Exploring Homestay Tourism in Nepal: Unveiling Opportunities and Challenges

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Abstract

Homestay tourism is a form of accommodation that allows tourists to stay with local families, immersing themselves in the country's rich culture, traditions, and hospitality. This paper explores the historical roots of homestays, originating from ancient customs of hospitality in various civilizations. The objective is to investigate the role of homestays in promoting rural tourism, supporting local economies, and providing authentic travel experiences. Homestay tourism offers a family-like environment for tourists, serving as an alternative to building hotels in remote areas, which contributes to conserving local forests and reducing costs. The development of rural tourism has positively impacted the income and living standards of local communities, offering employment opportunities, and enhancing cultural preservation. However, challenges persist, such as insufficient infrastructure development, unclear policies, limited use of local products, and inadequate training for homestay operators. Addressing these challenges systematically is essential for the future success of homestay tourism in Nepal. By investing in infrastructure, formulating clear policies, promoting the use of local products, and providing training, homestay tourism can continue to thrive, offering travelers an authentic experience and benefiting local communities.

Keywords: Accommodation, Captivates, Community, Harmonious, Sustainable.

Introduction

Homestay tourism refers to a form of accommodation where visitors stay with local families in their homes while traveling to a particular destination (Bhattarai, 2022). Homestay is a system of taking guests to their homes and paying them for staying and eating (Sunuwar, 2019). It provides an opportunity for tourists to experience the local culture, lifestyle, and hospitality of the host community firsthand. In a homestay arrangement, tourists typically rent a room or a portion of a home from a local family or individual (Poudyal & Thapa, 2019). It can vary in terms of the level of integration with the host family and the extent of privacy provided. Some homestays may involve sharing meals and participating in daily activities with the host family, while others may offer a more independent experience where visitors have their own space but still have access to local knowledge and guidance.

Homestay tourism allows tourists to immerse themselves in the local culture, customs, and traditions, offering a more authentic and enriching travel experience. It also provides an opportunity to interact closely with locals, fostering cross-cultural understanding and friendship. Homestays often contribute to the local economy by directly benefiting the host
families and supporting small-scale tourism enterprises (Dhakal et al., 2020). This form of tourism is particularly popular in rural areas and destinations known for their natural beauty, cultural heritage, or unique lifestyle. It can be an alternative to conventional hotel accommodation, offering a more personal and intimate experience (Budathoki, 2013). However, it's important to note that homestay experiences can vary widely depending on the destination, the host family, and the specific arrangements made, so it's essential to research and choose reputable and reliable homestay providers or platforms when considering this type of accommodation.

In the wake of the 21st century, the concept of homestays has been implemented to provide tourists with a welcoming, personalized, and homely environment. This initiative takes into consideration the increasing number of tourists and their interests. In Nepal, both private and public homestays have been operated since the last decade of the 20th century (Bishwokarma, 2019). Tourists will feel at ease as these homestays create an environment where newcomers can quickly feel like family members (Kontogeorgopoulos et al., 2015). As the number of tourists staying in homestays is relatively few, both hosts and guests find great satisfaction in exchanging stories and learning about one another. Tourists can indulge in a welcoming family atmosphere, where they have the opportunity not only to observe the local culture but also to experience it firsthand (Acharya, 2021). It signifies the interest people have in discovering and immersing themselves in the customs, culture, and society of different places beyond their own. For these tourists, homestays serve as a highly beneficial, effortless, and accessible means to fulfill their aspirations.

Homestay is seen as a different type of hotel business that plays a crucial role in the tourism industry. In 2008, the government of Nepal introduced a policy to connect rural tourism with poverty reduction to enhance tourism, especially in rural areas (Pangeni). Merely two years later, in 2010, the Government of Nepal established the 'Homestay Operation Code of Conduct 2010'. As per this policy, privately or communally run tourism ventures operating within homes to offer food, lodging, and other services to tourists were termed homestays (Lama, 2013). This paper utilizes the theory of sustainable tourism development. The study aims to explore Nepal's homestay development history, and its role in tourism, and address challenges in operations.

