business, foreign employment, etc. (Annexure-3)

Figure 2: Other Professions of Homestay Households



As per the study findings, 77.3 percent homestay households or their members were also involved in agriculture, 31.8 percent were also in the service of the government or non-government or private institution, 13.6 percent were also paid workers, 9.1 percent were also having their own private businesses, 4.5 percent were also in foreign employment and 9.1



A farmer in Dallagaon ploughing the field for growing paddy

percent were also involved in other works.

4.4.5 Third Party Dependency for Delivering Homestay Service:

Guests staying in the homestay households ask for many kinds of indoor and outdoor services. Some households may be able to manage all of those services without taking external service, others may not. Only 18.2 percent households said they are capable of managing services to their guests without external support. Similarly, 4.5 percent households said they fully depend on external support in arranging services for their guests. A large chunk of households, i.e., 77.3 percent said they depend partly on external help to arrange services for their guests (Annexure-3). This shows that the Dallagaon homestay cannot be run without community's support.

4.5 Homestay Capacity & Service:

4.5.1 Installed Accommodation Capacity:

The number of rooms and bed capacity available for guests' stay in the homestay are given in the following table:

Table 2: Room & Bed Capacity

S.N.	Room Types	No. of Rooms	No. of Beds
1	Single Bed Room (One-bed room)	0	0
2	Double Bed Room (Two-bed room)	25	50
3	Triple Bed Room (Three-bed room)	1	3
Total		26	53

As mentioned in the table, the homestay households have arranged 26 rooms for guests' stay. There are 25 double-bed rooms and 1 tripled-bed room. Hence, in a night, 53 guests can stay in this homestay. With this capacity in hand, this homestay can accommodate for 19 thousand 80 person-nights every year.

However, there are seasonal fluctuations in flow of guests. In some peak and exceptional periods, households have also managed more than 53 guests in a day. Members of DHMC said that the committee has planned to add more rooms and beds in the existing households.

4.5.2 Service Capacity:

Unlike hotel business where guests are always welcomed and paid staffs are available for hospitality service at any time, the homestay is a program where guests are allowed to

dine and stay similar to what the household members do. The purpose of homestay is not to bind a particular household to change its profession but to provide an alternative opportunity to reap tourism benefits. During cultivation and harvesting seasons, some households may not get enough time to manage for guests' stay. Hence, these households can unofficially reject the guests. The members of DHMC, especially the chairperson and the secretary, need to update information about the households where incoming guests can be managed to stay during those periods. An analysis of the service capacity is thus required not in terms of beds available but in terms of beds offered. After discussing with the members of DHMC and some of the homestay households, it was assumed that 70 to 100 percent households can accommodate the guests in peak times, 40 to 70 percent in moderate times and 10 to 40 percent in lean times. The service capacity of the homestay has been calculated as follows:

Table 3: Seasonal Service Capacity

Seasons	Months	Total Beds	Service Capacity	Mid Value	Serviced Number	Annual Capacity	Annual Service
Peak	5	53	70 to 100%	85%	45	7,950	6,758
Moderate	4	53	40 to 70%	55%	29	6,360	3,498
Lean	3	53	10 to 40%	25%	13	4,770	1,192
Total	12	53	45 to 75%	60%	32	19,080	11,448

With the average service capacity of 60% in utilization, the homestay can serve 11 thousand 4 hundred 48 person-nights annually. The calculation is based on the average daily bed service in peak, moderate and lean seasons respectively.

4.5.3 Room & Bed Charges:

For a single person in a room, 95.5 percent households charge Rs. 1 hundred 50 and 4.5 percent households Rs. 2 hundred for every night stay. For 2 persons in a room, 45.5 percent households charge Rs. 2 hundred, 4.5 percent households Rs. 2 hundred 50, 45.5 percent households Rs. 3 hundred and 4.5 percent households Rs. 4 hundred for every night stay. 1 household has arranged 3 beds in a room and it charges Rs. 3 hundred for 3 persons for a night stay. (Annexure-3)

4.5.4 In-room Services:

In most of the homestay rooms, one can find a pair of wooden study table and chair, a small stool, a mirror, a water jug, a water glass, a mosquito net, a mattress, a pillow and a blanket covered with white cotton clothes and a slipper, all arranged for the guests' rest

and convenience. The households have also arranged ceiling fan and electric lights in the rooms for the guests' convenience. Inverter has been put in the room for power backup.

Based on the information provided by the respondents, it is known that all homestay households clean off the guest-rooms and change bed covers every day as required. They also serve local food & beverage to the guest on ask-basis. Only 22.7 percent households provide mobile recharge cards for their guests. Similarly, 13.6 percent households provide laundering services to their guests on ask-basis. (Annexure-3)

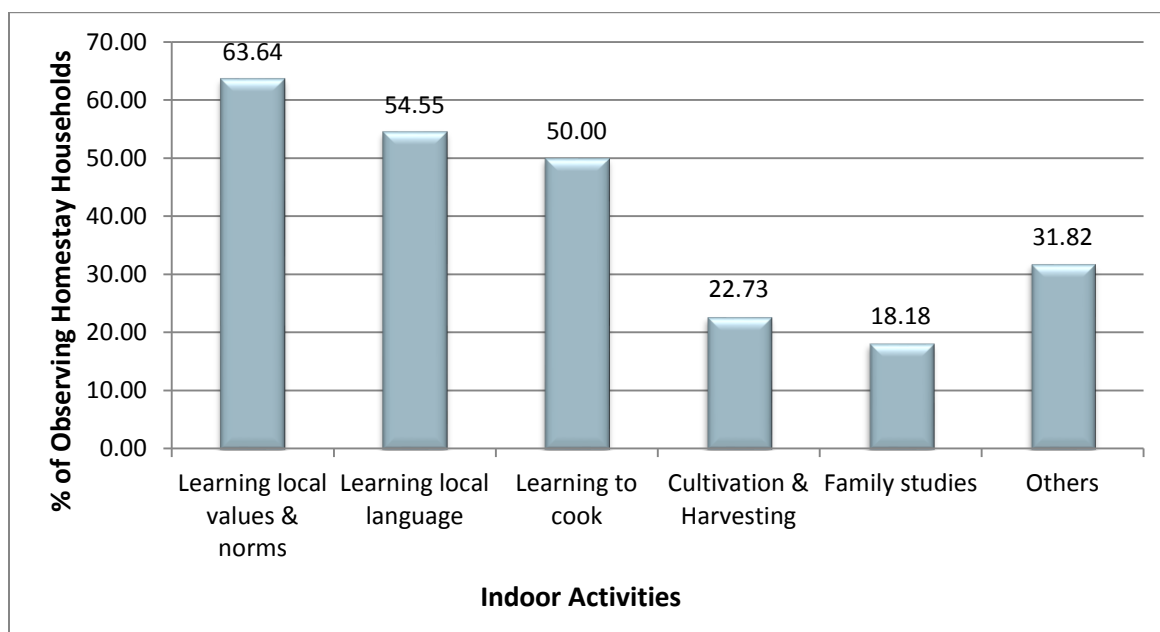


The furniture and other goods in a guest's room

4.5.5 Guests' Observed Interest in Indoor Activities:

Guests visiting the homestay in Dalla village have been observed being interested in various indoor activities like learning local values & norms, learning local language, learning to cook, field work, family study and others. The figure below shows the findings:

Figure 3: Indoor Activities of the Guests

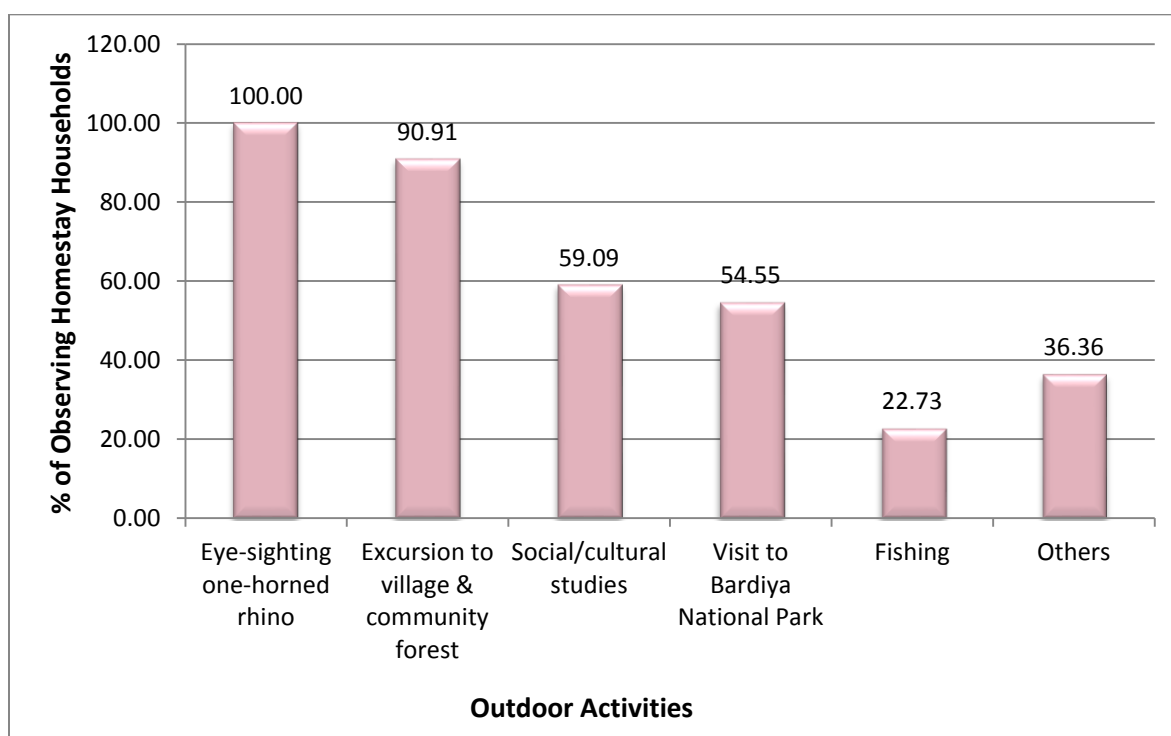


As per the findings, most of the households (63.6 percent) have observed their guests being interested to learn local values & norms and least of the households (18.2 percent) have observed them studying the Tharu families and their livelihoods. Other activities some guests have shown interest in are dancing, camp-firing, tasting local food & beverages and learning Tharu origin or history. (Annexure-3)

4.5.6 Guests' Observed Interest in Outdoor Activities:

Guests who visit the homestay in Dalla village can enjoy various outdoor activities like eye-sighting the rare one-horned rhino in the nearby SCF, excusing to Dalla village and community forest, conducting social and cultural studies, visiting nearby Bardiya National Park, enjoying fishing, etc. The figure below presents the study findings:

Figure 4: Outdoor Activities of the Guests



As per the findings, all households (100 percent) have observed their guests visiting the community forest to eye-sight the rare one-horned rhino and least of the households (22.7 percent) have observed them enjoying the fishing. Other outdoor activities guests have been found to have involved in are observation of local attires & cultural dance, having picnic program, studying the forest, studying the bio-gas system, swimming in Karnali river, studying birds and their species, riding cycles through the trails to the forest, riding Lahadu, etc. (Annexure-3)

4.5.7 Guests' Preferred Activities:

Dallagaon homestay caters various opportunities to the guests. A social science student staying at the place as guest, can observe, study and write on Tharu livelihood, cultures & traditions. People tired of urban rush for better works and life can have meditational treatment with peace and beauty of the greenery and conserved rare species of wildlife in SCF and BNP. Alternatively, guests can have taste of Tharu food, especially shell, crabs and mice. Besides, Dalla village is a lively example of an outcome of collective awareness of the community for environment. During off-seasons, specially cultivation seasons, the local people can be observed working in the field for cultivating paddy, wheat and other crops. The respondent guests have ranked 1st the Tharu livelihood, cultures & traditions and 8th others. Among the other activities were observation of ways how homestay helped in mobilizing local resources for alternative income generation and development, the committee's effort to lead the homestay to success, rising local awareness for better education and environmental protection, the community's visionary thought for generation of alternative income source through homestay, local cooking technology, etc. (Annexure-4)

4.5.8 Training:

A total of 4 hundred 50 individuals from different districts have received homestay related training through TDC during last 3 years (MoF, 2014). The study finds all homestay households in Dalla village receiving training on subjects from cooking to hospitality management between March 2011 to April, 2012.



A Training or Conference House in Dallagaon

The following table presents the study findings:

Table 4: Training to Homestay Households

S.N.	Particulars	No. of HHs	% of HHs	Total Trainees	Share on Training	Access to Training Resource
1	1 training received	4	18.2	4	7.5	1.9
2	2 training received	9	40.9	18	34.0	3.8
3	3 training received	5	22.7	15	28.3	5.7
4	4 training received	4	18.2	16	30.2	7.6
Total		22	100.0	53	100.0	2.4

As shown in the table, 18.2 percent households received trainings 4 times, 22.7 percent households 3 times, 40.9 percent households 2 times and 18.2 percent households at least a time. Altogether, training was seemed to have provided for 53 persons. Each homestay household seemed to have received training for 2.4 persons in average. Regarding training resource allocation, it shows that 4 households each had access to 1.9 percent training resource, 9 households each 3.8 percent, 5 households each 5.7 percent, and the remaining 4 households each enjoyed the largest share of 7.6 percent on training resources. This shows that training resources were distributed unequally among the homestay households. TAL-Nepal, TDC, Tiger Tops, etc. were the main training providers. Besides, the committee has also arranged weaving training to 7 persons, hair cutting training to 1 person and beauty parlour training to 1 person from the non-homestay households.

4.6 Financial Aspect:

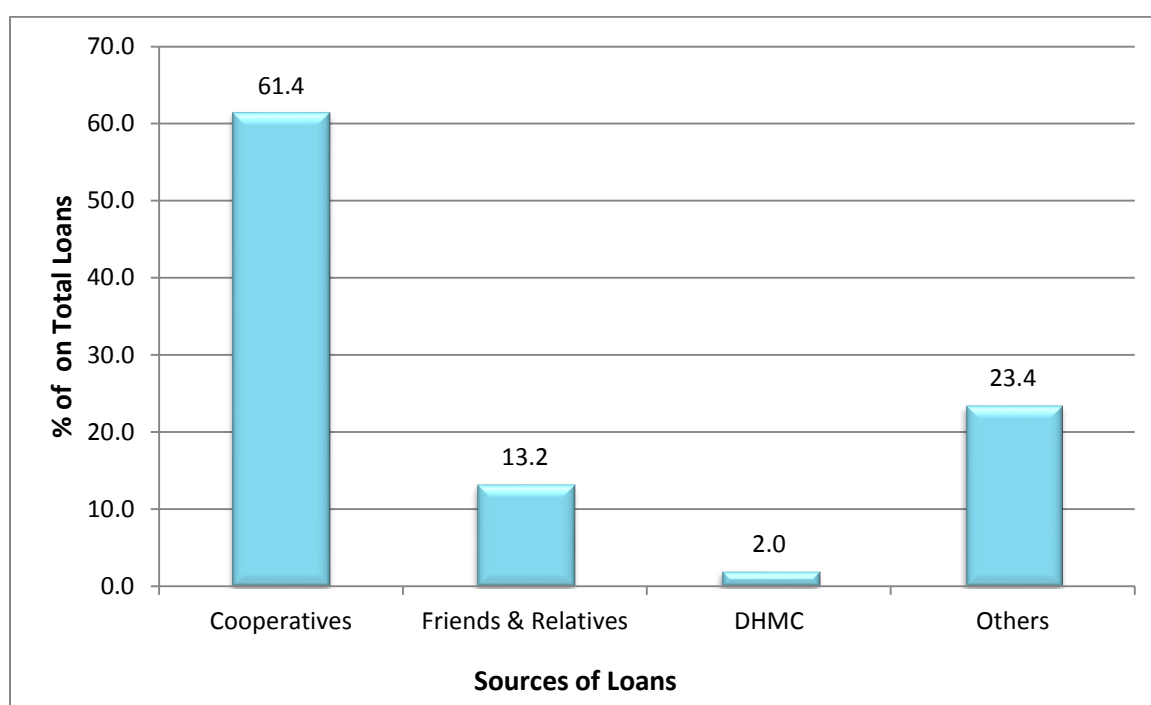
4.6.1 Capital Investment:

The homestay households have invested Rs.1 million 18 thousand till the month of May 2014 in development of the infrastructure like hut, bed, and other room stuffs like bed cover, curtain, mirror, table, etc. About 31.8 percent households have investment up to Rs. 25 thousand, 50.0 percent households between Rs. 25 thousand to 50 thousand, 9.1 percent households between Rs. 50 thousand to 75 thousand, 4.5 percent households between Rs. 75 thousand to 100 thousand and rest (4.5 percent) above Rs. 100 thousand. Average investment of the households is Rs. 46 thousand 2 hundred 73. About 72.7 percent households have invested less than this average and rest 27.3 percent above the average. Only 9.1 percent households have invested amount in 6 digit figure. (Annexure-5)

4.6.2 Loan Arrangement:

Only 50.0 percent households used external finance for developing homestay infrastructure. Their loan outstanding was Rs. 303 thousand as of June 2014. Out of the loanee households, 63.6 percent had loans from cooperatives, 9.1 percent from their friends & relatives, 9.1 percent from DHMC and 27.3 percent from others. None of these households had obtained loans from any of the A, B, C or D class banks or financial institutions. The following figure presents the share of each source on total loans received by homestay households for developing homestay infrastructure:

Figure 5: Sources of Loans for Homestay Households



As figured above, in total loan of Rs. 303 thousand, 61.4 percent loan (Rs. 186 thousand) was from cooperatives, 13.2 percent loan (Rs. 40 thousand) from friends and relatives, 2.0 percent loan (Rs. 6 thousand) from DHMC and rest 23.4 percent loan (Rs. 71 thousand) from miscellaneous parties. Similarly, 15.2 percent loan (Rs. 46 thousand) was bearing zero percent interest rate, 61.4 percent loan (Rs. 186 thousand) 19.62 percent interest rate and rest 23.4 percent loan (Rs. 71 thousand) 4.65 percent interest rate. Regarding repayment period, it was found that the cooperatives lent them for longer period (6 to 24 months) compared to friends and relatives (maximum 6 months). Rest loans had no clearly specified tenure. The households' debt-equity ratio for investment in the homestay is 42.4 percent. (Annexure-8)

Performance of Dallagaon Homestay:

4.7.1 Seasonality & Occupancy:

The homestay business in Dallagaon is influenced by seasons. The months of March, April, May and June (4 months) are moderate business seasons for their homestay. The months of July, August and September (3 months) are lean business seasons as household members are very busy in field works. The months of October, November, December, January and February (5 months) are peak business seasons. The guests have flown in the homestay accordingly. However, the DHMC

has insufficient records to support their claim on seasonal flow of the guests. Discussions with the committee members helped to arrive at the following estimated number of occupancy rate in this homestay.

