

Rural tourism and sustainable development: its challenges and opportunities in the Annapurna Conservation Area. *A mixed-methods study.*

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Abstract

This master's dissertation explores the challenges and opportunities of rural tourism in fostering sustainable development within the Annapurna Conservation Area (ACA) of Nepal by utilizing a community-based tourism (CBT) framework. By adopting a mixed-method approach where the philosophy is grounded in a pragmatic stance, using an abductive reasoning approach, we designed our dissertation with a combination of quantitative & qualitative data to render a comprehensive understanding of the impact of CBT on sustainable rural development.

From the quantitative side, a total of 144 responses was gathered via using an online survey questionnaire distributed to ACA locals using snowball sampling. Meanwhile, five interviewees were utilized in the semi-structured interview to express their experiences, insights, and opinions regarding challenges and opportunities of CBT in fostering sustainable rural development. A total of six themes were mobilized in both challenges and opportunities factors.

From an objective reality stance, the regression analysis revealed three factors: infrastructure and accessibility ($B=0.32, p=0.00$), socio-cultural impact ($B=0.26, p=0.00$), and community participation ($B=0.17, p=0.02$) were found statistically significant and positively impacted sustainable rural development. The correlation result also reinforced these findings, which were also positive and strongly correlated.

From a subjective reality standpoint, CBT was able to contribute positively to economic growth, sociocultural preservation, and environmental sustainability by generating jobs, revitalizing traditions and cultural events, and promoting eco-friendly practices in the ACA region. However, the challenges, such as inadequate levels of infrastructural development, limited levels of community involvement, insufficient human resources and training, and seasonal tourism fluctuations, were still persistent.

Therefore, this dissertation concludes that CBT holds substantial potential for promoting sustainable rural development in the ACA region, but its success depends on targeted intervention, including inclusive governance and community participation, effective bureaucracy, financing, and digital literacy. These insights offer invaluable implications for policymakers and managerial posts who are

looking to maximize the sustainable developmental benefits of CBT in rural contexts, such as the ACA region.

Keywords: Community-based tourism, sustainable rural development, challenges, and opportunities.

Dedication

We three wholeheartedly thank our beloved family and close friends, whose unconditional support and encouragement have made a solid foundation for our dissertation journey. We extend our deepest gratitude to our supervisor and the entire university's teachers and staff for their invaluable guidance, support, and inspiration throughout the course and this dissertation journey.

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Table of Contents

Abstract	2
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Dedication	4
Chapter 1: Introduction.....	8
1.1 Research Background.....	10
1.2 Research Problem.....	11
1.3 Research Questions	12
1.4 Research objectives	13
1.5 Significance of the Research	13
Chapter 2: Literature Review	14
2.1 Rural Tourism Definition.....	14
2.2 Global and Rural Trends in Rural Tourism	15
2.3 Rural Tourism in Developing Countries.....	17
2.4 Sustainable Tourism and Its Dimensions.....	19
<i>2.4.1 Relevance of Sustainable Tourism to Rural Areas</i>	<i>19</i>
<i>2.4.2 Economic Sustainability in Tourism</i>	<i>20</i>
<i>2.4.3 Social Sustainability in Tourism</i>	<i>20</i>
<i>2.4.4 Environmental Sustainability in Tourism.....</i>	<i>21</i>
<i>2.4.5 Best Practices and Lessons from Sustainable Tourism Initiatives</i>	<i>21</i>
2.5 Overview of Tourism in Nepal.....	21
<i>2.5.1 History of Tourism in Nepal</i>	<i>22</i>
<i>2.5.2 Rural Tourism in Nepal and its Benefits</i>	<i>24</i>
<i>2.5.3 Sustainable Tourism in Nepal.....</i>	<i>25</i>
2.6 Influence of Rural Tourism on Community Development.....	26
<i>2.6.1 Opportunities and Challenges</i>	<i>27</i>
2.7 Gaps in the Existing Literature	28
Chapter 3: Theoretical Foundation	29
3.1 Conceptualisation of Tourism Development.....	29
3.2 Tourism development planning model.....	31
3.3 The Understanding of Community	33
3.4 The understanding of community-based tourism.....	35
3.5 Community-based Tourism approach	38
3.5.1 Opportunities.....	41
3.5.2 Challenges.....	43
Chapter 4: Research Methodology.....	45
4.1 Introduction	45

4.2 Research Philosophy	47
4.2.1 Epistemology.....	49
4.2.2 Ontology.....	50
4.3 Research Approach	50
4.4 Study Area: Annapurna Conservation Area (ACA)	52
4.5 Research Method—Mixed Method Approach	57
4.6 Qualitative data collection	58
4.6.1 Research Strategy: Interview	58
4.6.2 Sampling and population	59
4.6.3 Questionnaire design	60
4.6.4 Data Analysis Technique.....	61
4.7 Quantitative Data Collection.....	62
4.7.1 Research strategy—survey.....	62
4.7.2 Sampling and Population	64
4.7.3 Questionnaire design	64
4.7.4 Data Analysis technique	65
4.8 Research Validity, Reliability, and Position	65
4.9 Ethical Considerations.....	66
Chapter 5: Results and Findings	67
Findings from Quantitative data collection.....	68
5.1. Cross-tabulation between age and gender distribution	68
5.2. Participants’ socio-demographic profile	68
5.3. Participants’ occupation.....	70
5.4. Participants’ years of residence in ACA region	71
5.5. Participants’ involvement in CBT	72
5.6. Participants’ household size Vs. family employment support	73
5.7. Participant’s familiarity CBT and SRD concept.....	74
5.8. Participants perceived biggest challenges to CBT in ACA region.....	74
5.9. Participants perceived key opportunities for CBT in ACA region.....	76
5.10. Individual survey statement analysis	78
5.11. Correlation analysis	80
5.12. Regression summary analysis.....	81
5.13. Regression coefficient analysis.....	81
5.14. Reliability test.....	83

Findings from Quantitative data collection	84
Interviewees’ demographic profile	84
5.2. Challenges	85
5.2.1 Infrastructure, Population, and Economy	85
5.2.2 Human Resources and Training.....	85
5.2.3 Destination, Tourism Products, and Business Environment	86
5.2.4 Governance and Financial Mechanisms	87
5.2.5 Cultural Resources, Values, and Traditions	87
5.2.6 Digitalization and Information Technologies	88
5.3. Opportunities	89
5.3.1 Economic Opportunities.....	89
5.3.2 Cultural Opportunities	89
5.3.3 Environmental Opportunities	90
5.3.4 Infrastructural Development and Services.....	91
5.3.5 Tourism Products and Services.....	91
5.3.6 Local Community Empowerment.....	92
Chapter 6: Analysis and Discussion	94
6.1 Challenges	95
6.2 Opportunities	98
Chapter 7: Conclusion	101
7.1 Managerial implications	103
7.2 Limitations and future study recommendations	104
References	105
Appendix	116

List of Charts:

Chart 1: participants' current occupation status.....	70
Chart 2: Participants' years of residence in ACA region	71
Chart 3: Participants' involvement in CBT	72
Chart 4: Participants' household size vs. family employment support.	73
Chart 5: Participants' familiarity CBT and sustainable rural tourism development concept	74
Chart 6: Participants' perceived biggest challenges to CBT in ACA region.....	75
Chart 7: Participants perceived key opportunities for CBT in ACA region.....	77

List of Figures:

Figure 1: Research Onion.....	46
Figure 2: Map of Annapurna Conservation Area.....	53
Figure 3: ACA's scenic beauties and living conditions.....	54
Figure 4: Regression coefficient analysis	82

List of Tables:

Table 1: Age and gender distribution using cross-tabulation.....	68
Table 2: Participants' socio-demographic profile	70
Table 3: Individual survey statement analysis	78
Table 4: Correlation matrix	80
Table 5: Regression summary analysis.....	81
Table 6: Cronbach's alpha test.....	83
Table 7: Interviewees' demographic profile	84

Chapter 1: Introduction

Tourism remains a vital and integral aspect of the global economy that contributes to the domestic socioeconomic development of various countries (Garrigós-Simón et al., 2015). According to Joshi

et al. (2023), tourism is among the largest sources of foreign exchange that facilitates the economic development of countries. Rural tourism is a component of tourism that has gained popularity in recent years (Joshi et al., 2022). Most rural areas do not have the resources and activities that can stimulate economic activity and generate revenue other than agriculture (Diefenbach, 2021). However, with the rising trend and demand for sustainable tourism activities, rural tourism has gained popularity, providing an opportunity to develop and convert natural resources and cultural heritage into attractive sites (Joshi et al., 2022). It has emerged as a tourism approach that enables governments to achieve the development and urbanization of rural areas as it drives economic growth (Kafle, 2023). Numerous rural areas with underutilized resources can be used to realize tourism development (Kafle, 2022). Although rural tourism is adopted in developed countries to create calm and scenic environments for relaxation, it is a revolutionary tourism approach that can achieve significant socioeconomic development in less developed countries (Sharpley, 2013; Telfer & Sharpley, 2015).

Nepal has rich and diverse natural resources that attract tourists to the country's different destinations (Kharel & Badal, 2019). Its rural areas' wide range of resources, such as rivers, Hill Mountains, glaciers, ancient caves, snowcapped mountains, and traditional temples, have facilitated rural and sustainable tourism (Kharel & Badal, 2019; Upadhyay, 2019). The country's geological features have also allowed different types of animals, fauna, flora, and plants to thrive (Upadhyaya, 2019). The rural areas also have diverse but rich cultural customs that they have practiced and preserved since history (Kafle, 2022). The natural scenic destinations in Nepal's rural areas have attracted national and global tourists (Kafle, 2022). These tourists visit Nepal's rural tourism destinations for different purposes, including adventure, cultural exchange, entertainment, and research (Kafle, 2022).

Rural tourism in Nepal is not new, as it has been practiced since ancient times when Indians and Chinese visited the area (Pokharel & Bhattarai, 2022). The uniqueness and authenticity of rural tourism in Nepal attracted many tourists as they sought to experience nature and culture in rural settings (Pokharel & Bhattarai, 2022). The rapid urbanization in various countries, including Nepal, has increased people's desire to connect with nature (Upadhyaya, 2019). Today, more people are spending money to escape from the buzz in the urban areas and relax in the rural areas (Regmi et al., 2023). An increase in the search for rural tourism destinations has led many tourists to book their trips to Nepal (Regmi et al., 2023). Tourists are looking for originality in tourism destinations in rural settings (Regmi et al., 2023). This highlights the need for tourism development and reconstruction practices that do not destroy the natural heritage and protect the environment. Rural tourism remains

essential in fostering economic development in various local communities and preserving communities' cultural heritage (Regmi et al., 2023).

Sustainable tourism has become a trend in Nepal (Gurung, 2024b). With the global pressure to minimize the impact of tourism activities on the environment, the country's tourism sector has different initiatives to foster the sustainability of its activities (Gurung, 2024b; Khanal, 2025). An increased utilization of resources for tourism can result in their destruction and environmental pollution (Gurung, 2024). Most tourism destinations struggle with solid waste, such as trash, biodiversity loss, and destruction of cultural heritage (Kadayat & Upadhyay, 2024). There is often a lack of balance between economic benefits and environmental pollution and destruction, prompting the need for sustainable practices to preserve Nepal's natural resources and cultural heritage (Gurung, 2024). Nepal's engagement in sustainability practices, such as ecotourism, enables local communities to preserve tourism resources to prevent their depletion (Rai, 2024). Nepal also organizes events such as forest walks, jungle safaris, wildlife farming, bird viewing, and conservation activities, which enable tourists to appreciate nature and support its preservation (Rai, 2024). According to Gurung (2024), sustainable tourism practices have fostered environmental conservation and protected cultural heritage. Sustainable tourism has also boosted income generation, thus contributing to the economic development of tourism destinations.

1.1 Research Background

The Annapurna Conservation Area (ACA) in Nepal, which is renowned for stunning landscapes with rich biodiversity, has been a significant rural tourist destination, luring adventurers, especially trekkers and alpinists, as well as nature enthusiasts from both local and international backgrounds (NTNC, 2023). Though tourism in the ACA region continues to prosper, it brings both opportunities and barriers for sustainable rural tourism development. Community-based tourism (CBT) has emerged as a potential approach to promote and foster sustainable tourism while empowering local communities (NTNC, 2023). Unlike traditional forms of tourism, community-based tourism prioritizes local ownership, cultural preservation and promotion, and environmental sustainability, making it highly relevant for Nepalese rural regions like ACA, where local cultural values, practices, and natural beauty are deeply intertwined (NTNC, 2023). Despite its potential, the implementation

of community-based tourism in the ACA region presents unique challenges, including limited levels of infrastructural development, disparities between economic advantages among different classes of locals, governance issues, and the prominence of effective community participation. At the same time, it offers a significant opportunity for fostering local economic perks, cultural preservation, and value creation, as well as ecological sustainability if these aspects are addressed efficiently (Lama & Gurung, 2021). Therefore, this dissertation seeks to focus on the role of community-based tourism in fostering sustainable rural development in the ACA region, prioritizing two crucial aspects: challenges and opportunities. Given the limited academic attention to this specific research topic, this master's dissertation seeks to fill an important research gap by providing a thorough analysis of CBT's effects on the ACA region. It will specifically focus on how CBT initiatives foster sustainable economic growth, foster social integrity and cohesion, enhance ecological conservation, and strengthen local communities and unity. The findings from this dissertation will provide valuable insights to legislators, tourism operators, and community representatives, offering practical suggestions for fostering sustainable rural tourism in the ACA region. In the past, the government recognized community-based tourism as a potent mechanism for fostering sustainable income generation, economic development, ecological conservation, and preserving cultural assets and practices (B. P. Acharya & Halpenny, 2013). However, researchers such as Poudel and Joshi (2020) assert that there has been relatively scarce research on this topic within the Nepalese rural perspective, especially focusing on its opportunities and challenges in rural areas like ecological sustainability, improvements of local livelihoods, and fostering socio-cultural settings.

1.2 Research Problem

Rural tourism has the potential to achieve sustainable development in the country's underdeveloped rural areas by creating revenue sources, preserving the cultural heritage, and ensuring environmental conservation (Lenao & Saarinen, 2015; Rosalina et al., 2021). Nepal has the resources to attract

tourists to its rural tourism and generate revenue for local communities (Joshi et al., 2022). Its rural tourism can also be reconstructed to meet contemporary standards while retaining its natural essence, thus achieving sustainable tourism (Joshi et al., 2022). Nevertheless, exploring the capacity of rural tourism to attain sustainable development can be associated with various opportunities and barriers (Joshi et al., 2022). Comprehending the opportunities related to sustainable rural tourism development will facilitate the adoption of appropriate strategies to support tourism practices that foster economic growth and environmental conservation in remote areas (Madanaguli et al., 2023; Pokharel & Bhattarai, 2022). However, the numerous barriers to realizing the potential of rural tourism in achieving sustainability must be addressed (Madanaguli et al., 2023; Pokharel & Bhattarai, 2022). For instance, the sustainable development of rural tourism may be hindered by an inadequate involvement of the local communities, a lack of well-developed infrastructure, and possible cultural and environmental destruction caused by increased tourism activities (Pokharel & Bhattarai, 2022). A lack of planning to address these challenges associated with promoting sustainable tourism can hinder the country's potential to create tourism practices that preserve natural resources and cultural heritage while generating revenue in rural areas (Pokharel & Bhattarai, 2022). This necessitates understanding the key challenges that may be encountered when initiating sustainable practices in Nepal to attract environmentally conscious tourists (Pokharel & Bhattarai, 2022). This research seeks to examine tourism in Nepal to establish the opportunities enabling sustainable development and the challenges hindering the sustainable utilization of resources for tourism activities while also providing recommendations that can be integrated to address the barriers and achieve long-term preservation of the environment and culture and economic benefits for the local communities in the rural areas.

1.3 Research Questions

1. How does the community-based tourism approach contribute to the economic, socio-cultural, and environmental aspects of sustainable rural development in the Annapurna Conservation Area?

2. What are the prime challenges and opportunities for fostering sustainable rural development in ACA's local communities through using a community-based tourism approach?

Secondary research questions

3. What strategies can be adopted to address barriers and opportunities faced by CBT in promoting sustainable rural tourism in the ACA?

1.4 Research objectives

- To identify and analyze the prime challenges and opportunities related to the achievement of sustainable rural development through tourism in the Annapurna Conservation Area.
- To assess and evaluate perceived (environmental, economic, and socio-cultural) impacts of sustainable rural tourism development on local Nepalese rural communities.
- To analyze the extent to which existing community-based rural practices in the ACA region align with sustainable tourism development's core principles.
- To explore and assess the role of local community participation in fostering sustainable rural tourism through the CBT approach in the study area.
- To analyze and recommend strategic interventions that help to overcome current barriers and augment sustainability of rural tourism in ACA's local settings.

1.5 Significance of the Research

This master's dissertation holds significant academic and practical value, especially in sustainable rural tourism development through a community-based tourism approach as a mechanism tool. The

community-based tourism approach is increasingly recognized as a potent mechanism for fostering sustainable socio-economic growth, cultural preservation, and environmental sustainability in the rural settings of Nepal, precisely in the Annapurna Conservation Area. Despite the notable potential of the CBT role in promoting sustainable rural development in sensitive ecological areas in Nepal, such as the ACA region, it remains scantily understudied. Therefore, a thorough focus on this unique context, this master's dissertation, strives to bridge a critical research gap in the literature by rendering insights into the economic, sociocultural, and environmental effects of the CBT approach. In addition to this, this dissertation sheds practical value on a broader range of stakeholders, including locals, tourism and business operators, and policymakers, by identifying the key challenges and opportunities associated with CBT in the ACA region. By detecting the barriers and opportunities, this dissertation can be the cornerstone, especially for local governance bodies and communities to use it as a roadmap to overcome barriers and maximize its benefits. Thusly, it improves the current situation of Nepalese rural tourism. The outcomes of the dissertation will offer actionable insights that can guide policymakers in making effective and situation-based strategies while empowering local people to actively participate in shaping their sustainable future. In doing this, it will not just help to boost sustainable rural tourism practices but also help to contribute to the broader goal of rural resilience and sustainable community well-being in Nepal.

Chapter 2: Literature Review

2.1 Rural Tourism Definition

Rural tourism (RT) is non-urban and mostly occurs in rural areas with agricultural landscapes, low population density, and cultural practices (Rosalina et al., 2021). Research conducted by Rosalina et al. (2021) defined rural tourism from a multidimensional lens. The researchers stated that it involved dimensions distinguishing it from mass tourism, such as local traditions, sustainability efforts, and natural sceneries (Rosalina et al., 2021). The study highlighted that rural tourism is inclusive. It involves staying on farms, nature visits, and experiencing different cultural heritage; rural tourism provides tourists with a memorable and immersive experience (Rosalina et al., 2021). The definition has been backed by Quaranta et al. (2016), who studied “Economic and Social Sustainable Synergies to Promote Innovations in Rural Tourism and Local Development.” Quaranta et al. (2016) found that RT definitions must incorporate economic advantages, such as the revitalization of the local economy and rural job opportunities through the route of tourism. Nonetheless, Pan et al. (2018) cautioned that RT is not as sustainable as Quaranta et al. (2016) portrayed. When examining “Advances and challenges in sustainable tourism toward a green economy,” the researchers posited that RT is prone to various challenges: inadequate infrastructure, seasonal fluctuations, and cultural commodification (Pan et al., 2018). Therefore, rural tourism’s definition shows its social, economic, and cultural advantages; it is necessary to be wary of the immense challenges that hamper its sustainability.

2.2 Global and Rural Trends in Rural Tourism

A common theme from academia and industry reports is how sustainability, dynamic customer preferences, and technological advancements drive global tourism (Bai & Weng, 2023; Kharel & Badal, 2019). Yepez and Leimgruber (2024) studied “the evolving landscape of tourism, travel, and global trade since the Covid-19 pandemic” and found that global tourism has increased since 2021. However, more travelers seek sustainable and experiential tourism packages (Yepez & Leimgruber, 2024). Another trend of global tourism is digital transformation (Kraugusteeliana et al., 2024; Ying et al., 2024). According to Bekele and Raj (2024), digital tools are transforming global tourism. Their bibliographic review on “Digitalization and Digital Transformation in the Tourism Industry” found that standard digital tools transforming the industry include virtual reality, artificial intelligence, and online booking platforms, shaping tourists’ preferences and behavior (Bekele & Raj, 2024). Similarly, Wei et al. (2024) explored “Smart Tourism Destinations (STD)” and found that smart tourism is a new global trend. Smart tourism incorporates digital technologies to enhance visitors’ experiences and

improve destination management (Wei et al., 2024). However, research by Pan et al. (2018) and Rosalina et al. (2021) has shown a worrying global tourism trend. They have shown how environmental and social challenges characterize mass tourism, primarily in over-touristed destinations.

In addition, Quaranta et al. (2016) showed how tourists increasingly prefer sustainable and responsible travel experiences. They prefer destinations whose host is environmentally responsible (Quaranta et al., 2016). Thus, their preferences are driven by climate concerns and ethical traveling. According to Ha et al. (2024), younger travelers, especially millennials and Gen Z, are the main drivers of ecotourism; they have created a slow-travel and community-based tourism niche. These findings correspond with the research of Pan et al. (2018), who showed that tourists are increasingly becoming conscious of their destination's carbon footprint. They constantly seek destinations with the least environmental impact and a clear sustainability plan. However, Papagiannakis et al. (2024) questioned whether “publicly traded tourism and hospitality providers are greenwashing” and warned that most destinations engage in “greenwashing” to meet these demands. Papagiannakis et al. (2024) showed how destinations exaggerate their sustainability plans to increase bookings. These concerns have been echoed by Pan et al. (2018) and Rosalina et al. (2021). They appreciated the growing demand for sustainable tourism but were concerned with the limited and inconsistent impact sustainable tourism initiatives have, an indication of greenwashing (Pan et al., 2018; Rosalina et al., 2021).

Rural tourism is also affected by specific trends that affect tourists' behavior and experience (Diefenbach, 2021). However, Rosalina et al. (2021) showed that the trends are not uniform and are impacted by external dynamics such as economic, political, and cultural aspects. For instance, Joshi et al. (2023) studied “Rural tourism in Europe from a landscape perspective” and found that a common rural tourism trend in European countries is unique cultural heritage experiences and gastronomy. They showed how cultural heritage and gastronomy thrive in European countries due to well-developed infrastructure and government policies. However, Hossein and Randelli (2020) painted a contrasting picture of rural tourism trends in developing countries. They found that the common trend in such countries is a focus on community-based conservation initiatives (Hossein & Randelli, 2020). However, these initiatives are affected by the limited financial support. The rural tourism trends in Asian countries are primarily community-based—the focus on tourism centers on revitalizing the aging citizens and preserving traditional/cultural norms (Ohe, 2013). In Latin

America, the common trend is indigenous-led tourism, especially in Peru and Mexico (Carr et al., 2016).

Carr et al. (2016) showed that rural tourism is increasingly becoming a crucial source of income for developing countries. According to Hossein and Randelli (2020), a common trend in rural tourism is communities showcasing their craft and cultural heritage as the sole source of income. Besides, RT has developed the hospitality sector; guesthouses and accommodation services are burgeoning in rural destinations, particularly in emerging countries (Papagiannakis et al., 2024). These findings align with the study by Quaranta et al. (2016), which analyzed rural tourism and its perception of being a secondary source of income. Quaranta et al. (2016) found that most rural communities showcase their craft and increasingly attract modern tourists who value authenticity. However, Rosalina et al. (2021) cautioned that rural tourism being over-relied on as the sole economic driver of rural areas can result in economic instability. Therefore, there is a need for rural tourism to be supplemented with other economic activities for sustainability.

Another common trend in rural tourism is digitalization (Rasyidah et al., 2023). Research has shown how rural tourism is being transformed with digital platforms. Rural destinations are leveraging digital platforms to market their services and engage with visitors. Wei et al. (2024) and Bekele and Raj (2024) showed that digital platforms are transforming rural tourism through increased visibility, especially for small-scale operators. Besides, digital platforms have increased access to rural tourism destinations through online booking and digital marketing (Bekele & Raj, 2024). However, Bekele and Raj (2024) cautioned that the digital revolution is not homogenous in all rural tourism destinations. Some areas lack enough digital infrastructure to market their services, limiting their competitiveness (Bekele & Raj, 2024). These findings correspond with Ferrari et al. (2022), who studied “Drivers, barriers, and impacts of digitalization in rural areas from the viewpoint of experts” and showed how digital connectivity was a significant bottleneck to rural tourism development. Ferrari et al. (2022) showed how imperative it was for governments to invest in digital infrastructure to enhance visibility.

2.3 Rural Tourism in Developing Countries

The shared perception around rural tourism is that it is an economic development initiative (Hossein Qezelbash & Randelli, 2020). Besides, most studies, such as Carr et al. (2016), perceive rural tourism as a cultural preservation activity that is increasingly embracing environmental sustainability. Carr et al. (2016) state that most rural economies are driven by rural tourism, especially in developing countries. Rural tourism is sustaining economies, especially those with failing agricultural activities and related traditional industries (Hossein & Randelli, 2020). Kayat (2014) showed how rural tourism is associated with community-based tourism, emphasizing local ownership and participation. Therefore, rural tourism requires proper and careful management to yield the intended economic transformation goals (Kayat, 2014). However, most countries are not yielding the economic goals of rural tourism due to infrastructural limitations and hesitance from the government to support the industry (Kayat, 2014). Therefore, governments need to invest in rural tourism to support marginalized communities.

Kayat (2014) showed that community involvement is crucial to rural tourism, especially in developing nations. According to Borseková et al.'s (2023) examination of participatory tourism models, most rural tourism initiatives in underdeveloped and developing countries struggle because there is a disconnect between decision-makers and communities. Adikampana et al. (2019) supported these findings by researching community-based rural tourism projects. Adikampana et al. (2019) found that such projects thrive because communities own them, leading to equal sharing of the benefits. On the other hand, Kayat (2014) showed that communities do not benefit from rural tourism activities because external entities run them. Consequently, there is an unequal sharing of benefits. Therefore, community involvement is essential for the sustainability of rural tourism. The involvement could be financial support, policymaking, and training opportunities.

Another significant aspect of RT is cultural preservation, primarily in developing nations (Tang & Xu, 2023). Gocer et al. (2024) posited that rural tourism is key to sustaining traditional crafts, folklore, and local dialects. The preservation is because the communities are economically incentivized (Gocer et al., 2024). Similarly, Wang et al. (2024) found that rural tourism in countries like China thrives on cultural traditions. The communities attract tourists sustainably, seeking authentic cultural experiences (Wang et al., 2024). Nonetheless, Bai and Weng (2023), who “explored tourism commodification and cultural layers,” were very skeptical and cautioned about how rural tourism risks eroding cultural practices due to commercialization. Consequently, the cultural practices will become more diluted and performative instead of maintaining authenticity and organic nature (Bai & Weng, 2023). Besides, Bai and Weng (2023) showed that some rural communities are under immense

pressure to appeal to the expectations of tourists. Consequently, they end up altering their traditional practices. Thus, while rural tourism supports cultural preservation, there is a need for more community ownership for authenticity.

2.4 Sustainable Tourism and Its Dimensions

In recent years, sustainable tourism has become a global trend defining tourist preferences and behavior (Fennell & Cooper, 2020; Hashemkhani Zolfani et al., 2015). Fennell and Cooper (2020) defined sustainable tourism as a tourism niche that aligns with the requirements of the present generation while preserving the future of the subsequent. The study showed that sustainable tourism is inclusive. It entails environmental conservation, social responsibility, and economic viability to mitigate any adverse effects of tourism (Fennell & Cooper, 2020). The definition was refined by Hashemkhani et al. (2015), who emphasized how sustainable tourism should correspond to capacity limits so that destination resources are not overstretched from overtourism. As per Hashemkhani et al. (2015), it is essential to maintain the longevity of tourism through well-structured and supported sustainability practices. Nonetheless, while Hashemkhani et al. (2015) and Fennell and Cooper (2020) appreciate the importance of sustainability, they are skeptical of its inconsistency. Specifically, Fennell and Cooper (2020) showed that the results of sustainable tourism are not consistent, primarily due to different regulations or investors' economic interests. Therefore, there is a need to translate sustainability from theoretical principles to practical tourist management.

2.4.1 Relevance of Sustainable Tourism to Rural Areas

Sustainable tourism is vital in rural areas because tourism diversifies their economic landscape and preserves the environment (Fennell & Cooper, 2020). According to Rosalina et al. (2021), rural tourism must be sustainably managed to support the local economy optimally. Sustainability will ensure that rural tourism is an alternative economic activity that supplements agriculture. Similarly, Fennell and Cooper (2020) found that sustainability is central to preserving communities' cultural and traditional practices. Traditional crafts, historical sites, gastronomy, and local knowledge are preserved through sustainability. These findings have been backed by Hashemkhani et al. (2015), who showed how sustainable tourism made communities more resilient. The study also showed how it reduced rural depopulation and encouraged the communities to be entrepreneurs (Fennell & Cooper,

2020; Rosalina et al., 2021). Nonetheless, Fennell and Cooper (2020) were skeptical and cautioned that sustainable efforts must be properly managed to ensure rural tourism benefits the community without eroding its attractiveness, such as cultural commodification. Therefore, while the sources highlight the relevance of sustainable tourism, proper management is needed to realize the benefits.

2.4.2 Economic Sustainability in Tourism

Economic sustainability in tourism is another vital aspect that ensures communities and countries reap maximum benefits for a long time. Garrigós-Simón et al. (2015) defined economic sustainability as the capacity of tourism businesses to be financially viable for optimum local economy enhancement. Sustainable tourism is characterized by generating long-term economic advantages for the local people; it ensures the proper distribution of economic benefits between the locals and external investors (Garrigós-Simón et al., 2015). Research that analyzed the “Socioeconomic determinants of sustainable tourism” found that encouraging local participation maximizes revenue retention, leading to economic sustainability (Zhang & Ali, 2024). These findings have been backed by Kayat (2014). According to Kayat (2014), community-based tourism initiatives allow communities and investors to attain higher income retention, improving economic resilience. However, Kayat (2014) cautioned that economic sustainability in tourism is daunting because the industry is affected by seasonal changes, market volatility, and tourist preferences. Consequently, there is a need to diversify the economic activities and empower the locals to enhance economic sustainability in RT.

2.4.3 Social Sustainability in Tourism

Social sustainability in tourism is another crucial aspect that redefines the benefit of tourism to local communities. As outlined by Quaranta et al. (2016), the priority of social sustainability in tourism should be the equal development of local communities through social and cultural integrity preservation. A study that examined participatory tourism models showed how social sustainability in tourism can be realized through community involvement (Borseková et al., 2023). Kayat (2014) supported the findings by showing how community-focused tourism projects that integrate community members’ decisions are more socially beneficial; they improve their livelihoods and preserve their cultures. However, Kayat (2014) was skeptical and warned that social sustainability needs careful management.

2.4.4 Environmental Sustainability in Tourism

Another crucial part of sustainable tourism is environmental sustainability. This is the defining aspect of sustainable tourism because it revolves around preserving the environment to prevent degradation (Ha et al., 2024). Research has shown that ecotourism is a new global trend (Ha et al., 2024). Therefore, communities can reap immense rewards from these new trends when the resources are conserved and managed effectively (Ha et al., 2024). Similarly, research on tourism in developing countries showed how biodiversity conservation is maximized with community-based conservation tourism (Hosseini & Randelli, 2020). Nonetheless, environmental sustainability is challenging in tourism because some tourists destroy habitats or some activities have high carbon emissions. Besides, some destinations are being excessively used, deteriorating the environment. Therefore, while environmental sustainability is very significant in tourism, the efforts need to be genuine and enforced through practical policies and laws.

2.4.5 Best Practices and Lessons from Sustainable Tourism Initiatives

The lessons from sustainable tourism initiatives have been immense and will inform this study. Several case studies focusing on sustainable tourism have highlighted how it could be maintained for the economic empowerment of the communities. For instance, Kayat (2014) analyzed community-based conservancies and showed how tourism revenue could be redirected to community projects and conservation efforts. Similarly, Lopes & Estevão (2024) analyzed rural tourism efforts in Latin America. They should show how tourism projects can be sustainable with active community participation in policymaking and project implementation. All shareholders, especially the rural governing bodies, non-governmental organizations, and national governments, must be on the same wavelength to realize sustainable goals. However, the research cautioned that tourism managers must limit their reliance on external funding and improve their reinvestment efforts for self-sustenance (Garrigós-Simón et al., 2015). Therefore, rural tourism could be sustained for a more extended period based on how destination shareholders maintain the economic viability of their projects. Sustainable tourism can be very beneficial to communities, shareholders can be effectively managed, and every decision is collaborative.

2.5 Overview of Tourism in Nepal

Nepal is among the developing countries that have been known for their tourism activities (Joshi et al., 2022; Kadayat & Upadhyay, 2024). The country has grown popular, particularly due to its tourism activities, which have attracted numerous travelers. Its culture, traditions, natural scenery, and ancient history attract tourists who come to explore various destinations in the country, especially in rural areas, and get immersed in Nepali life (Regmi & Niroj, 2016). The most common tourism activities in Nepal are adventure and backpacking tourism. Tourism in Nepal mainly involves mountain climbing and trekking (Regmi & Niroj, 2016). However, rural tourism has gained popularity in recent years following the increase in the number of tourists seeking to immerse themselves in local cultures and experience the beauty and cultural heritage in these remote areas (Regmi & Niroj, 2016). Historical elements, architecture, art, and other cultural aspects such as festivals, religion, cottage industry, and folk songs form the main attraction elements in rural areas (Kafle, 2022). Eco-friendly tourism practiced in rural areas also provides tourists with unique experiences of local cultures, allowing them to understand the Nepali ways of life while upholding sustainability (Kafle, 2022). Rural tourism is common in villages near mountains, hills, and Terai. The growing popularity of rural tourism enables the Nepali in rural areas to preserve their culture (Kafle, 2022).

The government has also recognized the benefits of promoting sustainable tourism in the country (Joshi et al., 2022; Kadayat & Upadhyay, 2024). The series of challenges associated with tourism, including habitat destruction and environmental dilapidation, renders its tourism sector unsustainable. Various programs have been established to promote the sustainability of this sector. These include the Community Forest Development Program and the National Biodiversity Strategy and Action Plan (C. N. Acharya, 2023). However, the country still faces challenges in achieving sustainable development. According to Pokharel and Bhattarai (2022), rural tourism can directly and indirectly promote sustainable development initiatives in rural areas. However, appropriate strategies must be established to improve the sustainability of rural tourism activities (Pokharel & Bhattarai, 2022).

2.5.1 History of Tourism in Nepal

Tourism activities in Nepal trace back to ancient times and later to the 18th century, when Christian missionaries visited the country (Kafle, 2023). Missionaries' tours to the country popularized Nepal in European countries (Kafle, 2023). Most Europeans knew about Nepal through missionaries and developed the desire to visit the country, which facilitated tourism development (Kafle, 2023). Europeans visited Nepal until the 1840s, when Rana kings restricted movement into the country

(Bhandari, 2022). During the Rana regime that governed the country between 1846 and 1951, Nepal was completely isolated and a forbidden kingdom (Bhandari, 2022). However, the end of the Rana regime resulted in democratic governance in Nepal, which created opportunities for economic development, including the expansion of tourism activities. The country's first phase of tourism development occurred in the 1950s (Nepal, 2022). This was when most explorers and travelers became interested in visiting Nepal. Nepal grew into a prominent tourism destination, attracting elite travelers and numerous travelers interested in exploring the country's cultural practices, geological features, and other natural scenic views (Nepal, 2022). This was also the period when Nepal was experiencing expansion threats from its bordering countries, particularly China and India, which increased movements throughout the country (Upadhyay, 2019). Rest houses, *pati*, *chautari*, and *pauwa* were developed to provide warm hospitality to rural travelers (Upadhyaya, 2019). While all services offered in these establishments were free, they slowly shifted to monetary payments. They offered locally made food, which provided a unique taste of nature and culture (Upadhyaya, 2019).

The 1960s and the early 1970s marked a new tourism phase known as the hippie era. During this period, tourism activities escalated following Westerners' desire to pursue counterculture interaction (Bhandari, 2022). Boom-and-bust enterprises emerged to facilitate tourism in Nepal's indigenous regions (Nepal, 2022). Nepalese destinations have attracted a large number of budget-friendly tourists who visited to experience the indigenous culture (Nepal, 2022). The easy availability of drugs and affordable adventures attracted more countercultural-seeking tourists (Nepal, 2022). However, in 1972, the Nepal government evacuated the drug-oriented tourists who had become notorious in the country (Nepal, 2022). Nevertheless, the government took a crucial step without a plan on how to attract a new set of quality tourists from Western countries (Nepal, 2022).