**Method and Materials**

The study has employed a qualitative research design in alignment with the principles of the mentioned theory. The framework of this article encompasses qualitative research methods such as thematic analysis to investigate the experiences and impacts of Homestay tourism on hosts, guests, and the broader community. This study was conducted based on research using various secondary sources. These sources were specifically gathered from the Tribhuvan University Central Library, the library of the Central Department of History, private collections, and the Internet. The collected sources were categorized according to the study's title, and only significant sources were utilized. Descriptive, analytical, and explanatory methods were used in the study based on obtained sources.
Result and Discussion

History of Homestay Tourism

The concept of homestay is intrinsically linked to human behavior and interpersonal relationships, tracing its roots back to the early stages of human civilization and societal development. Between 1200 to 550 BC, the Celts cultivated and expanded their culture in Central Europe. They practiced the custom of hosting esteemed guests in their homes to ensure a peaceful and harmonious environment. According to Celt's beliefs, humans are considered guests and representatives of God, and thus, they should be treated with respect (The Editors of Encyclopedia Britannica, 2023). In Central Europe, the tradition of graciously receiving guests appears to have originated nearly 3,000 years ago.

In ancient civilizations such as Greece, Egypt, Mesopotamia, Iran, Babylonia, India, etc. dating back 2300 years ago, a tradition of showing special honor and respect to guests in one's house was developed (The Editors of Encyclopedia Britannica, 2023). The concept of homestay, as we know it today, may have evolved from the ancient tradition of honoring and respecting guests. Since 700 BC, the ancient Olympic Games in Greece were linked to the practice of hospitality, where it was believed that honoring a guest was akin to honoring Jupiter himself. Travel in ancient times was closely connected to pilgrimage and entertainment. During those times, there were very few hotels available for accommodation. As a result, people used to rely on staying in the houses of others to complete their journeys. This practice eventually led to the development of a global custom where, if someone asks for a place to stay in someone else's house, it is customary to provide them with respectful hospitality, offering them special food, providing good accommodations, and regarding them almost like gods (Pangeni, 2019). The tradition of hospitality can be found in various communities, including Christian, Muslim, and others, throughout the world.

Over time, people's occupations became more diverse, leading to increased busyness. Consequently, guests gradually became a burden. The religious society seamlessly transitioned into an economic one as individuals were progressively enticed by the pursuit of financial gain. In this context, with the development of the tourism business, people began relying on tourism as a primary source of income. In 405 B.C., the concept of generating income from tourism was developed in Liquor shops known as Madbhatties, which were established there to provide accommodation for tourists in Rome (Adhikari, 2021). That was the initial form of the current homestay tourism. Travelers were required to pay a fee for utilizing these furnaces, which the Europeans transformed into profitable enterprises by collecting funds in this manner. Subsequently, in the 15th century, this practice evolved into a global phenomenon.

During the Vedic period, the tradition of regarding guests as deities was established in Eastern society. As tourism evolved into a commercial enterprise, hosts began treating visitors as paid guests. The significance of homestay tourism is growing steadily not only in developed countries but also in less and underdeveloped countries in the present world. Homestay tourism serves as a significant business for investment and income generation in
developed countries. In recent days, there has been a progressive shift towards utilizing local products and fostering employment opportunities in both less developed and developing countries, making it a standard and beneficial practice. Currently, homestay tourism is shifting its focus from being solely profit-driven to becoming a platform for promoting local product consumption. In rural areas, particularly among women who are predominantly involved in agricultural activities, the traditional practices of Nepalese society have evolved into a business opportunity (Acharya & Halpenny, 2013). It is observed that these women are more engaged in livelihood-oriented work rather than income-generating work. Typically, such individuals are considered partially unemployed. However, with the emergence of homestay tourism in local and rural areas, a positive change has been witnessed. Subsequently, these women and residents embraced homestay as an alternative profession. Initially perceived as an experimental venture, homestay tourism and its related enterprises have now gained substantial momentum (Adhikari, 2018). Nepali society has long upheld the tradition of honoring guests, considering them akin to deities. Homestay tourism has effectively allowed the practical application of this cultural belief, establishing itself as a platform for enjoyment, work, and financial gain.

Homestays play a vital role in global rural tourism. Many countries prioritize operating homestays. In 1908, the Himachal Pradesh government in India introduced the concept of homestays for rural tourism development. With strong support from locals, the plan succeeded, leading to the expansion of rural tourism through homestays across India. Homestays were established in Malaysia around 1988 to boost rural tourism (Ramele et al., 2017). The government actively encouraged their development, resulting in successful rural tourism with local support. Homestays became a strong foundation for rural tourism in Malaysia. Similarly, in Thailand, the concept of homestays was introduced in 2000 but implemented in 2011.