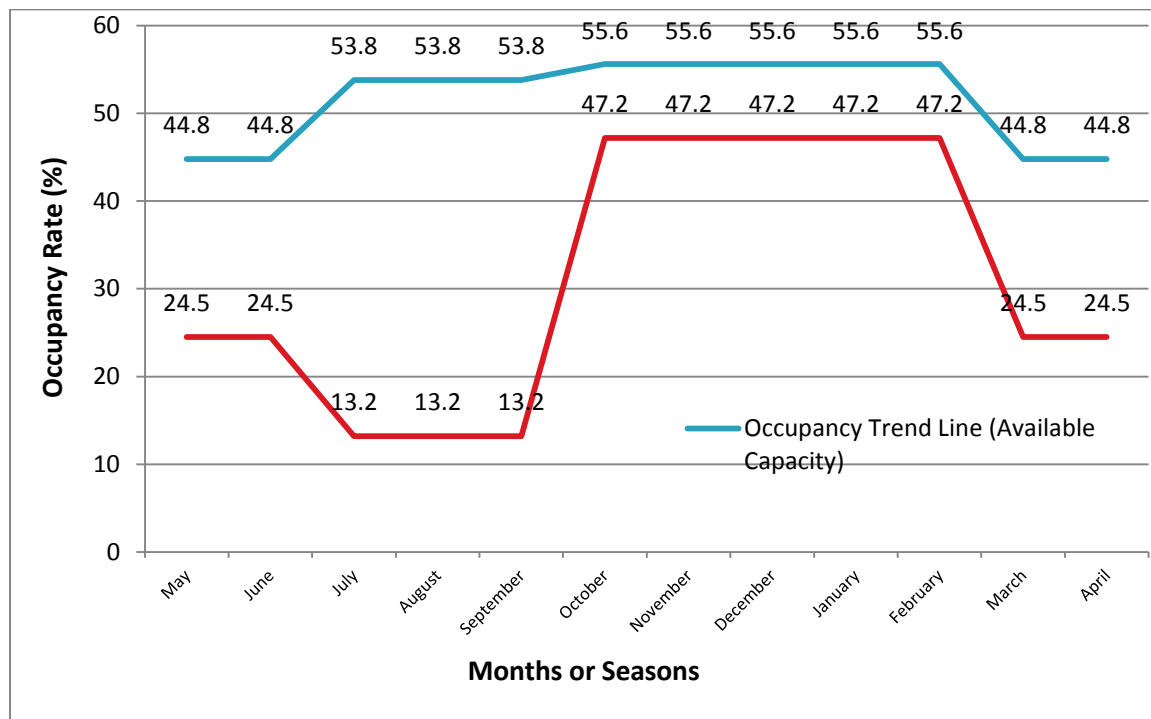


Typical Tharu Breakfast: Dhikri, Egg-Potch, Anadi-Rice Cake and Pickle

Table 5: Seasonal Occupancy

Seasons	Months in the Season	Total Bed Capacity	Available Bed Capacity	Average Arrival Per Day	Occupancy on Total Bed Capacity	Occupancy on Available Bed Capacity
Peak	5	53	45	25	47.2%	55.6%
Moderate	4	53	29	13	24.5%	44.8%
Lean	3	53	13	7	13.2%	53.8%
Annual	12	53	32	17	32.1%	53.1%

Considering total bed capacity, the homestay occupancy rates for peak, moderate and lean business seasons have been estimated to be 47.2 percent, 24.5 percent and 13.2 percent respectively. This gives the estimated annual average occupancy rate of 32.1 percent. The following figure shows the occupancy trend line:

Figure 6: Business Seasonality for Dallagaon Homestay

Similarly, with the consideration of available bed capacity, the occupancy rates for peak, moderate and lean business seasons have been estimated to be 55.6 percent, 44.8 percent and 53.8 percent respectively. On this basis, the estimated annual average occupancy rate is 53.1 percent. On the basis of available bed capacity, the peak, moderate and lean periods are therefore October-February, July-September & March-June.

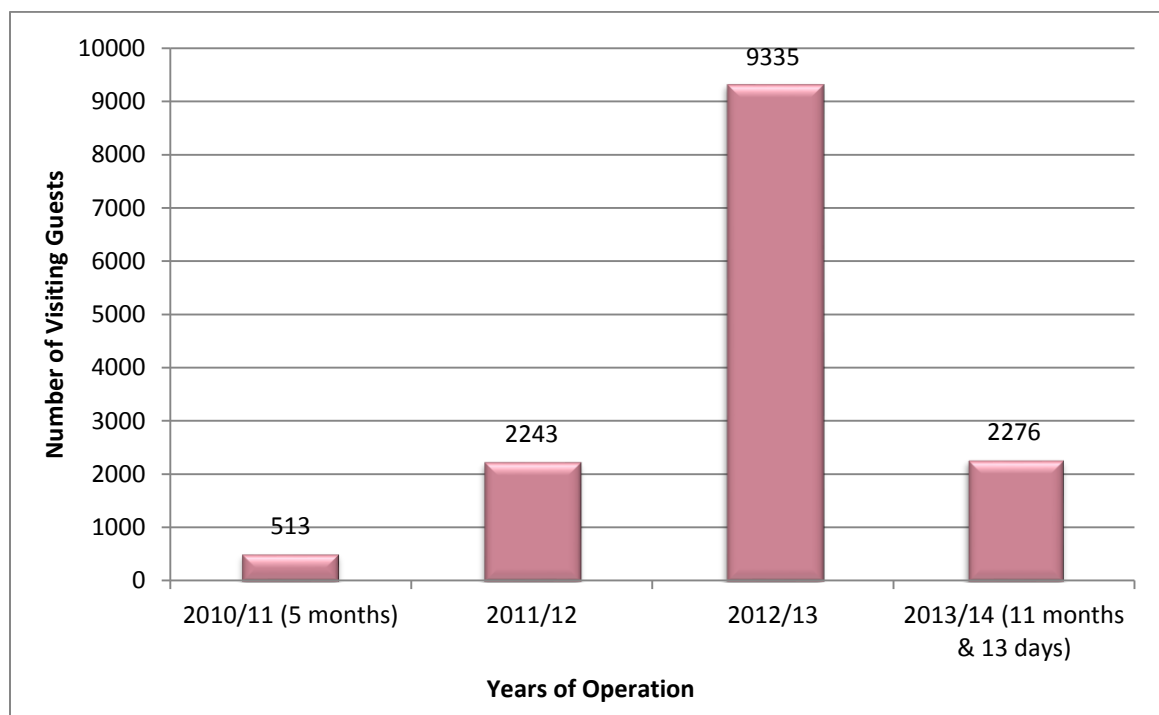
4.7.2 Guests Inflow:

According to the records maintained by DHMC, 5 hundred 13 guests had visited the place in fiscal year 2010/11. The homestay was in operation only for 5 months during this year. As the place started getting fame, a large number of guests visited the place to take part in the training in the place or observation visit to the place or day tour of the place. In fiscal year 2011/12, the flow of guests increased to 2 thousand 2 hundred 43. The records of DHMC shows around 9 thousand 3 hundred 35 guests had visited the place during fiscal year 2012/13. However, due to poor record keeping, they are not sure how many of those guests who visited the place actually stayed. During first 11 months and 13 days of fiscal year 2013/14, around 2 thousand 2 hundred 76 guests visited the place. Hence, a total of 14 thousand 3 hundred 67 guests have visited the place till June 27, 2014.

The records show that between July 16, 2012 to June 27, 2014 (23 months and 13 days), a total of 11 thousand 6 hundred 11 guests visited the place. Among them 95.7 percent

were male and only 4.3 percent were female. Similarly, 99.7 percent of those guests were domestic and only 0.3 percent were foreigners. (Annexure-9)

Figure 7: Inflows of Guests in the Homestay



It is observable that the flow of the visitors hiked unexpectedly during fiscal year 2012/13 as a large number of people were keen to know about this homestay or experience it during the year. However, this level of flow could not sustain coming to the first 11 months and 13 days of fiscal year 2013/14. Fiscal year 2013/14 is not expected to be much different than fiscal year 2011/12 in terms of guests' visit.

4.7.3 Margin on Foods:

Most of the households (45.5 percent) are making a margin of 40 to 60 percent on the on food they serve to their guests. Similarly, 40.9 percent households are making margin of 20 to 40 percent and the rest 13.6 percent households are such margin not higher than 20 percent. While the margin of 54.5 percent households is less than or equal to 40 percent, 96.4 percent households are making margin above 20 percent. (Annexure-3)

4.7.4 Income from Homestay Business:

During the study, it was found that 54.6 percent homestay households are having monthly earning between Rs. 5 thousand to 10 thousand, 22.7 percent households between Rs. 10 thousand to 15 thousand, 13.6 percent households up to Rs. 5 thousand

and the rest 9.1 percent households above Rs.15 thousand (Annexure-3). The average monthly earning of all the households was, thus, Rs.9 thousand 68.

4.7.5 Income to Investment Ratio: (Annexure-5)

The homestay households, as informed by themselves, are earning together an income of Rs.2 million 394 thousand annually from homestay operations. However, the records of DHMC showed that the households earned Rs. 1 million 58 thousand 9 hundred 79 in fiscal year 2012/13. The income to investment ratio was only 1.04 times. Some committee members accept that they have poor records. Therefore, the monthly income estimated by the households have been carried forward in analyzing facts and findings of this study.



The women of Dallagaon busy in the field for growing paddy

With an annual earning of Rs.2 million 394 thousand, the income to investment ratio for homestay households is 2.35 times. Households who have invested up to Rs. 25 thousand have the highest income to investment ratio of 5.53 times and households investing more than Rs. 100 thousand have the lowest income to investment ratio of 0.74 times. The income to investment ratio looks declining with the rise in investment. However, the two-tailed Fisher's exact probability test rejects any relationship between investment and income. (Annexure-6)

4.7.6 Income from All Sources:

At least a member from each homestay household were also found to have been engaged in profession other than homestay, thereby, earning altogether Rs. 244 thousand 9 hundred every month as an alternative income. Their total monthly income including income from homestay is, therefore, Rs. 444 thousand 4 hundred. The average monthly income for each homestay household is, thus, Rs. 20 thousand 2 hundred. On the total income of Rs.444 thousand 4 hundred, 63.7 percent homestay households claim 44.7

percent share whereas rest 36.3 percent homestay households claim remaining 55.3 percent share. (Annexure-7)

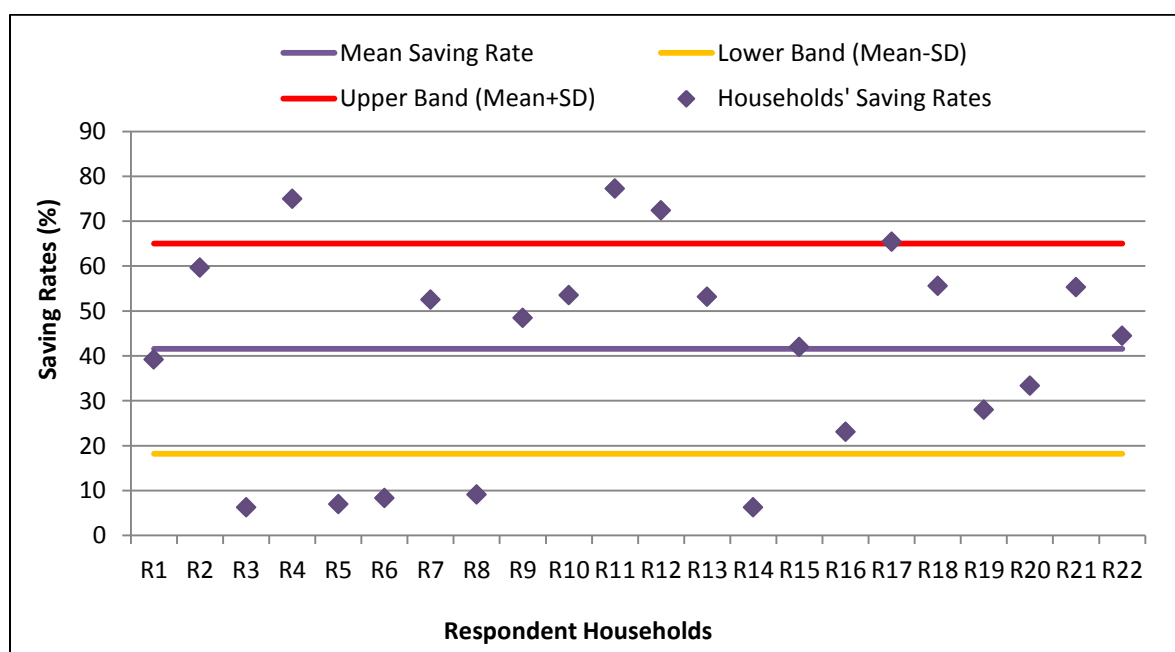
4.7.7 Personal Household Expenses:

The total monthly family expenditure of the homestay households is Rs. 244 thousand. The annual family expenditure of the households is, thus, Rs. 2 million 928 thousand. In an average, each family requires Rs. 11 thousand 91 per month or Rs. 133 thousand 91 per year to meet family expenditure. About 40.9 percent households are able to fully meet their household expenditure from homestay income only while rest 59.1 percent households are not. (Annexure-3)

4.7.8 Households' Saving Rates:

Including income from all sources, the homestay households are earning Rs. 444 thousand 4 hundred every month or Rs. 5 million 332 thousand 8 hundred annually. Their annual expenditure is Rs. 2 million 928 thousand and they are, thereby, saving Rs. 2 million 404 thousand 8 hundred each year. Taking together the income and expenditure of all of the homestay households, the annual saving rate is 45.1 percent. The average of the individual households' saving rates is 41.6 percent with standard deviation of 23.4 percent. Normal range of saving is, thus, 18.2 percent (41.6 minus 23.4) to 65.0 percent (41.6 plus 23.4). The following figure plots the findings:

Figure 8: Households' Saving Rates

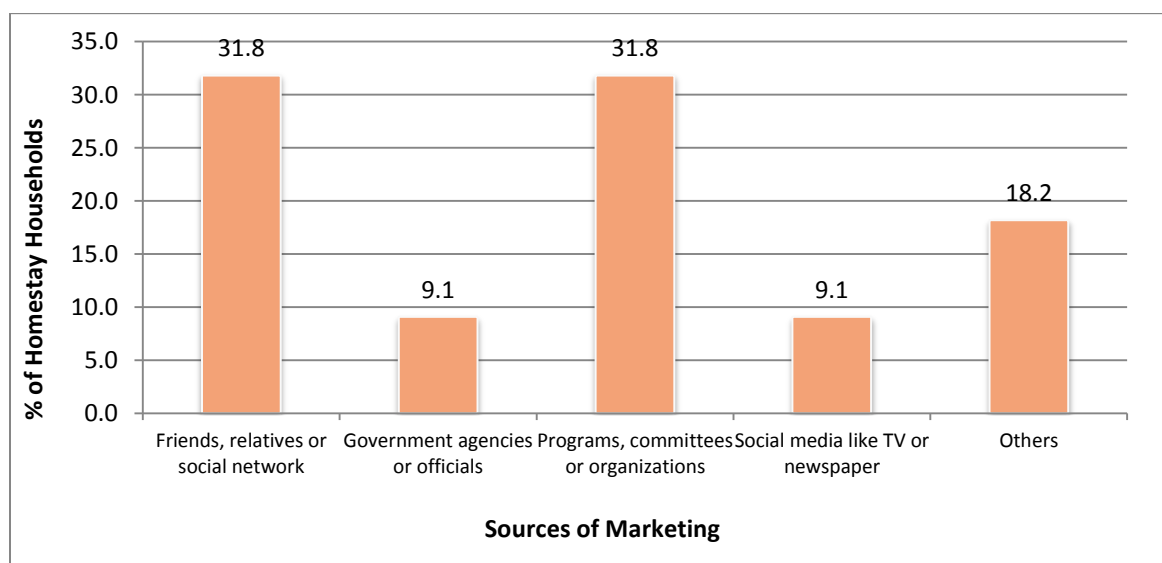


As shown in the figure above, 22.7 percent households have saving rates below the lower band and they are therefore extra small savers. Similarly, 18.2 percent households have saving rates above the upper band and they are therefore extra-large savers. Rest 59.1 percent households are normal savers.