The period spanning from 1985 to 1977 established tourism as one of the most significant contributors to Nepal's foreign exchange. After a forceful evacuation of the notorious tourists in 1972, the country witnessed a steady growth in the country's tourism until 1985. New infrastructural developments, such as hotels, were developed to accommodate the increasing number of foreign visitors, especially in Pokhara and Kathmandu. Air services were also expanded to facilitate the movement of overseas tourists. There was a rapid increase in the popularity of trekking, especially in Thamel, where tourists visited to take adventurous trips. One of the negative aspects of high tourism flow, for instance in the Thamel region, which thrived after attracting drug-oriented tourists, is that it became a tourist hub for mountain climbers and tourists who sought to engage in jungle safaris, trekking, and rafting (Nepal, 2022).

Another notable phase witnessed in Nepal's tourism development spans from 1985 (Nepal, 2022). This was when the government acknowledged the need to attract higher-quality tourists by supporting private and public initiatives to develop tourism and market its packages in various countries (Nepal, 2022). Increased marketing initiatives and improvements in airline services, including airline deregulation, intensified tourism in the country (Nepal, 2022). A total of six conservation areas were established by the end of 1998, creating destinations that continue to promote sustainable tourism in the country (Nepal, 2022). The era spanning from 1999 was characterized by numerous challenges, including political instability, the 2015 earthquake, and later the COVID-19 pandemic (Nepal, 2022). These occurrences have adversely affected tourism in Nepal. While the country has the opportunity to heighten tourism activities, the success of this sector relies on the government's capacity to realize and exploit missed and emerging opportunities and learn from its past failures.

2.5.2 Rural Tourism in Nepal and its Benefits

The conception of rural tourism emerged with the development of tourism in Nepal (Kafle, 2022). In ancient times, when tourism was witnessed in Nepal, the country was majorly rural (Upadhyaya, 2019). This indicates that rural tourism remains the oldest tourism model practiced in Nepal (Upadhyaya, 2019). Although most of the rural areas that Westerners and tourists from other countries most visited have developed into urban areas (good examples are Chitwan and Kathmandu), Nepal's rural areas still attract tourists to date (C. N. Acharya, 2023). According to Upadhyaya (2019), rural tourism contributes to environmental conservation. Similarly, Upadhaya (2019) highlighted that rural tourism facilitates the preservation of historic buildings and ancient monuments. Regmi and Niroj (2016) affirmed that rural tourism activities preserve natural resources. Nevertheless, the author argued that increased tourism activities in rural areas can result in the degradation and destruction of natural resources (Regmi & Niroj, 2016). He also established that rural tourism contributes to pollution and puts excessive pressure on available resources (Regmi & Niroj, 2016). Bhandari (2022) highlighted the role of rural tourism in alleviating poverty in Nepal. Pokharel & Bhattarai (2022) established that rural tourism improves residents' livelihoods by increasing their income generation and creating jobs. Similarly, Regmi and Niroj (2016) support Bhandari's (2002) argument, highlighting that tourism activities are a rapid economic development of destinations. Nevertheless, the author ascertains that the employment and major businesses created by tourism are seasonal and

mostly accompanied by conditions (Regmi & Niroj, 2016). Expenditure leakage also reduces the total amount of money retained within the country's economy (Regmi & Niroj, 2016). Kafle (2022) highlighted the role of rural tourism in preserving local traditions and cultures. Similarly, Upadhyaya (2019) backed these assertions, highlighting that rural tourism facilitates cultural exchange and appreciation of the uniqueness of each culture while fostering social interactions.

2.5.3 Sustainable Tourism in Nepal

Research demonstrates that Nepal's tourism faces significant challenges in achieving sustainable development (R. C. K. Chan & Bhatta, 2023; Khanal, 2025). A case study research on tourism in Mount Everest by Khanal (2025) established the lack of sustainable practices in the region, which adversely impacts the economic, socio-cultural, and economic dimensions. The authors established that the different tourism stakeholders had a limited understanding of sustainable practices, engaged in improper waste management, and exhibited a very low commitment to conserving natural resources. The seasonal nature of tourism also created income volatility, hence limiting its capacity to support the local communities' livelihoods (Khanal, 2025). Upadhyay (2019) supported Khanal (2019), affirming that the government has not done enough to achieve sustainable tourism, particularly in mountain tourism. According to the author, the government needs to establish effective policies and ensure coordination between tourism stakeholders to facilitate sustainable practices in mountain tourism to preserve nature and the culture of the local people (Upadhyay, 2019). Nepal et al. (2021) also highlighted that only a few households living near the Annapurna Conservation Area (ACA) believed the tourism activities had improved their livelihood.

Chan and Bhatta (2023) held similar assertions by reporting the findings that the infrastructural development initiative aimed to connect China and Nepal to foster tourism, improve cultural exchange, increase accessibility, and facilitate new tourism activities for adventure tourism; however, it was also associated with adverse outcomes such as congestion during peak seasons, increased commercialization, and cultural and environmental degradation that risk loss of local cultural practices and indigenous livelihoods. Acharya (2023) found that sustainable tourism activities had increased community involvement and facilitated policy implementation; however, increased activities in the wildlife conservation areas have resulted in poor waste management and loss of biodiversity. Economic volatility also poses a significant challenge for the local communities in

tourism destinations. According to Khanal (2025), tourism is mainly seasonal, which creates economic imbalances that hinder adequate income generation for the local communities. Acharya (2023) also found that a lack of proper infrastructure hindered sustainable tourism in the region. Upadhyay (2019) raised concerns about the failure of existing policies to address the sustainability of mountain tourism adequately, thus resulting in uneven growth patterns within the tourism industry. The government has established policies and initiatives to promote sustainable tourism. These include the Sustainable Tourism for Livelihood Recovery Project (STLRP), which focuses on supporting workers post-COVID-19, and the Mira Rai Initiative (MRI), which supports trail runners and community-based tourism aimed at promoting tourism to alleviate poverty (Lama & Gurung, 2021; UNDP, 2023, 2024). However, achieving sustainable tourism in Nepal requires appropriate measures to be adopted to address the numerous associated challenges.

2.6 Influence of Rural Tourism on Community Development

Research establishes that rural tourism is crucial in fostering community development through its economic impact on tourism destinations (Nooripoor et al., 2021). According to Liu et al. (2023), the tourism sector creates employment while stimulating economic activities in the local markets and infrastructural development. In their investigation, the authors also established that tourism promotes environmental consciousness, protects biodiversity and natural resources such as land, and improves the overall economic conditions of residents. George et al. (2009) emphasized the role of rural tourism in facilitating cultural preservation, as it allows communities to showcase their indigenous cultural practices and traditions while generating revenue from tourism activities. Similar findings were conveyed by Lenao and Saarinen (2015), who argued that integrated rural tourism (IRT) fosters rural areas' economic development and helps preserve communities' cultural heritage. According to Wang et al. (2024), establishing a balance between tourism and cultural preservation is crucial in fostering local communities' pride in their culture. However, the authors established that rural tourism activities can erode cultural practices, thus threatening the uniqueness and longevity of cultural practices (Wang et al., 2024). Rural tourism has also been associated with increased participation from local communities. According to Soltani and Ghaderi (2025), rural tourism strengthens local governance and initiatives, which emphasizes the role of social and institutional dimensions in facilitating sustainable tourism. Priyanka & Devarani (2022) also demonstrated how rural tourism enhances

community participation. In a study of tourism activities in two rural areas, the authors found that rural tourism encouraged the involvement of the village council in decisions and facilitated community mobilization to provide dhabas and homestays, thus demonstrating the sustainable participation of local communities.

2.6.1 Opportunities and Challenges

Sustainable rural tourism presents numerous opportunities and challenges for tourism destinations (Diefenbach, 2021; Madanaguli et al., 2023). Research studies highlight these obstacles and prospects, establishing the need to adopt appropriate strategies to promote sustainable development of the tourism sector. According to Diefenbach (2021), achieving the sustainability of rural tourism creates employment opportunities, thus facilitating the economic development of local communities. The author also affirmed that rural tourism offers the opportunity to showcase their cultural heritage and allow tourists to experience and appreciate their culture, thus preserving the cultural heritage (Diefenbach, 2021). Madanaguli et al. (2023) also explored the impact of sustainable practices on environmental conservation. The study indicated that sustainable tourism practices encourage tourists and locals to protect landscapes and other natural resources, increasing environmental awareness and promoting environmental conservation efforts. Chan (2023) highlighted the factors that motivate local tourism stakeholders to embrace sustainable tourism practices in rural areas. The study highlighted key opportunities for sustainable tourism, including economic development, cultural and environmental conservation, and preservation of sustainability awareness, and it promotes collaboration and engagement of local communities (Chan, 2023).

Nevertheless, achieving sustainable tourism also faces significant challenges (AI Matris & Ahmed, 2023). For instance, the lack of well-developed infrastructure in the rural areas hinders the development of sustainable tourism practices in the rural areas (AI Matris & Ahmed, 2023). The poor accommodation and transportation network, among other infrastructural barriers, hinder the adoption and active engagement in sustainable tourism (AI Matris & Ahmed, 2023). Torabi (2024) highlighted how lack of income creates a financial constraint to facilitating sustainable tourism in rural areas. An investigation of villages neighboring the Turan National Park in Iran highlighted the socioeconomically disadvantaged populations engaging in informal business activities near the park because the tourism destination creates business opportunities (Torabi, 2024). Nevertheless,

according to the findings, inadequate capital and other challenges, such as lack of relevant knowledge and skills and lack of legal protection, pose significant barriers to achieving sustainable tourism (Torabi, 2024). Similarly, Assefa (2022) demonstrated how tourism activities empower local communities and contribute to the economic prosperity of local communities. However, developing sustainable tourism in rural areas faces barriers such as environmental degradation arising from ecological damage and limited involvement of community members Assefa (2022). Madanaguli et al. (2023) affirmed that a failure to manage tourism activities would result in environmental degradation, thus destroying the natural resources that attract visitors. Yang et al. (2022) highlighted how achieving sustainable development faces resistance from the local people because they do not see the value of the tourism resources and do not understand the need for their involvement in tourism activities in their local areas. Also, villagers do not want their normal lives disrupted (Yang et al., 2022).

2.7 Gaps in the Existing Literature

Numerous studies explore rural tourism and highlight its benefits to the local communities. Numerous studies also examine the opportunities and challenges associated with the sustainable development of rural tourism. Nevertheless, research focusing on the sustainable development of rural tourism in Nepal is fragmented. However, there is limited research on tourism practices and effective mechanisms in rural settings, which may help to bring out unique challenges and potentials for sustainable tourism. Additionally, most studies adopt a qualitative or quantitative approach when investigating sustainable tourism. Limited studies are exploring the topic using a mixed approach. These gaps highlight the need for a mixed approach to facilitate an in-depth exploration of the opportunities and challenges to achieving sustainable development in rural tourism in Nepal.

Chapter 3: Theoretical Foundation

3.1 Conceptualisation of Tourism Development

Firstly, the conceptual understanding of development refers to fundamental changes occurring within the societies of certain national settings, transforming them into other valuable aspects of those national settings (Amerta, 2017). When linking this term to the tourism field, tourism development can be seen as a planned process of change initiated by people to improve the overall tourism areas that are viewed as poor or underdeveloped, with an aim of making such areas better, accessible, and attractive (Bhatia, 2002; Richards & Hall, 2000). According to various researchers such as (Pigram & Wahab, 2005; Southgate & Sharpley, 2014), tourism development is viewed as a structured and planned process initiated by the communities with the aim of achieving better improvements in the peoples' quality of life and their socio-economic situations. In order to realize the true potential of tourism, experts have continued to explore and refine several strategies and plans with an objective to make the tourism sector more impactful, sustainable, and beneficial to all cohorts of stakeholders (Amerta, 2017; Pigram & Wahab, 2005; Southgate & Sharpley, 2014). Similarly, the notion of a paradigm, which is essentially the lens via which people and communities understand themselves and their near surroundings, influences how they think, behave, and respond in different circumstances (Southgate & Sharpley, 2014). Within the context of tourism, a paradigm indicates a set of shared assumptions, value systems, and strategies that lead to seeing how a community views and solves the challenges they confront (Southgate & Sharpley, 2014). Therefore, within tourism, a tourism development paradigm is understood as a conceptual framework used for designing, processing, and implementing tourism plans within a certain community over a specific period of time (Southgate & Sharpley, 2014; Suryasa, 2014). So, different levels of strategies and frameworks for tourism development are frequently subject to continuing analysis and evaluations by both practitioners and academicians (Amerta, 2017). Such a process thereafter often leads to the introduction of new approaches that are shaped by critiques of prior models and their changing situations (Amerta, 2017). Due to this, the tourism industry has been experimenting with several alternative strategies and policy frameworks, often driven by the necessity of more inclusive, adaptive, and sustainable development paradigms (Amerta, 2017).

According to Amerta (2017), within the field of tourism, whenever the strategy or implemented paradigm, no matter what, there must be four critical guidelines that need to be there to guide the principles and strategy. These principles form the overall foundation and implementation of fair and effective tourism development. Therefore, according to Amerta (2017), it should be

- i) Aligned with the vision and objectives: Any tourism-related activities and plans must be rooted in a clear-cut goal, mission, and priorities that are set by relevant authorities and satisfy the community's needs and benefits.
- ii) Adaptability to socioeconomic and political change: The tourism activities and strategies need to be highly flexible and fully responsive to the evolving socioeconomic, cultural, and political adaptations. It needs to be adaptable in both local and global perspectives.
- iii) Sustainability commitment: The plans and agendas must prioritize long-term sustainability by keeping a full eye on the well-being of future generations and aiming to do as little environmental and social harm as possible.
- iv) Situational awareness: The tourism development efforts must take into consideration the unique realities and challenges of the particular destinations or regions, ensuring policies and socio-political practices are grounded in local contexts.

And, theoretically, tourism development occurs in six stages, where each stage has its own meaning and repercussions for the community's cultural settings, socioeconomics, and the environment (Butler, 1992). Therefore, according to Butler (1992), these six phases of tourism development involve first the exploration phase, which is an early stage where a small number of tourists are drawn to unspoiled nature and its cultural heritage attractions. In this phase, the infrastructural development is minimal, and the interaction between tourists and locals is relatively unregulated (Butler, 1992). Secondly, in the involvement phase, local people and communities begin participation through rendering basic facilities and services (Butler, 1992). In this phase, both governmental agencies and non-governmental organizations (NGOs) may also start promoting the tourism destination, which leads to an increase in tourist volume (Butler, 1992). Thirdly, the growth starts to begin in the consolidation phase. In this phase, though the tourist numbers are high, still the rate of increase slows (Butler, 1992). The overall market competition and the dominance of tourism-related corporations begin to overwhelm local control and participation (Butler, 1992). In the fifth stage, i.e., the stagnation

phase, the tourism destination gets to its saturation point regarding its tourist numbers (Butler, 1992). Due to which the local resources become highly overstretched, and socio-economic and cultural settings and environmental issues start to surface (Butler, 1992). In this phase, the tourism destination seeks innovation to manage the touristic activities; otherwise, the destination might lose its appealing factor (Butler, 1992). Lastly, in the rejuvenation phase, if the issues are not properly addressed, then the destination starts to lose its market due to high numbers of tourist arrivals (Butler, 1992). Alternatively, the destination's search for proactive policies such as diversification of tourism activities, rebranding, and improved destination management activities might lead to the rejuvenation and rebranding of the tourism destinations' appeal (Butler, 1992).

When relating this tourism development to the Annapurna Conservation Area, these theoretical insights are particularly relevant through the analysis of opportunities and challenges. The Annapurna Conservation Area has the potential to benefit from community-based tourism that respects and brings an active care of local needs and benefits, especially to its local community's culture and environment, providing sustainable income generation while protecting its resources and heritages. In the context of the Annapurna Conservation Area, this destination is considered one of the popular destinations and more vulnerable to over-tourism symptoms, uneven benefit sharing, and ecological degradation if the developmental phases are not carefully planned across all six stages. Therefore, by using the community-based tourism (CBT) approach and being mindful of these tourism development phases, the stakeholders, especially the core stakeholders, in the Annapurna Conservation Area can work towards a sustainable tourism model that empowers its local communities and people and protects its socio-cultural integrity and preserves the natural heritage of the region.

3.2 Tourism development planning model

There are at least three different models of planning strategies within tourism development that are implied as a guiding principle by local people and communities who plan tourism development (Amerta, 2017). These models of planning strategies are designed to address changing needs, a shift in the way communities and locals think about the world, and how the fast growth of strategic tourism

issues will affect tourism development (Amerta, 2017). Therefore, three methods for planning the tourism development are as follows (Amerta, 2017):

- i. For tourism development, a plan that prioritizes tourism growth first using a “tourism growth-oriented model.”
- ii. Planning the tourism growth that prioritizes giving more empowerment to the communities using such as the “Community-Based Tourism Model.”
- iii. The planning for the tourism development that is based on the theme of sustainable tourism development.

Before commencing into the tourism development planning model, it is crucial to understand what planning for tourism growth actually means (Butler, 1992). It is simply the plan to make all the touristic activities that are carried out in such a way that makes complete sense and are designed to satisfy both host and guest in the best possible way to accomplish the targeted goals and utilize all the available resources effectively and responsibly (Amerta, 2017). Beyond that, planning for tourism is also understood as making predictions and forecasts about the future changes that outline what people and communities require by closely analyzing the situation of the tourism destination critically (Amerta, 2017). According to Simão & Partidário (2012), planning is viewed as a management responsibility that holds a substantial part in any tourism-related growth. In this perspective, efficacious planning and its execution become crucial to optimizing tourism destinations’ potential and making it simpler and easier to achieve tourism development objectives (Simão & Partidário, 2012). Moreover, the execution of the tourism development might have an effect on the survival of destination values, which are crucial in local people’s lives, communities, and the country (Simão & Partidário, 2012). Due to which, tourism development planning needs robust attention, depth, precision, and a high level of responsiveness while predicting and projecting the future scenarios (Simão & Partidário, 2012). Amerta (2017) asserts that, to uncover the general spirit and trajectory of a clear objective within tourism development strategy, planners are obliged to consider these concepts for effective outcomes. Firstly, the planning phenomenon should hold an allocative character, where the planners need to put great emphasis on synchronization and coordination to find any sorts of conflicts of interest that emerge at any stage (Amerta, 2017). Therefore, coordination holds a crucial role in issue resolution (Amerta, 2017). It's because disputes between parties and interests can happen, but their resolution without any hindrance to any parties is more important (Amerta, 2017). This kind of planning acknowledges both teamwork and problem-solving characteristics (Amerta, 2017). Secondly, the tourism development strategies need to be innovative

in nature because they should aim at creating and maintaining suitable tourism-related conditions, and they must result in better rebirth when the planning is put into action (Amerta, 2017). Thirdly, tourism development strategies need to be flexible so that they can be able to achieve multifaceted goals at the same time (Amerta, 2017). Therefore, planners need to be able to handle a single project or multiple projects with long-term vision in mind (Amerta, 2017). Fourthly, tourism planning needs to be indicative in nature because it needs to render clear-cut hints about the impact and the direction of the policy formulation in general (Amerta, 2017). Therefore, based on the indicative characteristics, the stakeholders will be guided to the appropriate ideas and activities regarding the formulated policies in a more detailed and easier way (Amerta, 2017). Lastly, the tourism planning needs to be implementable in nature both from a public and community perspective and from an industry-related perspective (Amerta, 2017).

All these development plans should have a common aim of creating a tourism destination with a strong and effective tourism governance structure, which must satisfy tourism stakeholders' needs and priorities, such as local people and communities, public authorities, guests, and tourism industries, on all dimensions of sustainability, i.e., economic, socio-cultural, and environmental (Amerta, 2017).

3.3 The Understanding of Community

Jewkes and Murcott (1996) acknowledge that a community is defined as a unity of people's lives within a specific geographical area, where individuals share similar customs, identities, traditions, etc., due to a sense of common values. Furthermore, Jewkes and Murcott (1996) further classify that communities are substantiated by the common interest (i.e., community attachment) and have the ability to address daily needs. Based on Crow and Allan (2014), community is mainly formed because of the two distinct reasons:

- By considering geographical and location similarities.
- People inside hold a common interest in terms of their religion, costumes, living styles, ethnicity, race, and traditions.

Therefore, as a community, it must grasp the substantiality of the overall values of the respective communities; thusly, there comes an effort to preserve the coexistence and serve the common requirements and pursuits of the community (Crow & Allan, 2014). Malinowski (1932) termed community as a "functional need" by inserting a belief that people have natural instincts regarding their physical and safety comfort, physical well-being and growth, and reproduction. For instance, Radebiffe-Brown (1952) found three adoption mechanisms in individual social life forming a community: ecological adaptation, social adaptation, and cultural adaptation.

According to Agung-Prakoso (2020), two things are crucial for the formation of community ecological regeneration and service delivery by the community: strengthening their ability to develop and social structuring and realizing the community's common aspirations. The amalgamation of these efforts is commonly termed 'community development (Agung-Prakoso, 2020). The core value of community development comes in four aspects:

- i) Participation must not be limited to only joining in; in fact, active engagement is the community's decision-making role and strategy formulation (Agung-Prakoso, 2020).
- ii) Empowerment should not be limited only to capacity build-up; in fact, it should focus on power strengthening and better resource utilization (Agung-Prakoso, 2020).
- iii) Community development must have an awareness by taking ownership that changes a paradigm that its developmental activities are for the entire community and for its future generation (Agung-Prakoso, 2020).
- iv) Social capital might only be realized when encountering other actors who follow social institutions (Agung-Prakoso, 2020). It is often viewed as an institutional capital because of the accumulation of different aspects, such as socio-cultural, human psychological, and other intangible assets influencing collaborative behavior (Agung-Prakoso, 2020).

Therefore, based on these ideologies, tourism becomes an excellent industry that perfectly merges with community development (Agung-Prakoso, 2020). According to Ruiz-Ballesteros and Gonzalez-Portilla (2024), tourism is viewed as a fast-changing service industry that has a quick adaptability to merge into new trends and lifestyles. In postmodernism, many guests, both internal and external, are not just interested in visiting raw and beautiful landscapes but also feel satisfied when immersing

themselves in local cultures and their communities (Agung-Prakoso, 2020). Over the last two decades, those increasing practices in unique experiences have made a shift, with more emphasis on incorporating local people and communities in tourism activities (Agung-Prakoso, 2020).

From this perspective, the local community plays a significant role in tourism development (Agung Prakoso et al., 2020; Ruiz-Ballesteros & González-Portillo, 2024). Particularly, their engagement in strategic planning, handling, and management is paramount for forming sustainable tourism (Agung-Prakoso, 2020). Therefore, the community-based tourism approach highlights this, where local communities take the leadership role in developing, executing, and managing touristic activities and ensure that its benefits are directly distributed to its community members in the most equitable manner (Agung-Prakoso, 2020). Unlike the traditional theme of tourism, the CBT approach does not just solely rely on economic gains but equally emphasizes preserving and promoting local culture, social identities and values, and environmental equilibrium (Agung-Prakoso, 2020). It heavily relies on the active engagement of local residents as key stakeholders, alongside governments and private enterprises, to maximize the socio-cultural and economic benefits of tourism (Blackstock, 2005; Johnson, 2010; Sunaryo, 2013; and Ruiz-Ballesteros and Gonzalez-Portillo, 2024).

3.4 The understanding of community-based tourism

Community-based tourism (CBT) is defined as tourism owned and managed by the local community, intended to deliver wider community benefits across all forms of class in an equitable manner (Giampiccoli & Mtapuri, 2012). It emphasizes community control and management, preservation and protection of sociocultural values and identities and environmental assets, local empowerment, and overall community development (Giampiccoli & Mtapuri, 2012). So, community-based tourism initiatives can range from a community's active engagement in business entrepreneurship, joint ventures between and among communities, and collaborating with external investors to full ownership and handling of tourism operations in a specific tourism destination (Giampiccoli & Mtapuri, 2012).

Community-based tourism emerged in the 1970s as an alternative mechanism for developing and transforming local people's lives in developing nations, offering opportunities for poverty reduction campaigns, conservation and preservation of sociocultural and natural assets, and overall rural economic development (Zielinski et al., 2020). However, it gained its popularity in academia in the

1990s (Zielinski et al., 2020). It gained traction as a tool for community development, which is supported by some reputed guidelines and project reports from institutions like the United Nations (UN) and the World Bank (Zielinski et al., 2020, p. 3). Though this conceptualization is rooted in participatory development, which was introduced in the 1970s, it aimed to resolve the failures of top-down tourism development approaches (Zielinski et al., 2020, p. 1). The community-based tourism approach within tourism studies is seen as significant because of its focus on sustainable tourism development and community empowerment; therefore, it is commonly applied as a “mechanism for rural development of tourism destinations, especially in peripheral areas, with an intention to generate socio-cultural welfare, economic, and ecological benefits” (Zielinski et al., 2020, p. 1). However, many community-based tourism initiatives have faced difficulties due to minimal access to funding, low-skilled human manpower, poor infrastructural development, and over-reliance on external assistance (Zielinski et al., 2020, p. 1). These challenges are more prevalent in developing countries because of the economic, political, and policy structures (Zielinski et al., 2020, p. 1). Despite these challenges, community-based tourism is still seen as a viable mechanism that is tied to project-based efforts backed up by NGOs and official development assistance (ODA) (Zielinski et al., 2020, p. 1). CBT is seen as a tool for eradicating poverty issues in rural regions, especially in such areas that have limited economic opportunities (Johnson, 2010; Kayat, 2014; Mgonja et al., 2015). Other persisting challenges within community-based tourism initiatives are lack of land ownership, low community capacity, and dependency on external stakeholders limiting their success (Zielinski et al., 2020). Despite these issues, it is still one of the most effective approaches for “fostering sustainable tourism development and empowering marginalized communities,” especially in developing countries (Zielinski et al., 2020, p. 4).

The theoretical framework of community-based tourism highlights tourism initiatives that are largely locally owned, planned, and managed by local communities (Blackstock, 2005; Kontogeorgopoulos et al., 2014; Mgonja et al., 2015). It is often presented as an alternative mechanism to traditional tourism approaches, which are more focused on profit-driven mass tourism largely exploited by external entities (Zielinski et al., 2020). Unlike conventional forms of tourism approaches, community-based tourism approaches are more focused on generating equitable benefits for the local communities (Giampiccoli & Mtapuri, 2012; Kontogeorgopoulos et al., 2014), setting a platform for local communities to manage and own tourism activities and gain from them. CBT is often linked to the conceptualization of sustainable tourism development and rural development (Dangi & Jamal, 2016; Juma & Khademi-Vidra, 2019; Kayat, 2014), which is seen as a viable means to balance

ecological preservation, socio-cultural values, preserving and promoting cultural assets, and accumulating sustainable income from it (Zielinski et al., 2020). This (CBT) approach enables the mobilization of local potential and resources, including social capital (e.g., local participation and empowerment, institutional and social capital) and cultural capital (e.g., traditions, social values, regulations, etc.) (Amerta, 2017). A crucial theoretical lens, particularly stressed by Ruiz-Ballesteros & González-Portillo (2024), is the conceptualization of local agency, which implies the capacity of households and individuals to make and execute their decisions about their engagement in tourism-based activities based on the available resources and the overall understanding of their current quality of life. This agency is frequently tied up with “tactical action,” where the individual actors act within the given margins allowed by the larger external strategies and forces, i.e., the marketplace and the state (Ruiz-Ballesteros & González-Portillo, 2024). According to Ruiz-Ballesteros & González-Portillo (2024), the agency in the deployment of community-based tourism is injected into household-level economic strategies, which are influenced by two factors: macro (i.e., state factor) and micro (i.e., community factor). Similarly, Bidwell and Murray (2019) acknowledged similar insights, as the local agency within community-based tourism can be realized extensively if it is adequately utilized in the forms of “mobility” and “economic expansion” of the rural settings. When realizing both Ruiz-Ballesteros & González-Portillo (2024) and Bidwell and Murray's (2019) intentions, this perspective is likely to get better comprehension of local agency, moving beyond the narrow emphasis on power relations between external entities, local elites, and the whole community as a single, uniform entity. On the other hand, Johnson (2010) asserts that the realization of community-based tourism can be explored through the implication of social-economy enterprises, which are led by the community, utilize the community's local resources, and are often free from the dependence on external capital sources.

While most authors, such as Bidwell & Murray (2019), Johnson (2010), and Ruiz-Ballesteros & González-Portillo (2024), acknowledged the community-centered nature of community-based tourism, Blackstock (2005) showed a direct critique, calling it “naïve and unrealistic” and claiming that it fails to extensively focus on industry over empowerment, neglects the overall internal dynamics, and fails to notice external inequalities. Critically, it shows a challenge to that often optimistic outlining of community-based tourism as an inherently perfect thing, suggesting a need for more grounded comprehension of power relations and community complexities. Zielinski et al. (2020) also acknowledge the limitations of community-based tourism, especially as a mechanism for development cooperation. To elaborate more, within community-based tourism, the role of

authenticity has a crucial worth, and its concepts are underlying with the guests' expectations of authentic experiences, which are also frequently tied up with the theme of cultural-heritage tourism (Zielinski et al., 2020).

Scholars such as (Giampiccoli & Mtapuri, 2012; Kontogeorgopoulos et al., 2014) allude to “rural tourism and community-based tourism as being primarily focused on giving an authentic taste of local lifestyles and cultural values,” including their typical sense of residence and price (Zielinski et al., 2020), and the suitable environment for interpersonal closeness between the tourists and the hosts (Amerta, 2017). Furthermore, Ruiz-Ballesteros & González-Portillo (2024) acknowledged that the widespread cited limitations of rural tourism are also closely related to those traced in community-based tourism. For instance, the case studies by Mgonja et al. (2015) and Safa et al. (2020) found low levels of access to facilities such as investment and funding environments, strategic and decision-making roles, and inadequate flow of human resources, and adverse socio-cultural and ecological effects.

3.5 Community-based Tourism approach

Over the past few decades, community-based tourism has emerged as a much-needed theme of research within tourism studies (Dangi & Jamal, 2016). Therefore, this section will highlight the use of the community-based tourism (CBT) approach to identify and examine research significance and gaps that this master's dissertation aims to highlight. For instance, Johnson (2010) expounds the potentiality for comprehending the community-based tourism approach (CBT) via sustainable socio-economic ventures. It was intended to see how a community-based tourism approach can serve as a mechanism for fostering socio-economic advantages through diversifying business models (Johnson, 2010). Similarly, Whitford et al. (2016) researched the cultural history of a host community, which might serve as a potent resource for community-based tourism. This research by Whitford et al. (2016) might seem highly strategic because CBT is not just providing a mechanism for economic advantages; it can also be a strategic move for preserving local indigenous culture by promoting culture and history as a catalyst. Therefore, community involvement not only acts as a laborer but also acts as an effective leader and executor of tourism-related activities (Whitford et al., 2016). Moreover, researchers such as (Lenao & Saarinen, 2015; Pakshir & Nair, 2011; Priyanka & Devarani, 2022) asserts that CBT offers an alternative source for touristic activities that influences local resource conservation value and promotes local community engagement. Rahmanita et al. (2023) studied the

development of CBT-based tourism activities in Guangxi, China, and concluded that community-based tourism is a crucial mechanism for improving revenue generation and safeguarding locals' cultural identity and values. However, there are several barriers because just being a good host might not be adequate enough, as communities' low level of resources, human manpower, and capital could impede efficacious hosting (Rahmanita et al., 2023). For instance, Adikampana et al. (2019) studied a model for developing community-based rural tourism products in one of Bali's tourism villages called Pinge. This study adopted a community-based approach to identify tourism resources and market characteristics, where the data was collected using both surveys and interviews (Adikampana et al., 2019). The research found that increasing local community participation through the CBT approach makes better decision-making abilities and equitable profit sharing, which not just boosts their awareness, pride, and efforts to protect tourism resources but in a more controlled and sustainable way (Adikampana et al., 2019). Likewise, Ruiz-Ballesteros and González-Portillo (2024) explored local agency in a community-based tourism approach and its effect on limiting tourism development in the rural region of Andalusia and Benalauria, Spain. The research emphasized the ability of local households to limit tourism based on local resources and quality of living. It was found that community-based tourism highlights local control and participation, where local agency is linked to empowerment and community participation in tourism management (Ruiz-Ballesteros & González-Portillo, 2024). However, the local agency's role is found frequently underrated (Ruiz-Ballesteros & González-Portillo, 2024). Sumanapala et al. (2024) explored the role of the community-based tourism approach as a viable mechanism for promoting sustainable rural development by encouraging local community participation and preserving sociocultural and ecological resources. This research found that CBT helps better local communities in tourism planning and management by ensuring equitable distribution of tourism benefits among all the local community members (Sumanapala et al., 2024). Furthermore, this research found community resilience and steady income generation (Ruiz-Ballesteros & González-Portillo, 2024). However, the community-based tourism approach has significant challenges that impede sustainable development, especially poverty and unemployment challenges, preserving local traditions, and marginalization in development planning leading to neglect of local needs and requirements (Sumanapala et al., 2024). Similarly, Pakhsir and Nair (2011) explored the sustainability and socioeconomic effect of the homestay program in Bazm village in Iran within the context of the community-based tourism approach. While this research has found significant potential due to its abundant sociocultural and natural resources, it has noticeable challenges such as inadequate infrastructural development and a low level of support from the

governmental level. The community-based tourism and homestay program was found better at enhancing local community participation and economic perks but requires cautious planning and strategies to address sociocultural challenges (Pakshir & Nair, 2011). In addition to this, the local Bavanat village people revealed a fragmented perception about tourism effects, while some community members were benefiting significantly while other members felt completely excluded (Pakshir & Nair, 2011). This suggests that community-based tourism management still requires better management strategies and equitable distribution of tourism benefits (Pakshir & Nair, 2011). Lastly, Zielinski et al. (2020) studied “why community-based rural tourism is found differently treated in developing and developed countries.” It was found that the community-based tourism (CBT) approach has diverse forms of challenges and opportunities in developing and developed countries, which are mainly due to three major determining factors: economic, socio-cultural, and institutional settings (Zielinski et al., 2020). Within developing countries, community-based tourism was found to frequently struggle with poverty issues, unequal distribution of tourism benefits, and limited access to education and training, hindering local community members from adequately engaging in tourism planning, management, and decision-making activities (Zielinski et al., 2020). Moreover, the low level of supportive policy frameworks from non-governmental agencies (NGOs) and developmental agencies often leads to the letdown of these initiatives (Zielinski et al., 2020). Land ownership is found to be another equally challenging factor, as many local communities, especially low-to-middle-income earners, are lacking a secure level of land tenure, limiting their ability to invest in local tourism development (Zielinski et al., 2020). Similarly, the cultural differences between local communities and foreign investors frequently lead to conflicts, and the reliance on foreign tourists makes the community-based tourism approach more vulnerable to external market fluctuations (Zielinski et al., 2020). Meanwhile, in developed countries, while communities generally have abundant access to infrastructural facilities and education and training opportunities, the challenges persist, especially in peripheral areas (Zielinski et al., 2020). For instance, indigenous local communities face similar sorts of challenges as developing nations regarding limited levels of access to decision-making roles and funding (Zielinski et al., 2020). Policy frameworks in economically strong countries might be disjointed with the needs and expectations of rural communities, and individual land ownership might lead to disputes over land utilization and manipulation, especially by external actors (Zielinski et al., 2020). At the same time, disputes between locals and newcomers to the local communities, such as lifestyle entrepreneurs, over tourism development priorities are also equally prevalent (Zielinski et al., 2020).

Despite these challenges happening in developing and developed nations, community-based tourism holds significant opportunities (Zielinski et al., 2020). Firstly, in developing economies, the CBT approach can be a much-needed mechanism to boost income generation and other economic opportunities in areas that have limited alternatives while preserving and promoting socio-cultural identity and empowerment (Zielinski et al., 2020). Also, a collecting land ownership approach might be handy as it provides a better position in decision-making roles and lowers conflicts, thusly helping in promoting equitable benefit distribution (Zielinski et al., 2020). Meanwhile, in developed countries, better access to infrastructural facilities, education, and training programs, along with sufficient government backup, helps to provide a head start for tourism-related development and policy formulations (Zielinski et al., 2020). Along with this, long-term governmental support and public-private partnerships (PPPs) can further boost tourism-related initiatives (Zielinski et al., 2020). Individual land ownership enables private investments and business operations, while tight-knit local communities can indulge in working together to create unique and sustainable tourism experiences (Zielinski et al., 2020). Likewise, the newcomers into the local communities with adequate skills and resources can be mobilized in a positive manner that helps to develop local tourism entrepreneurship and foster innovation (Zielinski et al., 2020). From a critical understanding, community-based tourism approaches in developing economies are seen frequently relying on external tourists; meanwhile, in developed countries, the rural areas are often benefited from easier access to domestic markets, which necessitates minimal target marketing because of high internal tourist flow. Therefore, more tailored strategies are needed in developing countries to address these challenges and maximize the CBT potential as a mechanism for sustainable tourism and community development by targeting both domestic and international tourists (Zielinski et al., 2020).