**Homestay Tourism in Nepalese Context**

Despite the relatively short history of homestay tourism in Nepal, the tradition of treating travelers with utmost respect and hospitality has been upheld for centuries. In recent times, as tourism has emerged as a significant contributor to economic development and improved living standards, rural communities have also shown interest in participating, alongside urban areas (Bank, 2015). Following successful trials in various countries, Nepal has also adopted homestays as a policy for rural tourism development. Homestays in Nepal, like in other countries, contribute positively to rural tourism by offering a family-oriented environment and the opportunity to enjoy local cuisine. The Sirubari Homestay concept in Syangja district became an integral part of rural tourism in Nepal since its inception in 1997, initiated by British citizen Tony Park. Initially, 37 Gurung community households in Sirubari started the homestay tourism business (Thakur, 2013). Today, over 500 rural areas in Nepal offer homestay experiences, including Ghandruk Homestay in Kaski District, Ghale Gaon Homestay in Lamjung District, Panaiti Homestay in Kavrepalanchok District, and Thumki Namje Homestay in Dhankuta (Budhathoki, 2014). Community-based homestays have gained immense popularity as a form of rural tourism in Nepal.
Homestay tourism businesses are operating in many villages near the settlement of urban areas in Nepal, like cooperative movements and community forest development programs. Homestay tourism, operating within the tourism industry, is increasingly becoming essential for individuals' livelihoods (Acharya, 2018). In Nepal, the long-standing tradition of staying as guests in relatives' houses and embracing the spirit of warm hospitality has experienced a renaissance with the widespread establishment of homestays in every community. As human civilization progressed, the tradition of hospitality evolved in various regions. In Nepali society, shaped by diverse ethnicities and their religious and practical customs, different manifestations of hospitality emerged (Thapaliya et al., 2012). Hospitality takes on diverse forms, influenced by specific locations, castes, religions, and cultures. This rich culture of hospitality offers domestic and international tourists the freedom to select their preferred style and the chance to experience private and community-run homestays. Due to this very reason, the homestay tourism business is gaining significant prominence in present-day Nepal.

Nepal, with its abundant natural beauty, captivates visitors. Among various forms of tourism, rural tourism takes the lead, offering breathtaking views of hills, Terai, and Himalayan ranges. Nepal's forests, teeming with wild animals, birds, medicinal plants, herbs, enchanting caves, and unique natural landforms, serve as irresistible attractions for tourists visiting the country (Devkota, et al., 2023). In addition to these natural wonders, man-made structures such as monasteries, temples, shrines, chaityas, and palaces are also regarded as equally captivating attractions. Homestay tourism in Nepal has played a significant role in preserving and showcasing the country's mythological and historical heritage, including artifacts, tools from the Stone Age, ancient records, and statues (Chitrakar 2020). Furthermore, the homestay tourism business is flourishing as it attracts tourists who have a strong passion for cultural studies and research, establishing itself as an energetic hub in this domain.

Homestay tourism has emerged as a crucial aspect of promoting rural tourism in Nepal. With this in mind, the Nepalese government developed a tourism policy in 1995. The policy highlighted the involvement of the private sector in tourism development. A collaborative effort between the private and government sectors in Nepal was implemented to advance a quality tourism plan. Starting in 1956, a development plan also put significant emphasis on tourism (Regmi, 2016). As a result, there was a focus on developing tourism infrastructure in rural areas, including transportation, communication, electricity, and access to clean drinking water. By prioritizing infrastructure development, tourists, previously restricted to urban areas and hotels, gradually began exploring rural areas and staying in homestays. Homestays, after undergoing extensive testing, have now emerged as a fundamental element of rural tourism in Nepal (Chhetri, 2015). They serve as valuable resources for researchers interested in studying cultural life. Homestay tourism has also become a preferred option for tourists seeking abundant enjoyment at affordable prices.