4.7.9 Promotional Activities:

Around 31.8 percent guests said they knew about this place from their friends, relatives and social network, and the same percent guests said also they heard about the place in different programs, committee meetings and organizations. Similarly, 9.1 percent guests said they got information about this place from news media and the same percent guests said they knew about this place from government offices or officials. Remaining 18.2 percent guests knew about the place from different groups like community forest group, women environment group, etc. The figure below presents the findings:

Figure 9: Homestay Marketing



This shows that this homestay is largely running with the word-of-mouth marketing. Social media like newspaper, television, radio and government agencies have, so far, not used to promote it. (Annexure-3)

4.7.10 Cross-cultural Exchange:

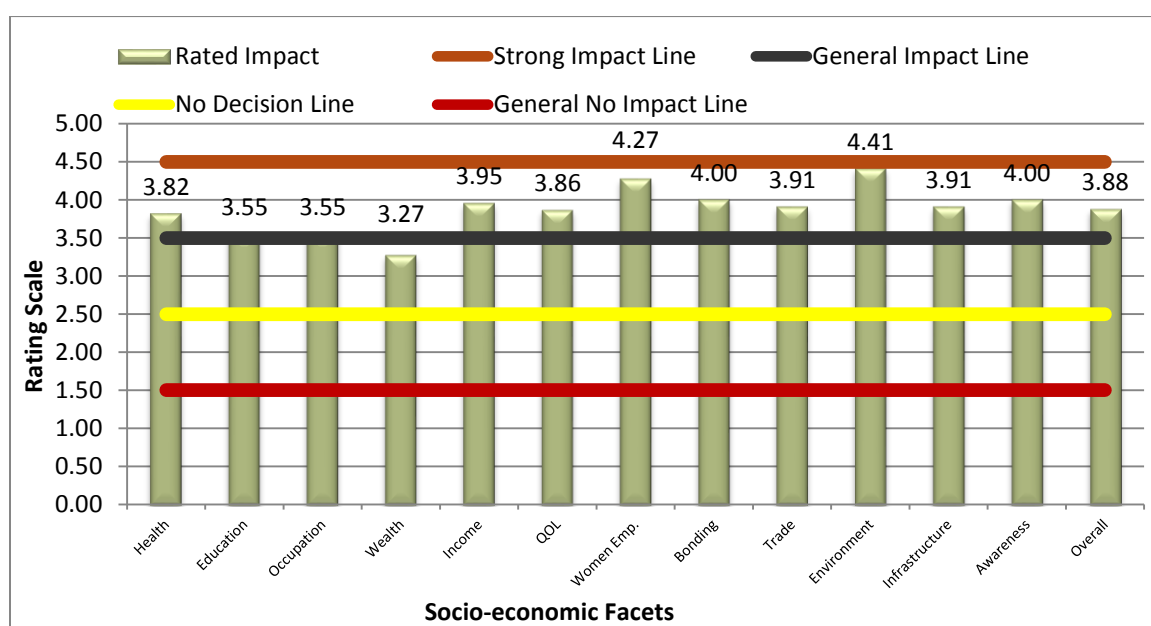
Homestay is the way people with different cultures and traditions are exposed to each other and share their norms and values. Guests learn the local values and norms whereas they also share their norms and values to the host families. Through this cross-cultural exchange with the guests, the host families can add skills, whether it be related to kitchen

or cultivating work or household management or ethics. During the study, respondents from 86.4 percent homestay households said that they have enhanced their skills through cultural exchange with their guests whereas respondents from rest 13.6 percent households said they did not enhance any skills. (Annexure-3)

4.7 Socio-Economic Impact:

Besides benefits to the involved families, the homestay activity is postulated to put favourable socio-economic impact on the entire community. To know about the impact, the respondents from homestay households and non-homestay households were asked to express in 5-point Likert-scale about their agreement or disagreement on the spillover of the homestay benefits on 12 different socio-economic facets of the community viz. health, education, occupation, wealth, income, quality of life, women empowerment, social bonding, trade, environment, infrastructure and social awareness. The following graph presents the findings:

Figure 10: Impact of Homestay on Community



As shown by the figure above, except wealth, the impact on all other facets have crossed the general agreement line. The impact on wealth is not decided though not disagreed. Respondents' overall score was 4.02 which lies between simple agreement zone (3.5 to 4.5) meaning that most of the households simply agree on the favourable socio-economic impact of the homestay activity on their village. The largest impact is on environment. (Annexure-10).

During focus group discussion, the participants informed that prior to homestay operations, the village was very dirty. They would throw dirt on the road and even use the roads as toilets. After homestay has begun, the picture is changed. Waste papers and plastics are put in the dustbin. There is an awareness to keep the village neat and clean. Further, the husbands and wives of some houses would frequently quarrel on trivial issues before homestay service was begun by them. The homestay has made them maintain good ambience in their houses. As a result, these husbands and wives have now learnt to live with good rapport with each others. Similarly, the rise in homestay activities has increased the sales of local agro-products in the village benefitting the entire community.

4.8 Analysis of the Factors & Their Role:

The effect variable-sustainability of a homestay is influenced by a number of cause variables or factors (issues). For a successful homestay program, the families who are involved in must show long-term commitment for involvement and as days pass, they also need to be satisfied from their involvement so far. This gives our 1st factor (households' commitment) and 2nd factor (households' satisfaction). A community-based homestay cannot be run only by few households isolating the entire community. Community cooperation is prerequisite in an initial phase of development and propagates once the benefits of homestay spills over the local community besides host households. Our 3rd factor (community's cooperation) enters here. Of course, the guests, who are the prime focus of such program, must continue to flow in and to promise for so, they also need to find a cause for so, and this hints for the 4th factor (guests' satisfaction). Finally, the importance of the effort made by the committee responsible for promoting, managing, marketing and monitoring of such homestay is equally true which introduces our 5th factor (committee's effort) into the framework. There are many other factors which may also influence homestay business which have been kept aside in this study as th 6th factor and used only in the analysis of probability of sustainability. The first 5 factors have been measured in the following way:

4.9.1 Factor-1: Households' Commitment:

To measure Factor-1, a scale comprising 7 items (questions) was initially constructed in 5-point Likert-type format and included in the questionnaire for homestay households (Annexure-28), and a pilot test was conducted. Based on the pilot test scores, the reliability of the scale was examined using STATA. Weakly correlating items were dropped. Finally, the scale with the following 4 items was found to be highly reliable (Annexure-14) and then used in the final study purpose:

Item 4: Are you planning to concentrate more on other professions?

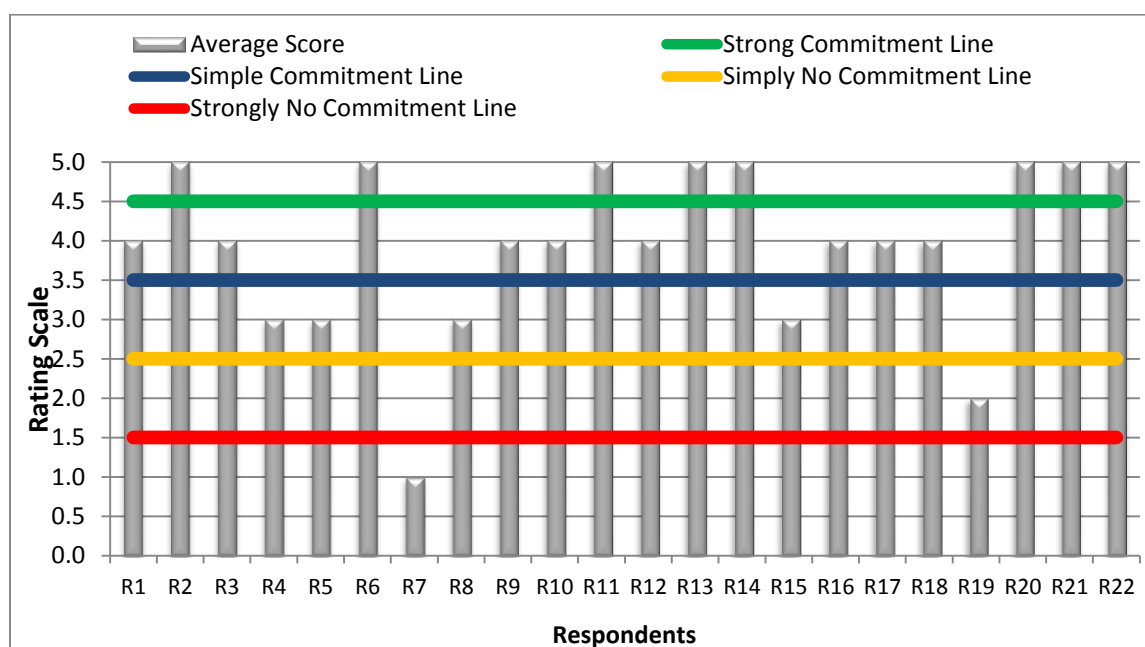
Item 7: Are you interested to make further investment in homestay if demand rises?

Item 8: Are you financially sound to increase investment in your homestay business if required for so?

Item 9: Do you have future plans to improve your services and their qualities?

The average of the final scores on the scale was 3.9 which falls between 3.5 to 4.5 meaning that most of the existing homestay households are simply committed for long-term involvement in homestay activities. Following figure shows average score of each respondent.

Figure 11: Score on Commitment for Long-term Involvement in Homestay



As shown by figure 11 above, 36.4 percent households (8 respondents) were 'strongly committed', same percent of households were 'simply committed', 18.2 percent households (4 respondents) were unclear, 4.5 percent households (1 respondent) were 'simply uncommitted' and equal percent of households (1 respondents) were 'strongly uncommitted'.

4.9.2 Factor-2: Households' Satisfaction:

To measure Factor-2, a scale comprising 10 items (questions) was initially constructed in 5-point Likert-type format and included in the questionnaire for the homestay households (Annexure-28) and a pilot test was conducted to test the scale's strength. STATA was used to measure Cronbach's alpha reliability coefficient of the scale. Finally, the scale with the following 3 items was found to be highly reliable (Annexure-15) and was used for final study purpose.

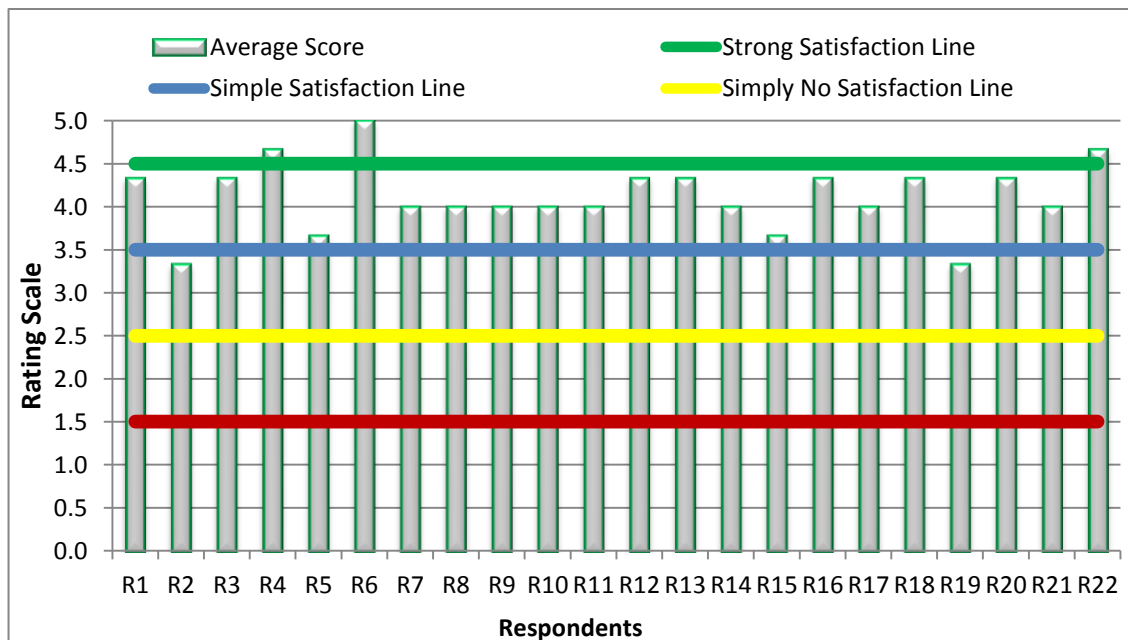
Item 2: You feel that it has enhanced your living standard

Item 7: You see that your future in this profession is bright.

Item 9: You are satisfied with the profit you are making at present from your homestay business.

The average of the final scores on the scale was 4.1 which falls between 3.5 to 4.5 meaning that most of the existing homestay households are simply satisfied with their homestay business. Following figure shows average score of each respondent.

Figure 12: Score on Satisfaction from Homestay Operations



As shown by figure 12 above, 13.6 percent households (3 respondents) were 'strongly satisfied' and 9.1 percent households (2 respondents) were unclear. Rest 77.3 percent households (17 respondents) were 'simply satisfied'.

4.9.3 Factor-3: Community's Perceptions towards Homestay Operations:

To measure Factor-3, a scale comprising 15 items (questions) was initially constructed in 5-point Likert-type format and included in the questionnaire for non-homestay households (Annexure-29). Based on the pilot test scores, the weakly correlated items were dropped to increase scale reliability. Finally, the scale with the following 5 items was found to be highly reliable (Annexure-16) and then used for the final study purpose:

Item 2: It has also provided opportunities for non-homestay households to earn income by selling domestic products.

Item 5: This homestay has pulled in some development in the village.

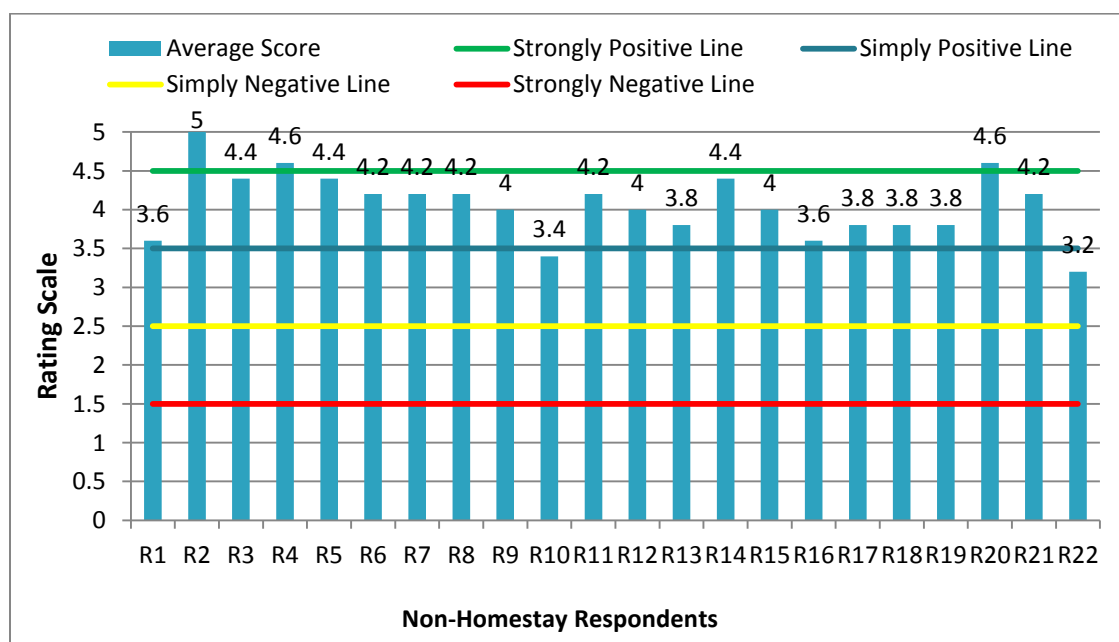
Item 7: It has preserved looks and cultures of the village.