3.5.1 Opportunities

Through the prior researchers' findings, it is clear that the community-based tourism approach is characterized by local operation, where decision-making roles are heavily handled and formulated in tourism stemming from the local community's agency (Kontogeorgopoulos et al., 2014; Zielinski et al., 2020). Unlike the traditional tourism forms, which are frequently operated by large chains and external investors and heavily focused on profit maximization, community-based tourism is comparatively smaller, locally and family-run businesses where the principal role is contributing to

domestic progress in all dimensions along with capital accumulation (Zielinski et al., 2020). One of the noticeable opportunities of CBT is its ability to rejuvenate traditionally dominant thoughts on tourism and render them sustainable for rural development (Juma & Khademi-Vidra, 2019). According to Islam (2021), community-based tourism can generate sustainable forms of income generation for those who are directly and indirectly connected within its tourism development process. Several research such as (Juma & Khademi-Vidra, 2019; Kontogeorgopoulos et al., 2014; Zielinski et al., 2020), suggest that community-based tourism can bring economic perks, for instance, generating employment opportunities, facilitating the environment for agrotourism products, generating local income, and assisting in lowering poverty alleviation cases. According to Ruiz-Ballesteros & González-Portillo (2024), the CBT approach provides opportunities for economic diversification within rural areas, while it is often viewed as a complementary pursuit instead of the sole income source. Keeping economic perks aside, community-based tourism renders sociocultural opportunities by empowering the local stakeholders and communities and promoting local community control of tourism activities and participation (Ruiz-Ballesteros & González-Portillo, 2024). Community participation within CBT remains key in decision-making processes and is viewed as a viable indicator in restoring benefits for local lifestyles, socio-cultural values, and respect for host communities (Ruiz-Ballesteros & González-Portillo, 2024). Kayat (2014) asserts that CBT can help preserve and promote hosts' traditions and socio-cultural values, promote indigenous culture and events as a tourist attraction, and support the conservation of natural and cultural heritage. Similarly, Ruiz-Ballesteros & González-Portillo (2024) acknowledges that CBT fosters a sincere representation of hosts' living styles and cultures, fosters cordial connection between tourists and hosts, and brings a sense of trust and harmony formation among the members of the community via participatory management. Apart from this, CBT helps in improving the overall quality of hosts' lives, assisting in cultural exchange programs, and accepting cultural diversity (Juma & Khademi-Vidra, 2019). Within CBT, community development is the principal aim, aiming to boost local communities' ability to handle and mobilize local resources and plan their strategies as per their values and interests (Juma & Khademi-Vidra, 2019).

Environmental preservation and conservation are another crucial opportunity linked with community-based tourism, as they help in the protection of panoramic natural beauty and landscapes, countryside resources, and biodiversity (Juma & Khademi-Vidra, 2019; Kontogeorgopoulos et al., 2014). Agung Prakoso et al. (2020) cited the CBT approach by emphasizing the equilibrium between natural resources and sociocultural and host community values. CBT is identical to the sustainable tourism

development theme and prioritizes lowering environmental damage (Agung Prakoso et al., 2020). This claim is also supported by the findings of Islam (2021), who claims that preservation of conservation of natural resources facilitates a significant effect on tourism destinations' attraction and the well-being of the host communities.

3.5.2 Challenges

Though community-based tourism holds numerous opportunities, it is also fraught with significant challenges, as some scholars, such as Blackstock (2005) and Johnson (2010), view it as “naïve and unrealistic” and term it as rhetorical because of its failures in application. Within CBT, community participation is key; it also holds a weakness, steering to room for conflicts among community members because of weak management and conflicts of interest among the local communities (Blackstock, 2005; Johnson, 2010). Agung Prakoso et al. (2020) highlight internal community issues such as the ineffectiveness between community members, low level of expertise and skills, and limited level of understanding about the tourism industry, especially happening in developing countries where tourism is a viable alternative source of income generation. These limitations collectively limit satisfying guests' needs and standards and sometimes might lead to a nuisance of guests' will on host communities (Agung Prakoso et al., 2020). On top of that, heavy dependence on seasonal touristic activities with uncertain ownership of CBT development among local communities brings an ambiguous position between owning or just being represented as a workforce (Agung Prakoso et al., 2020). Similarly, external challenges are another leading challenge, including limited resource availability, lack of capital funds, and restrictive market access (Agung Prakoso et al., 2020). Ruiz-Ballesteros & González-Portillo (2024) found inadequate infrastructural development as a common limitation, especially in developing countries' rural and peripheral regions. Islam (2021) asserts that conventionally dominated policy formulations and low levels of patronization from authority levels have become major limitations hindering tourism development through the CBT approach. From a secondary position, researchers such as Agung Prakoso et al. (2020), Islam (2021), and Ruiz-Ballesteros & González-Portillo (2024) have found rural regions being physically distant from major centers, resulting in socio-economic and political isolation, a limited level of independence in planning and strategic activities, and a low degree of power control to control decision-making. Due to these issues, the role of external assistance is often needed due to low

expertise and capital funding, which leads to the local community's more dependence on facilitators and results in externals taking control of the host region (Agung Prakoso et al., 2020; Ruiz-Ballesteros & González-Portillo, 2024). According to Ruiz-Ballesteros & González-Portillo (2024), even when local communities get outsiders' assistance, such as development aid in developing countries or governmental-related support in developed ones, they frequently show similar sorts of challenges. Nonetheless, the narratives regarding their progress might be different, with those in developing nations often underlining transparency and empowerment (Ruiz-Ballesteros & González-Portillo, 2024). Islam (2024) points out that both positive and negative impacts on the host community can happen, and without the full controlling role of local community engagement, the likelihood of adverse effects starts to augment. These challenges are majorly linked with socio-cultural and environmental settings (Islam, 2021). In addition to this, developing countries with politically unstable images, extremism, and corruption set a bad image formation on guests (Islam, 2021).

CBT is viewed as a way for rural community people to benefit from tourism operations while working within the limits set by larger institutional forces such as the government and the marketplace (Ruiz-Ballesteros & González-Portillo, 2024). Although community-based tourism is frequently elevated by the outsider groups, it only becomes efficacious when local communities with active local participation are involved from operation to decision-making roles (Islam, 2021; Ruiz-Ballesteros & González-Portillo, 2024). Therefore, the comprehension of power and choices of local communities is crucial because it enables them to actively control tourism development based on their local resources and quality of life (Ruiz-Ballesteros & González-Portillo, 2024). Though it is believed that the community-based tourism approach is different from other mainstream tourism themes, emphasizing more on balance and sustainability (Islam, 2021; Ruiz-Ballesteros & González-Portillo, 2024). However, for community-based tourism to remain successful, local communities must prevail over its limitations, which is possible by arranging strong local organizations, effective strategic planning and executions, and employing socio-economic businesses that can adequately cope with economic turmoil more superiorly in comparison to regular private businesses (Ruiz-Ballesteros & González-Portillo, 2024).

Chapter 4: Research Methodology

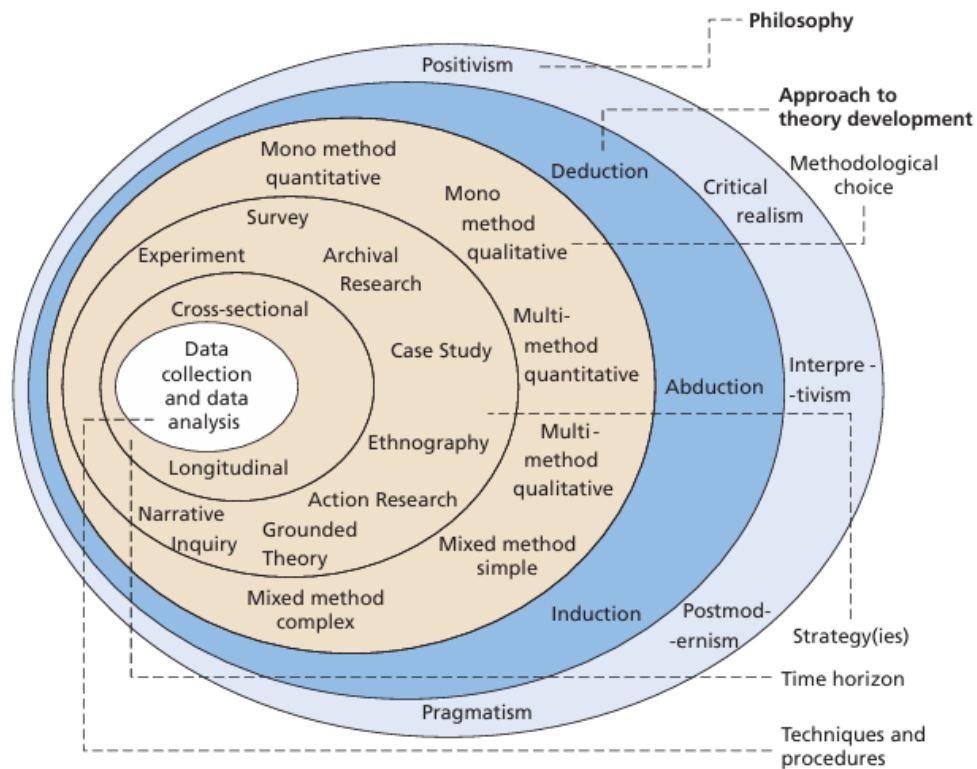
4.1 Introduction

Research methodology encompasses the structured framework and systematic approach implemented in research to respond to research problems effectively or to validate the postulated hypothesis (Saunders et al., 2019). Therefore, it outlines appropriate strategies, tools, and techniques for data collection and analysis, confirming that the research is methodologically sound, reliable, and holds better replicable characteristics (Saunders et al., 2019). For instance, research examining the role of a community-based tourism approach on sustainable rural development might utilize qualitative and quantitative methods for data collection, followed by interviewing and surveying its local people to extract both objective and subjective realities. According to Kothari (2004), the importance of research methodology is connected to five key aspects. Firstly, it offers focused precision by offering a well-defined research writing pathway, aligning each step with clear research objectives. Secondly, it safeguards the consistency and reproducibility of research outcomes, building a high degree of trustworthiness in the outcomes (Kothari, 2004). Thirdly, it offers validity by ensuring the selected method effectively honors the research questions, enhancing the credibility of the research outcomes (Kothari, 2004). Fourthly, it offers transparency by facilitating external assessment of the study's rigor and credibility (Kothari, 2004). Lastly, it allows for methodological adjustments when something unexpected challenges persistence, sustaining the research's integrity (Kothari, 2004). The rationale for selecting certain methods and approaches over their closest alternatives needs a justifiable ground, which helps to reinforce the methodology's credibility and its synchronization with the study's objectives (Saunders et al., 2019).

According to Saunders et al. (2019), many researchers articulate their research around specific research problems and questions that need to be addressed or issues that require a solution. This phenomenon starts by identifying the type of data required and choosing adequate data collection methods (Saunders et al., 2019). It might be, therefore, common at the premature stages of a research paper to ponder whether strategies such as surveys or interviews are applicable for the research (Saunders et al., 2019). However, one must acknowledge that data collection or strategy is just one element of the broader methodological framework (Saunders et al., 2019). Therefore, the framework introduced by Saunders et al. (2019, p. 130) might act as a cornerstone for this research for illustrating

different layers of method selection, its justification, and its importance for producing robust research outcomes. Thus, the researcher will thoughtfully consider each layer of the “Research Onion”¹ rather than just bypassing it, as each foundational decision is crucial to produce research outcomes with high validity, reliability, and replicability (Saunders et al., 2019).

Figure 1: Research Onion



Source: (Saunders et al., 2019, p. 130)

¹ The “Research Onion” framework introduced by Saunders et al. (2019) serves to this research as a metaphorical blueprint for structuring into more scientifically and systematically. This Onion within this framework acts as a sequential layer involved in the research onion process, starting firstly with broad philosophical assumptions and then gradually narrowing down to specific data gathering approach, analysis tools, and researchers’ position in the research (Stevens, 2024). Thusly, the layered approach will help researchers to critically consider each phase, fostering a well-organised and methodologically sound research (Stevens, 2024).

4.2 Research Philosophy

Research philosophy acts as a foundation of any academic research, yet many students struggle to fully grasp its significance and relevance (Hillary, 2024). Research philosophy implies a crucial dimension of any research project, which implies a set of beliefs, assumptions, and principles that shepherd the investigators' approach and reasoning in conducting their research study (Saunders et al., 2019, p. 130). Simplistically, research philosophy acts as a lens in research through which the investigator views and comprehends the reality around the world (Saunders et al., 2019). The selection of the research philosophy is determined by the essence of the research questions and objectives, the focus of the research being investigated, and the researchers' beliefs and assumptions (Saunders et al., 2019). However, different research philosophies have their strengths and constraints; thus, it is critical for investigators to fully comprehend their fundamental assumptions before conducting research (Saunders et al., 2019). The cruciality of research philosophy is inherent in its aspect of the research, from selecting appropriate methodologies to shaping the research conclusions (Hillary, 2024). Research philosophy also enables an avenue to make precise decisions about what sorts of information need to be acquired, its method and strategies of data collection, and the researcher's position while interpreting (Hillary, 2024). As an illustration, positivist philosophy holds a standpoint of seeking the objective nature of realities; thus, it helps in getting cause-and-effect relationships and holds generalizability characteristics. However, this research might not thoroughly capture the intricacies of social phenomena and personal interpretations (Hillary, 2024). On the other hand, interpretivism philosophy is effective at exploring complex intricacies of social phenomena but significantly lacks generalizability due to its constrained nature of sample size (Hillary, 2024). Therefore, it is crucial to understand that the adoption and justification of philosophy depend on the nature of the research, its guiding research questions, and the researchers' intended research goals.

This dissertation will adopt pragmatist philosophy. Pragmatism represents a contemporary philosophical movement that has profoundly impacted various aspects of today's thought process and society (Morgan, 2014). Unlike traditionally rooted philosophies, which greatly emphasize the existence of absolute, immutable truth, the pragmatist school of thought is entrenched in the beliefs and assumptions that truth is not fixed but has instead evolved based on the practical applications and its repercussions (Morgan, 2014). Pragmatist philosophy prioritizes the deployment of ideas over abstract theorizing, perceiving knowledge as dynamic, adaptive tools or instruments rather than just an absolute or immutable nature of truth (Morgan, 2014). Pragmatist scholars view truth as derived

through the lens of practical outcomes, which is frequently captured by the conceptualization of instrumentalism (Morgan, 2014). This perspective acknowledges that ideas and knowledge get their value based on the ability to tackle real-world challenges and render meaningful interpretations (Kaushik & Walsh, 2019; Morgan, 2014). Therefore, the worth of a belief and assumption within pragmatist philosophy is assessed by its effectiveness in guiding human action and problem-solving instead of its upholding the immutable truths (Kaushik & Walsh, 2019).

Thusly, pragmatism can become a particularly suitable philosophical approach for this master's dissertation, as it effectively aligns with the practical nature of community-based tourism (CBT) and the intention to incorporate a mixed-method approach. Pragmatism emphasizes real-world applications and problem-solving aspects, making it an ideal environment for exploring the challenges and opportunities in rural tourism. It enables the adoption of both quantitative and qualitative research designs, prioritizing what works best in practice rather than just sticking to certain theoretical limitations (Kaushik & Walsh, 2019). By incorporating a pragmatic standpoint, the researchers can capture the voices of local people and stakeholders, capturing their opinions and experiences while also analyzing tangible effects via a quantitative study. At the same time, pragmatism allows us to generate actionable insights that straightforwardly apprise sustainable tourism practices, community development strategies, and policy formulations. The pragmatist stance emphasizes practical results that effectively align with the objectives of the community-based tourism approach, which seeks to empower and promote local community participation and foster sustainable socio-economic growth.

Pragmatism is viewed as a forerunner to postmodernist ideas, which reject the conceptualization of absolute truth in favor of context-reliant understandings (Kaushik & Walsh, 2019). Therefore, postmodernism stretches the pragmatist emphasis on practical issues by arguing that knowledge formulation needs to have applicability and flexibility, hold diversity, and understand the fragmented nature of daily social life (Kaushik & Walsh, 2019). Despite its influence, this philosophy is not free from limitations (Kaushik & Walsh, 2019). As some critics, such as Cassell et al. (2017) and Hampson & McKinley (2023) argues that pragmatists focus on practicality, neglecting the crucial dimension of truth formation, such as ethical considerations and aesthetic values. While others contend that it runs the risk of shrinking truth formation to mere functionality, overlooking the intrinsic worth of knowledge and belief factors for one's own interest (Hall, 2013). Despite these, pragmatist philosophy

remains a crucial point of contemporary philosophical discourse, allowing a robust framework for comprehending the practical nature of truth and the practical nature of the demands of modern society life (Kaushik & Walsh, 2019). More importantly, its core conceptualization persists to resonate as we grapple with the complex situation, ever-changing phenomena of society's experiences, and the pursuit of meaningful knowledge formation (Kaushik & Walsh, 2019). Therefore, to bring the practical understanding of challenges and opportunities and the role of community-based tourism in fostering sustainable rural development, pragmatism philosophy is best suited as compared to traditionally rooted philosophical stances such as positivist and interpretivist.

Therefore, the study of rural tourism and sustainable development in Nepal uses a pragmatic research philosophy, which entails implementing both qualitative and quantitative research methods. This philosophical approach is appropriate for this research project that investigates rural tourism and sustainable development to create functional solutions for Nepal's rural residents. According to this research framework, quantitative and qualitative data collection methods should be implemented to address complex study problems (Kaushik & Walsh, 2019). Through pragmatic principles, researchers investigate objective outcomes (economic factors) as well as subjective evaluations (perspectives of the community). The pragmatic philosophy underpins mixed research that will be adopted to investigate rural tourism in Nepal and establish appropriate solutions. Moreover, pragmatism's recommendation for a mixed research design facilitates flexibility (Maarouf, 2019). The pragmatic philosophy provides an optimal approach to understanding rural tourism and sustainable development because their diverse characteristics demand assessment from both a flexible and broad perspective.

4.2.1 Epistemology

In the context of this master's dissertation, given the intention of the mixed-method approach, the epistemology majorly relies on the pragmatism standpoint. It's because the researchers view knowledge formation as being shaped by different sorts of practical experiences and real-world settings, where the relevance of truth is not considered absolute but conditional on different situations. For instance, the epistemology for this research mirrors the practical nature of a community-based approach, where knowledge is dynamic and context-dependent, by emphasizing the practical

outcomes of tourism for local communities. Let's say the dissertation aims to assess the role of the community-based tourism approach in fostering sustainable rural development and its challenges and opportunities associated. In this case, the knowledge generated will be grounded in both qualitative insights (such as local community narratives and locals' perceptions of well-being) and quantitative insights (locals' income levels, their employment engagement, etc.). This approach enables you to trace both measurable impacts and the lived experiences and opinions of diverse stakeholders, aligning with your mixed-method strategy.

4.2.2 *Ontology*

Similarly, the underlying ontology in relationship to this master dissertation is likely critical realism, which acknowledges that while tourism activities and their impact might be observed and measured, at the same time, they are also molded by deeply rooted, context-specific sociocultural structures. For instance, a rural community's response to tourism can be dependent on several combining factors like historical importance, local governance, sociocultural values, and the economic position of the community. These factors might collectively shape how tourism is being perceived and managed in a local community context. Therefore, this perspective allows us to explore both the measurable economic advantage and the more nuanced and intangible impacts on the local community's identity and cohesion.

4.3 Research Approach

The abductive approach is viewed as a form of logical inference that starts with an observation of surprising or puzzling sorts of phenomena happening in a society and looks to identify the most sensible explanation (Dreamson & Khine, 2022). Unlike the deductive-reasoning approach, which generally starts with general assumptions or principles to particular conclusions, or the inductive-reasoning approach, which typically extracts generalizations from specific instances, abductive reasoning prefers to highlight unexpected facts or events and exercise sequentially to detect and generate the most plausible cause (Dreamson & Khine, 2022). This reasoning approach involves a back-and-forth phenomenon, where the observations are repeatedly tested against any potential explanations to come at the coherent and straightforward account (Dreamson & Khine, 2022).

Therefore, this approach is frequently described as an “inference to the best explanation,” as it is intended to hypothesize what, if it were true, would best account for the gathered data (Dreamson & Khine, 2022). According to Upmeier zu Belzen et al. (2021), this reasoning approach is more pertinent in such contexts where existing theories are not sufficient enough, urging the researchers to creatively incorporate new insights with the substantiated knowledge to bring into a comprehensive understanding. The abductive reasoning approach can be implied as a systematic yet flexible enough approach to showcasing explanations for unexpected or anomalous observations (Stewart, 2025). The key stage of the abductive reasoning approach comes in four stages (Stewart, 2025):

- i) Observation: Firstly, this approach recognized anomaly events, which are otherwise difficult to explain using existing theories or concepts (Stewart, 2025).
- ii) Hypothesis postulation: secondly, it helps to formulate a plausible hypothesis that renders a potential explanation for the documented phenomenon. This stage necessitates critical thinking, as it involves going beyond traditional interpretations (Stewart, 2025).
- iii) Abductive evaluation: Thirdly, it assesses the proposed hypothesis by evaluating it against known facts and competing explanations to assess its extent of relative likelihood. At this stage, the hypothesis is not only coherent but also aligned with the wider theoretical framework (Stewart, 2025).
- iv) Iterative refinement: lastly, it continuously helps to refine the postulated hypothesis as new data and insights occur, enabling the gradual enhancement of the explanatory framework (Stewart, 2025).

Through this structured approach, it allows the researchers to formulate a logic-based theory or conceptual framework that is deep-rooted in observed realities, yet it retains sufficient adaptability to evolve in response to new insights and evidence (Stewart, 2025). At its core, this type of reasoning approach depends on creativity and imagination; it urges thinking that goes beyond the obvious, pushing researchers to come up with new insights or concepts that others might not have considered (Dreamson & Khine, 2022). Therefore, this approach is considered open-ended and holds an exploratory process that challenges conventional think tanks and provides new avenues the room for producing innovative findings (Stewart, 2025). Incorporating this approach will enable researchers to observe certain rural communities in Nepal, for instance, the Annapurna Conservation Area, experiencing comparatively better socio-economic perks from tourism despite limited facilities. In that case, it will help to generate and refine appropriate explanations for this result, which might

involve researching the unique cultural appeal, level of community participation, and other innovative utilization of local resources that may be overshadowed by conventional reasoning approaches.

An abductive research approach is the ideal method to investigate this research problem. Research studies that are based on the abductive approach develop new hypothesis models through continuous interaction between practical observations and conceptual structures (Conaty, 2021). Researchers studying the rural tourism sector in Nepal can generate new hypotheses through this research approach by continuously exploring empirical findings and theoretical frameworks. This approach involves cyclic human interactions that utilize both inductive and deductive thinking methods, enabling researchers to examine their topic comprehensively (Kistruck & Slade Shantz, 2022). The research approach proves relevant in this investigation since it offers the opportunity to discover complex sustainable development patterns in rural Nepal. As a research method, abduction helps researchers uncover the most plausible solutions that explain specific context-related observations. The analysis demands this research method because Nepal's diverse cultural elements and varied geographic environments require a comprehensive participant assessment to establish the challenges and associated opportunities. Using an abductive approach to study Nepal's rural tourism proves beneficial because it enables researchers to tackle the complex social, economic, and environmental elements within the particular context. Its ability to guide research to develop theoretical insights will enable theory development focused on the distinct features of Nepalese rural communities to create sustainable tourism strategies. This research approach also allows a flexible exploration of the topic. Researchers are required to adapt research methods to discoveries to facilitate an understanding of rural tourism's development and sustainable practices. In this case, the researcher will shift from qualitative research to quantitative research to establish a proper understanding of the topic. Based on this approach, the study can also shift back to qualitative research when new insights require qualitative exploration of rural tourism in Nepal. Moreover, an abductive approach will allow the researcher to explore research methods that gather insights from diverse stakeholders. The research approach will accommodate different insights from stakeholders to create a deeper understanding of the barriers and opportunities for sustainable development of rural tourism.

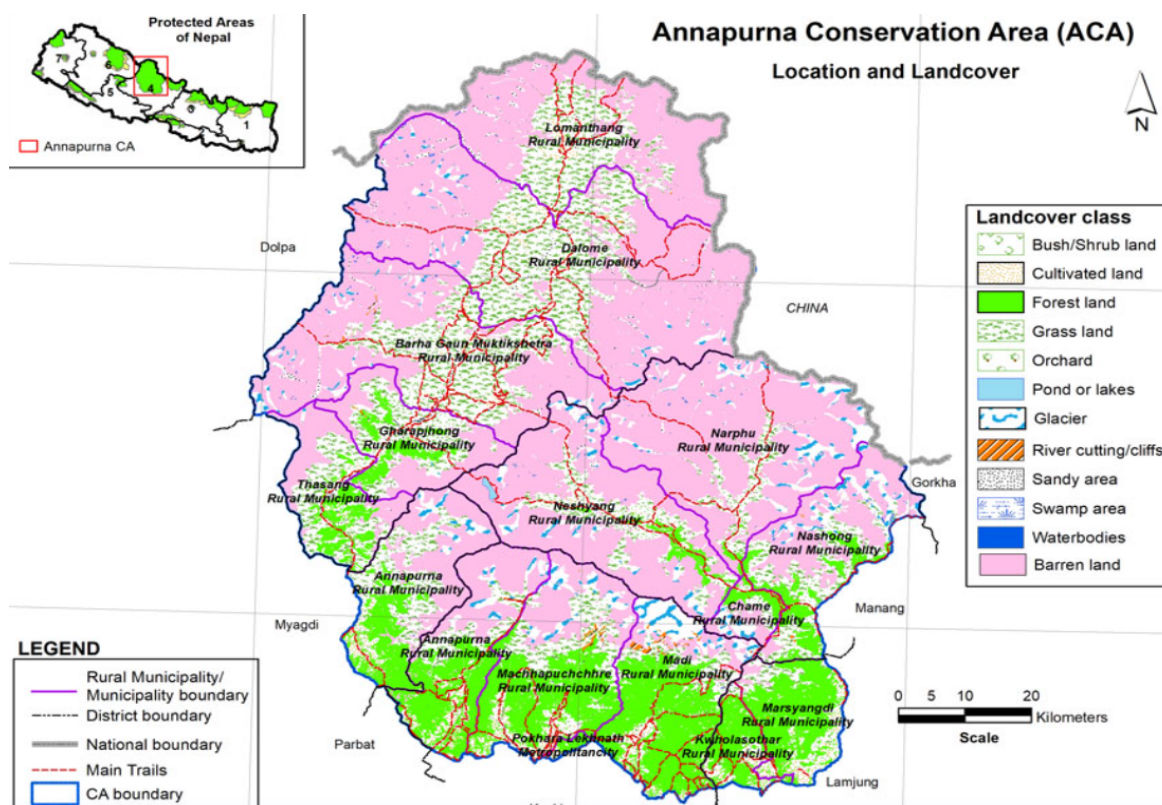
4.4 Study Area: Annapurna Conservation Area (ACA)

The Annapurna Conservation Area is considered one of the largest protected areas in Nepal, which was established in 1986 under the ACA project as a pioneering initiative initiated by the National

Trust for Nature Conservation (ACAP). It covers an extensive area of 7,629 sq. kilometers and spans across five districts and 15 rural municipalities (NTNC, 2023). Therefore, ACA is a crucial conservation area for both natural biodiversity and cultural heritage (NTNC, 2023). This region, holding over 100,000 residents from diverse socio-cultural, ethnic, and linguistic backgrounds, makes the Annapurna Conservation Area a unique blend of ecological and local adaptation (NTNC, 2023).

In the context of natural significance, ACA is considered a biodiversity hotspot hosting varieties of flora and fauna, including over 1225 species of plants, 105 mammal species, 523 bird species, 40 different species of reptiles, and 23 amphibians (NTNC, 2023). This region holds scenic raw beauties with breathtaking landscapes and geographical marvels, ranging from Kali Gandaki Gorge, which is the world's deepest river gorge, to the world's highest freshwater lake, Tilicho Lake, situated at 4919 meters from sea level (NTNC, 2023). In addition to this, the Annapurna region is home to one of the world's largest rhododendron forests, situated in Ghoepani, which adds to its ecological significance (Baral et al., 2023).

Figure 2: Map of Annapurna Conservation Area



Source: (NepalVisitors, 2020)

In the context of cultural diversity, the southern region of Annapurna Conservation Area is predominantly inhabited by two major ethnic communities: Gurung and Magar (NTNC, 2023). Meanwhile, the northern areas are dominated by three ethnic background communities, such as the Thakali, Manange, and Lobe groups, where each community has its own distinct languages, socio-cultural values, customs, and traditions (NTNC, 2023). In addition to these indigenous groups, minority communities such as Brahmins and Chhetri also reside within this Annapurna Conservation Area (Parker, 1997). A variety of religious practices, ranging from Hinduism, pre-Buddhist Bon, and other syncretic traditions, are prevalent in this Annapurna Conservation Area, reflecting diversified cultural settings among the local communities (Parker, 1997).

In ACA, tourism is seen as a major source of income generation, where most tourists come for trekking and hard adventure tourism, attracting a substantial share of the overall country's total trekkers (NTNC, 2023). Within this region, it holds over 1,000 homestays, teahouses, farmlands, and several ancillary catering services for trekkers, pilgrims, and other supporting teams (NTNC, 2023). However, in recent times, a high influx of tourists has placed continuous pressure on the local natural resources, especially on its local forests and water system (NTNC, 2023). For instance, the fuelwood consumed by different tourists is double that of local residents, with each trekking group of approximately 15 visitors producing around 15 kilograms of non-biodegradable waste over a stay of 10 days, which brings a huge, daunting challenge in waste management in ACA (NTNC, 2023).

In the context of conservation, protection, and management approaches adopted by the ACA, the community-based conservation model, which is also known as the Integrated Conservation and Development Program (ICDP), is more predominant (NTNC, 2023). This approach emphasizes local community participation, activities related to sustainable resource management, and the promotion of alternative livelihoods to minimize extra pressure on natural and cultural resources (NTNC, 2023). Unlike other protected areas in Nepalese rural settings, Annapurna Conservation Area enables residents to live within its boundaries, with their own property, and establish traditional rights over resource use, without any auxiliary forces (NTNC, 2023).

Figure 3: ACA's scenic beauties and living conditions



Source: (PeakVisor, 2024)

Regarding funding inflows in the Annapurna Conservation Area, it is funded mainly through entry fees from trekkers, with an additional supplement from national and international donors (NTNC, 2023). However, it receives no regular government funding as an ACA region, which is mainly due to the decentralization and community empowerment policy initiated in 1990 (Ansari, 2017). After the 1990s, Nepal had a policy shift by using decentralized governance, where local communities were given priorities to manage, operate, and govern natural resources (K. P. Acharya, 2002). For instance, “community forestry program,” where local communities are given priority for its preservation, governance, and utilization (K. P. Acharya, 2002). One of the major reasons behind this regime change was a belief that local communities are better at handling and operating ecological and sociocultural needs as compared to distant central authorities (K. P. Acharya, 2002). On the other hand, the Nepalese government, with limited financial resources to manage resources such as forests/tourism directly, community management reduces fiscal burdens and other adverse socio-economic externalities (K. P. Acharya, 2002). After the 1990s regime change regarding decentralization and community empowerment, a motto of empowering local people's engagement by using “if they benefit, they will protect it” (K. P. Acharya, 2002). Communities invest their manpower, resources, and time with an expectation of earning financial and social return from it, for example, eco-tourism revenue generation, selling forest products, etc. (K. P. Acharya, 2002). Aligning with this, ACA is managed by the National Trust for Nature Conservation (NTNC), which is not a government-run agency but actively involves locals in resource management and decision-making (NTNC, 2023).

Moreover, community empowerment in the ACA region, especially in tourism, acts as a self-sustaining model where it reinvests its revenue earned from entry fees, homestays, guide service funds, and maintenance (Gurung, 2024a). One of the prime examples of this revenue investment is

from the Lwang and Ghalel Tourism Society situated in Mustang inside the ACA (Gurung, 2024a). Though local government helps in providing permits, legal frameworks, and safety measures, it avoids operational costs (Ansari, 2017). Similarly, in government-managed projects, issues of delays and misutilization of funds are found, whereas community-led models are found more transparent and accountable (Ansari, 2017). For instance, community-led forests have a higher survival rate than state-owned ones (Ojha, 2010). From a cultural norm of collaborative action, indigenous groups such as Sherpas and Tharus have a long history of managing resources communally (Thomson, 2007). Their policy design, like the Forest Act of 1993, intentionally excludes direct funding in order to avoid dependency (Ansari, 2017). Due to which, the prioritization of fund use goes to infrastructure development such as roads and electricity instead of micro-managing community projects (Ansari, 2017). Critically, the Nepalese model leverages community participation to lower state limitation while promoting and fostering sustainability. Thusly, it hints at a mix of limited state capacity, global conservation trends, and maintaining local community ingenuity.

Guiding principles of ACA community participation:

With over three decades of experience, the National Trust for Nature Conservation (NTNC), which is a community-run organization handling ACA activities, including tourism activities, ensures its conservation and preservation efforts remain deeply connected with the aspirations of its local communities (NTNC, 2023). This model aims to strike an equilibrium position between environmental preservation, socio-cultural preservation and promotion, and fostering sustainable socio-economic development by showcasing a sustainable coexistence between nature and people (NTNC, 2023). In order to achieve a sustained balance between natural conservation and socio-economic improvement in the ACA region, the NTNC has set its objectives in three dimensions (NTNC, 2023):

- Conserving and preserving natural resources of the Annapurna Conservation Area for the benefit of today's and future generations.
- Promote an environment for socio-economic development for its local communities.
- Develop tourism in a sustainable way that helps to lower adverse effects on nature, socio-cultural settings, and economic environments.

4.5 Research Method—Mixed Method Approach

According to Saunders et al. (2019), a mixed-methods approach is the type of research that incorporates both quantitative and qualitative data collection and analysis within a single study. This mixed-method approach is grounded on specific philosophical assumptions that steer how the data is gathered, evaluated, and integrated. According to Molina-Azorín (2011), one of the effective and commonly implied foundations for mixed-method research is connected to pragmatism philosophy. This method blends the features of both qualitative and quantitative approaches, where these methods can be integrated in different ways, from straightforward, simultaneous design to more complex, sequential approaches (Molina-Azorín, 2011). This adaptability feature has led to a range of mixed-method approaches, each with varying levels of integration between the aforesaid two data types.

A mixed research design is adopted for this investigation to facilitate an in-depth exploration of the topic. Adopting a mixed approach facilitates deeper exploration of cultural, social, and economic aspects associated with sustainability in tourism because it allows the gathering of statistical and narrative data from participants, thus providing an accurate and comprehensive understanding of the dynamics of rural tourism and the barriers and benefits of sustainable development in rural tourism activities. A mixed research approach also allows verification of the validity and credibility of research outcomes through triangulation (Molina-Azorín & Font, 2016). Adopting this research design eliminates the potential biases associated with relying on a single research method. Further, this study adopts an exploratory approach (Molina-Azorín & Font, 2016). Since there is limited research on sustainable tourism in Nepal's rural areas, adopting the exploratory sequential design will allow the researchers to gather insightful qualitative data that can be substantiated with quantitative insights. An exploratory sequence will be adopted to gather qualitative data from community members in rural areas to understand the distinct challenges hindering sustainable tourism while also exploring opportunities unique to the different rural tourism destinations. This study will also gather quantitative measures to explore and explain participants' real-world experiences and knowledge and generate accurate insights that respond to the research question.

4.6 Qualitative data collection

4.6.1 *Research Strategy: Interview*

According to Adeoye-Olatunde & Olenik (2021), the interview is one of the most widely implied data collections in qualitative research. It offers an effective way to extract in-depth insights into respondents' experiences, perceptions, and beliefs towards social phenomena (Adeoye-Olatunde & Olenik, 2021). Unlike surveys or questionnaires, interviews enable the flexibility to penetrate deeper into complex topics in a more interactive and interpersonal way, enabling the investigator to capture rich and context-specific information (Adeoye-Olatunde & Olenik, 2021). For this master's dissertation, an interview can be an invaluable strategy, as it allows for exploring the lived experiences, opinions, and perceptions of local stakeholders, including community leaders, tourism business operators, local residents, and tourism advocates, providing a comprehensive understanding of the opportunities and challenges associated with community-based tourism and factors crucial for maintaining sustainable rural tourism. This also aligns with the mixed-method approach, as interviews can go well with quantitative data by adding nuanced and in-depth findings to this study.

Among different types of interviews, semi-structured interviews are widely accepted interviews that are guided by the predefined thematic framework, ensuring consistency across respondents while still allowing better adaptability in how questions are arranged, phrased, and delivered (Adeoye-Olatunde & Olenik, 2021). Semi-structured interviews are a blend of structured and unstructured interviews where a few questions are programmed by the interviewer, while the rest are actually unplanned (Adeoye-Olatunde & Olenik, 2021). Thusly, it allows striking a balance between the structure required for comparability and the needed openness from the interviewee for tracing unexpected insights (Adeoye-Olatunde & Olenik, 2021). For instance, the participants, when asked, "How has CBT influenced socio-economic opportunities in your locality?" This question might offer a general direction, but it allows room for the interviewee to share their experiences and opinions from any dimension, from seasonal fluctuations to socio-cultural aspects to environmental concerns. Therefore, semi-structured interviews offer this flexibility as well as help to explore emerging themes that may be difficult to trace from quantitative surveys, such as the role of sociocultural pride in community

participation. At the same time, the nature of this dissertation's question is exploratory in nature; in such a case, semi-structured interviews are more appropriate (T. George, 2022).