Following the gradual growth of the tourism industry in Nepal, a set of guidelines for homestay operations was established in 2010. Particularly in rural areas, the development of
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Homestay services as a business has made accommodations, food, and hospitality offered by homestays a fundamental aspect of tourism (Biswakarma, 2015). Despite the long-standing presence of homestay tourism in Nepal, the absence of a well-defined policy from local, provincial, and federal governments regarding the registration and operation of this business has led to a lack of cooperation between business owners and the government. Therefore, the state needs to conduct further research and establish a clear policy to address this issue. Humans are naturally social beings. Because of this, throughout history, people have been cultivating and practicing traditions of assistance, respect, and hospitality towards one another (Bhatiya, 1996). Additionally, in Eastern societies, service and cooperation have long been regarded as the hallmark of a noble and civilized individual. Culture plays a vital role in shaping human identity. This place possesses a distinctive and authentic character. Throughout history in Eastern societies, there has been a cultural tradition of serving and welcoming others to the best of their abilities, demonstrating strength and bravery.

In Nepal, homestays operated with a minimum of 5 houses under a community management agreement, providing hospitality and facilities, are called community homestays (Sapkota, 2020). On the other hand, privately run homestays are referred to as personal homestays. The purpose of both community and private homestays is to bring the benefits of tourism to rural areas, involve residents in tourism services, improve their living standards through increased income, contribute to local self-employment and national development, offer a direct experience of Nepal's rural life and culture, and provide a family-like atmosphere for urban homestays, making tourists feel at home (Biswakarma, 2015). To ensure consistency in the homestay industry, Nepal authorized the establishment of the 'Homestay Association,' a collective organization for homestay operators. The Homestay Operating Procedures of 2010 have also been implemented, outlining the essential guidelines for both homestay operators and guests (Walter et al., 2018). Presently, homestays in Nepal operate by this established code of conduct.

The global advancement of rural tourism has led to the adoption of homestay as an alternative to building immediate high-quality hotels in remote regions. Following Nepal's government policy of economic liberalization, implemented after the democratic restoration achieved through the People's Movement of 1990, the homestay has emerged as a significant milestone in the country's rural tourism development (Dube & Sharma, 2018). Given that tourism is viewed as a crucial factor in reducing economic inequality, homestay is recognized as a valuable asset for expanding tourism opportunities to rural areas.

opportunities for rural tourism in Nepal

Nepal is a country abundant with villages, yet due to challenging mountainous terrain, transportation infrastructure hasn't reached all corners of the nation. Consequently, essential facilities like education, healthcare, water, electricity, and communication remain underdeveloped in rural areas. Constructing fully-equipped hotels in such remote areas becomes exceedingly challenging. Therefore, homestays are regarded as the optimal choice for fostering tourism in rural areas. Through the amenities offered by homestays, rural tourism development positively impacts the income and overall well-being of local
communities (Khanal, 2019). As a result, residents are becoming more aware and skilled in areas such as health and sanitation, while also experiencing an increase in income. These endeavors are enhancing their living standards and fostering a heightened sense of consciousness. Rural tourism creates more employment opportunities for the local population, potentially alleviating issues related to rural-to-urban migration and migration abroad. Moreover, it motivates and engages the youth in actively contributing to the development of their communities.

Currently, homestays play a significant role in the growth of rural tourism in Nepal, alongside large hotels, lodges, restaurants, and resorts. Homestays help save costs on constructing new buildings for hotels and avoid environmental damage caused by such construction (KC et al., 2021). Homestays in Nepal don't require additional construction materials or expenses since they are established in existing traditional houses. Local experts are hired to build and maintain these homestays. This approach also benefits the local workforce, as they learn from interacting with tourists and gain new knowledge and skills (Acharya, 2021). The development of rural tourism in Nepal is contributing to the civilization and cultural growth of local communities. With increased exposure to tourists, locals are adopting new ways of life, which helps them improve their livelihoods and raise their standard of living. This sustainable source of income continues to support them even during periods when tourism might not be as active.

As rural tourism develops, local communities actively participate in infrastructure development, reducing the burden on the government (Tharu, 2023). Unlike creating new tourist destinations, rural tourism benefits from existing resources in rural areas, making the process smoother. Homestays provide accommodation facilities, reducing the need for costly large hotels and preserving local forests. Rural tourism encourages locals to explore alternative occupations, allowing them to supplement their traditional livelihoods (Neupane, 2019). This leads to increased income opportunities through tourism. Additionally, the value of indigenous knowledge and skills in rural areas rises as they become more relevant and sought after in the tourism industry. Since the 2000s, Nepal has been making efforts to develop rural tourism. Despite the government implementing various policies and programs for this purpose, substantial progress has not been achieved yet.

