



Role of Homestay Tourism in Preserving Tharu Culture and Boosting Rural Economy of Nepal: Evidence from Bhada Village of Kailali District

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Abstract

Homestay tourism has emerged as a significant source of family income in Nepal's rural destinations. This study assesses the role of homestay tourism in preserving Tharu culture and boosting the rural economy in Bhada Village of Kailali District—the first community homestay initiative in Sudur Paschim Province, established in 2010. The study used a descriptive and explanatory research design under a quantitative approach and a cross-section survey strategy. Required data were collected from randomly selected 45 households (20 homestay owners and 25 local farmers and cultural performers) through self-administered household survey questionnaires. The study found the popularity of the destination due to its religious and cultural assets, particularly the Vehada Baba Temple and indigenous Tharu culture. The village is rich in forest ecosystem and traditional Tharu lifestyle. These attractions draw tourists annually, fostering cultural exchange and economic growth. The study reveals that homestays have significantly improved local livelihoods by generating employment and increasing household incomes, with many owners earning between NRs. 25,000 to 50,000 per month. Additionally, tourism has encouraged the preservation of Tharu culture, arts, and traditions, promoting them at national and international levels. In conclusion, homestay tourism in Bhada Village serves as a model for community tourism, demonstrating how rural areas can improve livelihoods through homestay tourism. Therefore, provincial and local authorities should establish clear operational guidelines and designate responsible agencies for homestay registration, monitoring, and quality assurance to strengthen community homestays in the Province.

Keywords: tourism, community homestay, Tharu culture, rural economy, Kailali

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1. Introduction

Tourism is broadly defined as the planning, organizing, touring, and other services for tourists. Traveling overseas for the purpose of sightseeing, hiking, mountaineering, taking in the natural beauty of the surroundings, learning about cultural heritage, etc., is generally referred to as tourism. Tourism has been seen as a key mechanism for rural revitalizing that offers opportunities for sustainable economic growth, social and cultural development, and enhancing community cohesion (Dashper, 2014). The nation's economy is dominated by the tourism industry. Around 1.2 million foreign visitors came to Nepal in 2019 (Ministry of Culture, Tourism, and Civil Aviation [MoCTCA], 2020), a 2% rise over that in 2018. This amounts to roughly 5.7% of tourists from Asia and 0.1% of tourist's worldwide (United Nations World Tourism organization, 2018). In 2019, prior to the COVID-19 pandemic, international tourism experienced its 10th consecutive year of growth, with 1.5 billion international tourist arrivals, generating US\$1.7 trillion in export revenues and supporting millions of jobs, of which 54% were held by women and youth, making tourism a key and rapidly growing sector in both advanced and emerging economies (United Nations World Tourism organization, 2018).

Nepal began to develop the various facets of social, economic, and political life after gaining democracy in 1950 and with Nepal's inclusion in international platforms to welcome foreign visitors who wish to visit the country in order to grow its tourism sector. The first successful ascent of Nepal's over 8,000-meter peaks sparked a phenomenal surge in mountaineering activity. Nepal was introduced to the international scene in 1955 after being granted membership in the United Nations Organization (UNO) and the Non-Aligned Countries' Group, and since its founding, it has witnessed rapid growth in tourism. Apart from this, religious pilgrimage has been a foundational form of tourism in Nepal since ancient times, documented by Chinese travelers as early as the 4th century AD (Poudel, 2002). Owing to the country's distinct geographic location and range of elevations, Nepal is among the world's smallest yet most biodiverse nations. Thus, in terms of religious, cultural, and ecological riches, it is among the greatest destinations on Earth to explore. Nepal has the ability to draw a wide range of tourists from around the globe due to its unique combination of art, culture, and history, as well as its stunning natural surroundings. The diverse industry of tourism supports trade, other service sectors, and cottage industries. It is the second-biggest source of earnings in foreign currency.

Nepal's tourism sector accounted for 6.7% of the national GDP, generating Rs 231.0 billion (equivalent to US\$ 2,051.4 million). Tourists spent around NRs. 93.9 billion (US\$ 833.8 million), representing 30.8% of the country's overall export revenue.. While leisure expenditure appears to be 86% of total spending and business spending to be 14%, domestic spending accounts for 55% of total spending and foreign spending for 45%. In Nepal, tourism has generated 1,034,000 jobs overall, or 6.9% of all jobs

(Ministry of Finance, 2020). Tourism fundamentally revolves around the visitor experience, making destination authenticity and comprehensive resource audits critical for sustainable development (Sharpley, 2020).