Despite these positive features, semi-structured interviews might be accused of lowering their validity because it might be challenging to compare and contrast responses between respondents (Adeoye-Olatunde & Olenik, 2021). It depends on how far the respondents deviated from its predetermined questions' list. Also, the open-ended characteristics of an interview might lead the interviewer to a temptation to ask leadings, which might accuse an observer bias (Adeoye-Olatunde & Olenik, 2021). At the same time, the interviewee might want to answer what the interviewer might want to hear, which might also bring a social desirability prejudice factor (Adeoye-Olatunde & Olenik, 2021). Therefore, to reduce these sorts of bias factors, we initiated one researcher out of our three members to actively surveil these aspects during the interview session.

Researchers will use semi-structured data gathering to obtain qualitative results. Semi-structured interviews provide a suitable methodology for research on rural tourism and sustainable development in Nepal. Data collection through semi-structured interviewing maintains both structured and unstructured features for achieving balanced information acquisition (Ruslin et al., 2022). Semi-structured interviews allow researchers to combine both planned questions with spontaneous follow-ups that emerge from interview interactions (Ruslin et al., 2022). The research on sustainable rural tourism needs adequate participant involvement, and semi-structured interviews offer the required flexibility. The research team will conduct semi-structured interviews among the rural population, tour operators, and Nepalese policymakers in their geographical area. The data analysis will employ thematic analysis as a qualitative methodology. The researcher will implement suitable analysis procedures to obtain relevant themes from the collected interview data.

4.6.2 Sampling and population

Purposive sampling represents the best method for participant selection within this research study. Researchers using purposive sampling specifically select participants who demonstrate exceptional knowledge within their research domain from select groups, according to Nyimbili & Nyimbili (2024). This research employs purposive sampling to select participants from three groups, including community leaders, veteran tour operators, and tourism policymakers who deeply understand rural

tourism. The study will rely on local social networks and government entities to identify the particular participants needed for research. The project will use a straightforward process during sampling to ensure every community achieves a balanced representation in the study.

For this master's dissertation, the sampling technique will focus on purposeful selection of respondents who are directly connected within the Annapurna Conservation Area (ACA). According to Nikolopoulou (2022), the purposive sampling technique refers to non-probability sampling where units are selected because they hold certain characteristics that are required in the sample; in other words, the units are selected purposefully. This approach aligns adequately with the community-based tourism (CBT) framework, as it helps to ensure the voices of those most impacted by and also actively involved in tourism development initiatives. Given the exploratory nature of the research, though it is small, a diverse sample of five to six participants will be selected. These groups will hold key stakeholders such as local authority representatives, tourism operators and advocates, different environmental activists, porters along with other local residents, and restaurant and souvenir owners. According to Nikolopoulou (2022), purposive sampling is more common in mixed-method approaches, especially in such cases where the researcher needs to find information-rich insights or make the most effective conclusions based on the limited available resources. The aforementioned stakeholders come with a unique role in shaping the rural tourism landscape and the role of CBT in the Annapurna Conservation Area. For instance, local authority representatives might offer different insights related to policy and regulation formulations and strategies. Meanwhile, tourism operators and business entrepreneurs might share their experiences and opinions regarding the socio-economic benefits and operational challenges.

4.6.3 Questionnaire design

The semi-structured interview questionnaire for this master's dissertation is articulated to assess both the challenges and opportunities of the community-based tourism approach in the Annapurna Conservation Area (ACA). The design of the questionnaires for this dissertation is retrieved from the United Nations World Tourism Organization (UNWTO) research called “Tourism and Rural Development: From a Policy Formulation” (World Tourism Organization (UNWTO), 2023). The challenges are firstly categorized into seven key aspects ranging from infrastructure, population and economy, human capital and skills, governance and financial means, tourism destinations and

products, environment, socio-cultural aspects, and digitalization and information technology (IT). These aspects might capture the complex determining factors that might hinder the sustainable rural tourism development in the Annapurna Conservation Area.

Conversely, the opportunities aspect of CBT in the Annapurna Conservation Area will be explored through six crucial dimensions ranging from economic and social impacts, socio-cultural aspects, environmental preservation and conservation, infrastructural development, tourism products & services, and local community empowerment. This structured approach will help ensure a comprehensive assessment of the diverse challenges and opportunities in promoting sustainable rural tourism development in the Annapurna Conservation Area.

4.6.4 Data Analysis Technique

The adoption of thematic analysis would best suit data analysis; therefore, it will be employed to interpret and make sense of the qualitative data gathered via semi-structured interviews. This technique is more suited to identifying, analyzing, and especially reporting patterns (themes) within the gathered data, rendering a thorough understanding of the participants' diverse range of opinions, perspectives, and experiences. (Abedi Ja'fari et al., 2011). In this dissertation, this thematic analysis will involve in several steps ranging from data familiarization, initial coding, theme detection and cross-checking, reviewing and polishing the detected themes, and final theme definitions. Given the emphasis on community-based tourism (CBT) and its effect on sustainable rural development in the Annapurna Conservation Area, this data analysis technique enables the identification and understanding of both challenges and opportunities within the study area from a more local and practical perspective. For instance, themes might comprise socio-economic benefits, cultural preservation, environmental impacts, infrastructural development, and community empowerment, where each reflects the perspectives, opinions, and experiences of diverse stakeholders. Additionally, this analytical technique also ensures that the final interpretation is more grounded in the data while giving enough flexibility in exploring and understanding the diverse factors influencing sustainable rural tourism in the Annapurna Conservation Area.

The first step, which is the familiarization stage, will entail transcribing the data and reading through the transcripts. Researchers will read the interview transcripts at least twice while taking accurate notes from the recordings. This is a process of deep immersion that leads researchers to grasp the content of the interviews. The second step will entail initial data coding. This is the coding stage, where data is segmented to create meaningful connections. The third step is theme identification. The initial codes are reviewed and organized to make themes. The fourth step is theme review, which entails analyzing the themes to ensure they are related to the extracted codes and the interview transcript. The fifth and sixth stages involve refining the themes and completing the report. Both manual and software coding will be used. The initial coding phase will adopt the manual approach, while subsequent coding and theme generation steps will be performed using Microsoft Word and Excel, which are the commonly used ones. Combining both manual and software coding is crucial in ensuring a deeper data synthesis and drawing of relevant themes that can inform tourism practices and strategies in Nepal's rural areas.

4.7 Quantitative Data Collection

4.7.1 *Research strategy—survey*

In the quantitative strand of this “mixed-method approach,” this master dissertation will adopt a survey as a research strategy, precisely an online survey questionnaire. According to Jones (Jones et al., 2013), survey research strategy is a widely used method of collecting data that comprises asking questionnaires to participants to gather their opinions, views, experiences, and demographics. Survey strategy is implied in a wide field, from social sciences to business management to healthcare, where it helps to gather participants' data from a large population in a more systematic and accurate way (Snijkers et al., 2013). The survey aims to collect over 150² participants' responses via social media channels, using a 5-point Likert Scale to quantify participants' agreement with the statements on CBT's contribution, aligned with the United Nations World Tourism Organization (UNWTO) definition of sustainable tourism. According to the United Nations World Tourism Organization

² According to Hair et al. (2013), the rule of thumb when assessing the estimated size of the sample depends on the statements implied in the survey, where 1:5 would be preferable.

(2023), sustainable tourism development closely focuses on three major aspects: environmental, socio-cultural, and economic dimensions. Firstly, the questionnaire includes sections on participants' demographics, such as their age, marital status, income level, occupation, and their knowledge about CBT. In the second half of the survey, questionnaires related to CBT's impact on UNWTO's sustainability framework will be addressed. Along with that, it will also seek out how different subgroups perceive community involvement and benefits. The Likert-scale items allow participants to express nuanced levels of agreement and help to produce robust statistical summarization (Ogden & Lo, 2012). One of the major advantages of using a survey for this dissertation would be the large sample, which would help to yield a generalizable pattern that can be used in similar fields and topics in other studies as well (Ogden & Lo, 2012). Lastly, by revealing the broad trends in local communities' attitudes, this online survey strategy contributes key quantitative insights that are crucial in assessing the challenges, opportunities, and level of community involvement in sustaining rural tourism in the Annapurna Conservation Area.

Therefore, a quantitative approach will be used to build on the findings gathered from qualitative insights (Azer et al., 2022). A 5-point Likert scale survey administered online is an optimal quantitative methodology for evaluating Nepal's rural tourism and sustainable development perceptions. This systematic approach enables researchers to measure respondents' opinions and attitudes using a 5-point Likert scale (Jones et al., 2013). This will facilitate the discovery of obstacles and prospects in sustainable rural tourism in Nepal. Online surveys are considered effective data collection methods for quantitative research because they can gather insights from a large and diverse study population (Jones et al., 2013). These are easily accessible data collection methods that reach more participants, thus enabling data gathering from more respondents. However, the possible limited internet access in Nepal's rural and remote areas may limit the accessibility of online surveys. Therefore, the online surveys will be supplemented with printed paper-based surveys to reach participants in remote areas where internet access and the availability of digital infrastructure are limited. This might require collaboration with community leaders and NGOs to distribute and gather the paper-based surveys in those areas with limited digital infrastructure and no internet access. Integrating five-point Likert scales increases the simplicity of these surveys, allowing participants to navigate the survey questions and provide appropriate responses quickly. Quantitative data gathered will be analyzed using statistical tools, particularly SPSS, to draw meaningful insights that can inform policy implementation in Nepal's tourism sector.

4.7.2 Sampling and Population

The research sample for the quantitative study will be chosen through snowball sampling methods. The snowball sampling technique will select the sample in such a case where it might be difficult to penetrate the population (Saunders et al., 2019). Since the distance between the targeted population and the researchers is significant, an online medium with the help of snowball sampling will provide the appropriate solution; however, it might lead to selective bias as well. To reduce this factor, this research will define appropriate communities before dividing them into groups that reflect a diverse range of participants, including their social media communities and other demographic factors.

In this dissertation, for the quantitative aspect, a snowball sampling technique will be employed. This sampling technique is more suitable given the logistical challenge of reaching actual participants residing in the ACA region because the research is conducted remotely from Aalborg University in Denmark. Snowball sampling is particularly important for assessing hard-to-penetrate populations, in which it follows a chain-referral system by firstly leveraging the initial contacts to identify further participants through their networks (Dragan & Isaic-Maniu, 2022). With the tight-knit nature of many rural communities in Nepal, especially due to the scattered geography of the Annapurna Conservation Area, snowball sampling holds better potential to target a representative set of stakeholders in CBT. Along with this, the target population would be the local tourism operators, community representatives, business owners (such as restaurants, grocery stores, and souvenir shops), environmental activists, and other key stakeholders within the ACA region. This diversity will ensure a comprehensive understanding of how CBT helps to foster sustainable rural tourism, as well as capture a broader range of perspectives on the barriers and opportunities present in the ACA region. Lastly, the snowball sampling technique also aligns adequately with the mixed-method approach, facilitating the integration of qualitatively gained insights into the broader quantitative analysis.

4.7.3 Questionnaire design

As said before, the survey questionnaire for this dissertation is structured into two primary sections: participants' demographic profile and participants' opinions and views regarding the role of CBT in sustainable rural tourism development in the ACA region. The first section of the survey will cover

respondents' demographic profiles, ranging from age, gender, and marital status to their level of involvement in the tourism sector. Similarly, the second section of the survey consists of 28 core survey statements designed to assess the impact of CBT in the ACA region on sustainable rural tourism development. These statements are articulated under seven key indicators, i.e., economic impact (EI), socio-cultural impact (SCI), environmental impact (ENI), community participation (CP), infrastructure and accessibility (IA), tourism opportunities (TO), and sustainable rural development (SRD). Participants are asked to indicate their level of agreement with each statement using a 5-point Likert Scale, in which 5 indicates “strongly agree” and 1 indicates “strongly disagree.” This 5-point Likert Scale allows for quantifying the extent of perceived impacts and challenges, facilitating researchers to get a comprehensive evaluation of the role of CBT in attaining sustainable rural tourism development in the ACA region.

4.7.4 Data Analysis technique

For the quantitative data analysis, we will be using Microsoft Excel as the primary data analysis software. In which the first steps involve data cleaning and filtration, where the gathered survey responses will be filtered to remove any duplicated and missing responses. This will ensure the data is accurate, reliable, and ready for further analysis processes. Once the data is pre-processed, descriptive statistics will be used to summarize the basic features of the data, where different tables, graphs, and charts will be presented to showcase the characteristics of participants' profiles. In the inferential statistics, correlation analysis and multiple linear regression analysis will be adopted. Firstly, the correlation analysis will help to identify the strength and direction of the relationship between various factors such as economic perks, community participation, and infrastructural development and accessibility in fostering sustainable rural tourism development in the ACA region. Later, multiple linear regression analysis will be employed to assess the combined effect of these variables on sustainable rural development. This will serve to provide deeper insights into the influence of each variable on sustainable rural tourism development in the ACA region.

4.8 Research Validity, Reliability, and Position

To maintain the research validity and reliability of the findings, the researchers have adopted several established approaches. Firstly, the questionnaire statements implied in this dissertation are adapted from previously validated frameworks; therefore, it enhances the credibility and consistency of the gathered data. It helps to ensure that the interview questions and survey statements accurately capture the expected constructs that are associated with community-based tourism and sustainable rural development in the Annapurna Conservation Area. Though it is already tested, to maintain a high validity of the implied questionnaires, the researchers will perform a pilot test to ensure the acceptance level of validity. Additionally, a Cronbach's alpha test will be used to evaluate the internal consistencies of the adopted survey items, which helps to render a statistical measure of reliability; thus, research outcomes become more robust (Saunders et al., 2019).

In the context of the researcher's positioning, the researchers will maintain a neutral stance throughout the survey, interview process, and during its interpretation time. This neutrality stance is crucial given the cultural sensitivity in Nepal, especially in rural areas like the ACA region, and it also helps to eliminate any possible introduction of potential bias factors into participants' responses. Similarly, the researchers have deliberately attempted to avoid leading questions that might steer participants to generate answers that are more favorable to researchers. Therefore, the neutral position of the researchers helps participants to answer their question in their own way, which is not just a standard practice but also genuinely reflects local perspectives related to CBT and sustainable rural tourism development. This approach helps to remain open, gather unbiased responses, and allow for authentic insights into the opportunities and challenges of CBT in the ACA region of Nepal.

4.9 Ethical Considerations

According to McFee (2014), ethical consideration is crucial in research writing, ensuring that the exercise is carried out with high integrity, regard, and responsibility. So, addressing ethical concerns comprises identifying and mitigating any possible risk factors to respondents, surroundings, and the overall integrity of the research. Ethical considerations are the values that drive the research conduct or practice that ensure openness, transparency, and respect for all parties involved in the research (McFee, 2014). The researchers have closely evaluated every aspect of ethical consideration, especially informed consent, participants' confidentiality factors, conflict of interest, and the role of

minimizing the risk factors. Firstly, the participants' responses were kept confidential, with no personally identifiable information gathered, preserving the participants' privacy. The gathered data is securely stored with double password protection and is only used for this dissertation. Responses are generated only after participants give informed consent, ensuring an environment where only voluntary participation is promoted. The research design and data collection process were carefully reviewed to comply with the university's ethical standards, ensuring the protection of respondents' rights and welfare. This approach was necessary as it helps to maintain transparency, respect participants' autonomy, and encourage responsible handling of data, which are crucial for maintaining trust and credibility of this master's dissertation.

Chapter 5: Results and Findings

This chapter on results and findings provides a comprehensive analysis of the gathered data, starting with quantitative insights and then moving to qualitative findings. On the quantitative side, the information comes from online surveys that include demographic details and answers to 28 statements, with options ranging from "strongly agree" to "strongly disagree" on a 5-point scale. Therefore, it will help to shed objective-based realities where the grounds for interpretation heavily lie in statistical analysis of the dissertations' measurable insights. Subsequently, the qualitative findings further explore the challenges and opportunities of CBT for sustainable rural development in the Annapurna Conservation Area. We collected these insights through semi-structured interviews with five individuals from diverse occupational backgrounds in the ACA region. The interview session was extensively focused on two broad themes: challenges and opportunities of CBT, where these themes were further broken down into six distinct themes, each for both challenges and opportunities, intended to produce rich, nuanced, and in-depth perspectives of local perspectives.

Findings from Quantitative data collection

5.1. Cross-tabulation between age and gender distribution

The cross-tabulation analysis between age and gender of 144 participants shows that responses are dominated mainly by young adults; however, the male-to-female engagement was found to be fairly distributed. When looking at the gender distribution, the male participants (51%) against the female participants (47%) show that the survey questionnaires were fairly distributed among different gender categories. Similarly, in the age distribution, the majority of participants were found young adults; 97 responses (i.e., 67%) out of 144 responses were belonging to those aged between 18-29 and 30-39. Precisely, these two age group participants had similar responses; 33% and 35% belonged to the 18-29 and 30-39 age groups, respectively. Similarly, 19% of participants belonged to the age group 40-49 years, and 11% of participants represented the age group between 50 and 59. Only the marginal 2% of participants were aged 60 years or older. One of the prime reasons behind clustering responses to the young age group might be due to the implication of online surveys delivered through social media channels. Probably, older-aged participants and pensioners are less active in social media channels, due to which it was complex to penetrate into this aged group population via snowball sampling.

Table 1: Age and gender distribution using cross-tabulation

Gender \ Age						60 and ++	Grand Total
	18-29	30-39	40-49	50-59			
Female	7	26	20	13	2		68
Male	40	23	7	3	1		74
Other	0	1	1	0	0		2
Grand Total	47	50	28	16	3		144

5.2. Participants' socio-demographic profile

The table as shown below indicates participants' socio-demographic profiles, highlighting three categories: marital status, educational qualification, and income level. Out of the total 144 responses,

a significant majority (i.e., almost 2/3rds), 65%, were found as married participants. This dominant participant's mirrors are settled individuals who hold strong community ties and have long-term interests in the welfare of their locality. When referring to CBT, married individuals might play vital roles in fostering sustainable rural tourism activities, as they are expected to indulge in family-operated businesses, for instance, homestays, agro-tourism activities, or cultural tours and event organisation. Meanwhile, 28% of the 144 responses were identified as single, which might represent a younger demographic and hold positive expectations, especially in entrepreneurial activities, innovation, and the adoption of digitalisation in CBT. On the other hand, only 3% and 2% of participants were found widowed and divorced, and a marginal one per cent of responses was traced as preferred not to disclose their marital status with us.

Similarly, in the context of education, we found a diverse range of participants. The fact that 40% (58 participants) hold a bachelor's degree, which is the largest educational group among all categories, indicates that the population belongs to a well-educated class. It also hints that 40% of participants holding a bachelor's degree are able to understand and manage tourism enterprises, actively engage in community tourism activities, and support collaborative community planning and decision-making. Likewise, 16% of participants had a master's degree or higher level of education, suggesting that these groups are even more knowledgeable about CBT and might hold a leadership role in local development, including tourism management. On the other hand, 15% of responses had belonged to participants holding secondary education, while 14% each had either higher secondary or primary levels of education. We anticipate these participants to be young adults, with a high likelihood of pursuing further education. But the 2% of participants (n=3) had no formal education, suggesting that these participants are a minority group that might have to face challenges in adequately engaging with CBT initiatives unless inclusive types of training are served.

Among the 144 participants, 30% of respondents reported that the largest income bracket was 20,000-40,000 NPR per month. This group is likely composed of the working rural class, who could directly benefit from income diversification through CBT activities. Likewise, the 2nd most narrated income range was 40,001-60,000 NPR per month by 22% (n=32), showing a moderately comfortable group with some disposable income. These groups might have the financial cushion to invest in tourism-related infrastructure or might start their own tourism-related start-ups. Meanwhile, 14% of participants each fall under the "less than 20,000 NPR/month" and "80,001 NPR or above" brackets, suggesting a dual narrative sense; where the earlier one shows a victim of economic vulnerability and the latest shows a narrative of relative affluence. Meanwhile, the 10% of responses collected from

participants earning a range of 60,001-80,000 NPR per month hint at a middle-class group who might be positioned as tourism facilitators or micro-entrepreneurs.

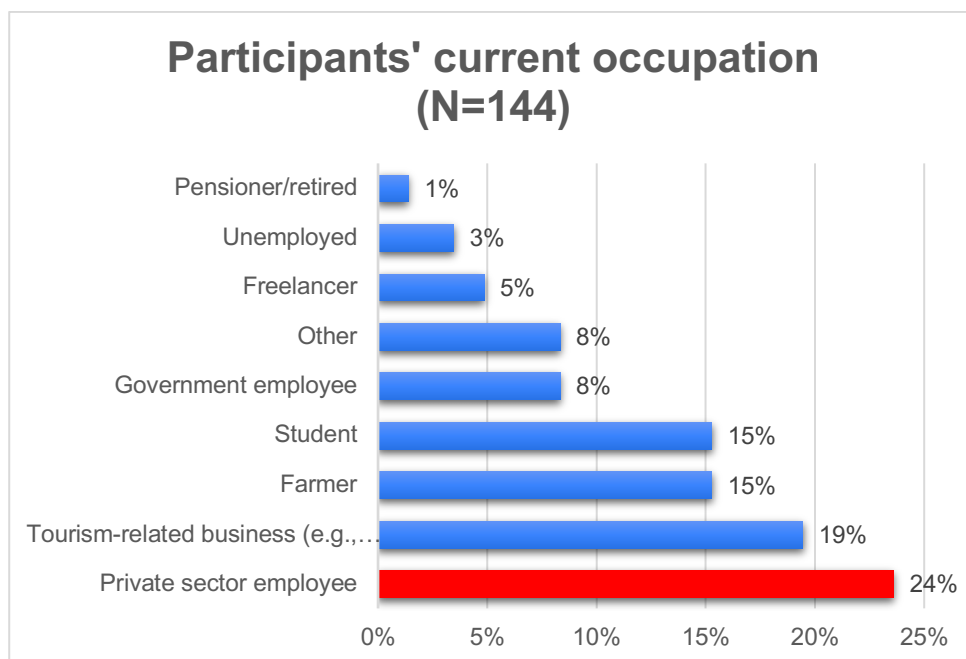
Table 2: Participants' socio-demographic profile

Profile	Demographics	%	Total response
Marital Status	Married	65%	144
	Single	28%	
	Widowed	3%	
	Divorced	2%	
	Prefer not to say	1%	
Educational Qualification	Bachelor's degree	40%	144
	Master's degree or higher	16%	
	Secondary education	15%	
	Higher secondary education	14%	
	Primary education	14%	
	No formal education	2%	
Income level	20,000 - 40,000	30%	144
	40,001 - 60,000	22%	
	80,001 and above	14%	
	Less than 20,000	14%	
	Prefer not to disclose	10%	
	60,001 - 80,000	10%	

5.3. Participants' occupation

Upon analysing the current occupations of the 144 participants, we discovered that the largest proportion (24%, n=35) worked in the private sector. It suggests a strong representation of participants engaging in formal employment, likely based in the service sector or in administrative roles. Similarly, 19% of participants were engaged in tourism-related businesses, which is significant given the dissertations' focus, as it indicates direct involvement in community-based tourism. Similarly, 15% of participants each narrated themselves as farmers and students, respectively.

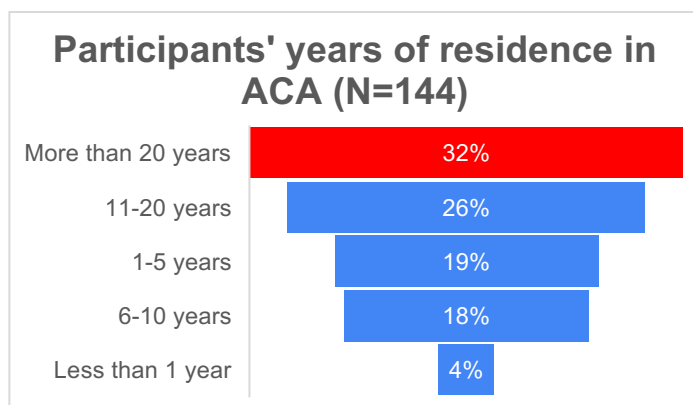
Chart 1: participants' current occupation status



5.4. Participants' years of residence in ACA region

The given chart shows participants' years of residence in the ACA region. This question was intentionally asked to get the depth of the local engagement and insights; it's because long-term residents are expected to be better at historical knowledge, active engagement in CBT initiatives, and have a vested decent amount of time and money in sustainable tourism outcomes. The survey result shows that 32% of the respondents have resided in the studied area for over 20 years, while 26% of participants had lived in the study area for 11-20 years. These two groups combining becomes 58%, holding a majority of participants who have a long-term attachment to the ACA region. Meanwhile, 19% of participants and 18% of participants have lived in the study area (i.e., ACA region) for 1-5 and 6-10 years, respectively. Only the minority 4% (n=6) of participants were recent settlers (less than one year), indicating limited transient presence in ACA's environment.

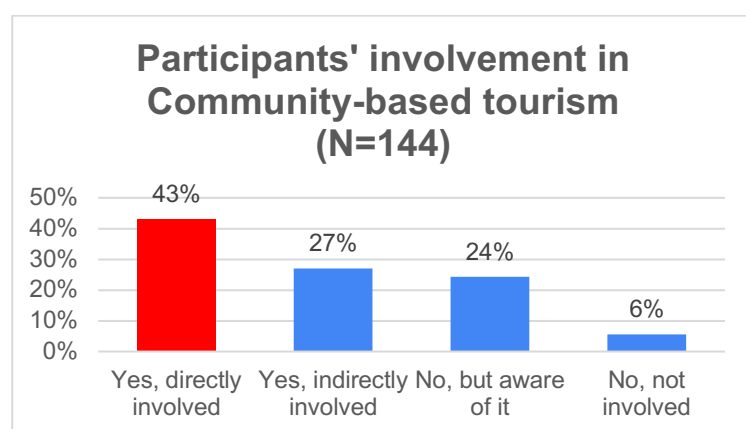
Chart 2: Participants' years of residence in ACA region



5.5. Participants' involvement in CBT

To understand how deeply participants are embedded in CBT within the ACA region, which helps us to know their degree of local empowerment, ownership, and potential sustainability of CBT-led development. We found 43% (n=76) of participants were directly engaged in CBT initiatives, hinting at a strong core of community actors actively shaping the local tourism scene. Similarly, 27% of participants were found indirectly engaged, likely helping to contribute through support services, partnerships, or maybe family involvement. Collectively, this results in a total engagement of 70%. Meanwhile, 24% of participants were found not actively engaged in CBT activities but are aware of it; this shows a widespread community-level recognition. Only the minority, 6%, said that they were unaware of community-based tourism involvement in the ACA region.

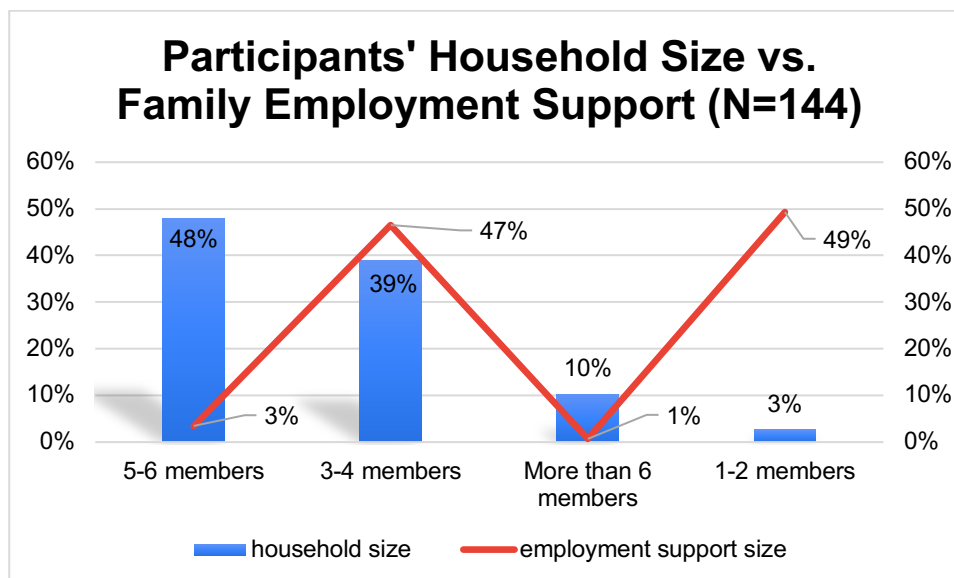
Chart 3: Participants' involvement in CBT



5.6. Participants' household size Vs. family employment support

The combo chart as presented below shows 144 participants, comparing household size and family employment support. This question was important for us to know, as it enables the family size and active members to sustain their family's economic situation. Firstly, the household size distribution indicates that nearly 50% of the surveyed participants (48%, n=69) belong to joint families with 5 to 6 members. Similarly, 39% (n=56) were found to have a family size of 3 to 4 members. Altogether, 87% of participants had a joint family structure with 3 or more members. Interestingly, we found only 3% of participants had a nuclear family structure. In the context of employment support, we found 47% of participants had 3-4 members as active earners for their family. Similarly, 3% and 1% of participants had family members of "5-6" members and over 6 members as active breadwinners for their families. This whole chart shows a divergent pattern between actual family size and breadwinners; the higher the family size lower the breadwinners. It might be the possible reason behind rural regions' economic vulnerability.

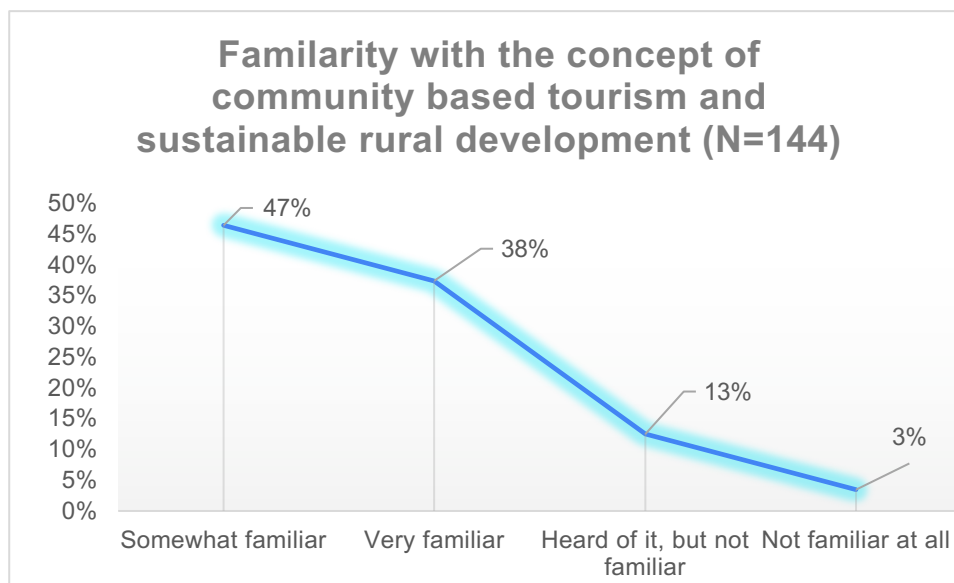
Chart 4: Participants' household size Vs. family employment support.



5.7. Participant's familiarity CBT and SRD concept

The line chart presented below shows the participants' level of familiarity with the concept of CBT and rural tourism development. We found that over 1/3rd of participants (38%) out of 144 responses were very familiar with the aforesaid concepts, followed by 47% of participants who were somewhat familiar with the CBT and sustainable rural tourism development concept. Which aggregately suggests that 85% (n=122) were familiar with the aforesaid concept, indicating that the majority of the population within the ACA region are expected to have experience with these concepts. Meanwhile, 13% of participants were found to come across these concepts not familiar at all. Only the minority, 3%, narrated as not familiar at all.

Chart 5: Participants familiarity CBT and sustainable rural tourism development concept

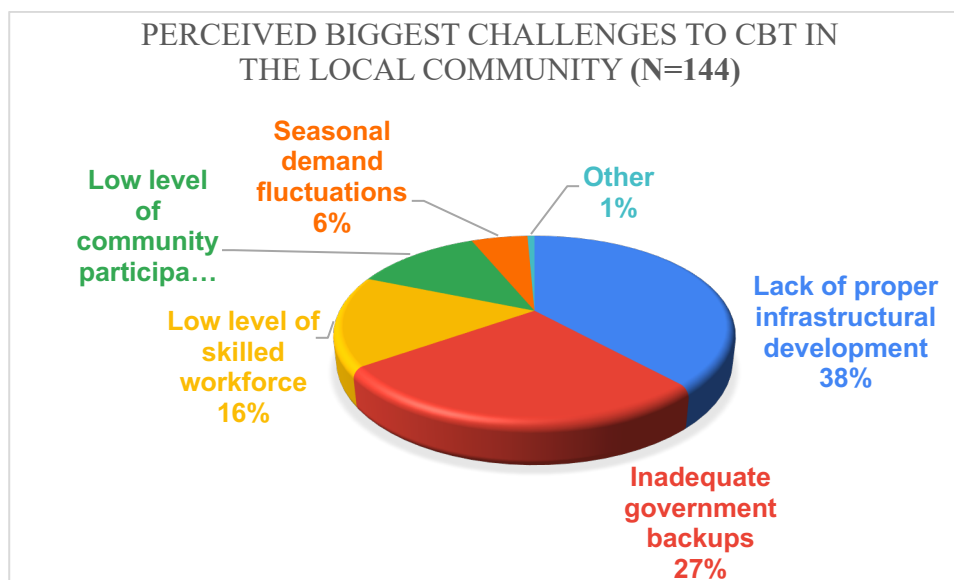


5.8. Participants perceived biggest challenges to CBT in ACA region

The survey result found several critical challenges impeding the success of CBT in the ACA region, based on the 144 responses. Firstly, the majority of participants (over one-third of responses, specifically 38%) reported that a lack of proper infrastructural development was the most significant challenge. It shows fundamental deficiencies, especially in the public transportation system, accommodation facilities, and other basic amenities that directly impact tourism viability in the ACA

region. Through this lens, one can understand that, though a well-formulated CBT initiative might fail to attract and retain tourists, it will definitely undermine their socio-economic sustainability. Similarly, another significant hurdle, according to 27% (n=39) participants, was the inadequate level of government support. It gives a hint of systemic gaps, especially in policy implementation, funding environment, and institutional frameworks that are essential for community-based tourism growth. Because the absence of adequate governmental backing often gives communities an extra burden to handle complex tourism development processes independently. It's because local communities, especially from rural regions, might not have adequate manpower, a long-term thinking process, and resources to make it competitive with other popular tourist destinations. In the same mannerism, 16% (n=23) of participants cited a low level of skilled workforce as the biggest challenge to CBT formulation in the ACA region. Especially in the rural region like ACA, a lack of skills builds up in hospitality, language skills (especially host-guest interactions), and tourism management skills, limiting their ability to deliver high-quality tourist experiences. For instance, an effective entrepreneurial strategy by diversifying tourism activities to help expand tourists' stay would help to extract more money inflow into the community. This skill gap lowers competitiveness compared to other commercial tourism operators. In fact, this challenge adequately links with the low or inadequate governmental support. Simultaneously, we identified seasonal fluctuations in demand and a low level of community participation as persistent issues, despite their limited reporting. The seasonality issue directly affects the income stability, while the limited level of local engagement indicates that local community members are not adequately recognised with CBT's perks or they might have been excluded or sidelined from decision-making roles.

chart 6: Participants perceived biggest challenges to CBT in ACA region

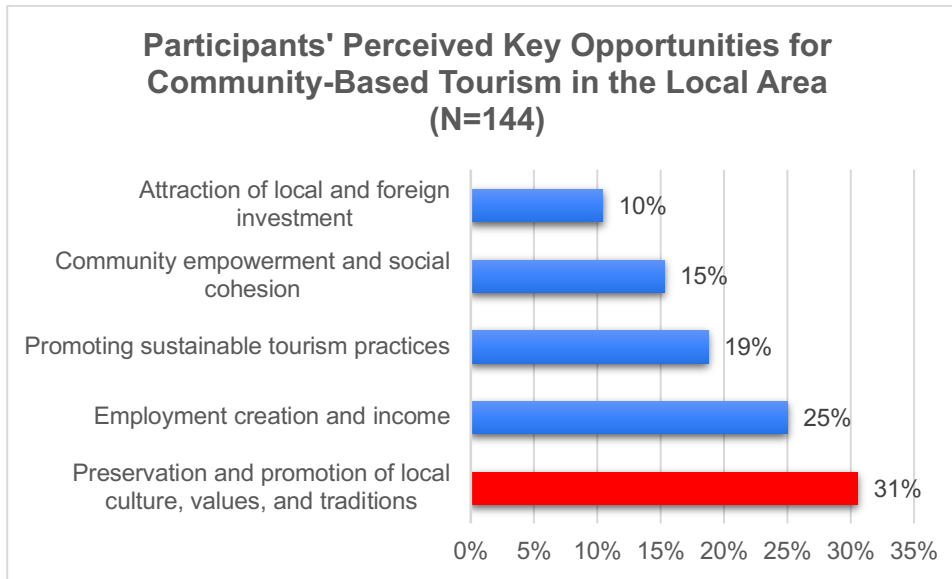


5.9. Participants perceived key opportunities for CBT in ACA region

The chart as illustrated below shows 144 participants perceived key opportunities for CBT in the ACA region. A critical assessment of these perceived key opportunities was necessary because it enables seeking valuable insights into the potential pathways for fostering sustainable rural tourism development in ACA through the CBT mechanism. Based on the 144 responses collected through the online survey, we found 31% (n=55) of participants highlighted the preservation and promotion of local culture, values, and traditions as the major opportunities for CBT in the ACA region. It suggests a strong awareness within the ACA region regarding CBT's potential as a mechanism for safeguarding and revitalisation of its socio-cultural assets. These respondents view tourism not merely from an economic angle but also as an effective model to share and reinforce their cultural and heritage assets. It indicates that these participants see the CBT approach as a hallmark for spreading sustainable and authentic tourism experiences by showcasing their preserved local culture, values, and traditions to both local and international tourists. These 55 participants view the CBT's emphasis on cultural preservation and promotion as a positive indicator for responsible tourism development. Following this, 25% of participants' advocates found employment creation and income generation as viable opportunities created by CBT for the ACA region of Nepal. The direct and indirect income generation and job opportunities creation fostered by the CBT, such as guiding and trekking programmes, hospitality services, handmade and other local product sales, and local gastronomy promotion, is clearly recognised as the major driving force for improving the livelihoods of locals

and alleviating poverty cases. Again, this economic benefit is also an equally critical component of sustainable development, ensuring that the income and other financial perks are shared equitably within the community. Likewise, 19% (n=27) of participants cited promoting sustainable tourism practices as a major opportunity possible through CBT in the ACA region. From one point, this perception is seen as highly encouraging because it reflects the comprehension of the paramountcy of environmentally and socially responsible tourism. It hints that the recognition of sustainability as an opportunity indicates a readiness between and among the locals to adopt sustainable practices that lower negative externalities and foster long-term viability of their natural and cultural resources. Thusly, it is considered equally crucial for protecting and preserving AC's delicate ecosystem and ensuring the persistent appeal of the destinations to wider audiences. Likewise, community empowerment and social cohesion cited by 15% (n=22) were identified as opportunities, which speaks to the transformative possibility of CBT beyond just settling with economic perks. It's because when local community members are engaged in decision-making activities, raise their stand in tourism development, and work collectively on common agendas, it brings augmented social capital, strengthens local governance, and gives superior ownership over tourism development initiatives. Therefore, this empowerment is seen as crucial for ensuring that the tourism perks are equitably distributed and the development-related activities support an inclusive approach. Lastly, 10% (n=14) found that "attraction of local and foreign investment" and the biggest opportunities for CBT in the ACA region. Despite it having a lower voice, it still signifies an understanding that financial injections are essential for restructuring and rejuvenating the tourism destination. It makes viable sense that attracting investment both from local and international sources helps lower the capital burden needed for developing a new theme of attraction, improve infrastructures, and enhance the overall visit experience. However, this approach may also have drawbacks; if external parties control a significant portion of the financing, the genuine agendas and expectations of local residents could be overlooked. It might also be seen majorly through an economic angle, which local people may not completely agree upon.