Item 12: In order to meet rising demand, it has caused the production & construction activities in the village to increase.

Item 13: The risen imports in the village due to expansion of homestay activities have put unfavorable effect on local taste, looks and cultures.

The average of the final scores on the scale was 4.1 which falls between 3.5 to 4.5 meaning that most of the community people simply hold positive perception on homestay activities in their areas and are ready to provide required assistance. The following figure shows average score of each respondent:

Figure 13: Score on Community's Perception



As shown by figure 13 above, only 13.6 percent households (3 respondents) were strongly positive and only 9.1 percent households (2 respondents) were unknown. Rest 77.3 percent respondents (17 households) were simply positive towards homestay operations in Dalla village.

4.9.4 Factor-4: Guests' Satisfaction from Homestay Services:

To measure Factor-4, a scale comprising 12 items (questions) was initially constructed in 5-point Likert scale format and included in the questionnaire for guests (Annexure-30). Using the pilot test scores, STATA was used to identify the weakly correlated items and those items were dropped to increase scale reliability. The scale with the following 4 items were found to be highly reliable (Annexure-17) and then this scale was used for final study purpose:

Item 1: I liked the service and hospitality of the people

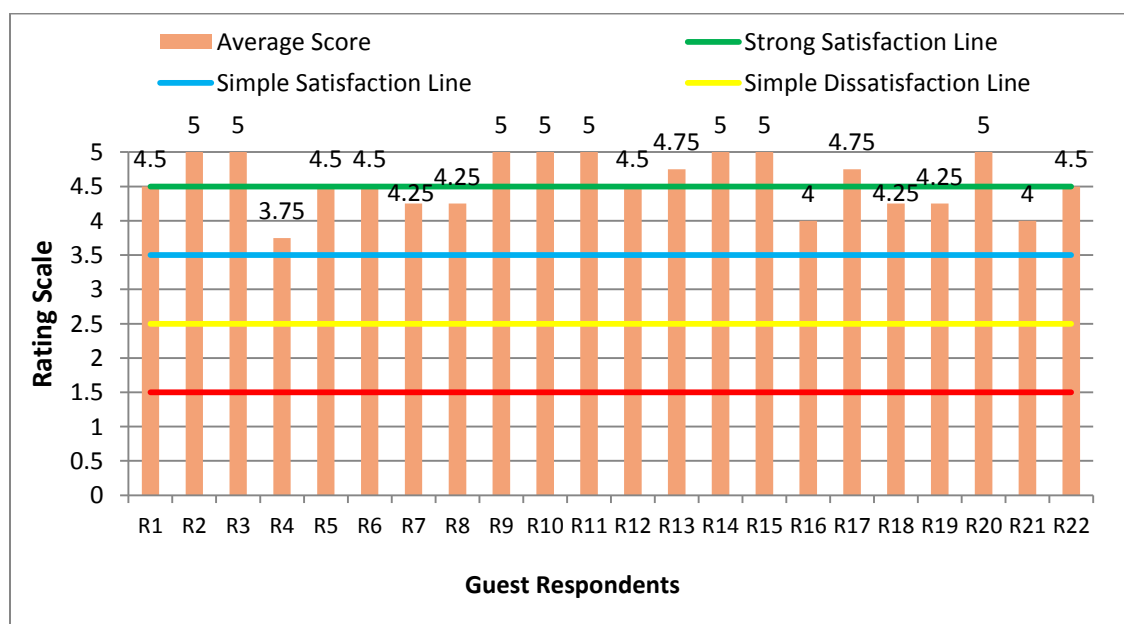
Item 4: I liked the things one could eat, do & observe in the village

Item 6: I liked the local environment

Item 7: I liked local cultures, traditions or cultural shows.

The average of the final scores on the scale was 4.6 which falls between 4.5 to 5.0 meaning that most of the guests visiting this place are strongly satisfied from this place. The following figure shows the average score of each respondent:

Figure 14: Score on Guests' Satisfaction



As shown by figure 14 above, 31.8 percent households (7 respondents) were simply satisfied and rest 68.2 percent households (15 respondents) were strongly satisfied from homestay service in Dalla village.

4.9.5 Factor-5: The Committee's Efforts for Homestay Success:

To measure Factor-5, a scale with 7 items (questions) was initially constructed in 5-point Likert scale and then it was included in the questionnaire for committee members (Annexure-31). With the pilot test scores, STATA was used to identify the weakly correlated items and those items were dropped to increase scale reliability. Finally, the scale with the following 4 items was found to be highly reliable (Annexure-18) and was used for the final study purpose:

Item 1: The committee has planned or is planning to coordinate with travel agents bring more guests into the village

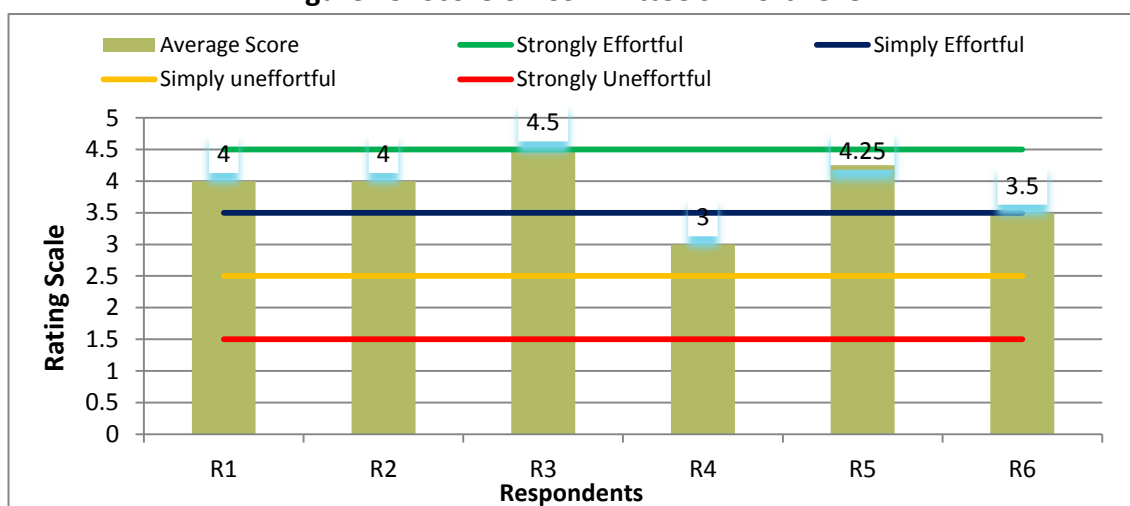
Item 2: To provide service to the guests, the committee has planned or is planning to arrange more tourist guides

Item 5: The committee has planned or is planning to add more rooms or beds in existing households to increase homestay capacity

Item 6: The committee is monitoring the households in a regular manner to maintain quality of food and services

The average of final scores on the scale was 3.9 which falls between 3.5 to 4.5 meaning that the efforts of the DHMC for leading this homestay to success is simply in the right path. The following figure shows average score of each respondent:

Figure 15: Score on Committee's Effort Level



As shown by figure 15 above, the responses of 16.7 percent members (1 respondent) found committee's effort as unclear and the responses of rest 83.3 percent members (5 respondents) found committee strongly effortful for long-term development of homestay in Dalla village.

4.9.6 Factors' Weights:

The respondents from HH, NHH, guests, DHMC and FGD were asked to assign weights to the factors for sustainability of homestay. While aggregating, equal weights were assigned to the groups and to the sub-groups within a group to overcome the possible biasness arising on the strength of largest number of respondents within a group or a sub-group. The final weights received as provided in Annexure-11 showed that the largest weight is 23.92 percent for Factor-4 and the lowest weight is 17.16 for Factor-1. The gap between the two weights is only by 6.76 percent which means the factors' roles are somewhat different on sustainability issue. These weights have been used to calculate each factor's contribution on the overall sustainability score which are provided in Annexure-12.

4.9 Sustainability Score:

The sustainability scores as provided in Annexure-12 have been calculated on the basis of factors' weights as provided in Annexure-11 and factors' scores as provided in Annexure-14 to 18. The overall sustainability score has been calculated as 4.15, which falls in simple agreement zone (3.5 to 4.5) meaning that the homestay sustainability can be simply agreed upon in the 5-factor sustainability framework. The sustainability scores by the groups and sub-groups are also within the simple agreement zone. Factor-4 (guests' satisfaction) has the highest contribution on the sustainability score by groups, by most of the sub-groups and by overall. Admission of the 6th factor in the sustainability framework as shown in Annexure-13 has provided the probability value of 63.6 percent for homestay sustainability.

4.10 Problems of Homestay

Homestay activities in Dallagaon have created an alternative source of income for the concerned families. However, the internal and external problems, which the families face during the operations have made the entire homestay activity full of challenges. The respondents from homestay households, communities, DHMC and the invitees of FGD have pointed out following problems relating homestay in Dallagaon:

- **External Problems:** The following problems are related to the system and outsiders which are not under the control of the homestay households:

- **Poor Road Network:** The road that links Dallagaon to East-West highway is graveled. The place can be reached from Gulariya driving right from Orai Bazar and crossing the Orai River. However, this is also a graveled route which is dusty and suitable only for two-wheeler vehicles. Due to poor road network, guests feel tired after travelling to this place. During the pilot test, all guests simply agreed on the statement that poor road network to this place de-motivates them for revisits.
- **Lack of Public Transportation:** Due to lack of public transportation means to this place, one cannot easily find Dalla village. They have to either rely on their own private vehicles or hire high-cost transportation means from Kohalpur or Gulariya. This makes travelling to Dalla village inconvenient.
- **Poor Electricity Supply:** Electricity is not a place-specific problem but a national issue today. The load-shedding has caused guests' stay in Dallagaon inconvenient. During summer, guests get irritated when they find the fan, only means of cooling in the room, merely hanging up and not spinning. The only refrigerator that is kept by a fresh house is frequently running off due to poor electricity supply.
- **Lack of Pure Water Supply:** There are tube wells in most of the homestay households as source of drinking water for the households and the staying guests. The households claim about the water from the tube wells being safe to drink stand unguaranteed since they have not lab-tested it. Public water supply is not available in this village. Guests may not like the taste of water from tube wells. Hence, they have to bring mineral waters purchasing from outside markets.
- **Poor Communication:** People generally like to inform their friends and relatives about their locations specially when they visit new places. However, the guests visiting Dallagaon may at times experience their cell phones not working properly. Fixed line services are still not expanded to this village.
- **Fear of Assault by Animals:** Since Dallagaon lies near SCF and very near to Bardiya National Park, there are incidences in the past about animals strolling around SCF and the Park to have entered into the village at times in the absence of electric fencing, destroyed crops in the field and even attacked some local people. Elephants have also entered into the village at times and have destroyed the crops. Sometimes, the villagers have also witnessed tigers entering into the village and killing the cattle. People and guests are required to be highly alert while moving around during dark times.

- **Distant Market:** The nearest market is situated at Kusmaniya, which is 1.5 km away from Dalla village. However, this market is not well settled. Hence, the people of this village have to travel 35 km distance to reach Gulariya market for purchasing foods, clothes and other stuffs for guests' convenience.
- **Misbehaviour by the Guests:** According to homestay households, the behaviours of some guests have created problems for the households at times. Some guests arrive very late. They even do not order their food in time. Due to this the host family has to stick up for the orders. Some guests drink till midnight particularly in winters, make noise, thereby, disturbing the nights of the neighbouring households and even behave rudely with the host families. The households have also experienced some guests coming with sexual intentions. Due to these experiences, the female members do not present themselves while serving drinks to their guests. Guests are rarely managed in those households where male members are absent. Besides, some guests visit with expectation of hotel like beds and attached bathroom, and the result is an experience of inconvenient stays from the very beginning. Guests sometimes insist on purchasing some equipments, tools, cultural items and vegetables from the households, which they cannot give or sell, and all these put the households in trouble.
- **Internal Problems:** The following problems are related to homestay households and the community:
 - **Lack of Capital:** Some homestay households believe that their houses, resembling a typical Tharu culture, are not convenient to all types of guests. The houses are made of mud, bamboos and polished with cow's dung. These houses have small ventilator-like windows. The water might leak from the grass-roofs during winters as said by the households. Toilets are not attached and the bathrooms are open. In the rooms, there are no luxury beds, television, filter and solar lights. Though the concept of homestay is to stay with the host families to experience their cultures and lives, this seems to be good in theory only. The guests' sentiments cannot be overlooked. Households believe that guests do not need to stay inconveniently to experience cultures and traditions. 72.7 percent respondents from homestay households said they have future plans to improve their services and qualities. However, half of these respondents were not financially sound for such improvement.
 - **Lack of Skills & Training:** The households said they still lack proper cook and hospitality skills due to which some of their guests get unsatisfied with their service. Some guests are in hurry. They demand foods to be served quickly. Arranging necessary ingredients to make foods for the guests take time for the host families. Those guests have complained about their late service. Households also realize that

they need training to enhance their servicing skills. So far, the households have received different trainings relating to cook and hospitality. However, all the households have not received equal access to the training.

- **Lack of Camera, Museum and Cultural Ornaments:** DHMC members do not have good camera to film their cultures, events with the purpose to promote the homestay. They do not even have a separate Museum to show their rare cultural tools and ornaments. DHMC arranges for cultural shows and dances as per guests' demand. They also arrange shows in different exhibitions. However, in those dances and shows, only few women could wear their cultural ornaments while rest women had to dance with bare neck. This made the entire show less attractive.
- **Lack of Local Foods:** Guests mostly demand local foods and chicken when they visit this place. The typical Tharu foods are snail and crab. These foods are not available during off-seasons. Also all guests do not like these foods. As per the households, most of the guests order local chicken for which the household members may need to travel far in search of local chicken if not found locally.
- **Linguistic Problem:** The households cannot speak in English language while communicating with the foreign guests. In lack of bilingual guides, they cannot communicate with these guests.

Chapter 5

Conclusion and Recommendation

5.1 Conclusion:

Despite potentiality to grow and efforts made to promote the tourism sector of Nepal, the sector has failed to contribute significantly in the country's GDP. A reason for such poor performance might be low accommodation capacity with the tourism industries in Nepal. To develop alternative touristic destinations, meet the government's target of 2 million tourists by 2020 and distribute tourism benefits up to the common people, the government has issued Homestay Operating Guidelines in 2011. Encouraged by so and also to promote conservation based livelihoods, the Tharu community from Suryapatuwa, Bardiya have started their unique "Khata Biological Corridor Homestay" in Dalla village since March 2011. In order to study this homestay with analysis of its sustainability and its socio-economic impact on the local community, 70 different respondents from homestay households, non-homestay households, guests and the homestay management committee were selected. A focus group discussion was also conducted. The findings of the study have been concluded as given below:

- With conceptual and technical support from a number of institutions working in conservation and tourism field, Dallagaon homestay system was initiated in March 2011 to depend largely on conservation practices in Shiva Community Forest, one of the community forests within the Khata Corridor, and the Deukhuri Tharu cultures of Dalla village.
- Presently, there are 22 households included in the homestay system. This homestay has provided direct employments to 72 members, largely of them are women. Hence, it has emerged as a sample of female-led and female-managed homestay in Nepal. Initially, income was the main motivating factor for these households for taking homestay profession. Apart from homestay, households also take other professions, mainly agriculture. Community's cooperation is highly required to operate this homestay. About 53 members from homestay households have received cook and hospitality trainings till June 2014. However, trainings have not been provided equally to all the households.
- 50 percent households have invested between Rs. 25 thousand to 50 thousand in homestay infrastructure. The households have invested a total of Rs.1 million 18 thousand till June 2014. To invest in homestay infrastructure, 50 percent households have taken short-term loan of Rs.303 thousand till June 2014. A large chunk of this loan (61.4 percent) is from cooperatives with average interest rate of 19.62 percent per annum with maximum 2 years repayment period.