The national economy as well as beneficiary groups can benefit from the study of homestay tourism. The tourist industry has been the subject of extensive investigation, particularly community-based tourism (Witchayakawin et al., 2020). Besides, community-based homestay tourism has a lot of potential in Nepal (Yanes et al., 2019) and has the power to drastically alter the way of life for anyone living there. The users' group can immediately profit from this concept. In this background, this study aims to assess the role of homestay tourism in preserving Nepal's Tharu culture and boosting the rural economy in Bhada Village.

2. Study Area and Methods

This study is based on Bhadgaon (Bhada Village), Kailali District, Nepal, which is well-known for its historical sites (Nepal Tourism Board, 2018). There are a total of 93 households in Bhada Village that are directly and indirectly associated with homestay tourism. The key stakeholders of this study include tourist guides, homestay committee members, homestay owners, and local people who are directly or indirectly involved in homestay tourism. A total of 45 households (48.38%) were selected using a random sampling technique. We found that 20 households were directly involved in operating homestay tourism and the remaining 25 households were indirectly benefited (e.g., through employment, cultural performances, supply of goods, or related services) from Bhada Village Homestay of Dhanghadi Sub-Metropolitan City, Kailali.

This study used a quantitative research method (Creswell, 2018) and a cross-sectional survey design (Gupta & Gupta, 2015). Under this method, this study used a descriptive and explanatory research design. Likewise, the explanatory research design helped to explain why homestay tourism is becoming a major source of family income and an effective source of local livelihoods. The numerical description of the sample population was collected using a structured questionnaire, and the findings/conclusions derived from the study helped to generalize the results to the entire population. The following section presents the findings of this research under the following headings: demographic details, tourism in Badhgaon, tourism marketing and tourist information, occupation and income, and annual income and expenditure.

3. Demographic Details

Kailali, historically known as Bhaktagram, derives its name from the 10th-century *Kiran Tantra* manuscript. The district's name exists in three linguistic forms: Kailali (Sanskrit), Khwopai (Tharu dialect), and Khopring (Kirat). Established with Dhangadhi as its headquarters, Kailali was reclaimed from British control in 1860 AD. The district spans 2,742 sq. km, with elevations ranging from 179 m to 1,957 m. Predominantly inhabited by Tharu, Rana Tharu, Chhetri,

Brahmin, and other ethnic groups, Kailali’s economy relies on agriculture, supported by rivers like Karnali, Mohana, and Khutiya. The region features diverse climates—subtropical to temperate—with temperatures ranging from 17°C to over 40°C and annual rainfall up to 1,577 mm. The disaggregated data of the study area are presented in Table 1.

The study area, Bhadgaon, is rich in traditional dances and vibrant festivals, which are abundant throughout the village. The villagers celebrate a number of unique festivals and fairs, including *Sakhiya Nach*, Gurahi Festival, Maghi, Dashain, and Gaura. The green forest and the various customs of the Rana Tharus are embodied in products and memorable imagery. Religious and historical sites, festivals, and events are the main tourist draws in this destination.

Table 1. *Profile of the Study Area*

Physiography	
Total area	3235 Km ² (323500 Hectare)
Elevation range	(1109 m to 1950 m)
Mean annual rainfall	1840 mm
Mean annual temperature	Autumn max 43°C to Min 24°C, winter max 19 degrees C to Min 5°C
Climatic condition	Ranges from tropical to sub-tropical
Major rivers	Karnali, Mohana, Khutiya, Patharaiya, Kandra, Manahara, Godavari, Gulara, Likma, Rora Donda
Important lakes	Ghodaghodi, Jokhar, Tilko, Behadababa, Liki, Laukabhauka

Likewise, the findings, as shown in Table 2, depict a predominance of nuclear family structures in the surveyed households, with 71.11% (32 households) having 1–6 members, which typically represents nuclear families. The remaining 28.89% (13 households) with 6+ members likely represent joint/extended family systems, particularly the 6.67% (3 households) with 8–11 members and the single household with 11+ members, which clearly indicates a traditional joint family structure. The distribution shows that while nuclear families (smaller households) constitute the majority (51.11% alone in the 4–6 member category), joint family systems still persist significantly in the community, accounting for nearly one-third of respondents. This pattern suggests a transitional phase where nuclear family structures are becoming more common, yet traditional joint family systems remain an important social arrangement for a substantial minority of households.

Table 2 *Family Size of the Respondents*

Family member	HHs	Percent
1 to 3	8	17.78
3 to 6	23	51.11
6 to 8	10	22.22
8 to 11	3	6.67
11 above	1	2.22
Total	45	100.00

Thus, Bhadgaon in Kailali is a culturally rich village with diverse ethnic groups, traditional festivals, and natural attractions that support local tourism. Traditional joint family systems remain an important social arrangement for a substantial minority of households in the study area, helping to preserve local culture in a collaborative way.