Chart 7: Participants perceived key opportunities for CBT in ACA region



5.10. Individual survey statement analysis

We conducted a response analysis using central tendency and dispersion statistics on 144 participants' responses to 28 Likert scale statements, spanning seven variables. Across all the statements, we found the mean score for each statement was hovering within the range of 3.48 to 3.86, with the median and mode values predominantly at 4, suggesting that these participants were generally found tilting towards agreeableness on a 5-point Likert scale. The relatively low standard deviations (mostly within the range of 1.03 to 1.20) suggest that a reasonable level of consensus was seen among the participants, implying that their responses were not varying greatly. Therefore, with the mean value surrounding a range of 3.48 and 3.86, with the median and mode surrounding 4 on a 5-point Likert scale, the pattern suggests a left-skewed distribution.

Table 3: Individual survey statement analysis

Parameters	Statements	Mean	Median	Mode	St.dev
Economic	I believe that CBT has significantly contributed to local job creation.	3.70	4	4	1.19
	I believe that CBT has increased the overall income of my community.	3.65	4	4	1.15

impact (EI)	I believe that CBT has facilitated the growth of small businesses and local entrepreneurs.	3.66	4	4	1.09
	I believe that CBT has reduced the economic vulnerability by diversifying the local economy.	3.48	4	3	1.10
Socio-Cultural Impact (SCI)	I believe that CBT has contributed to the preservation of local culture, traditions, and heritage.	3.74	4	4	1.14
	I believe that CBT has enhanced the social cohesion and identity of my community.	3.59	4	4	1.09
	I believe that CBT has increased cultural pride and recognition among residents.	3.74	4	4	1.12
	I believe that CBT has facilitated positive cultural exchange between locals and tourists.	3.78	4	4	1.07
Environmental Impact (ENI)	I believe that CBT has contributed to the preservation and protection of natural resources.	3.72	4	4	1.08
	I believe that CBT has increased environmental awareness among the community.	3.77	4	4	1.11
	I believe that CBT contributes to the preservation of local landscapes and overall ecosystems.	3.55	4	4	1.10
	I believe that CBT has facilitated sustainable resource management in my community.	3.70	4	4	1.07
Community Participation (CP)	I believe that CBT has a significant impact on tourism planning and decision-making.	3.70	4	4	1.14
	I believe that CBT benefits are fairly distributed among all classes of community members.	3.52	4	4	1.18
	I think active community involvement is essential for the sustainable growth of tourism.	3.86	4	4	1.14
	I think CBT projects in my area are designed to reflect the needs and aspirations of local people.	3.60	4	4	1.12
Infrastructure and Accessibility (IA)	I believe CBT has contributed to improved local infrastructure in my community.	3.72	4	4	1.03
	I think good transportation networks have enabled our local communities to participate more effectively in local tourism activities.	3.76	4	4	1.17
	I believe that CBT has facilitated improved digital connectivity, assisting local businesses.	3.73	4	4	1.11
	I believe CBT has led to the improvement of prerequisite infrastructure such as road connectivity, education, and water & energy supply.	3.63	4	4	1.15

Tourism Opportunities (OA)	I believe CBT has created new business and employment opportunities for our residents.	3.80	4	4	1.15
	I believe that CBT has facilitated innovative ideas and entrepreneurship in my community.	3.76	4	4	1.20
	I believe CBT has helped to diversify income sources and reduce economic dependency.	3.66	4	4	1.17
	I believe CBT has attracted varied investments, supporting long-term regional development.	3.66	4	4	1.07
Sustainable Rural Development (SRD)	I believe that CBT has enhanced the quality of life in my community.	3.69	4	4	1.09
	I believe CBT has contributed to long-term economic stability in my community.	3.72	4	4	1.11
	I believe that CBT has strengthened social cohesion and community resilience.	3.63	4	4	1.10
	I believe that CBT has significantly impacted the overall well-being of my community.	3.76	4	4	1.08

5.11. Correlation analysis

The presented correlation matrix shows Pearson correlation coefficients between the seven variables, suggesting the direction and strength of a linear association. When we looked closely at sustainable rural development, we discovered that better infrastructure and accessibility ($r=0.92$) are strongly linked to the overall progress of sustainable rural development in the ACA region. Similarly, SRD shows a positive and strong correlation with tourism opportunities ($r=0.90$) and both socio-cultural impact and environmental impact at 0.88. This finding indicates that the positive outcomes of CBT on local culture, environmental preservation, and fostering tourism-related opportunities and ventures are closely tied to nurturing sustainable rural development.

Table 4: Correlation matrix

Variables	<i>EI</i>	<i>SCI</i>	<i>ENI</i>	<i>CP</i>	<i>IA</i>	<i>TO</i>	<i>SRD</i>
economic impact (EI)	1						
socio-cultural impact (SCI)	0.86	1					
environmental impact (ENI)	0.86	0.89	1				
community participation (CP)	0.81	0.81	0.84	1			
infrastructure and accessibility (IA)	0.85	0.87	0.90	0.90	1		
tourism opportunities (TO)	0.85	0.86	0.89	0.87	0.93	1	
sustainable rural development (SRD)	0.85	0.88	0.88	0.87	0.92	0.90	1

5.12. Regression summary analysis

A multiple linear regression analysis was implied to determine the role of six predictor variables, “i.e., economic impact, socio-cultural impact, environmental impact, community participation, infrastructure and accessibility, and tourism opportunities, on sustainable rural development. Firstly, the MLR model’s overall fitness is found highly significant, indicated by the R-squared value of 0.88, suggesting that 88% of changes of variance in sustainable rural development in the ACA region are determined by the adopted six predictor variables. The F-statistic of 174.29 with a significance-F value of “0.00” clearly suggests that the MLR model is statistically significant, indicating that at least one predictor variable among the six contributes significantly to describe sustainable rural development. In fact, we found three variables statistically significant for explaining sustainable rural development.

Table 5: Regression summary analysis

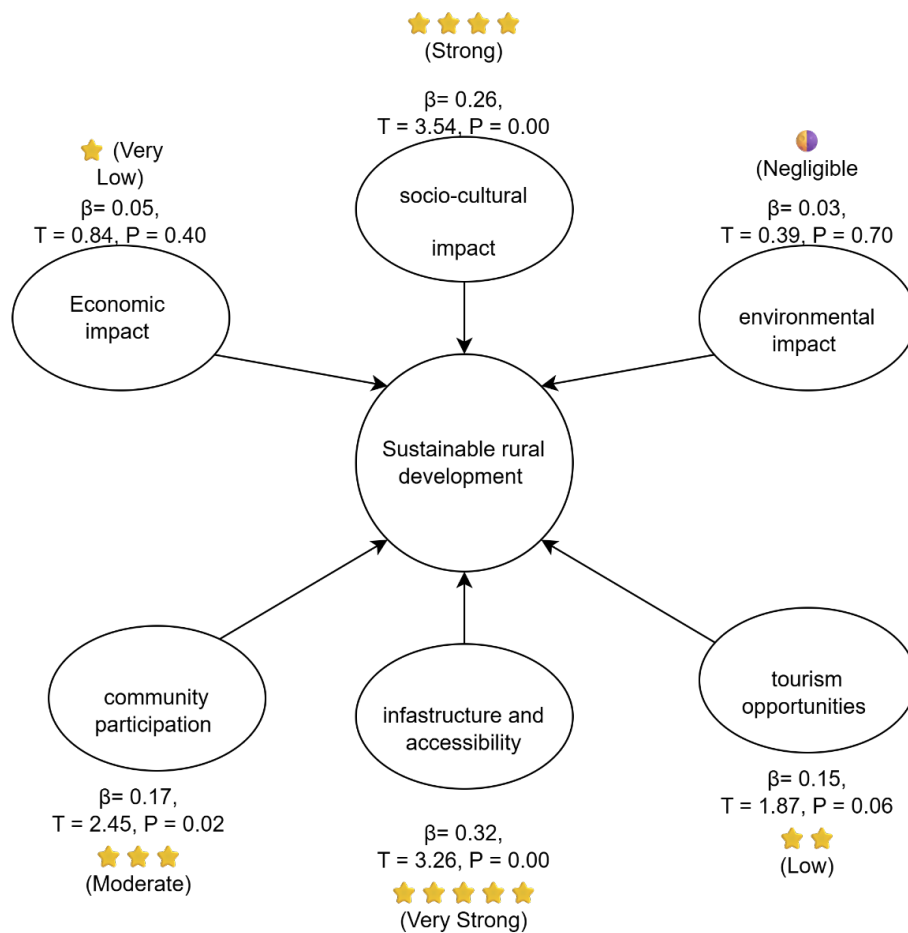
Multiple R	0.94				
R Square	0.88				
Adjusted R Square	0.88				
Standard Error	0.34				
Observations	144				
ANOVA					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Sig. F</i>
Regression	6	122.41	20.40	174.29	0.00
Residual	137	16.04	0.12		
Total	143	138.45			

5.13. Regression coefficient analysis

Now, investigating each predictor variable’s coefficient analysis, we found three variables statistically significant in impacting sustainable rural development in the ACA region. Firstly, infrastructure and accessibility (**B = 0.32, P = 0.00**), underscoring the crucial role of improved infrastructure and access in fostering sustainable rural development, which adequately aligns with the earlier detected challenge. Similarly, the socio-cultural impact (**B = 0.26, P = 0.00**) suggests that positive socio-cultural outcomes of tourism, for instance, enhanced community cohesion and cultural

preservation & promotion, are found crucial driving force of sustainable rural development. Along with this, community participation was found (**B = 0.17, P = 0.02**) to be a significantly positive predictor affecting sustainable rural development in the ACA region. It reinforces the notion that community engagement is a vital force for attaining effective and sustainable rural development initiatives. Meanwhile, the other variables were found less impactful, with statistically insignificant impact within this MLR model. Firstly, the economic impact was found positive but insignificantly impactful, suggesting that though the perceived economic perks are present, its direct contribution to overall sustainable rural development, when considered alongside other predictors, was found less impactful. It might suggest that community-based tourism may not have come to the phase of leveraging economic aspects of the ACA region to its fullest potential. Similarly, the environmental impact was found statistically insignificant, suggesting that the current environmental-related initiatives to the CBT approach are not adequately robust enough to significantly influence sustainable rural development. Lastly, the tourism opportunities were found to marginally fail to become statistically significant (**B = 0.15, P = 0.06**), indicating a potential positive influence that might become more pronounced with a larger sample.

Figure 4: Regression coefficient analysis



5.14. Reliability test

The given table shows a Cronbach's alpha test, which helps to get the level of internal consistencies of the survey items used in the survey project. Cronbach's alpha values above 0.7 are considered acceptable, 0.8 or higher is satisfactory, and above 0.90 is excellent. We found the majority of the variables exhibit the Cronbach's alpha value over 0.90, which suggests excellent, except one variable (i.e., community participation) failed to classify as excellent. Therefore, the adopted items within each of these scales are found highly intercorrelated and hold consistent measurement.

Table 6: Cronbach's alpha test

Factors	Cronbach's alpha	Decision	Reference
Economic impact	0.914	excellent	> 0.9 Excellent
Socio-cultural impact	0.917	excellent	> 0.8 Good

Environmental impact	0.915	excellent	> 0.7 Adequate
Community participation	0.888	good	> 0.6 Uncertain
Infrastructure and accessibility	0.901	excellent	> 0.5 Weak
Tourism opportunities	0.919	excellent	
Sustainable rural development	0.923	excellent	

Significance level: 0.05

Findings from Quantitative data collection

Firstly, this section will commence highlighting the challenges of CBT in the Annapurna Conservation Area, which will be concentrated in six micro-themes that help to extract what sorts of challenges locals face based on their experiences, opinions, and perspectives. These themes were extracted from the United Nations World Tourism Organisation's recent study on challenges and opportunities for tourism as a vehicle or mechanism for sustainable rural development.

Interviewees' demographic profile

We purposefully selected five participants for the semi-structured interview session based on their residence within the ACA region. Based on information presented in the table, participants are young adults holding an age range from 29 to 44 years old. Their occupations varied, ranging from local restaurant owners, tourism operators, tourist bus drivers, and household ladies, representing diverse roles within the ACA region. In terms of their residency, we found the majority of the participants residing in the ACA region for decent years; in fact, three participants (1, 2, 3) have been living in this region for over 20 years. Finally, the marital status of the five participants varied, with married individuals predominating.

Table 7: Interviewees' demographic profile

Interviewee	Age	Gender	Occupation	Years of residence	Marital Status
Participant 1	33	Male	Local restaurant owner	Over 20	Married
Participant 2	44	Male	Tourism operator	Over 20	Divorced
Participant 3	39	Male	Tourist bus driver	Over 20	Married
Participant 4	32	Female	Household lady	7	Married
Participant 5	29	Female	Souvenir shop owner	9	Single

5.2. Challenges

5.2.1 Infrastructure, Population, and Economy

Community-based tourism (CBT) has driven infrastructural development in the Annapurna Conservation Area (ACA), especially in areas popular with tourists. Participants reported road access, electricity, and sanitation improvements that have facilitated tourism and local life. However, these developments have not reached all areas equally. For instance, Participant 5 narrated that *“basic things such as water and electricity are difficult to access, though the road conditions, especially in tourist areas, are better.”* Peripheral communities face infrastructure deficits, revealing spatial inequalities that contradict CBT's inclusive ethos. During peak tourism seasons, there is also strain on basic resources such as water and waste systems. Economically, while CBT has generated employment in hospitality and transport, most of the income remains concentrated in more established or externally owned enterprises. Small-scale and informal actors remain vulnerable to seasonal downturns, with fluctuating income and few safety nets. Participants have acknowledged that these developments have made it easier for them, but the challenges are still persistent. For instance, Participant 3, who is a tourist bus driver, narrated that upgrades are seen, but they are majorly designed for visitors use: *“Upgrades generally concentrate on trails that are heavily utilized by tourists, while the local pathways often used by villagers are ignore”d.* This claim is also supported by Participant who summarized this by stating, *“Though the roads in tourist areas are better, conditions are bad only a few meters away.”* This spatial and economic imbalance reflects what Smith (2023) identifies as tourism-concentrated benefit zones, where core service hubs flourish at the expense of surrounding areas. CBT's full potential will depend on ensuring that infrastructure projects and tourism revenues are planned to serve both tourists and residents equitably.

5.2.2 Human Resources and Training

The success of CBT in ACA relies heavily on the skills and knowledge of local people. However, access to training remains uneven. For instance, participant 5 cited that *“we are lacking knowledge about customer service, other languages, and even lacking fundamental business skills.”* Women,

informal workers, and low-income residents often face barriers to participation, such as course timing, travel costs, and a lack of program relevance to local needs. Many training sessions are either one-off or led by external facilitators with a limited understanding of the local context. As a result, several residents remain excluded from learning opportunities in hospitality, business skills, and foreign languages. Participant 3 summarized more eloquently by quoting that “while *most of us learn driving by experience (observational knowledge), we are seldom taught about how to treat visitors correctly or provide emergency aid.*” This limits not only employment prospects but also the long-term sustainability of CBT, which depends on community-led service delivery. Participant 4 explained, “*Training courses are given; they are often set at inconvenient hours or not tailored for women with domestic duties*” (p. 2). Such gaps in education reflect the wider development marginalization documented by Alamineh et al. (2023), whose contention is that, in the absence of strategic investment in education and training for marginalized groups, CBT has the potential to perpetuate, not alleviate, inequality.

5.2.3 Destination, Tourism Products, and Business Environment

CBT has promoted the diversification of tourism products in ACA, incorporating cultural opportunities, homestays, and crafts. Nevertheless, the marketing and development of these services are hindered. It is common for local entrepreneurs to find it challenging to formally register, brand their products, and market them online. More than this, participants found difficulties because of frugal travel strategies like getting every stuff packed instead of purchasing it in the host region. For instance, participant 3 noted clearly that “big operators that deploy their buses from Pokhara and Kathmandu also compete, therefore slowing local chances.” Meanwhile, participants 4 and 2 found different challenges. For participant 4, who is also a house lady, difficulties were found regarding “*start of business or understanding how to advertise and promote the products.*” Similarly, Participant 2, who is also a tourism operator in ACA region, was seen discouraged: “not one local body exists specially to help with certification or marketing.” Sources indicated that bureaucratic challenges, limitations of promotional outlets, and stiff competition from large operators hinder the growth of small enterprises. Even where new innovative products are available, they tend to be inaccessible to larger markets. According to participant 4, “*Getting licenses or understanding how to advertise our offerings presents difficulties.*” This encapsulates what Sapkota et al. (2024) refer to as

structural barriers to community entrepreneurship, in which the absence of institutional support, inadequate capital accessibility, and restricted training inhibit the development of grassroots tourism businesses. To overcome these constraints, CBT designs should be paired with enabling policies favorable to small business growth and autonomy in marketing.

5.2.4 Governance and Financial Mechanisms

Effective governance of CBT in ACA is hindered by bureaucratic fragmentation and constrained economic accessibility. Participants say both lack of coordination among local tourism committees, NGOs, and government offices. Numerous small-scale operators—particularly women—lack information on accessing tourism governance or applying for funds. Where assistance becomes available, the process to apply for it tends to be obscure or too complicated. The lack of low-interest loan schemes or grants further serves to hinder this. Participant 5 stated, *“There is not any actual support from government... Nobody properly outlines the processes.”* Furthermore, participant 2 noted that: *“Banks high borrowing rates and unclear documentation discouraging people from seeking for help define our situation.”*

Though all participants were on the same ground regarding high borrowing rates and hefty documentation processes, participant 1, who is also a local restaurant owner, criticized it from a different perspective: *“Many times with high lending rates, microfinance choices are exploitative.”* Though it was not clear about what sorts of exploitation, these sorts of challenges might be the reason behind young population is slowly moving from the ACA region to other areas. This supports the findings by Acharya et al. (2022), who warn that CBT often suffers from tokenistic participation and poor financial inclusion, resulting in power consolidation among a few community elites. To fulfill the participatory ideals of CBT, systems must be simplified and made transparent, ensuring inclusive representation and equitable resource allocation.

5.2.5 Cultural Resources, Values, and Traditions

CBT has revitalized interest in local traditions in ACA, but concerns remain about the authenticity of cultural presentation. Participants noted that customs are sometimes modified for tourist

consumption, which can lead to loss of meaning and misrepresentation. For instance, Participant 5 narrated that *“Holy symbols are put on t-shirts or mugs for mere sales. I think these things should not be commercialized—instead, they should be preserved and promoted in better ways.”* In a similar fashion, participant 4 supported the claims of participant 5 and said that *“there is also pressure because of the nature of the market; we have to change customs to appeal more, especially to the outsiders.”* This commodification of culture risks turning living traditions into staged performances and reduces community ownership of heritage. In many cases, decisions about which traditions are marketed—and how—are not made by cultural custodians, such as elders or artisans. Participant 1 reflected, *“Some customs are changed to appeal to tourists, therefore compromising authenticity.”* Among these, we found Participant 3, who was though discouraged by the commodification of culture in the ACA region but found ready to get it back to its original path. Thusly he quoted, *“There is a lost chance there; CBT may include us more in cultural education so that we can be unofficial heritage champions if given attention.”* As Alamineh et al. (2023) discuss, tourism planning must prioritize community control over cultural assets to avoid exploitative dynamics. Allowing local people to determine how their culture is shared ensures that tourism enhances rather than erodes cultural identity.

5.2.6 Digitalization and Information Technologies

In a tourism economy that is increasingly digital, the lack of access to digital tools and skills places many CBT participants in ACA at a disadvantage. Participants—particularly older adults, women, and informal vendors—reported difficulties using smartphones, social media, or online booking platforms. For instance, Participant 4 criticized by saying that *“many of the women lack internet access or cellphones.”* Though she was not getting into the gender discrimination angle, it was clear when she said, *“My spouse and children encourage us to go online courses.”* However, there comes a difficulty to understand digitalization and information technologies without the basic knowledge of schooling and colleges. Therefore, it seems more challenging to accomplish because it can’t happen overnight. Many areas still experience poor internet connectivity, and few training programs exist to address these gaps. This digital divide limits local business visibility, reduces direct bookings, and increases dependence on intermediaries, who often take a share of profits. Participant 5 shared, *“My store does not have consistent internet... I don’t even have a decent Facebook profile.”* This challenge

mirrors broader patterns discussed by Smith (2023), who emphasizes that digital access is a prerequisite for economic inclusion in tourism. Without proactive efforts to build digital capacity at the community level, CBT will increasingly benefit only the digitally connected.

5.3. Opportunities

5.3.1 Economic Opportunities

CBT in the Annapurna Conservation Area (ACA) has created tangible economic benefits for many residents, particularly through small-scale entrepreneurship (Kishan, 2023). This claim is supported by the different participants. For instance, Participant 5, who is a souvenir shop owner cited as saying, *“Spending money by tourists helps my business perform better throughout the excellent seasons.”* Furthermore, Participant 2 claims a similar experience and shared, *“Originally only one hiking path, my own company now provides other programs, including local homestays and cultural immersion.”* Participants reported income generation from tourism-related roles such as homestay operators, local guides, shopkeepers, and transport providers. These opportunities have helped reduce reliance on remittances and subsistence farming. Importantly, CBT allows some individuals, particularly women, to earn independently for the first time (Chand et al., 2025). Nevertheless, economic benefits remain seasonal and fluctuate due to climate conditions, road closures, or political instability. Despite these limitations, many viewed CBT as a catalyst for local economic empowerment. Participant 4 noted, *“Many women in our community have made their first money collection because of CBT.”* This concurs with Alamineh et al. (2023), who contend that even limited incorporation into tourism economies can increase household resilience. Nevertheless, these advantages should be maintained for the longer term by CBT moving beyond the opportunities available at the micro level to take part in wider structural support, including market accessibility, savings schemes, and income diversification initiatives.

5.3.2 Cultural Opportunities

The growth of CBT has revitalized interest in local culture, a number of these activities having previously declined (Sapkota, 2024). Participants noted a renewed interest in traditional music, dances, foodways, and oral tradition, particularly when these activities were part of the tourists' experience. Young people's participation in performances and workshops has grown, filling gaps between generations and instilling pride in the community. Community-driven CBT can maintain traditions and facilitate cultural continuity (Alves et al., 2024). Participant 4 shared, *"We now have an opportunity to share with visitors our cuisine, attire, customs, and music."* According to Alamineh et al. (2023), when local communities retain decision-making power over how their culture is presented, CBT becomes a cultural preservation tool rather than exploitation. In ACA, the success of cultural opportunities depends on maintaining authenticity and involving cultural elders in the design and delivery of tourism offerings (Kaakandikar et al., 2025). From a different angle, participant 5 shared her thoughts regarding the promotion and preservation of cultural assets of the ACA region combined with digitalization. She cited, *"Small museum-style sections in stores, QR codes deciphering the significance behind objects, or nightly storytelling events might offer value, for instance."* Somehow aligning with Participant 5, we found Participant 3 more encouraged and motivated towards CBT and eloquently emphasized the role of training in cultural preservation and promotion. Participant 3 narrated this by saying, *"Better training would help us to be cultural translators as well."*

5.3.3 Environmental Opportunities

CBT has promoted environmental stewardship in ACA by incentivizing cleaner practices and eco-conscious behavior (Li et al., 2024). Community members reported that tourism had increased awareness of litter management, deforestation, and water conservation. Some households began composting, reducing single-use plastics, and maintaining herbal gardens—often encouraged by tourist feedback or NGO collaboration. These practices, while still informal, reflect a growing culture of conservation. Participant 4 stated, *"CBT has helped to raise environmental consciousness... Clean pathways and environmentally friendly activities expected by visitors inspire communities to act."* Acharya et al. (2022) caution that the environmental benefits of CBT are not automatic; they require planning and education. The changes noted in ACA suggest that CBT can build grassroots commitment to sustainability where visitors and local institutions collaborate. However, formal

integration of these practices into CBT training and business operations is needed to make these gains more consistent and long-term. Though it seems a little bit more to ask from CBT because it needs political alignment and formulation changes, participant 3 acknowledges that using electric or hybrid vehicles might help to bring less pollution to the ACA region. He quoted, *By means of incentives like subsidies for hybrid or electric cars, we might help to create a cleaner Annapurna Area.*"

5.3.4 Infrastructural Development and Services

Tourism growth in ACA has accelerated infrastructure and public services improvements, especially in villages along trekking routes (Khadka, 2025). Roads, footpaths, public toilets, and water access points have been upgraded to meet the needs of both tourists and locals. These improvements have enhanced tourist experiences, reduced travel time, improved safety, and expanded access to markets and health services for residents. Additionally, some tourists have contributed informally to local development by donating school supplies or funding small community projects. Participant 3 remarked, *"Better roads cut vehicle wear and tear... More rest stations and signs enable us to better schedule travel"s.* Similarly, participant 2, who is a tourism operator, shared his insights behind infrastructural development and services improved in the ACA region. Participant 2 quoted as: *"Demand for tourism has speed up infrastructure development, including water facilities, footpaths, and health posts."* Likewise, participant 1's response was seen entirely aligning with participant 2: *"Better infrastructure like roads, water access, cleaner sanitation, and electricity has come from tourism."* Smith (2023) describes this as a "spillover effect," where tourism-induced infrastructure benefits host and visitor populations. However, the sustainability of these improvements relies on proper maintenance and ensuring that benefits extend beyond tourist corridors. Long-term planning is essential to avoid needing external visitors for basic service upgrades.

5.3.5 Tourism Products and Services

CBT has stimulated innovation in the types of tourism products offered by ACA. Beyond traditional trekking and sightseeing, communities now offer immersive experiences such as cooking classes, agricultural visits, artisan workshops, and cultural storytelling. These products create a more

diversified and tailored visitor experience, enabling residents to earn income using available skills and resources. Numerous participants explained that they had started to develop customized services to suit tourists' interest in locality and authenticity. Participant 4 added, *“We have started making handwoven bags, herbal tea, and handmade pickles... Travellers also appreciate learning to cook with us.”* Such product diversification, as noted by Sapkota et al. (2024), is vital to enabling CBT to compete in a shifting market. Nevertheless, to be able to market these products on a large scale, local entrepreneurs should be provided with packaging materials, tools for brand development, and market outlets. Otherwise, the innovations will be small-scale and may not generate steady income throughout the seasons. At the same time, CBT has brought another new possible theme of tourism, which might help to diversify their economies, i.e., by initiating gastronomy tourism and agrotourism in AC”A. For instance, participant 4, who is a house lady shared her experience: *“Travelers also appreciated learning to cook with us, and this might be developed into a formal cooking class.”* It is furthermore supported by the participant 1 experience, who shared, *“The range of goods has expanded to include farm stays, culinary lessons, regional celebrations, and artisan courses.”*

5.3.6 Local Community Empowerment

One of the most empowering experiences for participants was the enhanced self-esteem and leadership skills developed through CBT (Tenschert et al., 2024). Community members noted increased participation in event planning, tourism committee membership, and direct interaction with visitors. Young people and women, in particular, felt empowered, initially having assumed new roles in decision-making, welcoming visitors, and running businesses. These experiences contribute to a broader sense of agency and civic engagement. Participant 2 explained, *“CBT has made local voices in tourist development possible... By running homestays, handling social media, or directing trips, young people and women have developed confidence.”* More importantly, CBT in ACA region was found effective in women's empowerment as well. Three participants (5, 4, and 1) shared similar thoughts. Firstly, participant 5, who is a souvenir shop owner, shared that *“offering small businesses a voice, leadership development, and rotating committee responsibility help to foster shared ownership of tourist gains.”* Similarly, Participant 4 shared similar thoughts by addressing, *“CBT has started to empower ladies just like me; we are now more confident to present ideas or speak in community meetings.”* Even male participants were found acknowledging women and young adults

involvement is crucial in local community development; for instance, participant 1, who is also a local restaurant owner, shared that, “Particularly, *women and young people should be prioritized in local empowerment, and CBT has tried to empower local residents to some extent.*” Alamineh et al. (2023) emphasize that empowerment must be measured in economic terms and through increases in self-esteem, participation, and control over benefits. CBT appears to foster this transformation in ACA, although participants also acknowledged that some groups—such as small-scale vendors and older residents—remain less involved. Expanding leadership training, formalizing committee roles, and rotating responsibilities could strengthen community-wide empowerment.

Overall

This study revealed six key challenges and six corresponding opportunities associated with community-based tourism (CBT) in the Annapurna Conservation Area. Challenges included unequal infrastructure development, limited access to training, business environment constraints, weak governance, cultural commodification, and digital exclusion. These issues reflected structural and resource-based barriers preventing full community participation in CBT. At the same time, participants identified substantial opportunities arising from tourism activities. These included improved household income, cultural revival, increased environmental awareness, enhanced infrastructure and services, product innovation, and community empowerment. While CBT has created space for local development, its benefits are not equally distributed across the population. The findings suggest that for CBT to become a sustainable and inclusive development model, it must be supported by stronger institutional frameworks, expanded capacity building, and more equitable access to resources and decision-making processes at the community level.

Chapter 6: Analysis and Discussion

Community-Based Tourism (CBT) is widely promoted as a strategy for achieving sustainable rural development through community empowerment, local participation, and equitable benefit-sharing. The findings of this study affirm that CBT has had considerable impact in the Annapurna Conservation Area (ACA), bringing forth tangible benefits as well as structural limitations. Through the voices of local stakeholders (utilizing both objective and subjective realities), this discussion interprets the major themes—six challenges and six opportunities—against the background of CBT theory and recent empirical literature. This master's dissertation discusses the sustainable development of rural tourism through CBT in the Annapurna Conservation Area (ACA), specifically emphasizing its challenges and opportunities. Through using the pragmatism research philosophy followed by a mixed-method approach, this dissertation has extensively highlighted several insights related to the challenges and opportunities for CBT in the ACA region. Therefore, an online questionnaire survey was initiated with 144 participants residing in the ACA region through snowball sampling as a means of quantitative data collection. Following this, semi-structured interviews were performed with five participants who are from diversified occupational statuses residing in the ACA region.

Firstly, assessing the demographic analysis of participants (in both quantitative and qualitative methods) reveals a diverse participant pool, though a majority of participants in both methods were dominated by young adults. For instance, in the quantitative method, the majority of the participants were between 30 and 39 years old (50 participants) and 18 and 29 years old (47 participants), comprising a total of 67% of responses. Though the male-to-female participation was fairly distributed. In the context of qualitative method, five interviewees were selected using purposive sampling; the majority of the participants were young adults ranging from 29 to 44 years old. In fact, only one interviewee (i.e., P2—a tourism operator) was aged 44. It suggests that both quantitative and qualitative insights are spoken by young adults. Income levels were found to be diversified among the participants; for instance, 30% earned between 20,000 and 40,000, and 22% earned 40,001 to 60,000 Nepalese rupees per month, indicating that the majority (around 52%) are middle-class in terms of their earnings. These aforesaid socio-demographic factors emphasize the potential for community-based tourism to engage a broader range of individuals; however, it has shown disparities

in educational qualification and income level, suggesting that the ACA region comprises a socio-economically diverse community with class-based groups. Similarly, the familiarity with CBT and sustainable rural development in the ACA region was found on the higher side; additionally, the majority of the participants (around 2/3) residing in the ACA region with at least ten years or more might have made more acquaintances with the aforesaid concepts.

6.1 Challenges

CBT in the ACA region faces significant challenges that affect its actual potential for achieving sustainable rural development. Through quantitative insights accumulated from 144 responses, we found inadequate infrastructural development and low levels of skilled workforce, especially entrepreneurial expertise in the tourism management sector, were the major obstacles. The MLR analysis further supports this claim, as the paramountcy of infrastructural and accessibility factors ($B = 0.32$, $P = 0.01$) and community participation ($B = 0.17$, $P = 0.02$) supports that investment in these two factors brings better results in overall sustainable rural development of the ACA region. Statistically, a one-unit increase in “infrastructure and accessibility” and “community participation” would lead to 0.32 and 0.17 unit increments in sustainable rural development of the ACA region. Therefore, more investment in these aspects would give better returns; however, solely focusing on these reasons might hamper the overall integrity of the ACA’s sustainability structure. CBT has contributed to infrastructure improvements such as road networks, electricity, and sanitation in ACA, consistent with studies that emphasize infrastructure as a key enabling factor for tourism (Jackson, 2025). Participants acknowledged these developments but stressed spatial inequality and seasonal fluctuations in benefits. Participants noted that while tourism has contributed to visible infrastructure improvements in certain areas, these developments are often unevenly distributed, with nearby localities continuing to face poor conditions and neglect. The local economy has experienced tourism-driven income generation. However, dependency on external actors and vulnerability to shocks (e.g., COVID-19 or political instability) reflect concerns in the literature about economic leakage and the unsustainable overreliance on foreign markets (Sun et al., 2022). The comments on the influx of external investors align with the CBT framework, which warns of community disempowerment when external forces dominate local markets.

Similarly, in the context of skill development, human resources remains a crucial yet unevenly distributed benefit. From the quantitative insights, the lack of a skilled workforce (16%) and low community participation (27%) justify it as a significant challenge.