- The present capacity of this homestay is 53 beds and this accounts for 19 thousand 80 person-nights annually. Considering all distress situations, 11 thousand 4 hundred 48 person-nights can be served. The average occupancy rate on available bed capacity is 53.1 percent.
- Neither the committee nor the government agencies have done much to promote this homestay in domestic market. Despite insufficient promotion, around 14 thousand 3 hundred 67 persons have been recorded to have visited the place till June 2014. The visitors have, however, gained information about this place through their friends, relatives and social network as well as participation in programs, meetings and seminars.
- 63.6 percent households have observed their guests to have involved in learning local values & norms among the indoor activities and all households have observed them loving to eye-sight the rare one-horned rhino. Guests have ranked Tharu livelihood, cultures and traditions as top among all activities to involve in or observe. Most of the household (86.4 percent) have added skills through cultural exchange with the guests.
- 96.4 percent households are making margin on the food by at least 20.0 percent. Among them, 45.5 percent households have margin between 40.0 percent to 60.0 percent and rest 40.9 percent households between 20.0 to 40.0 percent. The households have average monthly income of Rs. 9 thousand 68 from homestay business. Most of the households (68.2 percent) have earned up to Rs. 10 thousand each month in average. The households' overall homestay income to investment ratio is 2.35 times. There exists no relationship between investment and income of the homestay households. Including all sources, the homestay households earn Rs. 20 thousand 2 hundred and spend Rs. 11 thousand 91 every month in average. Their average saving rate is 45.1 percent.
- The respondents have simply agreed on observable socio-economic impact of the homestay on local community. The largest impact is on environment and the lowest impact is on wealth of the families.
- The households are simply satisfied with their homestay business and are also simply committed to involve in this activity for longer periods. The community people are also simply positive towards the homestay and ready to provide required assistance. The guests are highly satisfied with their visit to this place. The committee is also giving proper plans and monitoring for the success of this homestay.
- In a 5-factor sustainability framework with commitment and satisfaction of homestay households, cooperation from the community, satisfaction of the guests

and the effort by the committee as factors, most of the respondents have viewed satisfaction of guests to play primary role for sustainability. A Likert-scale score of 4.15 has been measured which means that sustainability of the homestay can simply be agreed upon. Inclusion of a 6th factor in the framework has maintained the probability of this homestay sustainability at 63.6 percent.

5.2 Recommendation:

To deal with the problems relating to overall homestay in general and Dallagaon homestay in particular, this study suggests to take following measures by the public sector, private sector and financial sector to create favorable environment for sustainable growth of homestay activities in the country:

A) Public Sector Initiatives:

- In order to promote all homestay systems through its policies, the government should come up with a comprehensive homestay promotion program. In the beginning, the information about homestay systems running throughout the country need to be updated. A 'Homestay Promotion Year' campaign should be begun focusing all of the government's policies and mechanisms to:
 - ease homestay registration process and also reduce registration charges during the program year
 - allocate sufficient budgets for construction or improvement of the roads linking to all homestay places
 - ease route permission process for public vehicles travelling to all homestay places
 - declare homestay bill as tax admissible to all public servants for their stay in any homestay during their compulsory leave period
 - put eye-catching hoarding boards about homestay on public places like parks, cinema halls, bus stops, airports, etc.
 - promote homestay through public sector calendars
 - provide subsidies to all homestay households on the cost of constructing as well as improving their houses
 - air/show a half-hour homestay tourism program on a weekly basis through public sector broadcasting networks
 - exempt homestay income from taxation

- and provide other facilities and supports after having discussion with homestay stakeholders.
- In case of conservation-based homestay, there is always some kinds of threats of injuries to human lives and destruction of the crops, which can prompt the people residing near such conserved places to kill animals. Therefore, the government should provide proper compensation to the people for such losses caused by the animals. Similarly, it should also insure the lives of the people living in places proximate to such protected areas against injuries made by the animals.
- Government should have a policy of facilitating registration of organic homestay systems. It should give proper training to the households for organic farming and also provide subsidies on purchase of quality seeds. Together with the policy of promoting organic homestay, it should also take a policy of promoting homestay in backward areas to help all people benefit equally from tourism development.
- During focus group discussion, the invitees have informed that there is no competition between BNP and Dallagaon Homestay. Therefore, BNP should allow to run Dallagaon Homestay Information Centre from its premises to provide necessary information to the visitors about the homestay.
- Since guests do not love staying in dark places, arrangement should be made to make all homestay areas no-dark zone.
- The government should put solar fencing to check the animals entering into the village from the conserved areas of BNP and SCF.
- For making the arrival to Dalla village comfortable, the government should construct motorable bridges over Ambasha river and Orai river. The roads to the village from both the ways also need to be widened and black-topped.
- Necessary mechanism should be arranged to supply pure and clean drinking water in Dalla village.
- For sustainability of a community-based homestay program, the community's continual support is needed. The community assists only if the opportunities are shared with them. Hence, arrangement should be made to share the benefits or opportunities with the community as a whole. One way for this is providing vocational trainings like hair-cutting, beauty parlour, body massage, weaving, laundry service, jungle safari, etc. to non-homestay households in all homestay areas. The government needs to support for this.

B) Private Sector Initiatives:

- Telecommunication institutions should support homestay programs by improving quality of communication service in homestay areas. Reduction of tariff rates on calls made from such places can further support homestay promotion.
- DHMC should be more active in promoting and developing the homestay focusing its activities particularly on:
 - putting direction boards at different places along East-West highway and Gulariya-Orali road to guide the visitors through to Dalla village
 - arranging trainings to the households to improve their skills relating to cooking, service delivery, hospitality and communication
 - coordinating with BNP and other travel & tour agencies to bring guests to the village under some package programs
 - maintaining transparency in its affairs with proper records of its income and expenditures to gain stakeholders' faith on its leadership
 - formulating long-term plans for development of the homestay
 - taking initiations to establish Tharu cultural museum in this place.
- A feasibility study on rafting from Chisapani to Kothiyaghat should be immediately carried out for developing Dalla village as a destination for other forms of tourism activities apart from homestay.
- The rare one-horned Rhino is the main charm of SCF. As homestay in Dalla village is conservation-based, the Rhino and SC as its habitat need to be protected for which collective effort from government, local people, visitors and other institutions working for animal conservation is required.

C) Financial Sector Initiatives:

- BFIs should provide concessional credit to homestay operators for constructing new homestay premise or improving the existing one. NRB should motivate BFIs for lending to homestay households by considering such credit as made in deprived sector.
- RSRF guidelines should be amended to consider homestay as its prospective lending area. Such lending can be made to community-based homestay operators through homestay committees.

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Annexure-1
Registered Community Homestay Systems in Nepal as of Mid-July, 2014

S.N.	Region/District	No. of Homestay	No. of Rooms	No. of Beds	Names of the Homestay System
Eastern Region		73	177	421	
1	Taplejung	4	4	12	<i>Olangchung Gola Cultural Vilalge</i>
2	Illam	63	167	403	<i>Shree Antu</i>
3	Jhapa	6	6*	6*	<i>Kakarvitta as cited in Lama (2013)</i>
Mid Region		198	261	493	
4	Ramechhap	22	38	92	<i>Numbur Cheese Circuit/Indigeneous People's Trail</i>
		5	11	22	<i>Om Mani Community Homestay</i>
		6	15	30	<i>As per Nepal Tourism Statistics</i>
5	Rasuwa	27	39	99	<i>Tamang Heritage Trail</i>
6	Nuwakot	15	18	33	<i>Nuwakot Valley View Community Homestay</i>
		10	15	30	<i>Uttargaya Community Homestay</i>
7	Kathmandu	5	10	20	<i>Gyanmala Homestay, Kapan</i>
		43	43*	43*	<i>NTB (2013) as cited in Lama (2013)</i>
8	Lalitpur	15	15	15	<i>As mentioned in Lama (2013)</i>
		10	11	11	<i>Bungmati Homestay</i>
9	Bhaktapur	17	21	48	<i>Nagarkot Community Homestay</i>
10	Kavre	5	5	10	<i>Balthali Kol Bhangyang Community Homestay</i>
		7	7	14	<i>Shree Kashi Bisweswor Homestay</i>
		11	13	26	<i>Patlekhhet Envi. Tourism Homestay</i>
Western Region		303	372	708	
11	Kaski	124	124	248	<i>Gurung Heritage Trail (Ghalegaon)</i>
		10	20	40	<i>Panchase Homestay</i>
		14	40	50	<i>Panchavairab Homestay</i>
		17	18	40	<i>Tangting Homestay</i>
		5	5	10	<i>Hundi Dandagaon Community Homestay</i>
		5	5	10	<i>Humdi Lamapata Community Homestay</i>
		5	5	10	<i>Kaure Community Homestay</i>
		33	33*	33*	<i>As mentioned in Lama (2013)</i>
12	Palpa	6	6	12	<i>Baugha Gumba Homestay</i>
13	Syangja	37	59	126	<i>Sirubari Village Tourism</i>
		10	20	40	<i>Kharsuchandi Community Homestay</i>
14	Gorkha	20	20	40	<i>Barapak Village Tourism</i>
15	Parbat	9	9	41	<i>Chitre Rural Tourism Homestay</i>
16	Rupandehi	8	8*	8*	<i>Bhairahawa as cited in Lama (2013)</i>
Mid-Western Region		28	32	64	
17	Bardiya	22	26	53	<i>Khata Corridor Homestay (Dallagaon)</i>
18	Banke	1	1*	1*	<i>Nepalgunj as cited in Lama (2013)</i>
19	Mugu	5	5	10	<i>As per Nepal Tourism Statistics, 2012</i>
Total		602	842	1686	

* Assumed at least 1 room and 1 bed per homestay home

Sources: i) Accommodation Research Report/NTB/CEST Nepal, 2010 as cited in Sedai, 2011

ii) Nepal Tourism Statistics/MoTCA, 2012

iii) Information obtained through contacts with Other secondary information

Annexure-2
Classification of Sample Respondents by Different Parameters

Classification of Sample Respondents	Homestay		Non-Homestay		Guests		Total
	In Group	In Total	In Group	In Total	In Group	In Total	
<u>By Age:</u>							
0 to 25 years	4.6 (1)	1.5	36.4 (8)	12.1	18.2 (4)	6.1	19.7 (13)
25 to 40 years	72.7 (16)	24.2	45.4 (10)	15.2	36.4 (8)	12.1	51.5 (34)
40 to 55 years	18.2 (4)	6.1	13.6 (3)	4.5	27.3 (6)	9.1	19.7 (13)
55+ years	4.6 (1)	1.5	4.6 (1)	1.5	18.2 (4)	6.1	9.1 (6)
<u>By Gender:</u>							
Male	45.5 (10)	15.1	68.2 (15)	22.7	77.3 (17)	25.8	63.6 (42)
Female	54.5 (12)	18.2	31.8 (7)	10.6	22.7 (5)	7.5	36.4 (24)
<u>By Profession:</u>							
Employee					22.7 (5)		
Business person					18.2 (4)		
Journalist					13.6 (3)		
Lecturer					4.5 (1)		
Student					4.5 (1)		
Agriculturalist					18.2 (4)		
Housewife					4.5 (1)		
Unemployed					13.6 (3)		
<u>By Residential Region:</u>							
Eastern					4.5 (1)		
Mid					31.8 (7)		
Western					18.2 (4)		
Mid Western					45.5 (10)		
Far Western					0.0 (0)		

Note:- The figures are given as percentage on total number of respondents. The figures in parenthesis are number of respondents.

Annexure-3
Number of Households on Each Investigation

S.N.	Particulars	No. of Respondents	% of Respondents
1	Motivational factors for homestay households		
i	Income	16	72.7
ii	Employment	1	4.5
iii	Network with people	3	13.6
iv	Preservation of cultures & environment	1	4.5
v	Insisted by others	1	4.5
2	Alternative professions of homestay households		
i	Agriculture	17	77.3
ii	Service in Government or NGO or Private Institution	7	31.8
iii	Tourist Guide	4	18.2
iv	Labour	3	13.6
v	Private Business	2	9.1
vi	Foreign Employment	1	4.5
vii	Others	2	9.1
3	Third party dependency for delivering homestay service		
i	Fully self-arranged (Fully Independent)	4	18.2
ii	Partly self-arranged & partly Arranged with external help	17	77.3
iii	Fully arranged with external help (Fully Dependent)	1	4.5
4	Varieties of Charges in homestay households		
i	Rs. 150 for 1 person & Rs. 200 for 2 persons	9	40.9
ii	Rs. 150 for 1 person & Rs. 250 for 2 persons	1	4.5
iii	Rs. 150 for 1 person & Rs. 300 for 2 persons	10	45.5
iv	Rs. 200 for 1 person & Rs. 400 for 2 persons	1	4.5
v	Rs. 150 for 1 person, Rs. 200 for 2 persons & Rs. 300 for 3 persons	1	4.5
5	In-room Services provided by homestay households		
i	Laundry services	3	13.6
ii	Daily room cleaning & changing of bed covers	22	100.0
iii	Local food & beverage Services	22	100.0
iv	Mobile recharge	5	22.7

S.N.	Particulars	No. of Respondents	% of Respondents
6	Indoor activities guests involved in while in homestay		
i	Learning local values & norms	14	63.6
ii	Learning local language	12	54.5
iii	Learning to cook	11	50.0
iv	Cultivation (Field work) & Harvesting	5	22.7
v	Family studies	4	18.2
vi	Others	7	31.8
7	Outdoor activities guests involved in while in homestay		
i	Eye-sighting one-horned Rhino	22	100.0
ii	Excursion to village & community forest	20	90.9
iii	Social/cultural studies	13	59.1
iv	Visit to Bardiya National Park	12	54.5
v	Fishing	5	22.7
vi	Others	8	36.4
8	Food Margin made by homestay households		
i	0 to 20 percent	3	13.6
ii	20 to 40 percent	9	40.9
iii	40 to 60 percent	10	45.5
iv	Above 60 percent	0	0.0
9	Range of income from homestay business		
i	0 to 5000	3	13.6
ii	5001 to 10000	12	54.6
iii	10001 to 15000	5	22.7
iv	15000 +	2	9.1
10	Range of income from all sources		
i	0 to 10000	1	4.6
ii	10001 to 20000	13	59.1
iii	20001 to 30000	5	22.7
iv	30000 above	3	13.6
11	Status of homestay income of homestay households		
i	Homestay Income \geq Household Expenditure	9	40.9
ii	Homestay Income $<$ Household Expenditure	13	59.1

S.N.	Particulars	No. of Respondents	% of Respondents
12	Source of information about Dallagaon homestay for the guests		
i	Friends, Relatives or Social Network	7	31.8
ii	Internet Source	0	0.0
iii	Travel agents or tour guides	0	0.0
iv	Government agencies or officials	2	9.1
v	Program, committees & organizations	7	31.8
vi	Social media like TV or newspaper	2	9.1
vii	Others	4	18.2
13	Households' cross cultural exchange with the guests		
i	Skills added	19	86.4
ii	Skills not added	3	13.6

Annexure-4
Guests' Preferred Activities

S.N.	List of things and activities	Sum of Ranks	Average Rank	Final Absolute Rank
1	Tharu livelihood, cultures & traditions	56	2.55	1
2	People's hospitality	69	3.14	3
3	Surrounding greenery & conserved wildlife	64	3.05	2
4	Bardiya National Park	109	4.95	6
5	Local foods & taste	95	4.32	4
6	Local place & environment	107	4.86	5
7	Agro experience	136	6.18	7
8	Others:	152	6.91	8

Annexure-5
Homestay Income & Investment of Homestay Households

S.N.	Investment Range	No. of Households	% of Respondents	Total Investment (Rs.)	Average Investment Per Household (Rs.)	Study Findings			DHMC's Record	
						Total Monthly Income	Annual Income	Income to Investment Ratio	Annual Income	Income to Investment Ratio
1	Up to 25,000	8	31.8	154000	19,250	71000	852000	5.53	426618	2.77
2	25,001 to 50,000	10	50.0	384000	38,400	87500	1050000	2.73	395552	1.03
3	50,001 to 75,000	2	9.1	130000	65,000	18500	222000	1.71	129269	0.99
4	75,001 to 1,00,000	1	4.5	100000	1,00,000	7000	84000	0.84	57092	0.57
5	1,00,000 above	1	4.5	250000	2,50,000	15500	186000	0.74	50439	0.2
Total		22	100.0	1018000	46,273	199500	2394000	2.35	1058979	1.04
Households investing below Rs.46,273		16	72.7	4,38,000	27,375	147500	1770000	4.04		
Households investing above Rs.46,273		6	27.3	5,80,000	96,667	52000	624000	1.08		
Households investing in 6-digit figure		2	9.1	3,50,000	1,75,000	22500	270000	0.77		

Annexure-6
Distribution of Investment & Income with
Fisher's Exact Probability Test Result (2 x 4 Matrix)

Income Range	Investment Range		Total
	Upto Rs. 30,000	Above Rs.30,000	
Up to 5,000	0	3	3
5,001 to 10,000	7	5	12
10,001 to 15,000	4	1	5
15,000 above	0	2	2
Total	11	11	22