3.1 Tourism in Badhgaon

Badhgaon holds considerable potential for tourism development due to its rich natural, cultural, and historical assets. In Nepal, the tourism business is the biggest industry. Being one of the virgin travel destinations, the far western area is still largely undiscovered. With regular flights connecting Dhangadhi to Kathmandu and a bordering access point with well-maintained road networks, it is able to enhance its organizational capabilities and service quality. The district contains a wide range of historical, cultural, mythological, and religious sites. Visitors come to Kailali for multiple reasons, which can be grouped into leisure and relaxation in natural surroundings, sightseeing and boating, rafting, attending seminars or conferences, experiencing cultural attractions and homestays, pursuing academic study or research, and other miscellaneous purposes. To explore these motivations, a set of questions was administered to 45 individuals who had previously traveled to Badhgaon, Kailali, in order to determine the main reasons behind their visit.

Table 3 *Tourist Arrivals by Purposes in the Study Area*

Propose of Visit	Number	Percentage
Conference and Seminars	10	22
Rafting/ Dolphin view	8	18
Business	6	13
Cultural attraction and Home-stay	6	13
Study and research	3	7
Natural beauty	12	27
Total	45	100

Table 3 shows that most tourists come to this district to enjoy its natural beauty. The next most common reasons are attending conferences and seminars, followed by rafting, cultural programs, and homestays. Some visitors also come to Kailali for study and research. The villagers are getting opportunities to share their cultural norms and values with visitors. Cross-cultural exchanges through tourism foster global awareness and positive mindset changes, as communities learn to appreciate both differences and universal human commonalities (Acharya, 2010).

3.2 Tourism Marketing and Tourist Information

Tourism marketing can be defined as the coordinated set of activities undertaken by national tourism organizations (NTOs) and tourism businesses at various levels to promote destinations, meet visitor needs, and ensure sustainable tourism growth (Middleton & Clarke, 2001). Kailali offers a wide range of natural and cultural attractions to satisfy travelers. It is the focal point of the Far West region. Regarding marketing, the majority of respondents gave favorable answers in both the questionnaire and the interview. However, the marketing of tourism is still focused on exporting its goods. Even with today's advanced capabilities, the management sector lacks practical application; primarily, marketing is not greatly impacted by a dearth of knowledge, poverty, illiteracy, or inadequate infrastructure.

The study reveals that most tourists fall within the 31–45 age group, making up 31% of the total visitors. Similarly, 24% are between 46–60 years, 22% are aged 16–30, while 7% are 61 years or older, and 16% are children under 14. The data also indicate that male tourists outnumber female tourists. In terms of duration of stay, the majority (40%) spend two days in Kailali. Additionally, 9% remain for more than four days, 31% stay only one day, and 20% spend three days and two nights.

The study area attracts tourists with its natural and cultural attractions, though marketing efforts could be further improved. Most visitors are adults, with more males than females, and typically stay for one to two days. This signifies the region's high potential for tourism business growth.

3.3 Occupation, Annual Income, and Types of Houses

Most of the households are engaged in the hospitality (homestay) sector. During the field visit, we found that a few locals raise hens to sell in the Kailali market and other nearby markets. Small enterprises such as everyday stores, beauty salons, meat and vegetable shops, and small veterinary clinics are owned by several people in the research region. We also found that daily labor and agriculture are the main sources of income for some people in the study area. Table 4 presents the main occupations of the respondents.

Table 4 Main Occupation of the Respondents

Occupation	HHs	Percent
Hospitality (home-stay)	33	73.33
Labor	4	8.89
Mechanics	1	2.22
Service sector	1	2.22
Sale/business	1	2.22
Carpenter	2	4.45
Farmer	2	4.45
Driving	1	2.22
Public Servant	-	-
Total	45	100.00

3.4 Occupational Status

As shown in Table 4, among 45 households, 73.33% of members are engaged in hospitality, particularly homestay-based tourism. About 8.89% rely on labor work, while 2.22% are employed as mechanics, 2.22% in the service sector, 2.22% in trade or business, 4.45% in carpentry, 4.45% in farming, and 2.22% as drivers. None of the households reported employment in government service. This suggests that the majority are primarily involved in homestay tourism, while agriculture and other traditional occupations are practiced as supplementary activities.

3.5 Housing Structure

Field observations indicate that most houses in the study area are constructed with mud and wood, with a smaller number built using bricks. Roofing materials vary: 46.67% of households have zinc roofs, 13.33% have tiled roofs, 35.56% have concrete roofs, and 4.44% use locally made tiles. The dominance of zinc-roofed houses is linked to the growth of homestay services in the area.