Participants repeatedly cited inadequate access to training, particularly among women, drivers, and merchants—groups often excluded from mainstream development planning. According to Sapkota et al. (2024), CBT succeeds only when training is broad-based and equitable, enabling all segments of the community to participate meaningfully (Sapkota et al., 2024). The reported lack of hospitality and language instruction for marginalized groups, such as women with domestic responsibilities or drivers unfamiliar with visitor etiquette, illustrates systemic gaps that hinder long-term sustainability. These findings resonate with Jackson (2025), who argues that community empowerment through CBT must include education and capacity-building tailored to diverse groups (Jackson 2025). Without this, local tourism remains dependent on a few trained individuals, furthering inequality.

Participants described challenges in producing, marketing, and sustaining tourism products. Despite CBT's success in creating offerings—such as homestays and artisan crafts—support structures remain inadequate. From the quantitative insights, an inadequate level of governmental support (27% out of 144 responses) was found main reason behind low economic returns extracted from tourism activities in the ACA region. One of the prime reasons behind inadequate economic reforms despite its potential in the ACA region was due to discouragement among its locals regarding start-ups such as family businesses and small-scale businesses. For instance, licensing difficulties, poor access to promotion channels, and unfair competition from larger operators reinforce a concern that community initiatives often struggle in liberalized market environments dominated by well-resourced firms (Keelson et al., 2024). This reflects the tension between CBT's ideal of local self-determination and a tourism market that favors urban-based enterprises. As observed, CBT's transformative potential is compromised when local businesses lack institutional support, reinforcing dependency and discouraging innovation (Chen et al., 2021).

Participants highlighted limited financial inclusion and bureaucratic hurdles as governance barriers. These issues echo common critiques in CBT literature, where inadequate coordination hampers implementation (Berardi et al., 2024). The fact that “nobody properly outlines the processes” or that “few projects headed by women exist” reflects exclusionary practices and ineffective support systems. CBT's emphasis on participatory governance was not reflected in the participants'

experiences (Afsaneh et al., 2024). Instead, centralized decisions and limited access to loans pointed to elite capture. This mirrors findings in South Asia, where CBT initiatives suffered from weak institutional accountability and poor financial literacy support (Karki et al., 2024).

Cultural commodification emerged as both a risk and a consequence of CBT. While increased cultural visibility can foster pride, unregulated tourism often leads to superficial, market-driven representations (Smith, 2023). From the quantitative insights, it was found that the strong correlation between socio-cultural impacts (SCI) and sustainable rural development (SRD) of “ $r=0.88$ ” clearly suggests that an adequate level of community engagement, skill development, and promotion and preservation of cultural assets gives better towards achieving sustainable rural development of the ACA region. Therefore, instead of focusing on cultural commercialization and using it as a means of commodification, being authentic through preservation and promotion of culture and its heritage assets is fruitful for sustainable rural development. Participants’ observations that “travel has made our civilization a display purpose” and that “some customs are changed to appeal to tourists” illustrate cultural distortion. The CBT model emphasizes that culture should be presented “on local terms,” involving elders and stewards in decision-making (Acharya et al., 2022). However, participants reported minimal involvement of traditional leaders. This affirms that CBT may erode the traditions it seeks to preserve if authenticity is sacrificed for tourist expectations.

Digital exclusion emerged as a major challenge. Participants—especially women and older business owners—expressed difficulty accessing social media, e-payment systems, and online listings. This reflects a digital divide identified by Francesc Reverte & Luque (2022), where lack of digital capacity prevents communities from engaging in the evolving tourism marketplace (Francesc Reverte & Luque, 2022). The literature supports integrating digital training and infrastructure into CBT policy (Duffy et al., 2025). In ACA, inconsistent connectivity and lack of digital knowledge marginalize stakeholders from broader networks, reducing their income and visibility.

6.2 Opportunities

Despite these constraints, CBT's contribution to household income, entrepreneurship, and informal economies was evident. From the quantitative insights, 25% out of 144 responses were traced towards employment creation and income generation as key opportunities created by CBT in the ACA region. Participants described earning income from homestays, crafts, transport, and cross-referrals. These grassroots linkages support the assertion that CBT helps diversify rural economies through localized value chains (Moretti et al., 2023). Mentions of “seasonal employment,” “access to starting funds,” and “supporting small stores” further point to CBT as a microenterprise platform. However, as Lazarte-Aguirre (2024) notes, long-term sustainability demands structured investment and entrepreneurship training—resources not yet fully present in ACA (Lazarte-Aguirre, 2024).

CBT has created meaningful platforms for cultural preservation (Sapkota, 2024). Storytelling, traditional cooking, and performance-based tourism emerged as income-generating avenues tied to heritage (Kaakandikar et al., 2025). This aligns with Rajeev et al. (2024), who found that community-led tourism can revive forgotten practices and foster local identity (Rajeev et al., 2024). Still, this potential must be guided by ethical and inclusive strategies. Planning must involve cultural elders and ensure community consent to avoid distortions and exploitation of tradition for commercial gain (Dangol & Dangal, 2024). When assessing these claims to this dissertation's quantitative insights, it was found that almost 1/3 (i.e., 31% out of 144 responses) highlighted the preservation and promotion of local culture, values, and traditions as the biggest opportunity created by CBT initiatives in the ACA region. It was also supported by the MLR findings, as the socio-cultural impact (SCI) ($B=0.26$, $P=0.00$) indicates that adequate level of time, skills, and finance investing (let's say one unit more) on protecting socio-cultural aspect would give 0.26 unit as return in achieving sustainable rural development in the ACA region

Participants emphasized increased environmental awareness, often influenced by visitor feedback and NGO partnerships. From quantitative insights, 19% (i.e., 27 collected responses) traces that CBT holds bigger opportunities in fostering environmental sustainability. It is further validated by the correlation analysis, environmental impact (ENI) ($r=0.88$) with sustainable rural development, emphasizing the importance of adopting eco-friendly practices or responsible tourism behavior within

the ACA region. Composting, herbal gardens, and biodegradable packaging reflect CBT's environmental education value. This supports Rajeev et al.'s (2024) view that environmental stewardship is a pillar of CBT (Rajeev et al., 2024). While gaps exist—especially around integrating informal businesses into sustainability efforts—the presence of eco-conscious behavior among residents offers a foundation for more structured green tourism initiatives.

Infrastructure development—roads, sanitation, and lighting—was frequently cited as a CBT benefit. Although unevenly distributed, these improvements support the argument that CBT can catalyze service delivery in remote regions (Rajeev et al., 2024). Participants linked these changes to both tourist needs and spillover benefits for residents. CBT committees should pursue formal collaborations with local governments to expand this impact, focusing on underdeveloped zones lacking basic facilities. However, the regression analysis underscores the paramountcy of infrastructure and accessibility. Statistically, a one-unit increase in this aspect would pile up sustainable rural development in the ACA region by 0.32 units. In fact, it was the biggest impactor traced in the MLR analysis.

Participants described the growing diversification of tourism experiences, including agro-tours, food workshops, and eco-experiences. These niche offerings emphasize the value of experiential tourism in rural destinations (Jackson, 2025). However, scaling such initiatives requires stronger business networks, access to marketing tools, and product packaging support—all areas identified as current weaknesses by participants.

Participants reported confidence, leadership, and civic participation gains—particularly among women and youth. These changes mirror the empowerment model, where CBT facilitates decision-making, inclusion, and community benefit-sharing (Alamineh et al., 2023). However, full empowerment remains uneven in that without inclusive governance and role rotation, CBT risks reinforcing existing inequalities (Lwamba et al., 2022). For ACA, closing empowerment gaps will require intentional strategies for training, representation, and transparency. When analyzing the MLR results, it was found that community participation was one of the crucial factors (positive and significant) in fostering sustainable rural development in the ACA region. The correlation value of ($r=0.88$) further validates the MLR findings, suggesting that CBT initiatives in ACA need to

extensively focus on fostering community participation, especially allowing all classes of people in decision-making, which gives better returns on SRD.

Chapter 7: Conclusion

This mixed-method approach, using a pragmatism stance with an abductive reasoning approach, probed stakeholders' lived experiences in rural tourism in Nepal's Annapurna Conservation Area (ACA) using the framework of the Community-Based Tourism (CBT) approach. Analyzing the participants' observations in twelve thematic domains—six challenges and six opportunities—this study has shed new insights into the intricate, multi-dimensional nature of operationalizing sustainable tourism at the grassroots. Drawing on direct accounts from five diverse community actors (from interview sessions) and 144 responses (from close-ended online survey questionnaires), this dissertation reveals both the promise and limitations of CBT in fostering equitable, inclusive, and enduring rural development. When answering the research questions, we found CBT has substantially contributed to the sustainability pillars (i.e., economic, socio-cultural, and environmental aspects). CBT was able to create seasonal employment for its locals, including tourism operators, drivers, and other related artisans, and it has also emphasized fostering a circular economy, which sustains both economic and environmental perks. But this dissertation has found CBT more effective on the preservation and promotion of culture, traditions, and locals' values compared to other aspects. In fact, socio-cultural impact was found the only statistically significant factor inducing positive and high impact on fostering sustainable rural development in the ACA region. For instance, travelers' interests in authentic experiences and seeking noble experiments might have helped this factor to have an impactful impact on SRD.

The findings indicate that CBT has indeed contributed positively to several domains of rural life, particularly in terms of economic diversification, cultural revitalization, community empowerment, and infrastructural growth. Participants reported enhanced household income through homestays, handicrafts, transport services, and food production. The growth of tourism-related businesses allowed women and young people to engage in new economic opportunities and claim their authority at the community level. Traditions of culture, which had declined in relevance, regained significance as points of identity and interaction through storytelling, food, dance, and crafts. Roadways, illumination, sanitation, and provision of health and education services increased indirectly as tourism heightened demand and exposure in the area.

However, these are tempered by critically threatening challenges to CBT's inclusivity and longer-term sustainability in the ACA. Paramount among these are infrastructure inequalities, economic

vulnerability, restricted access to training, bureaucratic fiscal systems, cultural commodification, and digital exclusion. Participants went on to stress repeatedly that investment in infrastructure and economic benefits had been unevenly allocated to predominantly central tourism areas at the expense of peripheral or poorer households. Numerous small business operators—particularly women, drivers, and shopkeepers—were denied access to structured training opportunities aimed at better service quality and economic resilience. Bureaucratic red tape and embedded lack of transparency in local governance hindered access to microfinance, particularly for informal or female-owned businesses. On a cultural level, while new visibility acquired some forms of heritage practice, others were misrepresented to suit tourist expectations and raised issues of authenticity and appropriation.

Furthermore, the digital divide left many unable to market their products, receive bookings, or engage with the broader online tourism economy. These findings underscore the importance of inclusive planning, institutional coordination, and capacity building in maximizing CBT's potential. The study supports the CBT theoretical premise that community empowerment and sustainable tourism development are only achievable when local people control decision-making, share in economic benefits, and retain authority over their cultural and environmental assets. Where this ideal was approximated—such as in grassroots collaboration, mutual referrals between services, or women's cooperatives—CBT functioned as a true agent of development. Where exclusion, competition, or informality prevailed, however, benefits were constrained and unevenly realized.

Based on these insights, several recommendations emerge for stakeholders—including local governments, NGOs, and CBT committees—in the ACA and similar rural regions. First, training and education programs must be made universally accessible, gender-responsive, and context-specific. Efforts should target not only guides and lodge owners but also vendors, homemakers, drivers, and artists. Second, financial processes and licensing systems must be simplified, transparent, and fair, with dedicated microfinance schemes for small, seasonal, or informal operators. Third, cultural governance mechanisms should be established to protect authenticity and community consent in the display and commodification of heritage. Fourth, investment in basic technology training and infrastructure must be prioritized in order to avoid marginalization in a digitally dominated marketplace. Finally, local CBT initiatives must invest in intersectoral coalitions, engaging public, private, and civil society players to collaborate in the co-creation towards inclusive tourism. While CBT in the Annapurna Conservation Area has proved effective at promoting local livelihoods,

cultural conservation, and participatory development, these results are still uneven and tenuous. This study reaffirms that the transformative potential of CBT depends not only on tourist inflows or local enthusiasm but also on the deliberate design of inclusive, just, and adaptive governance systems. Only then can CBT serve as a durable strategy for sustainable rural development in Nepal and beyond.

7.1 Managerial implications

Through analyzing theoretical and empirical outcomes from this dissertation, we suggest a strong need for inclusive and structured approaches to fully leverage the perks of CBT in the Annapurna Conservation Area. By doing this, each and every class of locals within the ACA region might get equal chances of participation and help in fostering sustainable rural development in the study region. Therefore, managers need to focus on providing customized training programs for diverse community roles, for instance, women, young adults, and older or marginalized groups. These skills development programs focusing on hospitality and etiquette, language skills, customer care and services, digital and financial literacy, and eco-friendly practices are crucial to leverage. It's because these aspects were majorly traced in the challenges side of CBT; therefore, to taste the full potential of CBT, managers need to adequately focus on these aspects. At the same time, infrastructural development and accessibility might be a big ask for the local community to focus on. It's because it requires hefty investment, human capital, and skills; therefore, political attention to this factor might help to rejuvenate the ACA region and make it more competitive in the international tourism market. With the majority of activities happening with the help of digitalization and the Internet of Things (IOT), an adequate level of training as well as tools needs to be given to local businesses and individuals for online marketing, digital pay systems, and product/service innovations. In the context of policy formulations, an adequate level of policies and practices needs to be implemented for better access to loans and financial services. For instance, simplified loan systems, effective administration processes, adequate levels of borrowing costs, and seasonal subsidies, especially to employees who are actively working in tourism, help to foster sustainable economic perks and optimistic feelings among the locals.

7.2 Limitations and future study recommendations

“Every bean has its own black.” Though we tried to analyze using a mixed-method approach, still this dissertation has numerous limitations, which are crucial to address here. Firstly, this dissertation failed to distribute both the survey and interview session between different generations, as it is significantly dominated by young adults. We have missed out on insights from older adults; they might have different levels of understanding and insights into CBT and sustainable rural development. Therefore, this limits the diversity of responses, as it was substantially clustered to young adults. However, the major reason behind this was the perceived distance between the researchers and the target population. Due to which snowball sampling was found comparatively more effective. Along with this, the channel of online survey and interview was completely dependent on online media (precisely social media platforms). And the older adults are comparatively more passive in social media and the digitalized world; therefore, their insights remain underrepresented in this dissertation. Similarly, the sample size (in the survey project) was just 144, which is still too low for generalizing to the whole population. Lastly, the interview insights have missed one crucial stakeholder, i.e., local governance representative’s. Though the researchers tried to engage them in the dissertation, due to some technicalities such as time difference and fear of data leaking, it was not possible. This addition would have made this dissertation more robust and meaningful.

Therefore, we recommend further researchers attempt to cover this topic, “local governance authorities,” in the interview session. Along with this, adding more older-aged participants' insights is necessary, especially when understanding the role of sociocultural settings, historical importance and knowledge, and their efforts in preserving sociocultural values and pride. Lastly, we recommend researching this topic via using probabilistic sampling with more responses. By doing this, it will help in the effective generalization of the findings.

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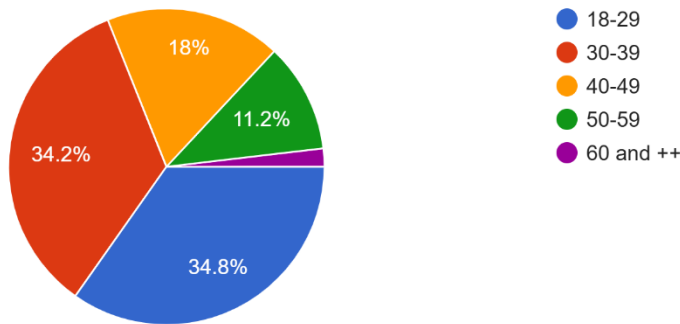
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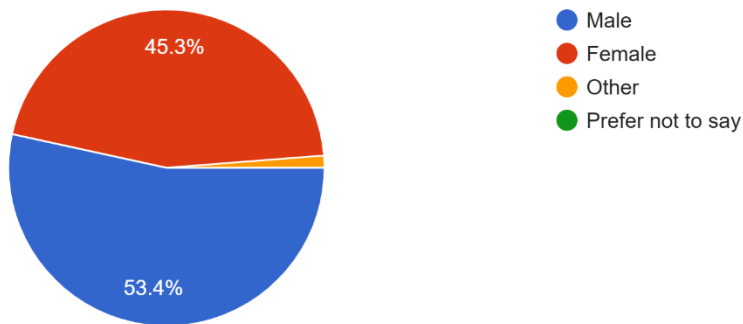
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Appendix

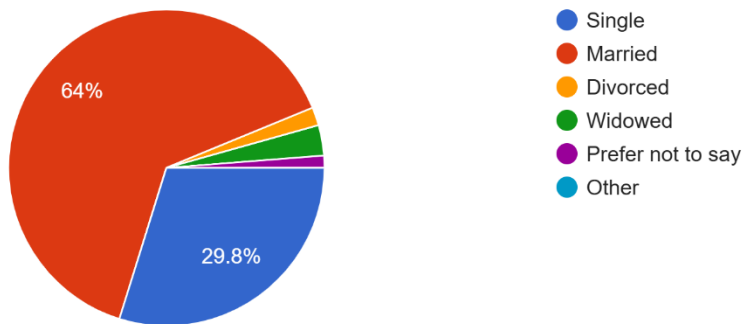
I belong to this age group:
161 responses



I identify myself as:
161 responses

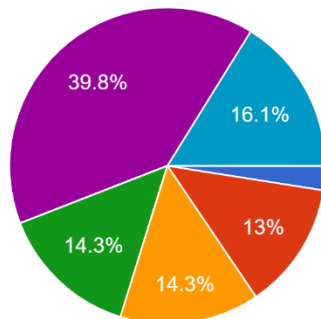


My current marital status is:
161 responses



My highest educational qualification is:

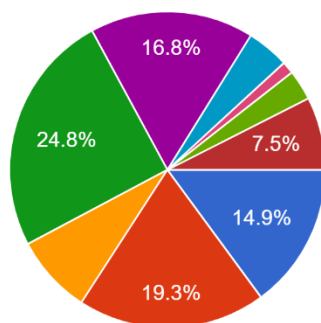
161 responses



- No formal education
- Primary education
- Secondary education
- Higher secondary education
- Bachelor's degree
- Master's degree or higher
- Vocational training

My current occupation is:

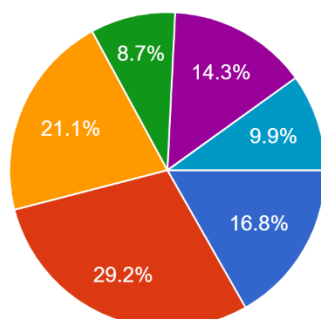
161 responses



- Farmer
- Tourism-related business (e.g., homestay owner, guide, craft seller)
- Government employee
- Private sector employee
- Student
- Freelancer
- Pensioner/retired
- Unemployed
- Other

My monthly household income (in NPR) is:

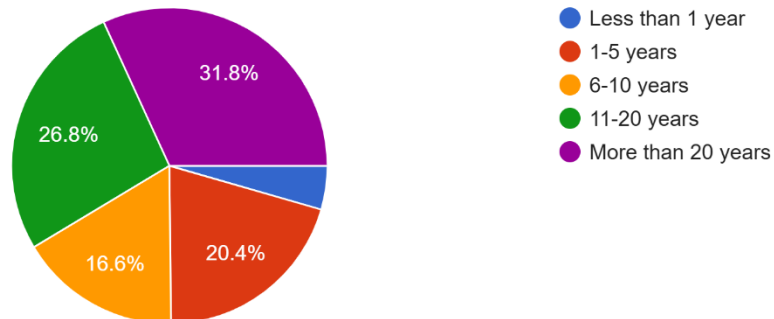
161 responses



- Less than 20,000
- 20,000 - 40,000
- 40,001 - 60,000
- 60,001 - 80,000
- 80,001 and above
- Prefer not to disclose

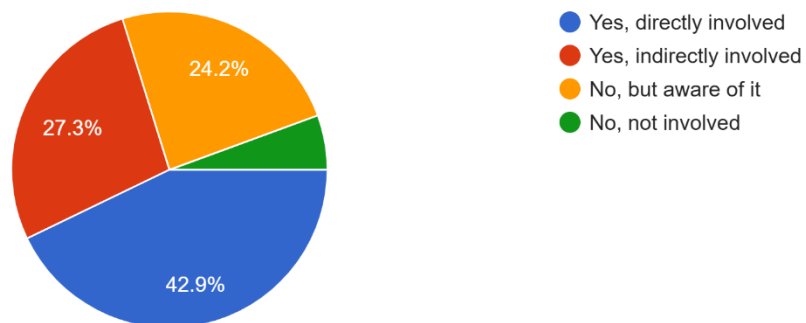
My years of residence in this community is:

157 responses



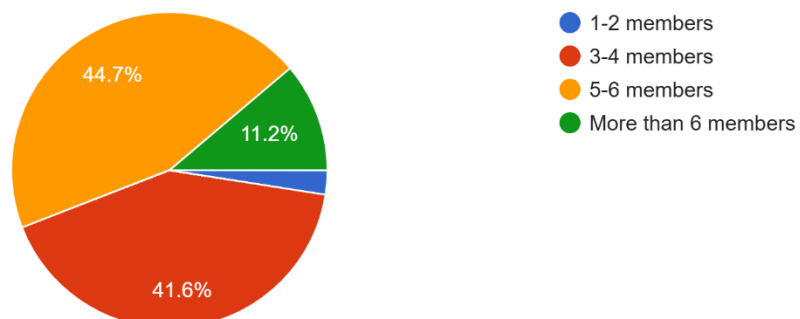
My level of involvement in Community-Based Tourism is:

161 responses



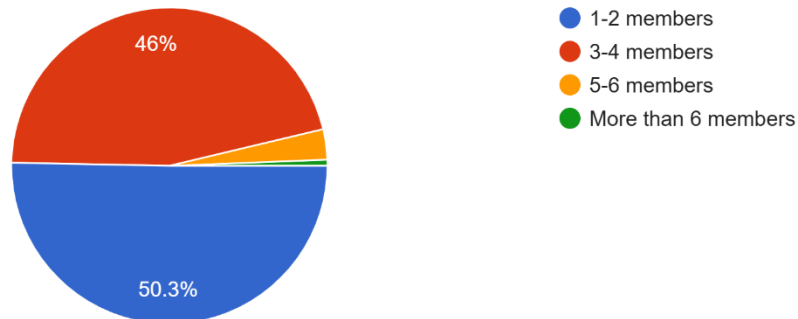
How many members are there in your household?

161 responses



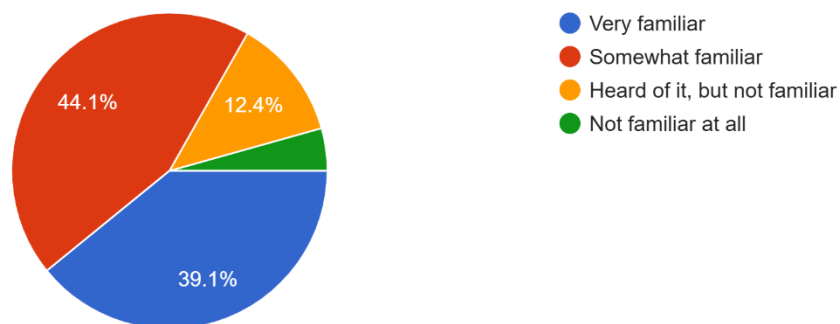
How many members of your family are employed to support your family?

161 responses



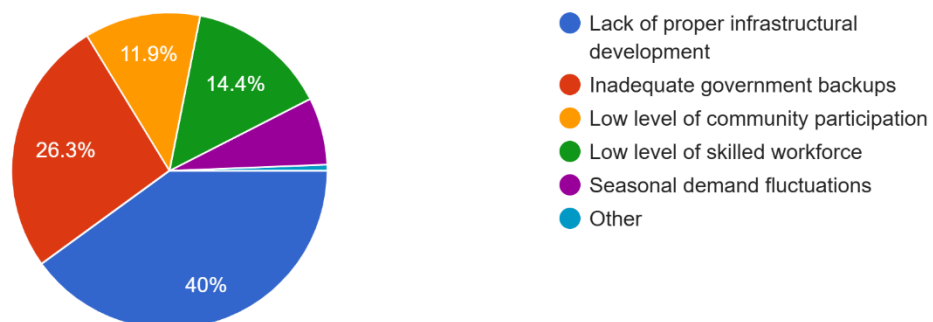
Before participating in this survey project, were you familiar with the concept of community-based tourism (CBT) and sustainable rural development (SRD)?

161 responses



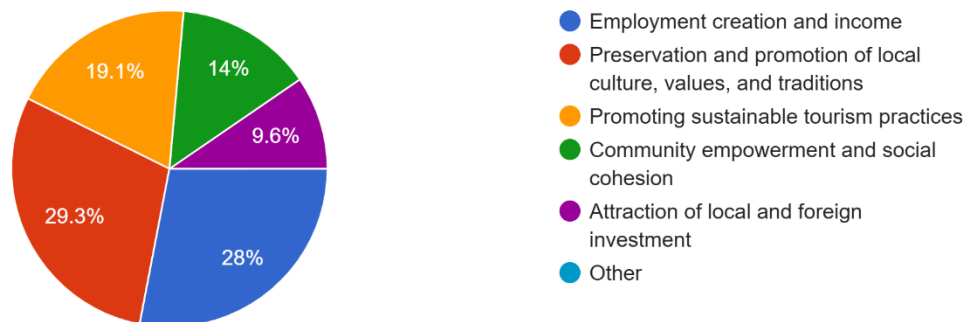
What would you consider the biggest challenge for community-based tourism in your community?

160 responses



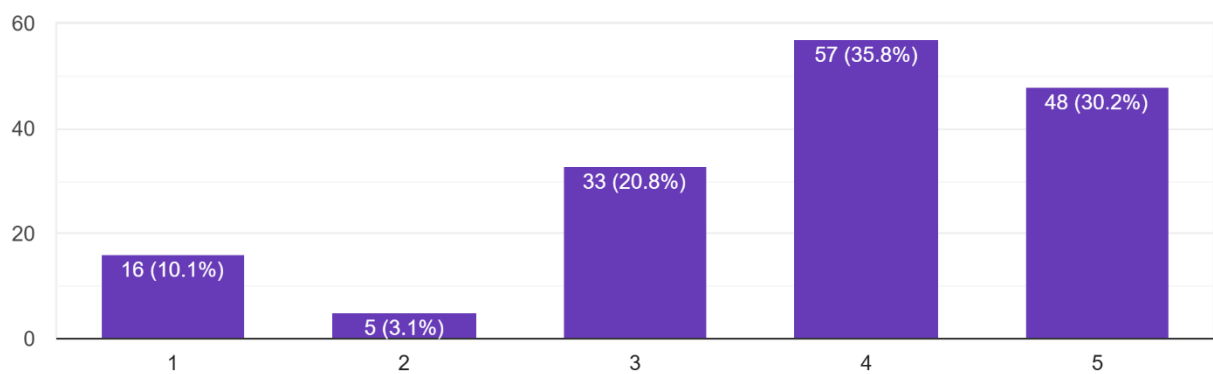
In your opinion, what is the most significant opportunity for community-based tourism in your area?

157 responses



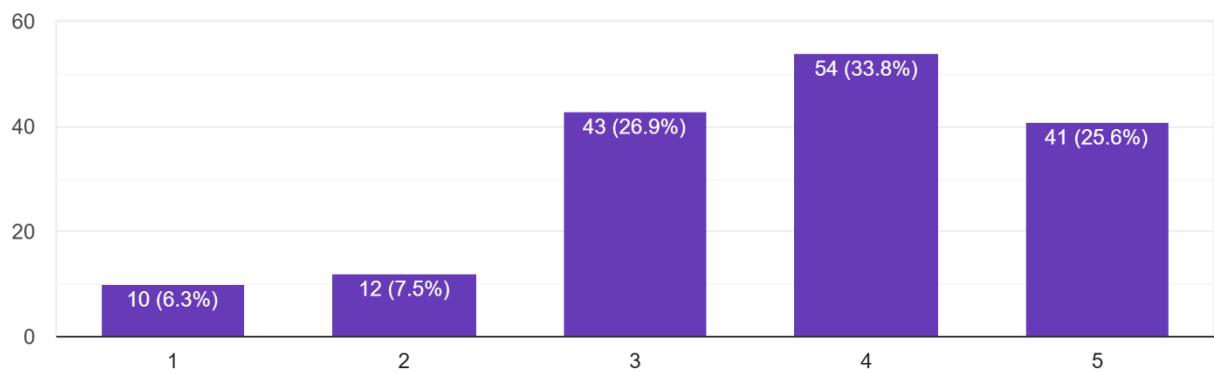
I believe that CBT has significantly contributed to local job creation.

159 responses



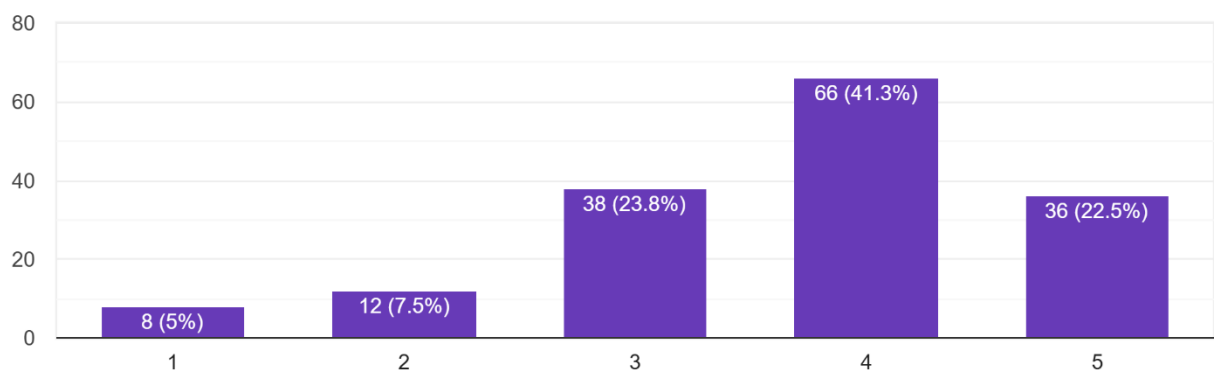
I believe that CBT has increased the overall income of my community.

160 responses



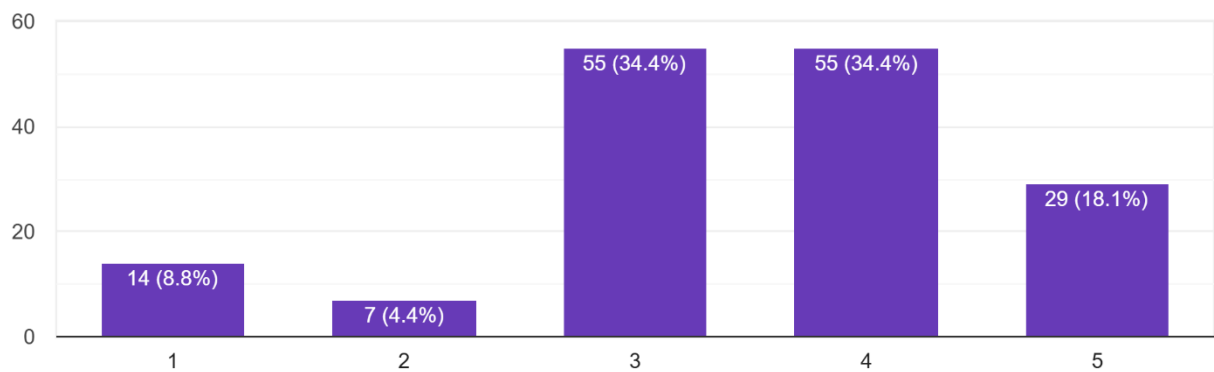
I believe that CBT has facilitated the growth of small businesses and local entrepreneurs.

160 responses



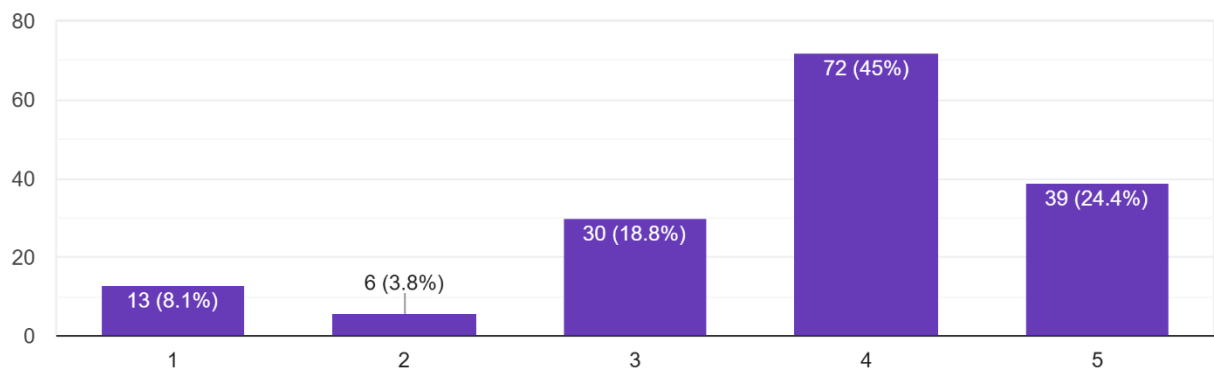
I believe that CBT has reduced the economic vulnerability by diversifying the local economy.

160 responses



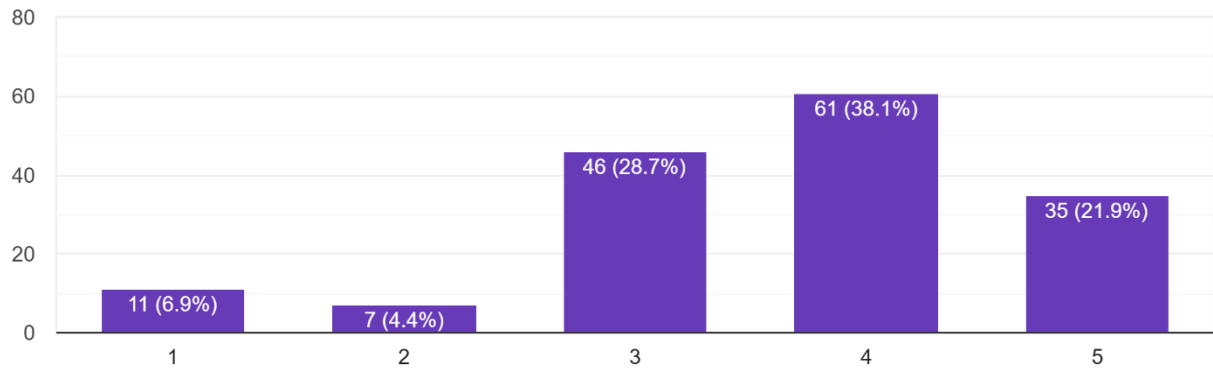
I believe that CBT has contributed to the preservation of local culture, traditions, and heritage.

160 responses



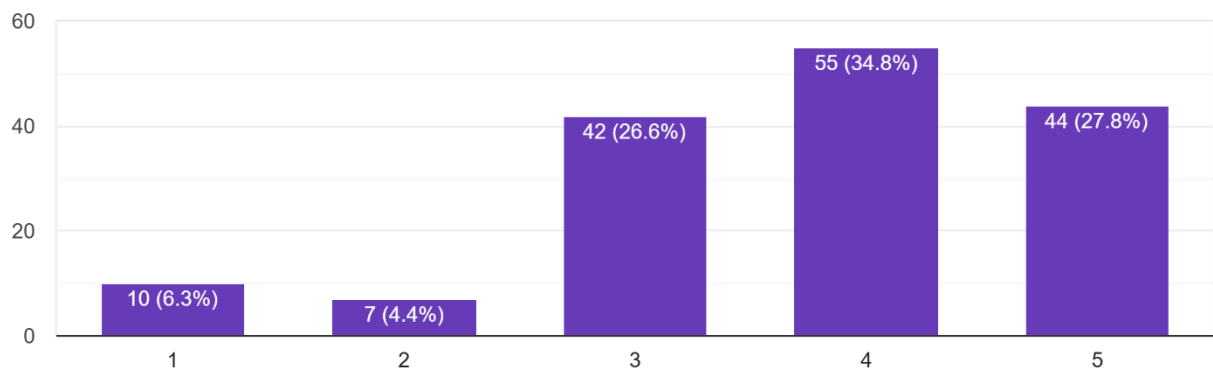
I believe that CBT has enhanced the social cohesion and identity of my community.