Alpha value = 0.05

P-value = 0.076

Annexure-7
Distribution of Income from
All Sources of Homestay Families

S.N.	Income Range	No. of HHs	% of HH	Total Income (Rs.)	% on Total Income
1	Up to 10,000	1	4.6	8000	1.8
2	10,001-20,000	13	59.1	190800	42.9
3	20,001-30,000	5	22.7	113600	25.6
4	30,000 above	3	13.6	132000	29.7

Annexure-8
Loans Used by Homestay Households

S.N.	Sources of Loan	No. of Households for each source	% of Loanee Households for each source	Financial				Non-Financial
				Loan Amount (Rs.)	% of Total Loan Amount	Interest Rate % on Loan	Repayment Period of Loans	
1	Banks or Fls	0	0.0	0	0.0	0.00	NA	Assistance equivalent to Rs. 7000 from Shiva Community Forest to one household
2	Cooperatives	7	63.6	1,86,000	61.4	19.62	6 m to 24 m	
3	Friends & Relatives	1	9.1	40,000	13.2	0.00	6 m	
4	DHMC	1	9.1	6,000	2.0	0.00	Not Fixed	
5	Others	3	27.3	71,000	23.4	4.65	Not Fixed	
Total			100.0	3,03,000	100.0	13.14		
Loanee Households		11	50.0					
Self-financing Households		11	50.0					
Total		22	100.0					
Total Investment (Annexure-5) (a)			Rs.	10,18,000				
Total Borrowing (b)			Rs.	3,03,000				
Equity Investment (c = a – b)			Rs.	7,15,000				
Debt-Equity Ratio (b/c)			Percent	42.4				

Annexure-9
Number of Guests Visiting Dallagaon Homestay

Seasons	2010/11 (5 months)	2011/12	2012/13	2013/14 (11 months & 13 days)
Number of Guests	513	2243	9335	2276
Male			8939	1503
Female			396	105
Nepal			9295	1607
Male			8916	1503
Female			379	104
India			0	0
Third World			40	1
Male			23	0
Female			17	1

Annexure-10
Scores of Socio-Economic Impact

S.N.	Socio-economic Aspects	Average Score by HH	Average Score by NHH	Overall Average Score
1	Health	4.14	3.82	3.98
2	Education	3.91	3.55	3.73
3	Occupation	4.27	3.55	3.91
4	Wealth	3.86	3.27	3.57
5	Income Level	4.27	3.95	4.11
6	Quality of Life	4.00	3.86	3.93
7	Women Empowerment	4.27	4.27	4.27
8	Social Bonding	4.27	4.00	4.14
9	Trade	4.23	3.91	4.07
10	Environment	4.59	4.41	4.50
11	Infrastructure	3.91	3.91	3.91
12	Social Awareness	4.27	4.00	4.14
Total		4.17	3.88	4.02

Annexure-11
Perceived Role (Weights) of Different Factors for Sustainability of Homestay

Factors Contributing for Sustainability	Weight for Non-Expert Group				Weight for Expert Group			Combined
	HH	NHH	DHMC	Average	Guests	FGD	Average	
Factor 1	20.08	19.22	21.60	20.30	16.30	11.74	14.02	17.16
Factor 2	21.73	19.53	19.10	20.12	21.02	20.00	20.51	20.32
Factor 3	17.77	19.73	19.85	19.12	19.68	18.82	19.25	19.18
Factor 4	21.03	20.54	20.85	20.80	17.20	36.88	27.04	23.92
Factor 5	19.39	20.98	18.60	19.66	25.80	12.57	19.18	19.42
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Annexure-12
Sustainability Scores

Factors with average Likert-scale Score (LS)	Non-Expert Group				Expert Group			Overall
	HH	NHH	DHMC	Combined	Guest	FGD	Combined	
Factor 1 (LS-3.95)	0.80	0.76	0.85	0.80	0.64	0.46	0.55	0.68
Factor 2 (LS-4.13)	0.90	0.81	0.79	0.83	0.87	0.83	0.85	0.84
Factor 3 (LS-4.06)	0.72	0.80	0.81	0.78	0.80	0.76	0.78	0.78
Factor 4 (LS-4.58)	0.96	0.94	0.95	0.95	0.79	1.69	1.24	1.10
Factor 5 (LS-3.88)	0.75	0.81	0.72	0.76	1.00	0.49	0.74	0.75
Total	4.13	4.12	4.12	4.12	4.10	4.23	4.13	4.15

Annexure-13
Probabilities of Sustainability

Weights		Score of Sixth Factor				
5-Factors	6th-Factor	1	2	3	4	5
1.00	0.00	4.14	4.14	4.14	4.14	4.14
0.90	0.10	3.83	3.93	4.03	4.13	4.23
0.80	0.20	3.52	3.72	3.92	4.12	4.32
0.70	0.30	3.20	3.50	3.80	4.10	4.40
0.60	0.40	2.89	3.29	3.69	4.09	4.49
0.50	0.50	2.57	3.07	3.57	4.07	4.57
0.40	0.60	2.26	2.86	3.46	4.06	4.66
0.30	0.70	1.94	2.64	3.34	4.04	4.74
0.20	0.80	1.63	2.43	3.23	4.03	4.83
0.10	0.90	1.31	2.21	3.11	4.01	4.91
0.00	1.00	1.00	2.00	3.00	4.00	5.00
Probability of being non-sustainable						14.6%
Probability of being sustainable						63.6%
Probability of any direction						21.8%

(Note: Probabilities have been calculated as number of specific cases on the total cases)

Annexure-14
Pilot & Final Test Scores obtained on the Scale
used for Measuring Households' Commitment (Factor-1)
(Related to Q. No. 19 of the Questionnaire provided in Annexure-28)

<u>Respondents</u>	<u>Item 1</u>	<u>Item 2</u>	<u>Item 3</u>	<u>Item 4</u>	<u>Item 5</u>	<u>Item 6</u>	<u>Item 7</u>	<u>Item 8</u>	<u>Item 9</u>	<u>Remarks</u>
R1				5			5	1	5	
R2				5			5	5	5	
R3				5			5	5	1	
R4	5	5	5	5	5	5	1	1	5	Pilot-5
R5				1			5	5	1	
R6	5	5	5	5	5	5	5	5	5	Pilot-4
R7	5	5	5	1	5	5	1	1	1	Pilot-3
R8				1			5	5	1	
R9				5			5	5	1	
R10				5			5	1	5	
R11				5			5	5	5	
R12				5			5	1	5	
R14				5			5	5	5	
R15	5	5	5	5	5	5	5	5	5	Pilot-2
R16	5	5	5	5	5	5	1	1	5	Pilot-1
R17				5			5	1	5	
R18				5			5	1	5	
R19				5			5	1	5	
R20				1			5	1	1	
R21				5			5	5	5	
R22				5			5	5	5	
R23				5			5	5	5	

Average score = 3.95

Annexure-15
Pilot & Final Test Scores obtained on the Scale
used for Measuring Households' Satisfaction (Factor-2)
(Related to Q. No. 18 of the Questionnaire provided in Annexure-28)

Respondents	Item 1	Item 2	Item 3	Item 4	Item 5	Item 6	Item 7	Item 8	Item 9	Item 10	Remarks
R1		4					5		4		
R2		4					2		4		
R3		5					4		4		
R4	4	4	4	4	5	4	5	4	5	5	Pilot-5
R5		4					3		4		
R6	4	5	4	2	5	4	5	3	5	5	Pilot-4
R7	4	4	4	4	5	5	4	5	4	5	Pilot-3
R8		4					4		4		
R9		4					4		4		
R10		4					4		4		
R11		4					4		4		
R12		5					4		4		
R14		4					5		4		
R15	4	4	4	5	5	5	4	4	4	1	Pilot-2
R16	4	3	5	5	5	5	4	4	4	5	Pilot-1
R17		4					5		4		
R18		4					4		4		
R19		5					4		4		
R20		4					2		4		
R21		5					4		4		
R22		4					4		4		
R23		4					5		5		

Average score = 4.13

Annexure-16
Pilot & Final Test Scores obtained on the Scale
used for Measuring Committee' Cooperation (Factor-3)
(Related to Q. No. 1 of the Questionnaire provided in Annexure-29)

<u>Respondents</u>	<u>Item 1</u>	<u>Item 2</u>	<u>Item 3</u>	<u>Item 4</u>	<u>Item 5</u>	<u>Item 6</u>	<u>Item 7</u>	<u>Item 8</u>	<u>Item 9</u>	<u>Item 10</u>	<u>Item 11</u>	<u>Item 12</u>	<u>Item 13</u>	<u>Item 14</u>	<u>Item 15</u>	<u>Remarks</u>
R1	4	4	4	2	4	4	4	5	5	4	4	2	4	3	5	Pilot-1
R2	4	5	5	1	5	4	5	5	4	4	4	5	5	2	5	Pilot-2
R3	4	5	4	4	4	4	5	2	5	3	4	4	4	3	5	Pilot-3
R4	4	5	3	2	4	4	5	5	5	5	3	4	5	5	3	Pilot-4
R5	4	4	4	5	4	4	5	5	5	4	4	4	5	5	4	Pilot-5
R6		5			5		5					1	5			
R7		4			5		5					3	4			
R8		4			4		4					4	5			
R9		4			4		5					4	3			
R10		4			4		4					4	1			
R11		4			4		5					4	4			
R12		3			4		4					5	4			
R13		4			4		4					3	4			
R14		4			4		5					4	5			
R15		4			4		4					4	4			
R16		4			4		4					2	4			
R17		5			2		5					2	5			
R18		4			3		5					2	5			
R19		4			3		5					2	5			
R20		5			4		5					4	5			
R21		4			4		5					4	4			
R22		2			4		4					2	4			

Average score = 4.06

Annexure-17
Pilot & Final Test Scores obtained on the Scale
used for Measuring Guests' Satisfaction (Factor-4)
(Related to Q. No. 1 of the Questionnaire provided in Annexure-30)

<u>Respondents</u>	<u>Item 1</u>	<u>Item 2</u>	<u>Item 3</u>	<u>Item 4</u>	<u>Item 5</u>	<u>Item 6</u>	<u>Item 7</u>	<u>Item 8</u>	<u>Item 9</u>	<u>Item 10</u>	<u>Item 11</u>	<u>Item 12</u>	<u>Remarks</u>
R1	5	4	4	4	4	5	4	4	5	2	4	4	Pilot-1
R2	5	3	3	5	5	5	5	5	5	2	5	5	Pilot-2
R3	5	4	5	5	4	5	5	5	5	2	4	5	Pilot-3
R4	4	3	4	3	4	4	4	5	5	2	5	5	Pilot-4
R5	5	3	5	4	5	5	4	5	4	2	5	5	Pilot-5
R6	5			4		5	4						
R7	5			4		5	3						
R8	5			4		5	3						
R9	5			5		5	5						
R10	5			5		5	5						
R11	5			5		5	5						
R12	4			5		4	5						
R13	5			5		4	5						
R14	5			5		5	5						
R15	5			5		5	5						
R16	4			4		4	4						
R17	5			4		5	5						
R18	4			4		5	4						
R19	5			3		4	5						
R20	5			5		5	5						
R21	4			3		5	4						
R22	5			4		5	4						

Average score = 4.58

Annexure-18
Pilot & Final Test Scores obtained on the Scale
used for Measuring Committee's Effort Level (Factor-5)
(Related to Q. No. 9 of the Questionnaire provided in Annexure-31)

<u>Respondents</u>	<u>Item 1</u>	<u>Item 2</u>	<u>Item 3</u>	<u>Item 4</u>	<u>Item 5</u>	<u>Item 6</u>	<u>Item 7</u>	<u>Remarks</u>
R1	4	3	2	3	5	4	4	Pilot-1
R2	3	3	2	5	5	5	2	Pilot-2
R3	4	4	4	5	5	5	4	Pilot-3
R4	3	2	5	4	4	3	3	Pilot-4
R5	4	4	4	4	5	4	2	Pilot-5
R6	3	3			5	3		

Average score = 3.88

Annexure-19
Reliability Coefficient of the Scale for
Commitment of Homestay Households by STATA

. summarize

Variable	Obs	Mean	Std. Dev.	Min	Max
rh	0				
qu1	5	5	0	5	5
qu2	5	5	0	5	5
qu3	5	5	0	5	5
qu4	5	4.2	1.788854	1	5
qu5	5	5	0	5	5
qu6	5	5	0	5	5
qu7	5	2.6	2.19089	1	5
qu8	5	2.6	2.19089	1	5
qu9	5	4.2	1.788854	1	5

. alpha qu1 qu2 qu3 qu4 qu5 qu6 qu7 qu8 qu9, asis detail item
qu1 qu2 qu3 qu5 qu6 constant in analysis sample, dropped from analysis

Test scale = mean(unstandardized items)

Item	Obs	Sign	item-test correlation	item-rest correlation	average interitem covariance	alpha
qu4	5	+	0.8018	0.6667	2.666667	0.8333
qu7	5	+	0.8729	0.7454	2.133333	0.8000
qu8	5	+	0.8729	0.7454	2.133333	0.8000
qu9	5	+	0.8018	0.6667	2.666667	0.8333
Test scale					2.4	0.8571

Interitem covariances (obs=5 in all pairs)

	qu4	qu7	qu8	qu9
qu4	3.2000			
qu7	1.6000	4.8000		
qu8	1.6000	4.8000	4.8000	
qu9	3.2000	1.6000	1.6000	3.2000

Annexure-20

Reliability Coefficient of the Scale for Households' Satisfaction by STATA

. summarize

Variable	Obs	Mean	Std. Dev.	Min	Max
rh	0				
qu1	5	4	0	4	4
qu2	5	4	.7071068	3	5
qu3	5	4.2	.4472136	4	5
qu4	5	4	1.224745	2	5
qu5	5	5	0	5	5
qu6	5	4.6	.5477226	4	5
qu7	5	4.4	.5477226	4	5
qu8	5	4	.7071068	3	5
qu9	5	4.4	.5477226	4	5
qu10	5	4.2	1.788854	1	5

. alpha qu1 qu2 qu3 qu4 qu5 qu6 qu7 qu8 qu9 qu10, asis detail item
qu1 qu5 constant in analysis sample, dropped from analysis

Test scale = mean(unstandardized items)

Item	obs	sign	item-test correlation	item-rest correlation	average interitem covariance	alpha
qu2	5	+	-0.3953	-0.6523	-.0380952	.
qu3	5	+	0.3750	0.1336	-.0904762	.
qu4	5	+	0.0000	-0.5649	-.0142857	.
qu6	5	+	-0.1021	-0.3797	-.0666667	.
qu7	5	+	0.1021	-0.2010	-.0761905	.
qu8	5	+	0.3953	0.0000	-.0857143	.
qu9	5	+	0.1021	-0.2010	-.0761905	.
qu10	5	+	0.8750	-0.2500	-.0666667	.
Test scale					-.0642857	.

Interitem covariances (obs=5 in all pairs)

	qu2	qu3	qu4	qu6	qu7	qu8	qu9	qu10
qu2	0.5000							
qu3	-0.2500	0.2000						
qu4	-0.7500	0.2500	1.5000					
qu6	-0.2500	0.1000	0.5000	0.3000				
qu7	0.2500	-0.1000	-0.5000	-0.3000	0.3000			
qu8	-0.2500	0.0000	0.5000	0.2500	-0.2500	0.5000		
qu9	0.2500	-0.1000	-0.5000	-0.3000	0.3000	-0.2500	0.3000	
qu10	0.0000	0.2000	-1.0000	-0.4000	0.4000	0.0000	0.4000	3.2000

. alpha qu2 qu7 qu9, asis detail item

Test scale = mean(unstandardized items)

Item	Obs	Sign	item-test correlation	item-rest correlation	average interitem covariance	alpha
qu2	5	+	0.8607	0.6455	.3	1.0000
qu7	5	+	0.9444	0.8807	.25	0.7692
qu9	5	+	0.9444	0.8807	.25	0.7692
Test scale					.2666667	0.8889

Interitem covariances (obs=5 in all pairs)

	qu2	qu7	qu9
qu2	0.5000		
qu7	0.2500	0.3000	
qu9	0.2500	0.3000	0.3000

Annexure-21

Reliability Coefficient of the Scale for Community's Cooperation by STATA

. summarize

Variable	Obs	Mean	Std. Dev.	Min	Max
rh	0				
qu1	5	4	0	4	4
qu2	5	4.6	.5477226	4	5
qu3	5	4	.7071068	3	5
qu4	5	2.8	1.643168	1	5
qu5	5	4.2	.4472136	4	5
qu6	5	4	0	4	4
qu7	5	4.8	.4472136	4	5
qu8	5	4.4	1.341641	2	5
qu9	5	4.8	.4472136	4	5
qu10	5	4	.7071068	3	5
qu11	5	3.8	.4472136	3	4
qu12	5	3.8	1.095445	2	5
qu13	5	4.6	.5477226	4	5
qu14	5	3.6	1.341641	2	5
qu15	5	4.4	.8944272	3	5

. alpha qu1 qu2 qu3 qu4 qu5 qu6 qu7 qu8 qu9 qu10 qu11 qu12 qu13 qu14 qu15, asis detail item
qu1 qu6 constant in analysis sample, dropped from analysis

Test scale = mean(unstandardized items)

Item	Obs	Sign	item-test correlation	item-rest correlation	average interitem covariance	alpha
qu2	5	+	-0.0602	-0.2345	-.005303	.
qu3	5	+	0.1166	-0.1166	-.0075758	.
qu4	5	+	0.3913	-0.1614	-6.73e-19	.
qu5	5	+	0.2212	0.0754	-.0128788	.
qu7	5	+	0.7003	0.6124	-.0227273	.
qu8	5	+	0.3317	-0.1164	-.0045455	.
qu9	5	+	-0.2212	-0.3536	-.0037879	.
qu10	5	+	0.2331	0.0000	-.0113636	.
qu11	5	+	-0.0369	-0.1814	-.0075758	.
qu12	5	+	0.6621	0.3727	-.0265152	.
qu13	5	+	0.8427	0.7759	-.0280303	.
qu14	5	+	0.4669	0.0278	-.0128788	.
qu15	5	+	-0.4239	-0.6216	.0181818	0.2129
Test scale					-.0096154	.