3.6 Income and Expenditure

Homestays and agriculture represent the major sources of household income. According to Table 5, 42.22% of households earn an annual income ranging from NRs. 1,000 to 10,000, while 24.44% fall within the range of NRs. 10,001 to 20,000, and 22.22% report earnings

between NRs. 20,001 and 50,000. Only 6.68% of households make between NRs. 50,001 and 100,000 annually, and 4.44% earn more than NRs. 100,000. These figures indicate that the majority of households have relatively low income. Regarding annual spending, 26.67% of households spend NRs. 1,000–10,000, whereas 40% spend between NRs. 10,001 and 20,000.

Table 5 *Estimated Annual Income of the Respondents*

Income			Expenditure		
Income (in Rs.)	HHs	Percent	Expenditure (in Rs)	HHs	Percent
<1000	-	-	<1000	-	-
1000-10000	19	42.22	1000 – 10000	12	26.67
10000-20000	11	24.44	10000 – 20000	18	40.00
20000-50000	10	22.22	20000 – 50000	13	28.89
50000-100000	3	6.68	50000-100000	2	4.44
>100000	2	4.44	>100000	-	-
Total	45	100.00	Total	45	100.00

Homestay tourism and agriculture are key sources of income for households in the study area, although most earn relatively low incomes. Consistent with the findings of Pasa (2020), homestay tourism is contributing to improved livelihoods and expanded economic opportunities for local communities. This indicates that further efforts are needed to strengthen and diversify income sources to enhance the economic security of households in Bhadgaon.

4. Discussion

The findings of this study reveal that homestay tourism has emerged as the predominant livelihood source for households in Bhada Village, with more than 70% of respondents directly engaged in hospitality services. This aligns with Witchayakawin et al. (2020) and Yanes et al. (2019), who argue that community-based tourism, particularly homestays, provides rural communities with immediate economic benefits and opportunities to showcase their cultural heritage. In Bhada, the predominance of nuclear families coexisting alongside traditional joint family systems further suggests that homestay tourism is reshaping household structures, where smaller family units can independently manage homestays while extended families preserve traditional cultural practices. The relatively higher concentration of zinc-roofed houses in homestay-operating households indicates a direct link between tourism engagement and modest improvements in housing quality, reinforcing Sharpley’s (2020) view that tourism not only stimulates income but also indirectly supports infrastructure development and social transformation.

Despite the economic opportunities, the income distribution pattern highlights significant limitations. Most households earn less than NRs. 50,000 annually, suggesting that while homestay tourism supplements livelihoods, it is not yet sufficient to provide sustained financial security. This mirrors Pasa's (2020) observation that homestay initiatives in Nepal contribute to livelihood diversification but often remain constrained by low tourist inflows, inadequate marketing, and infrastructural bottlenecks. Furthermore, the concentration of visitors in short stays (1–2 days) limits the potential for higher earnings and suggests the need for better promotional strategies and diversified tourism packages, as emphasized by Middleton and Clarke (2001). Culturally, the findings affirm Acharya's (2010) argument that tourism fosters cross-cultural exchanges, as Bhada's Tharu festivals, dances, and rituals are becoming an important attraction. However, to ensure long-term sustainability, income diversification, improved marketing, and stronger institutional support are essential to transform homestay tourism from a supplementary to a primary livelihood strategy in the region.

Thus, the study highlights that homestay tourism in Bhada Village plays a significant role in sustaining livelihoods, preserving Tharu culture, and creating local employment opportunities, though most households still earn relatively modest incomes. While the sector has improved housing conditions and fostered cultural exchange, challenges such as short tourist stays, limited marketing, and infrastructural constraints continue to restrict its full potential. Strengthening promotional strategies, diversifying income sources, and ensuring community participation are therefore crucial to making homestay tourism a sustainable driver of rural economic growth and cultural preservation in Kailali.

5. Conclusion

Homestay tourism in Bhada Village demonstrates how community-led initiatives can promote sustainable development for indigenous communities in Nepal. By integrating income generation with cultural preservation and environmental stewardship, such models reveal the potential of tourism to address social, economic, and ecological challenges simultaneously. The Bhada experience underscores the importance of culturally sensitive approaches that empower local residents and protect their unique identity. Looking ahead, targeted investments in infrastructure and marketing will be essential to expand benefits while safeguarding the community's authenticity. These lessons provide valuable guidance for policymakers and development practitioners working with marginalized populations.

6. Policy Recommendations

To strengthen Bhada's homestay tourism, several policy actions are recommended. Provincial authorities should establish clear operational guidelines and designate

agencies responsible for registration and oversight, while government support should focus on improving infrastructure and building local capacity. Local governments need to enhance marketing strategies, and communities should actively promote their unique cultural assets. Key measures include digital promotion, equitable guest allocation, staff training for tourism agencies, and the adoption of inclusive policies that support both community and private homestays. Additionally, regular management committee meetings should be held to address operational challenges, ensuring sustainable development and long-term growth.

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