160 responses



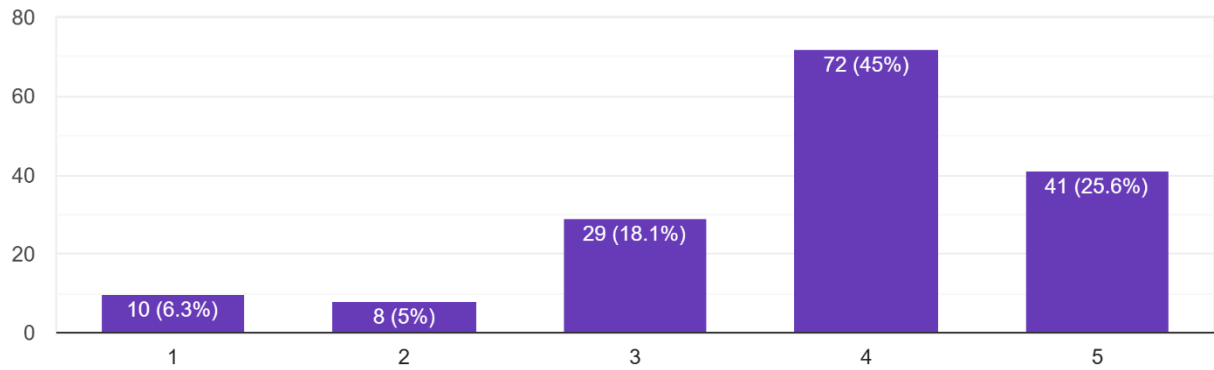
I believe that CBT has increased cultural pride and recognition among residents.

158 responses



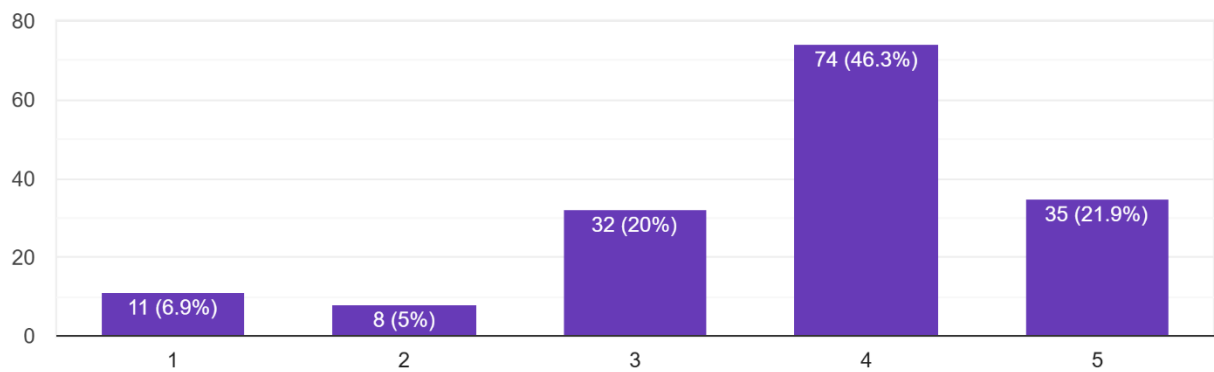
I believe that CBT has facilitated positive cultural exchange between locals and tourists.

160 responses



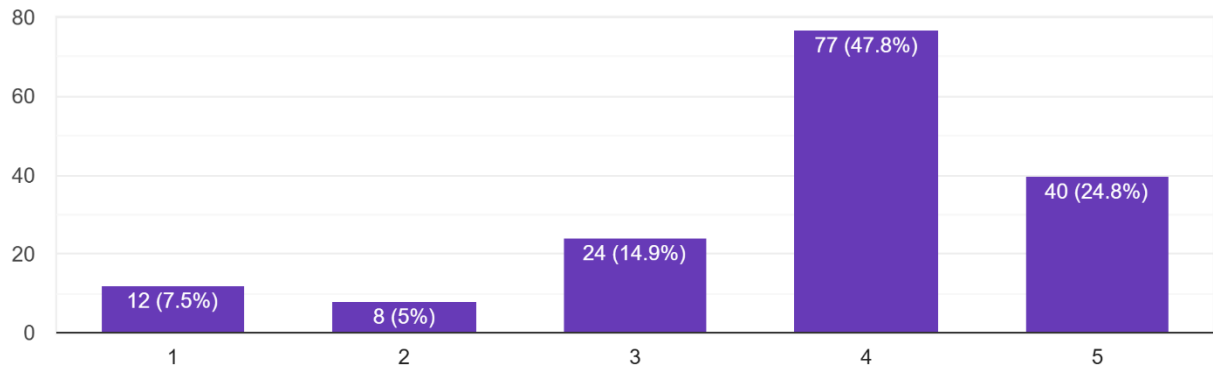
I believe that CBT has contributed to the preservation and protection of natural resources.

160 responses



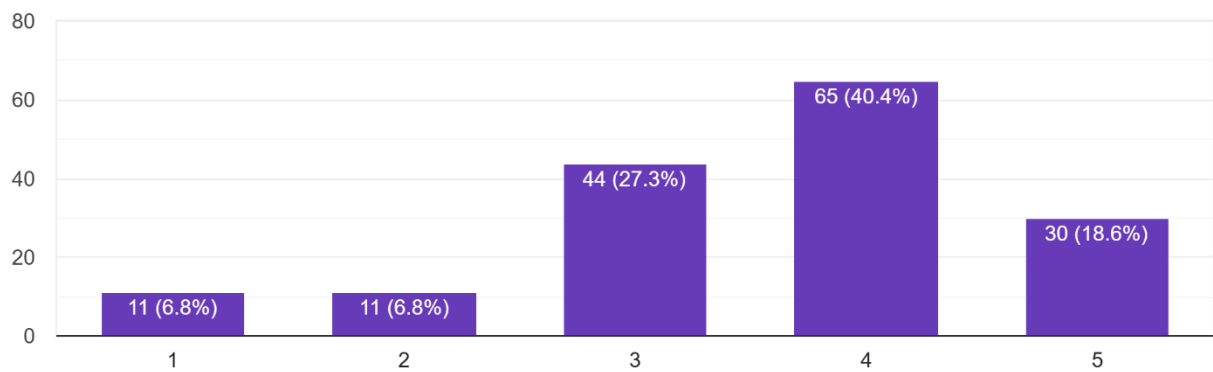
I believe that CBT has increased environmental awareness among the community.

161 responses



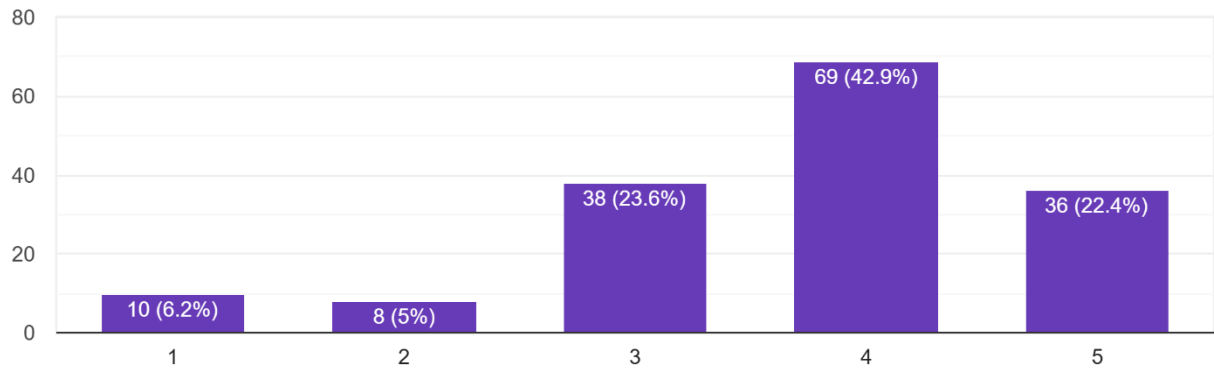
I believe that CBT contributes to the preservation of local landscapes and overall ecosystems.

161 responses



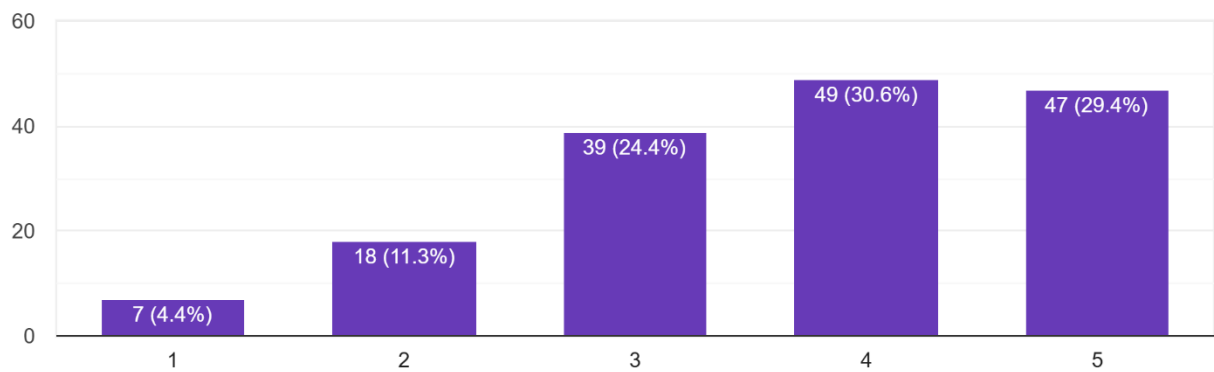
I believe that CBT has facilitated sustainable resource management in my community.

161 responses



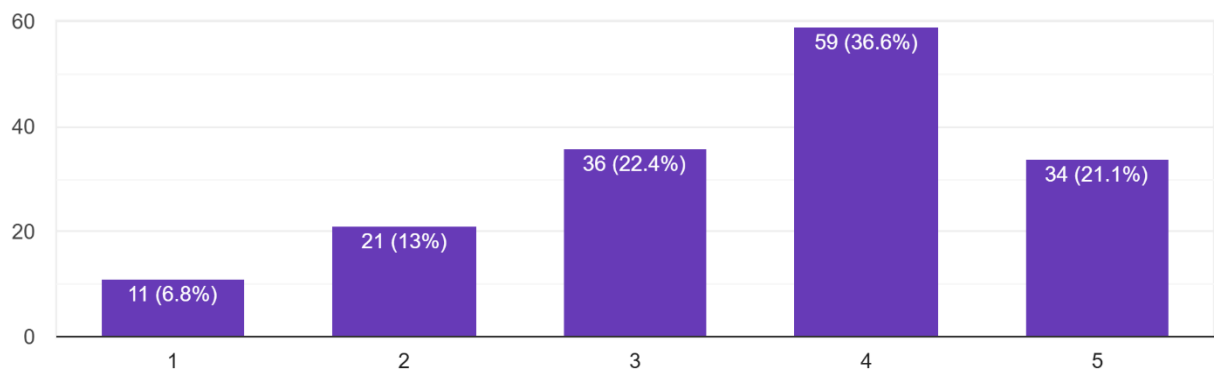
I believe that CBT has a significant impact on tourism planning and decision-making.

160 responses



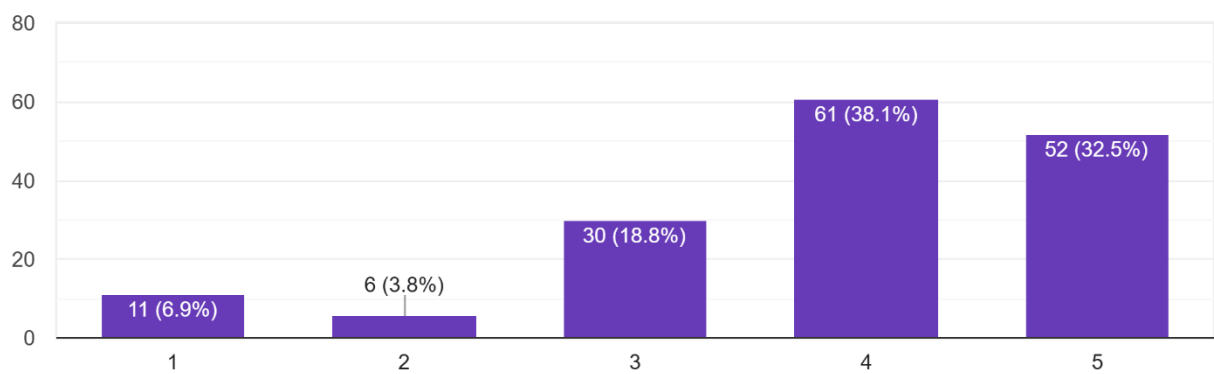
I believe that CBT benefits are fairly distributed among all classes of community members.

161 responses



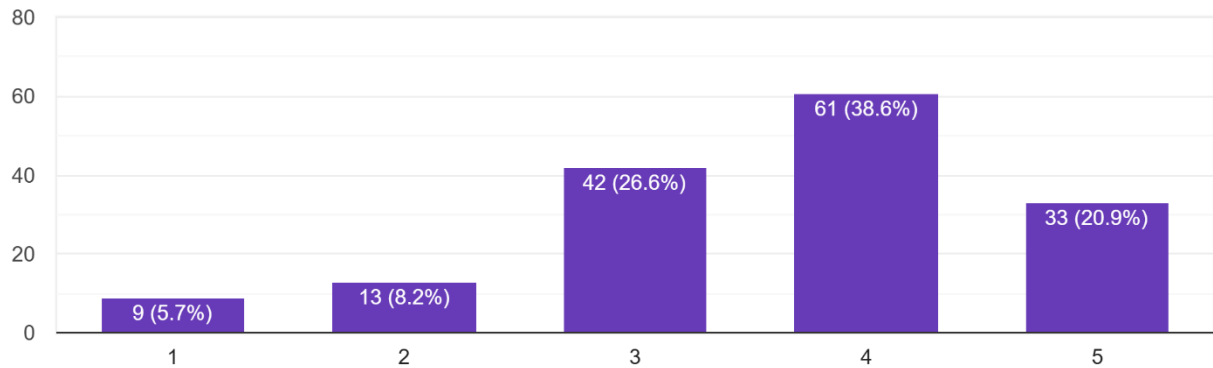
I think active community involvement is essential for the sustainable growth of tourism.

160 responses



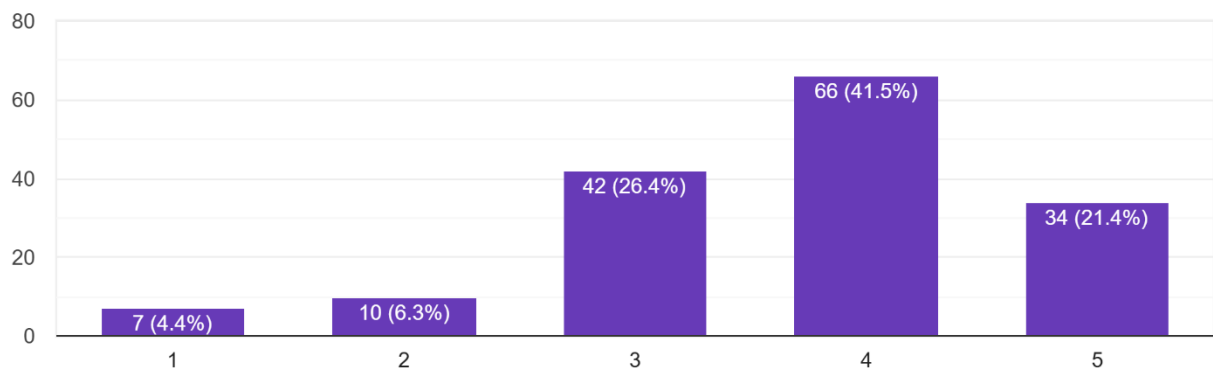
I think CBT projects in my area are designed to reflect the needs and aspirations of local people.

158 responses



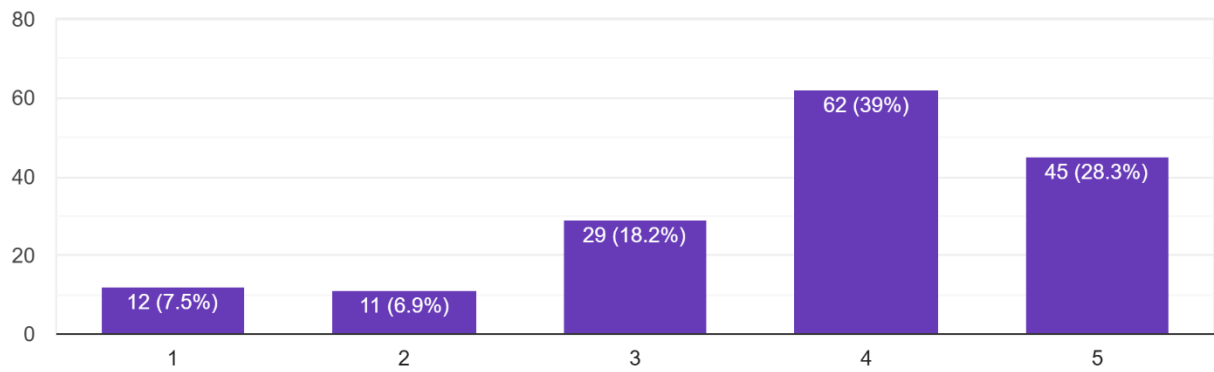
I believe CBT has contributed to improved local infrastructure in my community.

159 responses



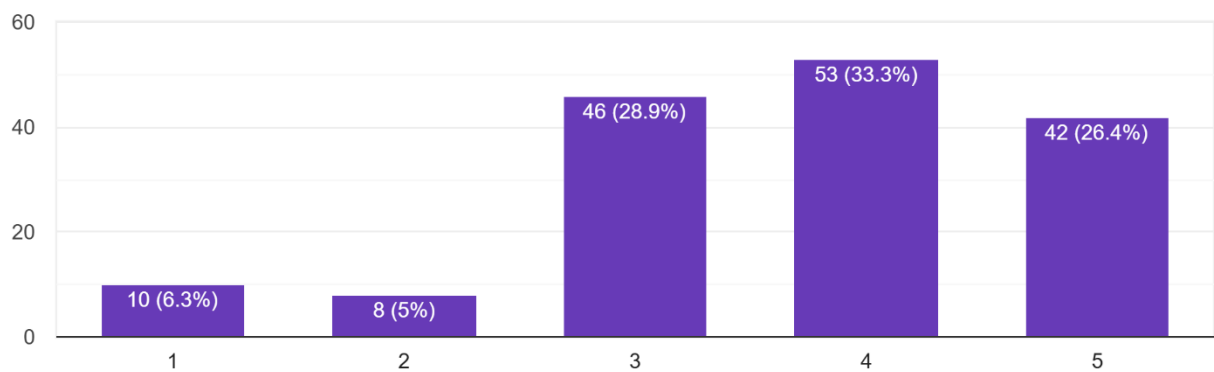
I think good transportation networks have enabled our local communities to participate more effectively in local tourism activities.

159 responses



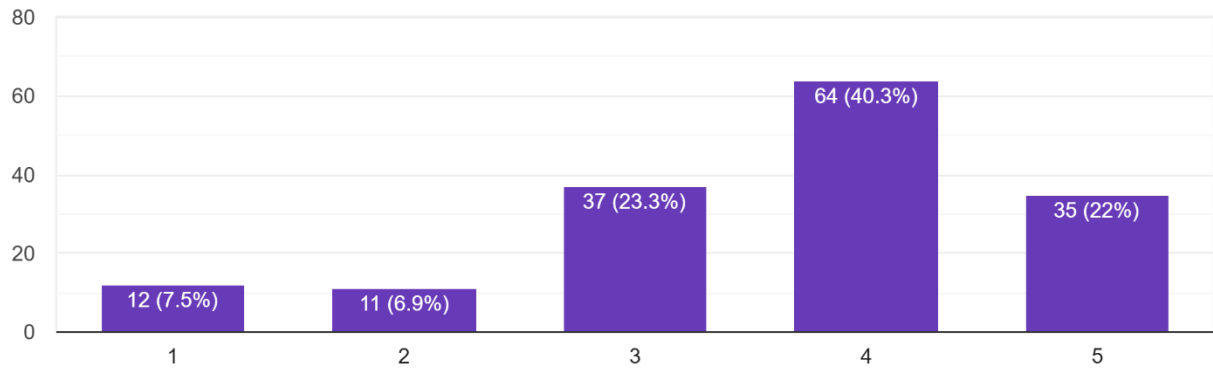
I believe that CBT has facilitated improved digital connectivity, assisting local businesses.

159 responses



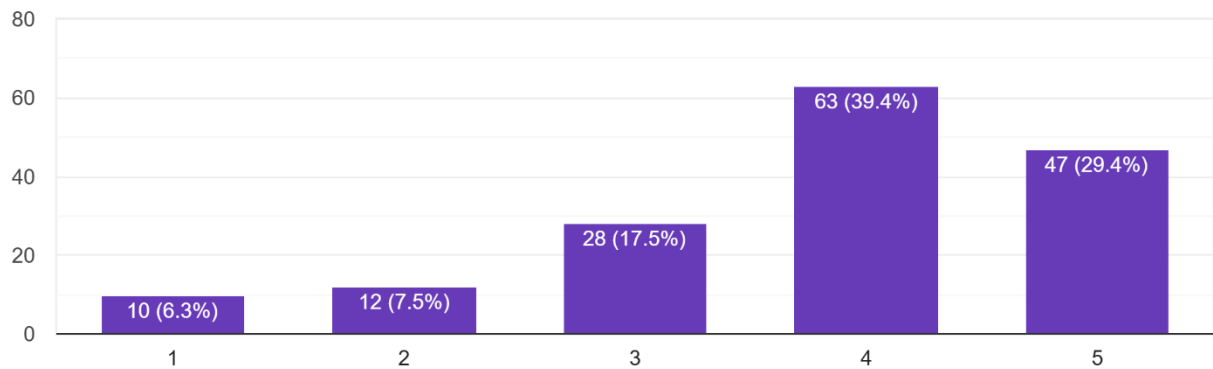
I believe CBT has led to the improvement of prerequisite infrastructure such as road connectivity, education, and water & energy supply.

159 responses



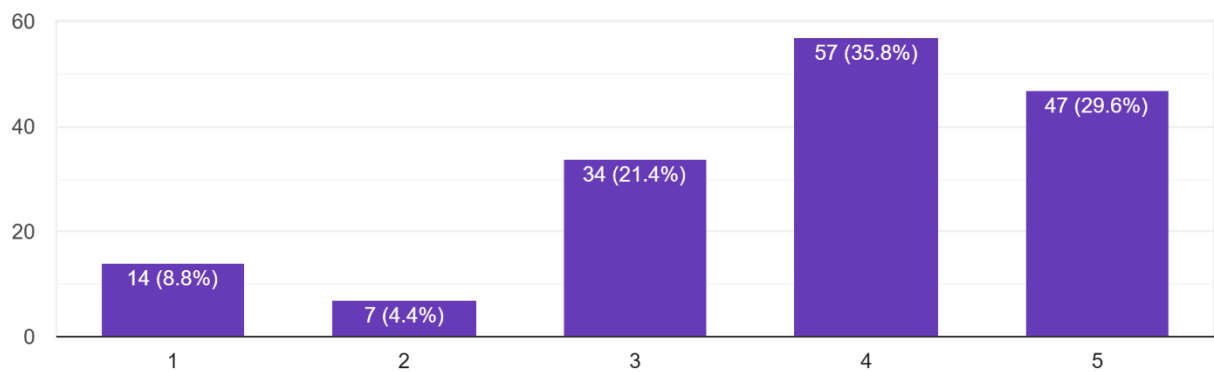
I believe CBT has created new business and employment opportunities for our residents.

160 responses



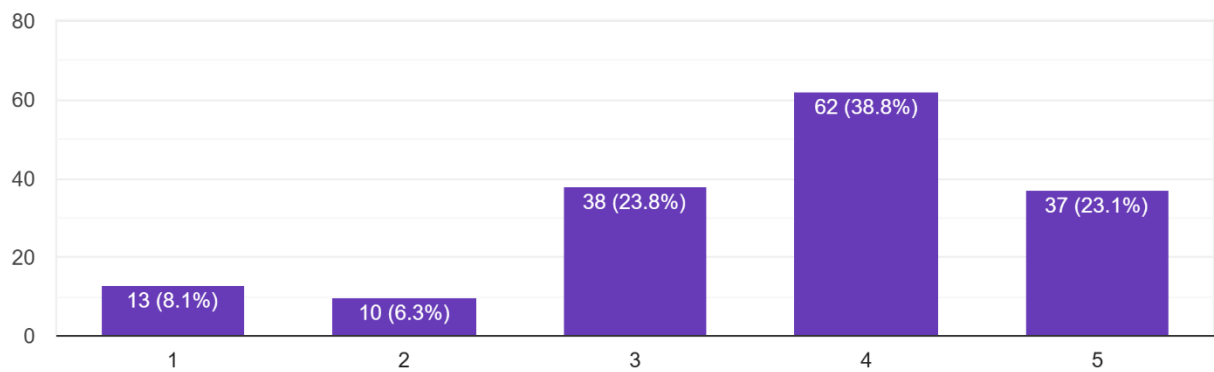
I believe that CBT has facilitated innovative ideas and entrepreneurship in my community.

159 responses



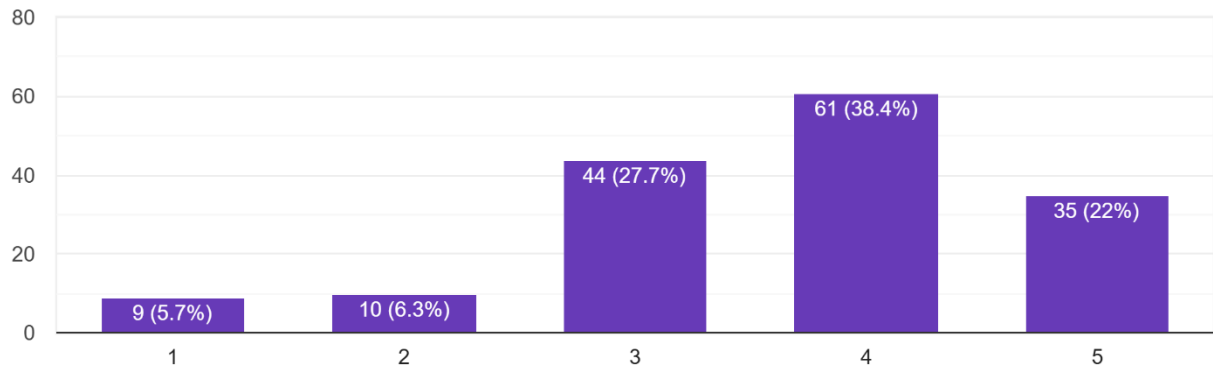
I believe CBT has helped to diversify income sources and reduce economic dependency.

160 responses



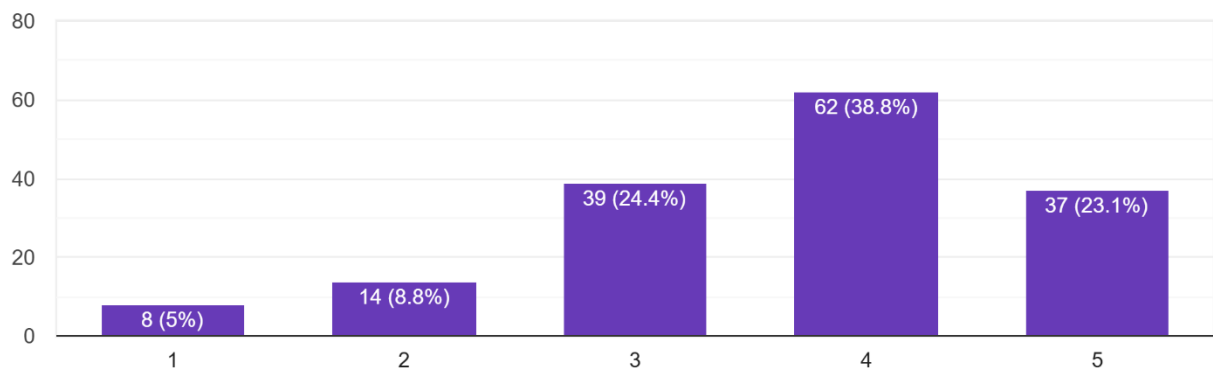
I believe CBT has attracted varied investments, supporting long-term regional development.

159 responses



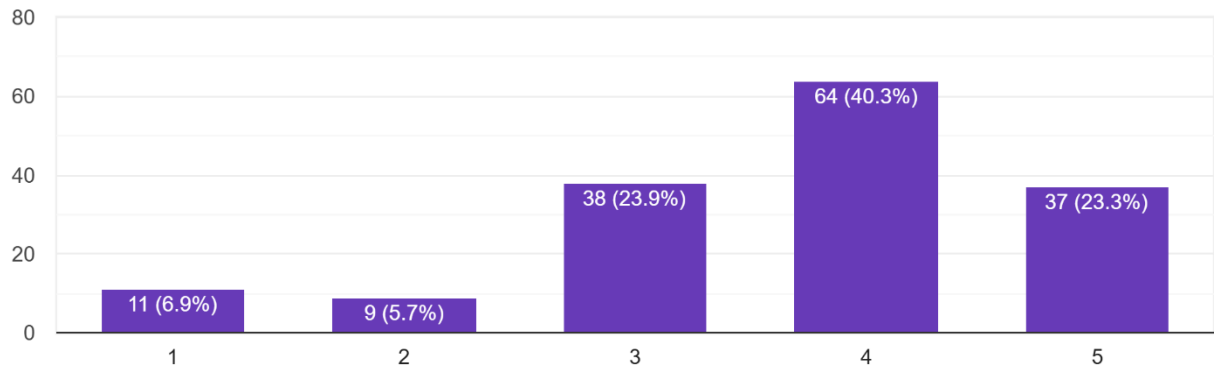
I believe that CBT has enhanced the quality of life in my community.

160 responses



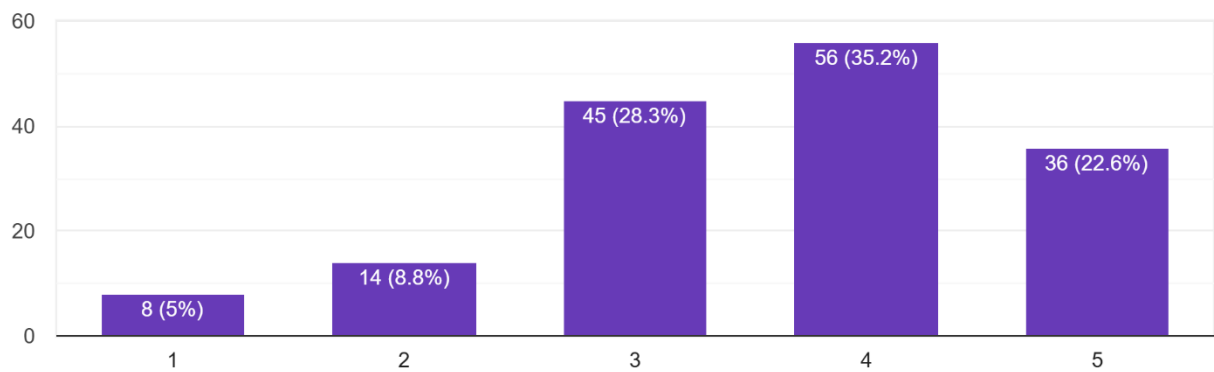
I believe CBT has contributed to long-term economic stability in my community.

159 responses



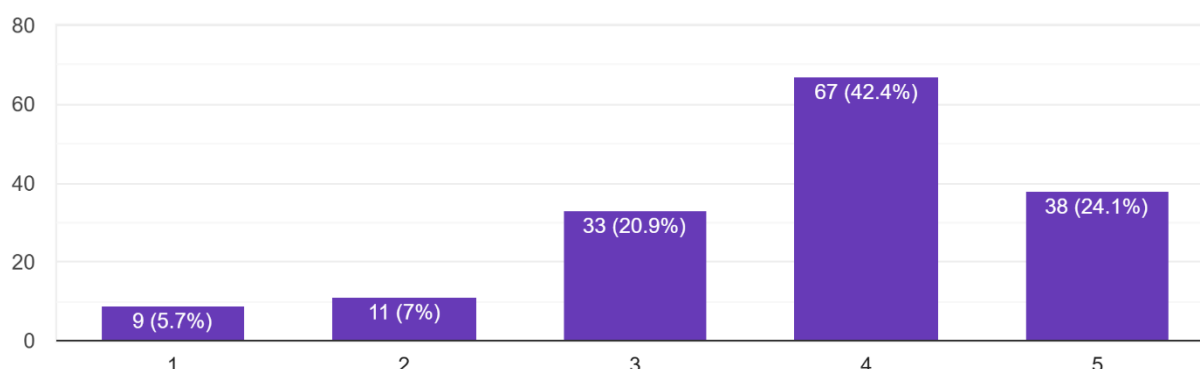
I believe that CBT has strengthened social cohesion and community resilience.

159 responses



I believe that CBT has significantly impacted the overall well-being of my community.

158 responses



Participant 5: Souvenir Shop Owner

Challenges

1. Infrastructure, Population, and Economy

Although CBT has clearly brought foot traffic to my store, I still think the general infrastructure development overdone. Simple things like a constant water supply or power can prove difficult. Though the roads in tourist areas are better, conditions are bad only a few meters away. Furthermore, the unexpected influx of visitors every season overwhelms our little region; rubbish accumulates and there is hardly any place for local events. Economically, CBT has helped some individuals, but I observe a growing disparity. Often from outside, bigger companies and person rule the market. I think there is dubious sustainability. One poor season most of us cannot bounce back from. And the local populace has not always benefitted evenly either. Young people leave the village in pursuit of greater possibilities, therefore reducing the number of individuals who would support grassroots tourism.

2. Human Resources and Training

There is a myth that residents are being elevated and educated. For a few guide or lodge owners, that may be the case, but merchants like me are usually overlooked. We lack instruction in customer service, other languages, even fundamental business skills. I have never been asked to a training session or seen any focused-on retail or souvenir curating. CBT seems to favour certain groups over others. Those who do get trained also often work for bigger companies or migrate away. CBT cannot be really community-based or sustainable unless training is fair and including all kinds of tourist jobs.

3. Destination, Tourism Products, and Business Environment

Though most souvenirs offered are mass-produced things from overseas, there is a lot of discourse about how CBT has helped create local products. We have little help locating or producing real, locally manufactured crafts. Although

visitors want unusual mementos, we lack the means to provide them. Furthermore, very competitive and sometimes unfair is the local business climate. Better resource-based outside vendors undercut nearby businesses and put up pop-up kiosks at busy times. Tourism authorities have little control or encouragement to guarantee for fair business play or highlight locally produced goods.

4. Governance and Financial Mechanisms

To be honest, there is not any actual support for governance. It's so confusing like everything from paying municipal taxes to obtaining a vendor licence. Nobody properly outlines the processes, and formalising small businesses has little motivation. Financially, the scenario is not better. Though the documentation process is lengthy and we need, but interest rates are expensive, microloans are offered but rarely. Once trying to qualify for a company loan, I gave up after running across too many administrative obstacles. Local officials discuss assisting, but hardly anything really gets to us. Not more fancy talks and promises; we need open government and simple financial processes.

5. Cultural Resources, Values, and Traditions

Travel has made our civilisation a display purpose. Indeed, certain customs are on display, but it more resembles a show for visitors than true preservation. Cultural themed souvenirs are sometimes misinterpreted or used as props. I have seen holy symbols put on t-shirts or mugs for mere sales. What ought or shouldn't be commercialised is not well known. We run the danger of long-term loss of our cultural identity without rules or instruction. The presentation and sale of culture should be decided upon in part by community seniors. Right now, profit drives it largely.

6. Digitalization and Information Technologies

Though I find it difficult to get, digital technology might benefit us. My store does not have consistent internet, hence I am not sure how to list anything online. Though I don't even have a decent Facebook profile, visitors enquire if they may follow my store or make subsequent purchases. Nobody has arrived to equip us in these areas. While some younger storekeepers are more tech-savvy, most of us remain behind times. The difference digitally is widening. Customised digital training for older and less educated entrepreneurs is essential for CBT programs; else, we will stay invisible in an online travel scene.

Opportunities

1. Economic Opportunities

Though I have reservations, I agree CBT has opened some financial opportunities. Spending money by visitors helps my business perform throughout excellent seasons. The issue is that these benefits are temporary and rather reliant on overseas travel. We must expand to local markets and internet platforms if we are to be viable. We could reach consumers outside of our area if local firms received appropriate branding and packaging help. Small stores would also be able to survive with access to starting funds or subsidised rent during off-seasons. Through local product procurement, CBT might also help with the circular economy. For example, I could stock local artists' goods if they were taught and encouraged, therefore increasing both their and my revenue. Still, this requires appropriate

cooperation.

2. Cultural Opportunities

Though we have to approach it cautiously, CBT has promise for cultural preservation. If done correctly, we could design places that highlight our legacy instead of only commercial value. Small museum-style sections in stores, QR codes deciphering the significance behind objects, or nightly storytelling events might offer value, for instance. This would educate visitors and provide a more courteous approach of showcasing our culture. Also beneficial would be initiatives supporting local artists or giving venues for their work display. Once again, however, they must be watched to prevent distortion.

3. Environmental Opportunities

As shops, we generate more plastic garbage including bags and wrappers. Visitors observe and sometimes say something. The environment would benefit and a niche product would result from CBT helping to provide alternatives as biodegradable packaging or locally designed reusable bags.