**Challenges of Homestay Tourism in Nepal**

In Nepal, according to the Constitution of 2072 AD, the administration is divided into three levels: union, state, and local. The Constitution’s Schedule 5 specifies that the union is responsible for collecting tourism fees, Schedule 6 designates tourism service fee collection to the provincial government, and Schedule 8 allows the local level to also collect tourism fees (Government of Nepal, 2072). The mentioned constitution lacks clarity on the rights and facilities provided to tourists by the government, as well as the obligations towards tourists (Chitrakar, 2022). This absence of specific guidelines poses a challenge in formulating clear policies for tourism, rural tourism, and homestays in Nepal.

Homestay tourism in Nepal is not yet appealing to foreign tourists due to the insufficient infrastructure development in rural areas. Challenges like poor roads, transportation,
electricity, communication facilities, clean drinking water, comfortable housing, healthy local food, entertainment, and security deter tourists. To address this, governments at various levels should prioritize and manage the tourism sector effectively (Aryal, 2016). While rural tourism and homestays offer promising natural and cultural experiences, there are shortcomings in their conservation and management. Merely relying on scenic beauty and cultural activities is not enough to attract tourists; other necessary services, facilities, and catering options of their preference should also be developed to make Nepal's tourism more enticing to visitors.

The main challenge in homestay operations in Nepal is the limited use of local products. The idea behind homestays is to rely more on locally sourced items, but many homestays end up using rice, pulses, vegetables, and other goods from outside sources. Another weakness is that homestay operators often lack proper training. These weaknesses lead to the unavailability of preferred items, and distortions in the cultural sector (Upadhaya, 2011). To ensure the future success of homestay tourism in Nepal, it is essential to address these weaknesses systematically. By identifying and solving each problem step by step, the prospects for homestay tourism will improve, leading to a better return on investment (Devkota, et al., 2023). Emphasizing the use of local products and providing proper training to homestay operators can significantly enhance the overall experience for tourists and benefit local communities alike.

**Conclusion**

Homestay tourism in Nepal offers a unique and enriching travel experience, allowing tourists to immerse themselves in the local culture, traditions, and hospitality. It has the potential to foster cross-cultural understanding and friendship while contributing to the local economy and supporting small-scale tourism enterprises. The tradition of homestays in Nepal can be traced back to ancient customs of hospitality and respect for guests, making it a natural fit for the country's tourism industry. Homestay tourism has gained popularity in both rural and urban areas of Nepal, providing a family-like atmosphere for tourists and serving as an alternative to building immediate high-quality hotels in remote areas. Through homestays, rural tourism has flourished, positively impacting the income and overall well-being of local communities, offering employment opportunities, and raising living standards. Additionally, it has helped preserve and showcase Nepal's cultural and historical heritage, making it attractive to tourists interested in cultural studies and research. However, the growth of homestay tourism in Nepal faces several challenges. Insufficient infrastructure development in rural areas, including poor roads, transportation, electricity, and communication facilities, hinders its appeal to foreign tourists. The lack of clear policies and guidelines regarding tourism, rural tourism, and homestays at various government levels also poses challenges to the sector's effective management and conservation. Furthermore, limited use of local products and inadequate training for homestay operators impact the overall experience for tourists and prevent the sector from reaching its full potential. To overcome these challenges and ensure the future success of homestay tourism in Nepal, comprehensive efforts are needed. Governments must prioritize and manage the tourism
sector effectively, investing in infrastructure development to make rural areas more attractive to tourists. Policies and guidelines should be formulated to ensure the rights and facilities provided to tourists are clear, and the obligations towards tourists are met. Additionally, promoting the use of local products and providing proper training to homestay operators will enhance the authenticity and quality of the experience for tourists while benefiting local communities. With the right approach and support, homestay tourism can continue to thrive in Nepal, offering travelers an authentic and memorable experience, contributing to sustainable tourism development, and helping to uplift rural communities' livelihoods.

Reference


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