Interitem covariances (obs=5 in all pairs)

	qu2	qu3	qu4	qu5	qu7	qu8	qu9	qu10	qu11	qu12	qu13	qu14	qu15
qu2	0.3000												
qu3	0.0000	0.5000											
qu4	-0.3500	-0.2500	2.7000										
qu5	0.1000	0.2500	-0.4500	0.2000									
qu7	0.1500	0.0000	0.2000	0.0500	0.2000								
qu8	-0.3000	0.0000	-0.9000	0.1500	-0.1500	1.8000							
qu9	-0.1000	-0.2500	0.4500	-0.2000	-0.0500	-0.1500	0.2000						
qu10	0.0000	-0.2500	-0.5000	0.0000	0.0000	0.7500	0.0000	0.5000					
qu11	-0.1000	0.2500	0.2000	0.0500	-0.0500	-0.1500	-0.0500	-0.2500	0.2000				
qu12	0.4000	0.2500	-0.0500	0.3000	0.4500	-0.1500	-0.3000	0.0000	-0.0500	1.2000			
qu13	0.0500	0.0000	-0.1000	0.1000	0.1500	0.4500	-0.1000	0.2500	-0.1000	0.4000	0.3000		
qu14	-0.2000	-0.7500	1.1500	-0.4000	0.1500	0.4500	0.4000	0.5000	-0.3500	-0.1000	0.3000	1.8000	
qu15	-0.0500	0.5000	-0.1500	0.1500	-0.1500	-0.4500	-0.1500	-0.5000	0.3500	-0.1500	-0.3000	-1.0500	0.8000

. alpha qu2 qu5 qu7 qu12 qu13, asis detail item

Test scale = mean(unstandardized items)

Item	Obs	Sign	item-test correlation	item-rest correlation	average interitem covariance	alpha
qu2	5	+	0.7161	0.5833	.2416667	0.8056
qu5	5	+	0.6578	0.5393	.2666667	0.8205
qu7	5	+	0.8771	0.8251	.225	0.7660
qu12	5	+	0.9847	0.9540	.1	0.7273
qu13	5	+	0.7161	0.5833	.2416667	0.8056
Test scale					.215	0.8269

Interitem covariances (obs=5 in all pairs)

	qu2	qu5	qu7	qu12	qu13
qu2	0.3000				
qu5	0.1000	0.2000			
qu7	0.1500	0.0500	0.2000		
qu12	0.4000	0.3000	0.4500	1.2000	
qu13	0.0500	0.1000	0.1500	0.4000	0.3000

Annexure-22

Reliability Coefficient of the Scale for Guests' Satisfaction by STATA

. summarize

Variable	Obs	Mean	Std. Dev.	Min	Max
rh	0				
qu1	5	4.8	.4472136	4	5
qu2	5	3.4	.5477226	3	4
qu3	5	4.2	.83666	3	5
qu4	5	4.2	.83666	3	5
qu5	5	4.4	.5477226	4	5
qu6	5	4.8	.4472136	4	5
qu7	5	4.4	.5477226	4	5
qu8	5	4.8	.4472136	4	5
qu9	5	4.8	.4472136	4	5
qu10	5	2	0	2	2
qu11	5	4.6	.5477226	4	5
qu12	5	4.8	.4472136	4	5

. alpha qu1 qu2 qu3 qu4 qu5 qu6 qu7 qu8 qu9 qu10 qu11 qu12, asis detail item
qu10 constant in analysis sample, dropped from analysis

Test scale = mean(unstandardized items)

Item	Obs	Sign	item-test correlation	item-rest correlation	average interitem covariance	alpha
qu1	5	+	0.6911	0.5828	.0211111	0.3983
qu2	5	+	0.1058	-0.1058	.0377778	0.5638
qu3	5	+	0.2078	-0.1172	.04	0.6154
qu4	5	+	0.9004	0.7986	.0066667	0.1905
qu5	5	+	0.4585	0.2677	.0266667	0.4678
qu6	5	+	0.6911	0.5828	.0211111	0.3983
qu7	5	+	0.8111	0.7158	.0155556	0.3310
qu8	5	+	0.4751	0.3250	.0266667	0.4598
qu9	5	+	-0.1728	-0.3310	.0433333	0.5936
qu11	5	+	-0.1058	-0.3041	.0444444	0.6088
qu12	5	+	0.4751	0.3250	.0266667	0.4598
Test scale					.0281818	0.5090

Interitem covariances (obs=5 in all pairs)

	qu1	qu2	qu3	qu4	qu5	qu6	qu7	qu8	qu9	qu11	qu12
qu1	0.2000										
qu2	0.1000	0.3000									
qu3	0.0500	0.1500	0.7000								
qu4	0.3000	0.1500	-0.0500	0.7000							
qu5	0.1000	-0.2000	-0.1000	0.1500	0.3000						
qu6	0.2000	0.1000	0.0500	0.3000	0.1000	0.2000					
qu7	0.1000	0.0500	-0.1000	0.4000	0.0500	0.1000	0.3000				
qu8	-0.0500	-0.1500	0.0500	0.0500	0.1000	-0.0500	0.1000	0.2000			
qu9	-0.0500	0.1000	-0.2000	0.0500	-0.1500	-0.0500	0.1000	-0.0500	0.2000		
qu11	-0.1000	-0.3000	-0.1500	-0.1500	0.2000	-0.1000	-0.0500	0.1500	-0.1000	0.3000	
qu12	-0.0500	-0.1500	0.0500	0.0500	0.1000	-0.0500	0.1000	0.2000	-0.0500	0.1500	0.2000

. alpha qu1 qu4 qu6 qu7, asis detail item

Test scale = mean(unstandardized items)

Item	Obs	Sign	item-test correlation	item-rest correlation	average interitem covariance	alpha
qu1	5	+	0.8729	0.8018	.2666667	0.8571
qu4	5	+	0.9915	0.9759	.1333333	0.8000
qu6	5	+	0.8729	0.8018	.2666667	0.8571
qu7	5	+	0.8018	0.6667	.2666667	0.8889
Test scale					.2333333	0.8889

Interitem covariances (obs=5 in all pairs)

	qu1	qu4	qu6	qu7
qu1	0.2000			
qu4	0.3000	0.7000		
qu6	0.2000	0.3000	0.2000	
qu7	0.1000	0.4000	0.1000	0.3000

Annexure-23

Reliability Coefficient of the Scale for Committee's Effort by STATA

. summarize

Variable	Obs	Mean	Std. Dev.	Min	Max
rh	0				
qu1	5	3.6	.5477226	3	4
qu2	5	3.2	.83666	2	4
qu3	5	3.4	1.341641	2	5
qu4	5	4.2	.83666	3	5
qu5	5	4.8	.4472136	4	5
qu6	5	4.2	.83666	3	5
qu7	5	3	1	2	4

. alpha qu1 qu2 qu3 qu4 qu5 qu6 qu7, asis detail item

Test scale = mean(unstandardized items)

Item	Obs	Sign	item-test correlation	item-rest correlation	average interitem covariance	alpha
qu1	5	+	0.6210	0.4766	.0366667	0.2129
qu2	5	+	0.8131	0.6616	0	0.0000
qu3	5	+	0.2135	-0.2635	.1466667	0.6600
qu4	5	+	0.4922	0.2160	.05	0.2903
qu5	5	+	0.4804	0.3430	.0533333	0.2824
qu6	5	+	0.5991	0.3504	.0333333	0.2105
qu7	5	+	0.3581	-0.0000	.08	0.4235
Test scale					.0571429	0.3590

Interitem covariances (obs=5 in all pairs)

	qu1	qu2	qu3	qu4	qu5	qu6	qu7
qu1	0.3000						
qu2	0.3500	0.7000					
qu3	-0.0500	-0.1000	1.8000				
qu4	-0.1500	0.2000	0.1500	0.7000			
qu5	0.1500	0.3000	-0.4000	0.0500	0.2000		
qu6	0.1000	0.4500	-0.6000	0.4500	0.3000	0.7000	
qu7	0.2500	0.0000	0.0000	-0.2500	0.0000	0.0000	1.0000

. alpha qu1 qu2 qu5 qu6, asis detail item

Test scale = mean(unstandardized items)

Item	Obs	Sign	item-test correlation	item-rest correlation	average interitem covariance	alpha
qu1	5	+	0.7206	0.5695	.35	0.8514
qu2	5	+	0.9435	0.8669	.1833333	0.7174
qu5	5	+	0.9316	0.8964	.3	0.7714
qu6	5	+	0.8124	0.6071	.2666667	0.8571
Test scale					.275	0.8462

Interitem covariances (obs=5 in all pairs)

	qu1	qu2	qu5	qu6
qu1	0.3000			
qu2	0.3500	0.7000		
qu5	0.1500	0.3000	0.2000	
qu6	0.1000	0.4500	0.3000	0.7000

Annexure-24

WTO Baseline Issues & Baseline Indicators of Sustainable Tourism

Baseline Issues	Suggested Baseline Indicators
<i>Local satisfaction with tourism</i>	<ul style="list-style-type: none"> • Local satisfaction level with tourism (questionnaire)
<i>Effects of tourism on communities</i>	<ul style="list-style-type: none"> • Ratio of tourists to locals (average and peak period/days) • % who believes that tourism has helped bring new services or infrastructure (questionnaire-based) • Number and capacity of social services available to the community (% which are attributable to tourism)
<i>Sustaining tourist satisfaction</i>	<ul style="list-style-type: none"> • Level of satisfaction by visitors (questionnaire-based) • Perception of value for money (questionnaire-based) • % of return visitors
<i>Tourism seasonality</i>	<ul style="list-style-type: none"> • Tourist arrival by month or quarter (distribution throughout the year) • Occupancy rates for licensed (official) accommodation by month (peak periods relative to low season) and % of all occupancy in peak quarter or month) • % of business established opened all year • Number and % of tourist industry jobs which are permanent or full-year (compared to temporary jobs)
<i>Economic benefits of tourism</i>	<ul style="list-style-type: none"> • Number of local people (and ratio of men to women) employed in tourism (also ratio of tourism employment to total employment) • Revenues generated by tourism as % of total revenues generated in the community
<i>Energy management</i>	<ul style="list-style-type: none"> • Per capita consumption of energy from all sources (overall, and by tourist sector – per person day) • % of businesses participating in energy conservation programs, or applying energy saving policy and techniques • % of energy consumption from renewable resources (at destinations, establishments)
<i>Water availability and Conservation</i>	<ul style="list-style-type: none"> • Water use: (total volume consumed and litres per tourist per day) • Water saving (% reduced, recaptured or recycled)
<i>Drinking water quality</i>	<ul style="list-style-type: none"> • % of tourism establishments with water treated to international potable standards • Frequency of water-borne diseases: number/percentage of visitors reporting water-borne illnesses during their stay
<i>Sewage treatment</i>	<ul style="list-style-type: none"> • % of sewage from site receiving treatment (to primary, secondary, (wastewater management) tertiary levels) • % of tourism establishments (or accommodation) on treatment system(s)
<i>Solid waste management (Garbage)</i>	<ul style="list-style-type: none"> • Waste volume produced by the destination (tonnes) (by month) • Volume of waste recycled (m3) / Total volume of waste (m3) (specify by different types) • Quantity of waste strewn in public areas (garbage counts)
<i>Development control</i>	<ul style="list-style-type: none"> • Existence of a land use or development planning process, including tourism • % of area subject to control (density, design, etc.)
<i>Controlling use intensity</i>	<ul style="list-style-type: none"> • Total number of tourist arrivals (peak periods) • Number of tourists per square meter of the site (e.g., at beaches, attractions), per square kilometer of the destination, - mean number/peak period average

Annexure-25
Baseline Issues & Baseline Indicators Used in The Study

Baseline Issues (Cause Variables)	Baseline Indicators (questionnaire-based)
<u>Included:</u>	
Households' commitment for homestay <i>(newly introduced) – Z₁</i>	Households' view on plans for continual involvement in homestay activity
Households' satisfaction with homestay <i>(reworded for 'local satisfaction with tourism' suggested by WTO) – Z₂</i>	Households' view on benefits reaped from homestay
Community's cooperation for homestay <i>(reworded for 'effects of tourism on community' suggested by WTO) – Z₃</i>	Locals' perceptions on the spillover of the benefits of homestay to the entire community
Guests' satisfaction with homestay <i>(reworded for 'sustaining tourist satisfaction' suggested by WTO) – Z₄</i>	Level of satisfaction by the guests who visited the place
Effort of the committee for homestay <i>(newly introduced) – Z₅</i>	Members' plans for homestay promotion
<u>Excluded:</u>	
The 6th factor <i>(reworded for rest of all other issues) – Z₆</i>	Liberated to take any score and weight while determining probability of sustainability

Annexure-26
Present Members of Eco-Tourism Management Sub-Committee
(Dallagaon Homestay Management Committee)

Chairperson	Parshuram Chaudhary
Vice-Chairperson	Champhi Yogi
Secretary	Salik Ram Chaudhary
Treasurer	Gopal Tharu
Member	Mangal Tharu
Member	Deb Raj Yogi
Member	Ambar Kumal
Member	Gauri Khatri
Member	Ashok Ram Chaudhary
Member	Bal Kumari Chaudhary

Annexure-27

Online News Posting on Dallagaon Homestay

DALLA: MAKING THE CONNECTION BETWEEN COMMUNITIES AND CONSERVATION

Innovation and innovative ideas aren't always welcomed because they change the status quo. The homestay program in Dalla, which was established in 2010, is an example of such an innovation which was actually rejected in its initial phases before being fully accepted by the community. Homestay is a form of tourism which allows the visitor to live with a local family in their own household to get better acquainted with the local lifestyle, culture and environment. "My first reaction to a homestay being built in Dalla was a straight no! I thought a homestay would involve a lot of construction and that I would have to sell my land in order for a homestay to be built here," was what Mangal Tharu, a member of the Dalla community felt initially. "Another fear that I had was that a foreign culture would corrupt the women of my community. The last thing I wanted was for them to adopt a culture that wasn't even ours," continued Tharu. This was Tharu's attitude and that of several others in Dalla back in 2009. But all of this was soon to change. Before continuing with the story, it would be worthwhile to jump back 12 years and begin in the year 2001.

Dalla is located in Khata Corridor, a narrow strip of forest in Nepal's Terai Arc Landscape and the only connection for wildlife between Nepal and India. WWF Nepal started work in Khata corridor in 2001. Deforestation and forest degradation were at an all-time high then considering a number of socio-economic factors in the area. The majority of the population in Khata is indigenous people called Tharus. They were very poor with average annual incomes of less than USD 100. The forests were their primary source of livelihood on which they were heavily dependent for food, fodder and firewood. Free and uncontrolled use of forest resources had led to severe degradation problems. And then there were cattle – another primary livelihood source. Free grazing of cattle in the forests had added to the degradation problems.

Using the arm of community forestry, the local people of Khata were soon empowered to take charge of their own forests and restore and manage the same in a sustainable manner. In Dalla, the local people, besides restoring forests, also started restoring wildlife habitat by restoring grasslands and building water holes. Eight such water holes were in fact constructed solely through local effort and resources. A vibrant forest and an inviting habitat soon led wildlife into the community forests around Dalla. Rhinos now became a regular sight and many villagers also claimed to have spotted tigers while in the forest. And over the years, the local people now learned to coexist through a harmonious relationship with nature and wildlife. This was what sparked the idea of a homestay.