Additionally there is possibility for environmentally beneficial mementos as recycled paper notebooks, bamboo crafts, or natural dye materials. Still, we need help with training and sourcing. Very little is being done right now to include souvenir stores into environmental initiatives. We should be included in such conversations; we feel excluded from them now.

4. Infrastructural Development and Services

Better roads and lighting have drawn increased foot activity for us. Walking at night makes visitors feel safer, and that benefits nighttime purchases. Still, many markets lack appropriate shaded rest places, clean public bathrooms, or garbage disposal, which affects general visitor pleasure.

We could propose and co-finance simple upgrades if CBT committees collaborated more with store owners. Compost bins behind the market or shared solar panels, for instance, might save running costs and increase sustainability.

5. Tourism Products and Services

There is unrealised possibility in co-creating mementos for visitors. Some enquire if they can observe how an object is created or personalise something. We also need assistance creating new product lines that fit current trends—eco-friendly, handcrafted, customisable. If CBT sponsored artisan workshops attached to stores, visitors might experience the production process, therefore increasing their likelihood of purchase and sharing of their tales. We would be better able to adjust with small-scale product innovation and packaging training. Dealing with seasonality might

include grouping items with local experience coupons or online buying possibilities.

6. Local Community Empowerment

Like me, most store owners still feel left out of decisions. While CBT meetings do place, often only lodge owners and tour guides are invited. If CBT is really to empower communities, it must involve all levels of participation. We need more inclusive venues where vendors, artists, and informal labourers may share ideas and concerns. Offering small businesses a voice, leadership development, and rotating committee responsibilities can help to foster shared ownership of tourist gains. Without more general empowerment, CBT runs the danger of becoming a tool for a few rather than the entire community.

Participant 4: Household Lady

Challenges

1. Infrastructure, Population, and Economy

Particularly in road building and electrical connections, CBT has clearly improved our village. For women like me, these changes have simplified everyday living. While some homes, like mine, still battle with uneven water supply and inadequate waste disposal, most improvements are centred close to tourism regions. The population growth during travel seasons generates increased resource competition and usually higher pricing for basic needs. Economically, CBT has let households make handicrafts, sell organic crops, or earn via house stays. Still, sustainability raises questions. Many women still depend on male relatives to manage money or engage with visitors. The demographic change, young people going for employment elsewhere - also implies fewer hands to assist with CBT-related chores at home.

2. Human Resources and Training

For women in our community, there are few chances for education. Many of us are unsure about how to handle foreign visitors or manage a homestay. One big problem is language difficulties; hotel and hospitality skills are limited. Even when training courses are given, they are often set at inconvenient hours or not tailored for women with domestic duties. Some women doubt their own ability or feel shy. Moreover, some skilled people go to places where employment are more steady. Training for women must be easily available, family-friendly, and confidence-building if we want CBT to flourish long-term.

3. Destination, Tourism Products, and Business Environment

Real residences and local cuisine are favourites among visitors. Many women nowadays cook traditional cuisine or demonstrate how to create bamboo and organic baskets, which the visitors find fascinating. For us, this has meant new responsibilities. Still, the corporate climate supports larger companies or people handling money and marketing.

Getting licenses or understanding how to advertise our offerings present difficulties. Many ladies do not have phones or the internet, hence it is more difficult to get visitors straight. Additionally lacking help is packaging for our handcrafted goods or pickles so they may be marketed appropriately to visitors.

4. Governance and Financial Mechanisms

Local gatherings about tourism often overlook our voices. Usually men show up and make the choices. Financially, we know not much about savings plans or loans. Women hesitate to apply or experience challenges comprehending the procedure even when cooperatives provide money availability. Few projects headed by women exist, hence the system becomes unfair. More of us might directly benefit from CBT if local government agencies included more women and offered financial literacy courses catered to us. Without it, we stay in supporting roles instead of decision-makers.

5. Cultural Resources, Values, and Traditions

Cooking, ceremonies, singing, and storytelling these all of which define our customs are under protection by women. CBT has made travellers' curiosity in these, which makes us happy. There is also pressure, meanwhile, to change customs to appeal more to outsiders. Some elderly people object to the concept of carrying out religious or cultural activities just for visitors. Including travel into our daily routines need to be done with consideration. We can preserve our legacy strong and communicate it boldly without altering its essence if we can teach visitors and include more women in leading them via cultural activities.

6. Digitalization and Information Technologies

Many of women lack internet access or cellphones. Our spouses or children enable us to go online. This means we are shut out of advertising our homestays or offering our goods online. Women's basic digital tool training, like how to snap a decent picture, post on Facebook, or utilise e-payment apps could enable us to be more autonomous. While some of us are eager to grow, nobody comes to mentor us. Dealing with this disparity will not only benefit women in the travel industry but also raise their confidence and reputation in the society.

Opportunities

1. Economic Opportunities

Many women in our community have made their first money collection because to CBT. We either rent out accommodations, prepare meals for visitors, or market regional veggies and handicaps. Little income counts also for our children's household necessities and education. But we still need minor loans or assistance, so we can renovate our kitchens, create more rooms, or purchase bulk raw supplies. While some NGOs are beginning to assist, greater awareness is required so every home is aware of the resources at hand. We all gain when we support one another—that is, when we share visitors, assist with cooking or cleaning. Village women are developing this cooperative attitude; CBT has made that possible. Many families can be pulled from poverty with extra help using this approach.

2. Cultural Opportunities

We now have an opportunity to share with visitors our cuisine, attire, customs, and music. Many visitors may wonder about our way of life and find great amazement. This makes us visible and esteemed. During holidays, we plan little cultural events and instruct visitors in preparing regional cuisine. Many times, visitors claim these encounters are the highlight of their stay as they find it completely unique.

We could make more and preserve our customs if CBT programs helped us plan more ordered cultural events such as storytelling evenings, artisan exhibits, or traditional dance courses. Including young people and educational institutions will help to preserve our culture as well.

3. Environmental Opportunities

At home, women frequently handle garbage, fuel, and water as well as other resources. We have begun learning from one another how to cut plastic, compost, and run solar ovens. These activities also brings the curiosity of visitors who also want to know how they may contribute. To show visitors, we have created little gardens with therapeutic plants and planted trees.

I do not know if it is good to say that, should CBT assist women-run environmental organisations, we may spearhead organic agricultural demonstrations, water-saving projects, or clean-up efforts. It's because we women are better at handling housework like gardening, cleanliness; isn't it? This not only benefits the surroundings but also proves that women lead in environmental preservation.

4. Infrastructural Development and Services

Better roads, water systems, and electricity have made every day living better. Children can go to school more consistently, and we can clean or cook more quickly. Visitors also sometimes give for school supplies or sanitary initiatives; CBT has brought several health camps to the village. More families might benefit if CBT programs were closely connected to women's health, education, or financial inclusion. Women's saving organisations could, for instance, purchase shared equipment or sponsor communal restrooms. This type of approach may help services to be more inclusive and stronger.

5. Tourism Products and Services

We have started making handwoven bags that visitors purchase, herbal tea, and handmade pickles. Having training in marketing and packaging, we could grow these micro-enterprises. Seasonality is a challenge, but during slow months we may make goods, preserve food items, or schedule cultural activities. Travellers also appreciate learning to cook with us and this might be developed into a formal cooking class. Having a women's group dedicated to product creation will enable us to be active all year long and reach fresh markets or customers.

6. Local Community Empowerment

CBT has begun to empower ladies just like me. We are more confident to present ideas or speak in meetings. Younger females now aspire of starting their own companies or working as guides. Some women even go to neighbouring towns to oversee events or go to training courses.

Strong women's travel cooperatives may be created if we increased mentoring, leadership development, and encouragement. These may control visitor reservations, equitably divide money, and perhaps participate in regional planning. The entire society becomes stronger and more unified when women are empowered.

Participant 3: Tourist Bus Driver

Challenges

1. Infrastructure, Population, and Economy

Roads and bridges have definitely improved, and I'm now getting more older and seeing these improvement makes me really happy. Main reason is because of community-based tourism, which facilitates our drivers' safe transportation of guests. Driving on dirt and narrow roads used to be dangerous in past days, particularly in rain. But several important paths have been improved recently. The issue is that while other vital village pathways go neglected, upgrades generally concentrate on trails that are heavily utilised by visitors. The population explosion during the tourist season presents even another obstacle. As the count of automobiles rises, traffic and parking problems is visibly seen. Economically, tourism has provided seasonal employment for individuals like me; nevertheless, the income is irregular and reliant on peak seasons. We suffer right away if fewer people visit because of political disturbance or natural calamity. Our family suffers from the uncertainty of our income, which is not constant all year. Younger drivers also want city employment because of better amenities and salary. Rural transport services could suffer if this keeps on.

2. Human Resources and Training

As a visitor driver, I can emphasise that notably in terms of hospitality and safety procedures, there is insufficient official training. I can understand what they are trying to say but I'm not able to say to them. While most of us learn driving by experience, we are seldom taught how to treat visitors correctly or provide emergency aid. Another problem is communication; many drivers do not speak English, therefore reducing a good engagement. We scarcely find any training courses available to us, and we are hardly included in seminars connected to travel. But I speak good English now and I learn from tourist and from YouTube. But, are not always aware of legislation, conservation policies, or shifting visitor expectations. For more consistent employment and greater pay, skilled drivers usually travel to Kathmandu or Pokhara. It would be rather different if local training courses could include modules for drivers covering customer interaction, foreign language foundations, eco-friendly practices, and driving behaviour. Furthermore, if these initiatives provided credentials, it may increase our reputation and assist us to keep local drivers.

3. Destination, Tourism Products, and Business Environment

CBT has generated some demand for local tourist transit. Nowadays, visitors seek scenic drives or village visits as part of their vacation, hence we have more chances. For transit providers, there is no formal support system, however. Neither do we get marketing help nor are we mentioned in any directories. Big operators that deploy their bus from Pokhara or Kathmandu also compete, therefore slows local chances. Small businesses like us find it difficult to compete given fuel prices, maintenance expenses, and ambiguous rules regarding tourist transportation. Professionalising the field and raising awareness would come from local authorities creating a system or database of licensed local drivers supporting them with ID cards or licenses. While CBT has opened opportunities, support for transport companies remained lacking.

4. Governance and Financial Mechanisms

To be honest, local organisations or the government provide us really little financial help. Hard to get, loans come with hefty interest rates also they are almost unavailable for us. Unstable income makes many drivers reluctant to apply for loans. Furthermore, lacking is a system specifically designed for seasonal tourist workers. There is not a backup during off-seasons or disturbances. Better financial mechanisms are needed for low season fuel subsidies, low-interest loans for bus painting, decorations and maintenance funding. Local authorities can also assist by setting up driver cooperatives handling insurance or pooled finances. Small transport companies in a competitive and irregular tourist industry find it difficult to survive without this sort of help.

5. Cultural Resources, Values, and Traditions

For visitors, we drivers usually come first in point of contact. Many along the journey enquire about local traditions, celebrations, or culture. Regretfully, we sometimes lack the necessary background to clearly explain things. There is a lost chance there. CBT may include us more in cultural education so that we could be unofficial heritage champions. Furthermore, sometimes visitors act disrespectfully as they are not familiar with local customs; we are not sure about correcting them. Including cultural knowledge into our work would help us to be more successful and provide us with resources such as pamphlets, audio tutorials, or simple scripts. But up until recently, this kind of integration has not occurred.

6. Digitalization and Information Technologies

Still ignorant of digital platforms are many local drivers. While some of us utilise Facebook or WhatsApp, Google Maps or travel websites do not offer professional listings for us. This makes it difficult for visitors to discover us straight forwardly. Moreover, the absence of consistent internet in many places affects online cooperation. Travellers anticipate this; few of us have bank accounts allowing for digital payments. Digital training like how to establish an online presence, take e-payments, and answer consumer reviews is often sought after. It would be rather beneficial if local committees or NGOs could offer online seminars targeted on transport service providers. We are behind in a changing market without digital tools.

Opportunities

1. Economic Opportunities

For drivers like myself, seasonal employment have been established by community-based tourism. I can make good money during the busy season by driving visitors between towns, between hiking locations, even to hotels. Local drivers that understand the area and can provide cultural insights are preferred by visitors. If we could get cooperative funding or microloans to purchase or update our vehicle, there is certainly room to expand. Certain NGOs are beginning to express interest in transit options; if properly guided, this might help local businesses grow even more.

Drivers can suggest visitors to homestays and eateries, and they then hotels and shops can send them back to us using the same vehicle, therefore reflecting the circular economy. It helps many households and maintains the money flowing through the area. We also have contract cleaners and mechanics locally. By means of training and investment, supporting this system will help to make our rural tourist model much more sustainable.

2. Cultural Opportunities

We often bring visitors to cultural events even if we do not operate them directly. We so behave as kind of boosters. Enquiring about local celebrations, cuisine, or historical landmarks, visitors ask us where to find them. Better training would help us to be cultural translators as well. For instance, our vehicles may provide basic handouts or audio instructions on important holidays, traditions, or local history.

There is great chance to link gastronomic tourism with our driving services. Some visitors already ask us to show them locations with local cuisine or evening traditional music. With more ordered information, we might work with cultural centres and eateries to provide a whole cultural transportation experience.

3. Environmental Opportunities

More travellers are enquiring about environmentally sustainable living. Some even want to know if we follow any ecological guidelines or whether our vehicle operate on pure gasoline. This indicates that drivers have chances to participate in environmentally friendly tourism. By means of incentives like as subsidies for hybrid or electric cars, we might help to create a cleaner Annapurna area.

We also pass through protected and wooded regions; if we were educated in environmental awareness, we might inform visitors on biodiversity or conservation guidelines. By keeping trash containers in our vehicle and urging visitors to use them, we might also assist to reduce littering. Should CBT publicly approve this, the area's reputation as an eco-tourism destination might be enhanced.

4. Infrastructural Development and Services

For us, CBT has essentially enhanced services indirectly. Better roads cut vehicle wear and tear, even if they just cover certain paths. More rest stations and signs enable us to better schedule travels. Furthermore, in certain areas phone towers and internet services have developed to facilitate visitor coordination.

Some drivers have been able to purchase healthcare or register their children in better schools with the money earned by CBT. However, if we had specific plans for employees in the travel industry, this might be enhanced. In critical locations, CBT committees should promote inclusive public services such driver clinics or vehicle repair shops.

5. Tourism Products and Services

These days, the travel offering includes transportation. Local drivers who can provide flexible, customised services rather than strict bus timetables appeal to tourists. For trekking parties, we have started providing quick scenic drives, cultural route trips, and package pickups. For us, this diversification has opened new revenue sources.

We might provide services to local celebrations, harvest seasons, or even domestic visitors to address seasonality. Marketing these choices will require backing from internet channels or travel agencies. Better organisation would allow us to provide combined packages including homestays or restaurants, therefore facilitating more integrated travel experiences.

6. Local Community Empowerment

Nowadays, drivers feel more respect than they did years ago. People rely on us, so we get confidence. Many drivers now attend village meetings and others have joined local tourist boards. Young people particularly show great enthusiasm; they regard driving as a respectable career connected to travel that generates revenue.

More inclusive training and leadership possibilities should be provided to help us to become even more empowered. Establishing a local transport group, for instance, enables drivers to advocate for their needs, distribute expertise, and resolve conflicts. Although CBT has started to empower transport workers, official frameworks and recognition will assist to guarantee that this empowerment keeps on and expands.

Participant 2: Tourism Operator

Challenges

1. Infrastructure, Population, and Economy

Clearly, CBT has enhanced local infrastructure development. Roads have been constructed or enlarged, foot paths are maintained more regularly, and drinking water availability has improved. This has made running tourist operations and enabled trekkers to have safer, more pleasant travels simpler. Still, there are difficulties. Remote settlements still lack appropriate access, and sometimes local demands are subordinated to tourist ones in city region. Peak season brings genuine problems with congestion; water, petrol and food are under increased demand. Economically, tourism has generated money; yet, its distribution is not equal. Larger firms situated in cities often overwhelm smaller entrepreneurs like me. The local populace now pays greater attention to tourism, but this also results in a drop in agricultural activity—which once provided stability. Careful monitoring of this change helps to prevent over-dependence.

2. Human Resources and Training

Local employees clearly have different levels of technical and linguistic ability. Although many of our guides and porters choose their skills from experience, they lack official safety, environmental responsibility, or guest interaction accreditation. Though rare and not catered to the evolving needs of global travel, training courses exist. Maintaining qualified personnel comes first. Once educated, individuals might look for better-paying employment both domestically or outside. People should be encouraged to remain and develop within their local companies by means of a reward system and community-driven, ongoing education. Without this, long-term development in CBT stays erratic.

3. Destination, Tourism Products, and Business Environment

CBT has helped us broaden our offerings—guided walks to less-known towns, animal excursions, and cultural events including festival visits. These original offerings set us apart from standard commercial trips. Still, the corporate atmosphere is not always friendly. When seeking to register or advertise their offerings, tourism businesses run across red tape. Not one local body exists specifically to help with certification or marketing. Moreover, larger corporations rule internet markets, which makes exposure challenging for tiny, community-based businesses. Fair marketing possibilities, less bureaucracy, and improved networking among nearby companies will help us to create unified tourist packages and promote development.

4. Governance and Financial Mechanisms

Though it typically falls short of offering financial or structural assistance, local government has tried to coordinate tourism via licenses and environmental rules. For instance, little direction exists about loan or government incentive access. Banks' high borrowing rates and unclear documentation discouraging people from seeking for help define our situation. Particularly seasonal tourism companies suffer with cash flow; there is no safety net or insurance program for weak seasons. Local authorities should provide a stronger support network and make financial instruments clear and intelligible to everybody.

5. Cultural Resources, Values, and Traditions

Reviving cultural traditions has mostly come from CBT. Now prominently shown are local dances, celebrations, and memorable crafts. Genuinely curious tourists give our job more significance. Some incidents, however, visitors things it is machine manufactured. Additionally under strain is adaptation or simplification of practices for tourist consumption, which might result in cultural dilution. Sometimes elderly people of the community are dubious about these developments. Tourism projects should so include cultural elders in design and presentation to help to solve this. CBT techniques have to include respect of genuineness.

6. Digitalization and Information Technologies

Though acceptance is gradual, digitalisation has given new opportunities. Many neighbourhood businesses have no internet or social media presence. We mostly depend on travel companies or word-of-mouth. Internet access is somewhat irregular, particularly in higher altitude regions, which restricts client correspondence. Digital marketing, online booking platforms, even email management training is desperately required. While some young people are starting their own businesses, elder operators find themselves behind. To guarantee everyone can participate fairly in the internet travel sector, we need inclusive digital training and infrastructural improvements.

Opportunities

1. Economic Opportunities

Unquestionably, CBT has improved economic prospects. Seasonal work is found by local guides, porters, drivers, and chefs; family income shows clear increase. Originally only one hiking path, my own company now provides other programs including local homestays and cultural immersion. Still we see more investing prospects. Better financial assistance and alliances will help us to grow greatly. Government projects and non-governmental organisations should be more easily available and need incentives and motivation from them.

CBT also backs the circular economy. For food supplies, we work with nearby farms; for souvenirs, we engage artists. Visitors are keen to help local livelihoods. We also offer donkey and horse riding options to our visitors. Travellers' increasing interest in sustainability calls on us to provide environmentally sustainable tourist packages that foster inclusive local development.

2. Cultural Opportunities

CBT has given cultural practices formerly overlooked a stage. By means of guided history excursions and festival visits, visitors have a closer awareness of our identity. Craftsmen and traditional music are gaining popularity again. Local young people have shown enthusiasm in picking up traditional instruments and dances.

Promoting culinary arts and cultural events has huge promise. Many times, visitors ask for culinary lessons or festival participation. These events provide cultural pride as well as money. With correct marketing and planning, we might make these unique events of our area famous. Schools might include cultural education into their tourist curricula to support the integration of next generations.

3. Environmental Opportunities

CBT has helped to raise environmental consciousness. Clean pathways and environmentally friendly activities expected by visitors inspire communities to act. Working with NGOs, we have started tree planting campaigns and placed trash containers along paths. Use of solar energy and eco-lodges is rising.

We should embrace more general ideas such community-based trash management, support plastic-free treks, and fund green infrastructure if we want to guarantee long-term sustainability. These not only satisfy conscientious travellers but also help to preserve our natural legacy. If laws encourage ethical travel practices, then conservation and expansion of tourism can coexist.

4. Infrastructural Development and Services

Demand for tourism has sped up infrastructure development including water facilities, foot paths, and health posts. These changes help locals as well as visitors. Faster emergency responses and enhanced access to education have been made possible by improved transport.

CBT helps us to recognise indirect advantages for healthcare and education. Sometimes tourism income supports scholarships or school renovations. Young people pick up digital skills and languages. Should official assistance be given CBT might assist in funding community development initiatives or health camps. Digital inclusion also has to be given top priority; public internet centres or shared corporate hubs in rural areas.

5. Tourism Products and Services

We have ventured outside simple hiking. Village excursions, agro-tourism trips, and handcraft workshops abound these days. These special products attract niche tourists seeking real-world experiences. Under direction, we may create premium packages appealing to slow travel trends even more.

Encouragement of celebrations, wildlife excursions, or winter activities helps one address seasonality. Markets with unrealised promise are those akin to school vacations or company getaways. One must have training in customer service and package building. Systems linking local businesses to overseas agents might offer new markets.

6. Local Community Empowerment

CBT has made local voices in tourist development possible. Village-level tourist committees exist where decisions like trail upkeep or service pricing are made in concert. This encourages openness and responsibility.

By running homestays, handling social media, or directing trips, young people and women have developed confidence. Today, women's organisations maintain food stands or lodges. Training in leadership, exposure trips, and community events equip more people. If we institutionalise these chances and provide clear career routes within CBT, the sector will keep empowering our community for the long haul.

Participant 1: Local Restaurant Owner

Challenges

1. Infrastructure, Population, and Economy

Significant infrastructure improvements like improved roads, power, and sanitation thanks to Community-Based Tourism (CBT) have come about. These developments have given residents greater living quality and enhanced visitor access. One important obstacle, however, is that such growth is seasonal. Investment and upkeep follow declining tourists. Tourist traffic also strains waste systems, creates resource pressure, and results in congestion. Economically, CBT has pushed people to start companies, hence raising local income levels. But given shocks like the COVID-19 epidemic, sustainability seems dubious. Dependency on tourism rises when the local demographic structure changes and young people choose travel over conventional employment. If other prospects are not present, this change might be dangerous.

2. Human Resources and Training

Lack of qualified specialists is a major obstacle to sustained CBT. Most residents travel without much to no formal instruction in language, customer service, or hospitality. This reduces our capacity to provide excellent services. Although there are training courses, they are erratic and do not always match real demand. Another problem is retention; young, talented employees may depart for cities or overseas. Local events ought to be more regular and focused, with certificates and useful outcomes to inspire involvement. Government, NGOs, and local leaders working together might guarantee that our community keeps and grows with trained people capital.

3. Destination, Tourism Products, and Business Environment

CBT has produced unique items like home-stays and Thakali food experiences. These have enhanced visitor experiences and varied revenue streams. Still, the corporate environment is devoid of organisation. Entrepreneurs deal with challenges like inadequate resources, poor marketing ability, and complicated registration procedures. Local companies are not supported by a single promotional platform or cooperative strategy. City-based larger tour companies predominate, therefore restricting the market share of smaller businesses. We need marketing training, help for product creation, and systems for group promotion if we are to go over these obstacles. Policies should be made to defend and empower local companies within the CBT network.

4. Governance and Financial Mechanisms

In CBT development, governance functions needs to include all generation like younger and old-age people. Although groups such as ACAP provide some control and assistance, government financial support is usually restricted. Lack of security or complicated lending procedures makes many small businesses—including mine—

challenged in finding reasonably priced loans. Many times with high lending rates, microfinance choices are exploitative. For unskilled residents particularly, bureaucratic red tape makes grant applications daunting. Furthermore, encouraging distrust is a lack of openness. What is required is an inclusive and transparent financial policy with low-interest loans, starting funding, and micro-grants. In managing and sharing tourist income properly, governance systems have to be more flexible and responsible.

5. Cultural Resources, Values, and Traditions

With visitors interested in our dances, cuisine, and traditions, CBT has inspired cultural pride. Nowadays, cultural events provide money and revive lost customs. Commercialisation is the difficult factor, however. Some customs are changed to appeal to tourists, therefore compromising authenticity. Furthermore causing conflict to elderly people who worry about cultural dilution. Integration of tourism has to be done with respect; local people should choose how much and in what way to contribute. Cultural sensitivity education is very essential for both visitors and community people. Local committees should monitor the presentation of cultural initiatives and guarantee their authenticity.

6. Digitalization and Information Technologies

Using digital technologies has changed me but not without challenges. Older members of communities might lack the knowledge to utilise digital payments, booking systems, or social media. Bad internet access makes digital involvement even more difficult. Most of us depend on younger family members or learn by ourselves. Local companies want reasonably priced internet, tech infrastructure, and training. The government or NGOs could set up maybe shared digital service centres and provide community training events. Local companies will lag as the travel industry goes more and more online without addressing the digital divide.

Opportunities

1. Economic Opportunities

For small business entrepreneurs like me, CBT has opened possibilities and produced guides, porters, chefs, artists—jobs. Rising visitor expenditure increases local revenue and helps to distribute money across the town. Although financing is still scarce, CBT has pushed cooperatives and NGOs to take tourism into serious thought as a profitable industry. This might widen with the correct shove. Value chains like organic farming or handcrafted goods also have great worth and generate jobs. Structured investment, simpler loan availability, and mentoring programs to let local enterprises expand are what we now need.

Certainly, CBT has helped to lower poverty rates. Many households that used only subsistence farming now get

money from tourism. Local farms provide restaurants, stores market locally made goods, and events feature local artists; the circular economy is clearly in operation. These linked businesses keep money locally. For example, I create a web of economic interdependence that benefits everyone by purchasing meat from local vendors and veggies from surrounding farms. Deepening economic advantages would come from extending this strategy with assistance and training.

2. Cultural Opportunities

CBT has introduced new respect for our cultural legacy. Travellers search for real experiences, hence we have been encouraged to highlight our dances, clothes, and celebrations. Cultural organisations have developed and ancient crafts like storytelling or weaving are being resurrected. Preserving our culture clearly has financial worth as visitors pay for cultural events, purchase handicapped goods, and participate in ceremonies.

Festivities, gastronomy, and classic music events have great advertising power. Visiting harvest celebrations or sampling traditional Thakali cuisine is much loved by visitors. Around these occasions, we may create seasonal initiatives. Schools and neighbourhood groups might cooperate to teach young people traditional arts and promote these events simultaneously. One environmentally friendly, low-impact approach to boost our local economy is cultural tourism.

3. Environmental Opportunities

CBT has brought environmental preservation to the stage. Visitors come to enjoy immaculate scenery and biodiversity, hence we now pay close attention to trash management, plastic usage control, and path maintenance. Several resorts now use rainwater collecting and solar energy. Growing numbers of people travel ecologically, and more and more they choose companies with green policies. This trend helps to protect our special surroundings.

Dealing with environmental preservation against tourist expansion requires creating corporate eco-guidelines. Off-season travel will help us to prevent crowds and damage. Trekking permits and tourist charges should be put back into community education and conservation. This cause might be advanced by alliances with environmental NGOs. We have to develop without sacrificing our natural beauty, which attracts guests here in first place.

4. Infrastructural Development and Services

Better infrastructure like roads, water access, cleaner sanitation, and electricity has come from tourism. These help residents as well as visitors. Schools and health posts have witnessed improvements as the community now has greater financial capability. Some locations now include trash collecting systems and public places have been revived.

CBT has helped digital inclusiveness, healthcare, and education indirectly. For instance, certain tourist gifts have enabled educational purchases like stationaries to our children. More households can afford medical care or private education these days. Local young people are gaining digital skills and basic English to work in tourism. Structured community funds allow CBT money to be more deliberately focused towards public service enhancements.

5. Tourism Products and Services

The range of tourist goods has expanded to include farm stays, culinary lessons, regional celebrations, and artisan courses. These spread revenue and lessen reliance on one service—like lodging. These days, visitors search for immersive experiences; CBT has been able to provide this need.

Though it's still difficult, seasonality presents chances as well. Off-season events include winter celebrations or cultural seminars might draw a variety of guests. Local businesses need help to enter fresh markets and be innovative. Digital channels might enable reaching clients from far distances. Cooperation models and business mentorship help local tourism to be more innovative and resilient.

6. Local Community Empowerment

Particularly women and young people, CBT has empowered local residents. Ladies manage cooperatives saving and credit agencies, cafés, and lodges these days. Young people are guiding, translating, and internet marketers. Village groups make more democratic decisions on tourist planning and budget usage.

Local leadership is developed in some part via training courses, community councils, and tourist cooperatives Our town tourist committee, for instance, chooses which initiatives to support and how to divide entrance fees. Including residents in benefit-sharing and planning has raised cohesiveness and trust. CBT can be a paradigm of inclusive, community-led development if we keep on this road.

3	Challenges
4	Infrastructure, Population, and Economy
5	Participant 5 (Souvenir Shop Owner): "Simple things like a constant water supply or power can prove difficult. Though the roads in tourist areas are better, conditions are bad only a few meters away."
6	Participant 3 (Tourist Bus Driver): "Upgrades generally concentrate on trails that are heavily utilised by visitors, while other vital village pathways go neglected."
7	Participant 4 (Household Lady): "The population growth during travel seasons generates increased resource competition and usually higher pricing for basic needs."
8	Participant 2 (Tourism Operator): "Remote settlements still lack appropriate access, and sometimes local demands are subordinated to tourist ones in city region."
9	Participant 1 (Local Restaurant Owner): "Tourist traffic also strains waste systems, creates resource pressure, and results in congestion."
10	Human Resources and Training
11	Participant 5 (Souvenir Shop Owner): "We lack instruction in customer service, other languages, even fundamental business skills. CBT seems to favour certain groups over others."
12	Participant 3 (Tourist Bus Driver): "While most of us learn driving by experience, we are seldom taught how to treat visitors correctly or provide emergency aid."
13	Participant 4 (Household Lady): "Even when training courses are given, they are often set at inconvenient hours or not tailored for women with domestic duties."
14	Participant 2 (Tourism Operator): "Maintaining qualified personnel comes first. Once educated, individuals might look for better-paying employment both domestically or outside."
15	Participant 1 (Local Restaurant Owner): "Although there are training courses, they are erratic and do not always match real demand."
16	Destination, Tourism Products, and Business Environment
17	Participant 5 (Souvenir Shop Owner): "Better resource-based outside vendors undercut nearby businesses and put up pop-up kiosks at busy times."
18	Participant 3 (Tourist Bus Driver): "Big operators that deploy their bus from Pokhara or Kathmandu also compete, therefore slows local chances."
19	Participant 4 (Household Lady): "Getting licenses or understanding how to advertise our offerings present difficulties."
20	Participant 2 (Tourism Operator): "Not one local body exists specifically to help with certification or marketing."
21	Participant 1 (Local Restaurant Owner): "Local companies are not supported by a single promotional platform or cooperative strategy."
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22	Governance and Financial Mechanisms
23	Participant 5 (Souvenir Shop Owner): "Nobody properly outlines the processes, and formalising small businesses has little motivation."
24	Participant 3 (Tourist Bus Driver): "Hard to get, loans come with hefty interest rates also they are almost unavailable for us."
25	Participant 4 (Household Lady): "Women hesitate to apply or experience challenges comprehending the procedure even when cooperatives provide money availability."
26	Participant 2 (Tourism Operator): "Banks' high borrowing rates and unclear documentation discouraging people from seeking for help define our situation."
27	Participant 1 (Local Restaurant Owner): "Many times with high lending rates, microfinance choices are exploitative."
28	Cultural Resources, Values, and Traditions
29	Participant 5 (Souvenir Shop Owner): "Holy symbols are put on t-shirts or mugs for mere sales. What ought or shouldn't be commercialised is not well known."
30	Participant 3 (Tourist Bus Driver): "There is a lost chance there. CBT may include us more in cultural education so that we could be unofficial heritage champions."
31	Participant 4 (Household Lady): "There is also pressure, meanwhile, to change customs to appeal more to outsiders."
32	Participant 2 (Tourism Operator): "Sometimes elderly people of the community are dubious about these developments."
33	Participant 1 (Local Restaurant Owner): "Some customs are changed to appeal to tourists, therefore compromising authenticity."
34	Digitalization and Information Technologies
35	Participant 5 (Souvenir Shop Owner): "My store does not have consistent internet, hence I am not sure how to list anything online."
36	Participant 3 (Tourist Bus Driver): "Still ignorant of digital platforms are many local drivers."
37	Participant 4 (Household Lady): "Many of women lack internet access or cellphones. Our spouses or children enable us to go online."
38	Participant 2 (Tourism Operator): "Internet access is somewhat irregular, particularly in higher altitude regions, which restricts client correspondence."
39	Participant 1 (Local Restaurant Owner): "Older members of communities might lack the knowledge to utilise digital payments, booking systems, or social media."

40	Opportunities
41	Economic Opportunities
42	Participant 5 (Souvenir Shop Owner): "Spending money by visitors helps my business perform throughout excellent seasons."
43	Participant 3 (Tourist Bus Driver): "Drivers can suggest visitors to homestays and eateries, and they then hotels and shops can send them back to us using the same vehicle, therefore reflecting the circular economy."
44	Participant 4 (Household Lady): "Many women in our community have made their first money collection because to CBT."
45	Participant 2 (Tourism Operator): "Originally only one hiking path, my own company now provides other programs including local homestays and cultural immersion."
46	Participant 1 (Local Restaurant Owner): "Certainly, CBT has helped to lower poverty rates. Many households that used only subsistence farming now get money from tourism."
47	Cultural Opportunities
48	Participant 5 (Souvenir Shop Owner): "Small museum-style sections in stores, QR codes deciphering the significance behind objects, or nightly storytelling events might offer value, for instance."
49	Participant 3 (Tourist Bus Driver): "Better training would help us to be cultural translators as well."
50	Participant 4 (Household Lady): "We now have an opportunity to share with visitors our cuisine, attire, customs, and music."
51	Participant 2 (Tourism Operator): "CBT has given cultural practices formerly overlooked a stage."
52	Participant 1 (Local Restaurant Owner): "CBT has introduced new respect for our cultural legacy."
53	Environmental Opportunities
54	Participant 5 (Souvenir Shop Owner): "The environment would benefit and a niche product would result from CBT helping to provide alternatives as biodegradable packaging or locally designed reusable bags."
55	Participant 3 (Tourist Bus Driver): "By means of incentives like as subsidies for hybrid or electric cars, we might help to create a cleaner Annapurna area."
56	Participant 4 (Household Lady): "We have begun learning from one another how to cut plastic, compost, and run solar ovens."
57	Participant 2 (Tourism Operator): "CBT has helped to raise environmental consciousness."
58	Participant 1 (Local Restaurant Owner): "CBT has brought environmental preservation to the stage."

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59	Infrastructural Development and Services
60	Participant 5 (Souvenir Shop Owner): "Better roads and lighting have drawn increased foot activity for us."
61	Participant 3 (Tourist Bus Driver): "Better roads cut vehicle wear and tear, even if they just cover certain paths."
62	Participant 4 (Household Lady): "Better roads, water systems, and electricity have made every day living better."
63	Participant 2 (Tourism Operator): "Demand for tourism has sped up infrastructure development including water facilities, foot paths, and health posts."
64	Participant 1 (Local Restaurant Owner): "Better infrastructure like roads, water access, cleaner sanitation, and electricity has come from tourism."
65	Tourism Products and Services
66	Participant 5 (Souvenir Shop Owner): "Visitors might experience the production process, therefore increasing their likelihood of purchase and sharing of their tales."
67	Participant 3 (Tourist Bus Driver): "For trekking parties, we have started providing quick scenic drives, cultural route trips, and package pickups."
68	Participant 4 (Household Lady): "Travellers also appreciate learning to cook with us and this might be developed into a formal cooking class."
69	Participant 2 (Tourism Operator): "Village excursions, agro-tourism trips, and handcraft workshops abound these days."
70	Participant 1 (Local Restaurant Owner): "The range of tourist goods has expanded to include farm stays, culinary lessons, regional celebrations, and artisan courses."
71	Local Community Empowerment
72	Participant 5 (Souvenir Shop Owner): "Offering small businesses a voice, leadership development, and rotating committee responsibilities can help to foster shared ownership of tourist gains."
73	Participant 3 (Tourist Bus Driver): "Nowadays, drivers feel more respect than they did years ago. People rely on us, so we get confidence."
74	Participant 4 (Household Lady): "CBT has begun to empower ladies just like me. We are more confident to present ideas or speak in meetings."
75	Participant 2 (Tourism Operator): "CBT has made local voices in tourist development possible."
76	Participant 1 (Local Restaurant Owner): "Particularly women and young people, CBT has empowered local residents."