Several meetings and deliberations, many of which were facilitated by WWF Nepal, were soon held amongst the local people. An observational tour was also organized by WWF for the villagers in a homestay program in Kailali district in far-west Nepal. All of these efforts finally paid off and the local people got to see the bigger picture and understand the benefits that could actually come to the village through the homestay program.

The homestay program came with a reward – tourism revenues brought about by better protected forests and presence of wildlife – and also worked as an incentive to sustain community protection measures in their forests. It, in fact, also brought about several societal changes in Dalla. "The biggest improvement since the introduction of homestay in Dalla has been the rise in cleanliness in and around the village. Earlier, the streets used to be covered with plastic and waste. Now, the village is a lot cleaner. Community members have constructed several bins around the neighborhood, and people have started throwing their garbage in the bins," says Tharu.

Earlier, in Dalla, men were seen in a better regard than women since they were the prime breadwinners for the family. However, since the Homestay, things have started changing in terms of gender equality. "Before homestay and ecotourism, the major task for women was to take care of the farm animals, their children and the house. With the homestay program, their role is slowly changing. They are now directly involved in income generation and enterprise development. They take care of the guests by making sure they are comfortable and by cooking food for them. They have also started gardening and planting shrubs and flowers to increase the aesthetic value of their homes. Overall, women are getting more empowered in our village," confirms Tharu.

There are now 20 households in Dalla offering homestay facilities for tourists. Nearly 2,000 tourists have already visited the homestay which brought in revenues of about USD 7,000 in the first six months of operation. For an outsider, Dalla might just be another favorite in the list of tourism hot-spots. For the local people, Dalla represents change and the power of human action to make it happen...for their own sake...for nature's sake. (Source: Posted on http://www.wwfnepal.org/media_room/stories/dalla/)

Annexure-28
Questionnaire for Homestay Households

Nepal Rastra Bank, Nepalgunj

Study Questionnaire

This questionnaire has been prepared for the purpose of the study on Dallagaon homestay. The information received hereby shall be kept confidential and shall not be used for any purpose other than the proposed study.

1. In which year did you first associate with the Dallagaon homestay system? Year: 20.....
2. Which one of the following factors has motivated you most for homestay business?

<input type="radio"/> Income	<input type="radio"/> Women empowerment	<input type="radio"/> Insisted by others
<input type="radio"/> Employment	<input type="radio"/> Network and relations with people	<input type="radio"/> Social Unity
<input type="radio"/> Involvement of family members	<input type="radio"/> Preservation of culture and natural environment	<input type="radio"/> Other factors (please specify.....)

3. How many members of your family are involved in homestay business?

Particulars	Number	Engagement	
		Full-time	Part-time
Male			
Female			
Children			

4. How many rooms have you arranged for homestay service?

Room Types	Number of Room	Number of Bed	Rate Per Day Per Bed (Rs.)
Single-bed			
Double-bed			
Triple-bed or more			

5. How much have you invested till now in upgrading your home for homestay? Rs.

6. Have you taken loans from external sources for your homestay business?

- No
- Yes from following sources:

Lenders	Amount (Rs.)	Interest Rate (%)	Loan Period (Yrs)	Non-Financial (Please mention)
Banks or Financial Institutions				
Cooperatives				
Friends & Relatives				
Dallagaon Homestay Management Committee				
Other Institutions or Sources.....				

7. Which of the following services are available at your homestay for guests?
- Laundry services
 - Daily room cleaning and change of bed covers
 - Local food and beverage services
 - Mobile recharge card
 - Others, specify
8. Which of the following activities have you found the guests staying at your homestay rooms have enjoyed?
- | <u>Indoor</u> | <u>Outdoor</u> |
|--------------------------------------|--|
| a. Learning to cook | a. Excursion to village and community forest |
| b. Working in the field (harvesting) | b. Eye-sighting one-horned Rhino |
| c. Learning local values and norms | c. Social studies |
| d. Learning local language | d. Visit to Bardiya National Park |
| e. Family studies | e. Fishing |
| f. Others, specify..... | f. Others, specify..... |
9. Can you manage or arrange all of the above activities without taking external help?
- I can arrange for all the activities myself
 - I can arrange for some activities myself and some others taking external help
 - I can arrange for none of the activities without external help
10. What is your average monthly earning (gross) from homestay business? Rs.....
11. Is the income you are receiving from homestay business sufficient alone to cover your household expenses?
- Yes
 - No
12. What is your average monthly family expenditure? Rs.....
13. How much average margin do you make on foods you serve to the guests? %
14. In which of the following professions are you and your family members are involved?
- Service in the government office or non-government or private institutions
 - Private business
 - Agriculture
 - Labor
 - Tour guide
 - Foreign employment
 - Others, specify.....
15. What is your family's total monthly income other than homestay? Rs.....

16. Have you received any training for enhancing your homestay hospitality skills?

- Yes No

17. Have you added skills through cross-cultural exchange with the guests?

- Yes No

18. Please give your opinions on the mentioned subject-matters about your homestay:

S.N.	Statements	Strongly Disagree	Simply Disagree	Do not Know	Simply Agree	Strongly Agree
1	It has improved financial condition of your family	1	2	3	4	5
2	You feel that it has enhanced your living standard	1	2	3	4	5
3	It has helped to increase your social network and bonding	1	2	3	4	5
4	It has hampered other home affairs of your family	5	4	3	2	1
5	It has hampered education of your children	5	4	3	2	1
6	Guests staying at your home have shown fair behavior towards you and your family members	1	2	3	4	5
7	You see that your future in this profession is bright	1	2	3	4	5
8	You feel that the community's attitude is positive toward your involvement in homestay profession	1	2	3	4	5
9	You are satisfied with the profit you are making from homestay business	1	2	3	4	5
10	You would think seriously before deciding to quit homestay business	1	2	3	4	5

19. Please give your opinions as **Yes** or **No** for the following questions?

S.N.	Questions	Yes	No
1	Are you/your family planning to migrate to other places in the near future?	1	5
2	Is any one of you or your family members planning to go for domestic or foreign employment?	1	5
3	Are your planning to change your homestay profession?	1	5
4	Are you planning to concentrate more on other professions?	1	5
5	Is any one of your family members is against your homestay profession?	1	5
6	Have you ever have any bitter experience or faced any such bitter event in your homestay business?	1	5
7	Are you interested to make further investment in homestay if demand rises?	5	1
8	Are you financially sound to increase investment in your homestay business if required for so?	5	1
9	Do you have future plans to improve your homestay services and their qualities?	5	1

20. Do you agree that the homestay activities in Dallagaon have not only benefitted the concerned households but the benefits have also spilled over the entire village helping to improve the following socio-economic facets of the community?

S.N.	Particulars	Strongly Disagree	Simply Disagree	Do not Know	Simply Agree	Strongly Agree
1	Health (cleanliness, sanitation)					
2	Education					
3	Occupation					
4	Wealth					
5	Income Level					
6	Quality of Life					
7	Women Empowerment					
8	Social Bonding					
9	Trade					
10	Environment					
11	Infrastructure					
12	Public Awareness					

21. In your view, how much role do the following factors play in making Dallagaon homestay tourism sustainable? Please express your view in percentage weight?

- a. Satisfaction of homestay households from homestay business%
 - b. Commitment of households to continue the homestay business%
 - c. Perceptions of the local community towards homestay%
 - d. Satisfaction of the guests from Dallagaon homestay%
 - e. Efforts of Dallagaon Homestay Management Committee%
- Total** **100%**

22. What problems have you faced in running your homestay business?

- a.
- b.
- c.
- d.
-

23. In your opinion, what efforts should be made by whom to promote homestay business and make it sustainable ?

.....

Your Name:	Gender:	Age:	Telephone No:
Family Size: (Male Count....., Female Count.....)			Homestay House No.

Annexure-29
Questionnaire for Non-homestay Households

Nepal Rastra Bank, Nepalgunj

Study Questionnaire

This questionnaire has been prepared for the purpose of the study on Dallagaon homestay. The information received hereby shall be kept confidential and shall not be used for any purpose other than the proposed study.

1. Give your opinions on the homestay program in your village.

S.N.	Statements	Strongly Disagree	Simply Disagree	Do not Know	Simply Agree	Strongly Agree
1	This homestay has contributed in empowering women	1	2	3	4	5
2	It has also provided opportunities for non-homestay households to earn income by selling domestic products.	1	2	3	4	5
3	Other than for homestay household members, it has provided employment opportunities for members of non-homestay households too	1	2	3	4	5
4	My family is willing to associate with homestay system if required	1	2	3	4	5
5	This homestay has pulled in some developments in the village	1	2	3	4	5
6	This homestay has strengthened social bonding	1	2	3	4	5
7	It has preserved looks and cultures of the village	1	2	3	4	5
8	Increased arrivals of outsiders through homestay have caused to weaken social security	5	4	3	2	1
9	Increased arrivals of outsiders through homestay have caused local environment to spoil	5	4	3	2	1
10	The existing homestay capacity should be increased by adding more houses or rooms or beds into the system	1	2	3	4	5
11	Risen interaction with guests and widen external network have improved lifestyles, knowledge & awareness of the villagers which have positively changed their rudimentary ideas, values and norms	1	2	3	4	5
12	In order to meet rising demand, it has caused the production & construction activities in the village to increase	1	2	3	4	5

13	The risen imports in the village due to expansion of homestay activities have put unfavourable effect on local taste, looks and cultures	5	4	3	2	1
14	Increased connections with the outsiders have changed youth's consumption pattern unfavourably	5	4	3	2	1
15	It has unhealthily increased land prices	5	4	3	2	1

2. Do you agree that the homestay activities in Dallagaon have not only benefitted the concerned households but the benefits have also spilled over the entire village helping to improve the following socio-economic facets of the community?

S.N.	Particulars	Strongly Disagree	Simply Disagree	Do not Know	Simply Agree	Strongly Agree
1	Health					
2	Education					
3	Occupation					
4	Wealth					
5	Income Level					
6	Quality of Life					
7	Women Empowerment					
8	Social Bonding					
9	Trade					
10	Environment					
11	Infrastructure					
12	Public Awareness					

3. In your view, how much role do the following factors play in making Dallagaon homestay tourism sustainable? Please express your view in percentage weight?
- a. Satisfaction of homestay households from homestay business%
 - b. Commitment of households to continue the homestay business%
 - c. Perceptions of the local community towards homestay%
 - d. Satisfaction of the guests from Dallagaon homestay%
 - e. Efforts of Dallagaon Homestay Management Committee%

Total 100%

4. In your opinion, what efforts should be made by whom to promote homestay business and make it sustainable ?

.....

.....

.....

.....

Your Name:	Age:	Mobile No.:
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Annexure-30
Questionnaire for Homestay Guests

Nepal Rastra Bank, Nepalgunj

Study Questionnaire

This questionnaire has been prepared for the purpose of the study on Dallagaon homestay. The information received hereby shall be kept confidential and shall not be used for any purpose other than the proposed study.

1. Give your opinions on Dallagaon homestay, based on the experience you gained from your recent visit.

S.N.	Statements	Strongly Disagree	Simply Disagree	Do not Know	Simply Agree	Strongly Agree
1	I liked the service and hospitality of the people	1	2	3	4	5
2	I liked the local foods and their taste	1	2	3	4	5
3	I liked the in-room services	1	2	3	4	5
4	I liked the things one could eat, do & observe in the village	1	2	3	4	5
5	I found the food and service prices appropriate	1	2	3	4	5
6	I liked the local environment	1	2	3	4	5
7	I liked local cultures, traditions or cultural shows	1	2	3	4	5
8	I like to visit this place frequently	1	2	3	4	5
9	I would advise others to visit this place at least once	1	2	3	4	5
10	The quality of existing road network to this place de-motivates me for frequent visits	5	4	3	2	1
11	I found this place best for holiday tour	1	2	3	4	5
12	I found the place as expected	1	2	3	4	5

2. Which of the following things found in or around the homestay and local community did you like most and least? Please rank them from 1 (most liked) to 8 (least liked).

List of things or activities	Rank
<input type="radio"/> Tharu livelihood, cultures and traditions	
<input type="radio"/> People's hospitality	
<input type="radio"/> Surrounding greenery & conserved wildlife	
<input type="radio"/> Bardiya National Park	
<input type="radio"/> Local foods and taste	
<input type="radio"/> Local place and environment	
<input type="radio"/> Agro-experience (Harvesting, cropping, farm works)	
<input type="radio"/> Others, specify.....	

3. How did you first come to know about this place? (Tick only one)

- Friends, relatives or social network
- Internet sources
- Travel agents or tour guides
- Government agencies
- Social media like TV or newspaper
- Others, specify.....

4. In your view, how much role do the following factors play in making Dallagaon homestay tourism sustainable? Please express your view in percentage weight?

- a. Satisfaction of homestay households from homestay business%
 - b. Commitment of households to continue the homestay business%
 - c. Perceptions of the local community towards homestay%
 - d. Satisfaction of the guests from Dallagaon homestay%
 - e. Efforts of Dallagaon Homestay Management Committee%
- Total** **100%**

Your Name:	Age:	Country of Residence:
Telephone No.:		

Annexure-31
Questionnaire for Dallagaon Homestay Management Committee

Nepal Rastra Bank, Nepalgunj

Study Questionnaire

This questionnaire has been prepared for the purpose of the study on Dallagaon homestay. The information received hereby shall be kept confidential and shall not be used for any purpose other than the proposed study.

Combined Questions for Committee Members

1. Have you taken license or approval for homestay business from concerned government office?
 - No
 - Yes, (approval for houses)
2. Is the business of Dallagaon homestay seasonally affected?
 - Yes
 - No
3. If affected by seasons, tick the appropriate season for each month:
 - May (Peak/Moderate/Low)
 - September (Peak/Moderate/Low)
 - January (Peak/Moderate/Low)
 - June (Peak/Moderate/Low)
 - October (Peak/Moderate/Low)
 - February (Peak/Moderate/Low)
 - July (Peak/Moderate/Low)
 - November (Peak/Moderate/Low)
 - March (Peak/Moderate/Low)
 - August (Peak/Moderate/Low)
 - December (Peak/Moderate/Low)
 - April (Peak/Moderate/Low)
4. What is the average occupancy rate of Dallagaon Homestay?
 - Peak Season Occupancy Rate
 - Off Season Occupancy Rate
 - Annual Average Occupancy Rate
5. Have outside travel and tour agencies been coordinated with to invite guests into Dallagaon?
 - No
 - Yes, Co-working with travel and tours
6. Please provide following information as per records.

Particulars	2010/11	2011/12	2012/13
Total guests stayed			
Total days stayed by all guests			
Cash income from all guests Rs.			
Average day stayed per guest			
Average spending by each guest Rs.			

7. How many tourists staying at Dallagaon homestay were from these places as per records?

Particulars	2010/11				2011/12				2012/13			
	Nepal	India	3 rd Nations	Total	Nepal	India	3 rd Nations	Total	Nepal	India	3 rd Nations	Total
Total Count												
Male												
Female												
Or, Percentage												
Male												
Female												

8. Please provide information on the following?

- Total population of Dallagaon:
- Total families in Dallagaon:
- Distance of Dallagaon from East-West highway:
- Type of road linking Dallagaon to East-West highway:
- Nearest health post or hospital and its distance:
- Nearest police station and its distance:
- Nearest market and its distance:

Personal Questions for Committee Members:

9. Give your opinions on the following statements:

S.N.	Statements	Strongly Disagree	Simply Disagree	Do not Know	Simply Agree	Strongly Agree
1	The committee has planned or is planning to coordinate with travel agents bring more guests into the village	1	2	3	4	5
2	To provide service to the guests, the committee has planned or is planning to arrange more tourist guides	1	2	3	4	5
3	The committee has coordinated or is coordinating with other training agencies or trainers to enhance hospitality skills of the homestay households	1	2	3	4	5

4	The committee has planned or is planning to integrate more houses into the system to increase capacity of homestay	1	2	3	4	5
5	The committee has planned or is planning to add more rooms or beds in existing households to increase homestay capacity	1	2	3	4	5
6	The committee is monitoring the households in a regular manner to maintain quality of food and services	1	2	3	4	5
7	The committee is financially sound to provide financial support if the existing as well as newcomer households require so for upgrading or improving their houses to make them homestay friendly	1	2	3	4	5

10. In your view, how much role do the following factors play in making Dallagaon homestay tourism sustainable? Please express your view in percentage weight?

- a. Satisfaction of homestay households from homestay business%
- b. Commitment of households to continue the homestay business%
- c. Perceptions of the local community towards homestay%
- d. Satisfaction of the guests from Dallagaon homestay%
- e. Efforts of Dallagaon Homestay Management Committee%

Total 100%

11. In your opinion, what efforts should be made by whom to promote homestay business and make it sustainable ?

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Your Name:	Age:	Position:
Telephone No.:		

Study Team Conducting Focus Group Discussion



Study Team in and around Dallagaon Homestay and Shiva Community Forest

