

Locals' perception on tourism in Nepal: Evidence from the community support model

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Abstract: The tourism industry is one of the fastest-growing markets, accounting for more than one-third of the total value of the global service trade. It provides employment and economic security at the local level and helps maintain the sustainable use of resources. For tourism to be sustainable, it is necessary to understand locals' perceptions of the impacts of tourism. Therefore, this study was conducted to assess locals' perceptions of benefits, costs, support, satisfaction, trust, participation, and neighborhood conditions of tourism in Nepal. A survey was conducted with locals to collect the primary data. Structural equation modeling was run to assess locals' perceptions of different aspects of entrepreneurial development. Community satisfaction, trust in tourism institutions, power to influence, and neighborhood conditions were related to tourism development's perceived benefits and costs. The findings of this study would be beneficial for the successful development of tourism in Nepal.

Keywords: Tourism, entrepreneurship development, structural equation modeling, local people's perception

Tourism remains one of the largest industries and rapidly growing markets, accounting for more than one-third of the total value of the global service trade (UNWTO, 2020). It is an economic activity that has a direct, indirect, and economic impact on the community (Gautam, 2004). The tourism industry creates jobs, increases tax revenue, diversifies income sources, and enhances standards of living (Andereck et al., 2005). Moreover, tourism fosters regional development, raises income levels, and maintains a balance of payments (Lerner & Haber, 2001). The tourism sector promotes cultural exchange and improves infrastructure (Nunkoo & Ramkissoon, 2011; Devkota et al., 2021a), and tourism is a productive business practice that aims to provide the consumer with goods and services and raises foreign exchange earnings. Once the income flow is circulated in the market, it enables many economic activities to take place to stimulate more income rounds (Gautam, 2004, Neupane et al., 2021). Despite the multiple benefits of tourism, local residents might perceive these benefits differently, affecting their satisfaction, trust, participation, and support towards tourism (Devkota et al., 2022).

Tourism is a diverse sector with a wide range of activities, including housing, travel, shopping, and leisure (Lerner & Haber, 2001). This sector could be considered a sustainable way to mobilize cultural and natural resources in addition to its economic benefits (Wagner, 1997). For instance, in rural areas, family-owned businesses dominate the hospitality and tourism industry (Getz & Carlsen, 2000). Once tourism starts growing, new businesses are established to run the market and enhance the experience of tourists (Solvoll et al., 2015). However, such newly established businesses cannot provide tourism experiences that satisfies the demand of tourists (Devkota et al., 2021b). Thus, it is necessary to assess methods of enhancing entrepreneurial skills in tourism to compete with the fast-growing tourism and hospitality market (Lordkipanidze et al., 2005). Therefore, perception-related studies are essential for examining the different aspects of entrepreneurship in rural areas.

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Tourism may have adverse impacts on the environment, economy, culture, and society by disrupting local communities (K C et al., 2015). These influences have the possibility to foster negative attitudes toward tourism development among local residents, further affecting their satisfaction, trust, and participation (Devkota et al., 2021b). However, negative impacts can be minimized by establishing sustainable tourism practices by considering residents' input and promoting participation in the tourism development process (Nunkoo & Ramkissoon, 2011). In addition, rural heritages, habitats, ecosystems, and local culture should be preserved and protected (Lordkipanidze, 2002). To eliminate such repercussions, it is essential to examine residents' perceptions of the effects of tourism. It is also necessary to observe the relationship of these perceptions with personal benefits, community attachment, the role of tourism in the local economy, and engagement in tourism (Andereck et al., 2005; Devkota et al., 2020a).

Tourist arrival trends are vital in formulating effective and efficient strategies to sustain and improve the tourism industry in a country (Hadavandi et al., 2011). The patterns witnessed in recent years in the tourism industry indicate increasing interest in nature-based and rural tourism (Lordkipanidze, 2002). Therefore, there is a need to assess the perception of local residents focused on nature-based rural tourism destinations. Rural tourism promotion and rural area management significantly promote rural lifestyles and societies. Rural tourism management also helps shape regional development direction (Lordkipanidze, 2002). For effective tourism management, it is necessary to motivate local tourism entrepreneurs. In this aspect, perception-based studies are essential for understanding the motivation of these entrepreneurs and their priorities on the nature and success of such tourism businesses (Getz & Carlsen, 2000).

The development of tourism areas depends upon the participation and support of locals, and residents should be fully involved in all stages of tourism enhancement (Kim et al., 2021). By participating in tourism and receiving benefits or costs, locals will be satisfied with their contribution. Participation and support of local residents can be seen in community-based tourism worldwide, including Nepal (Dahal et al., 2020). Involvement in running tourism businesses will increase trust in different tourism institutions and enhance support for future tourism development (Williams & Baláž, 2021). In addition, neighborhood conditions of the area might also affect the benefits or costs, satisfaction, and support for tourism (Nunkoo & Ramkissoon, 2011).

Entrepreneurship-related studies prioritize manufacturing industries and service sectors (Lerner & Haber, 2001; Devkota et al., 2020b; 2021a). However, very few studies have been conducted in Nepal assessing local residents' perceptions of the hospitality and tourism sector by examining trust, power, neighborhood conditions, perceived benefits and costs, and satisfaction. Several questions have emerged related to tourism entrepreneurship in Nepal: Are local residents' perceived benefits/costs and satisfaction related to support, trust, and power to influence tourism? Are neighborhood conditions affecting perceived costs, satisfaction, and support for tourism development? Accordingly, research is necessary to assess the relationship between perceived benefits/costs, satisfaction, support, trust, participation, and neighborhood conditions associated with a local tourism destination. Investigating these perceptions may be beneficial in establishing the appropriate measures to successfully develop the tourism industry.

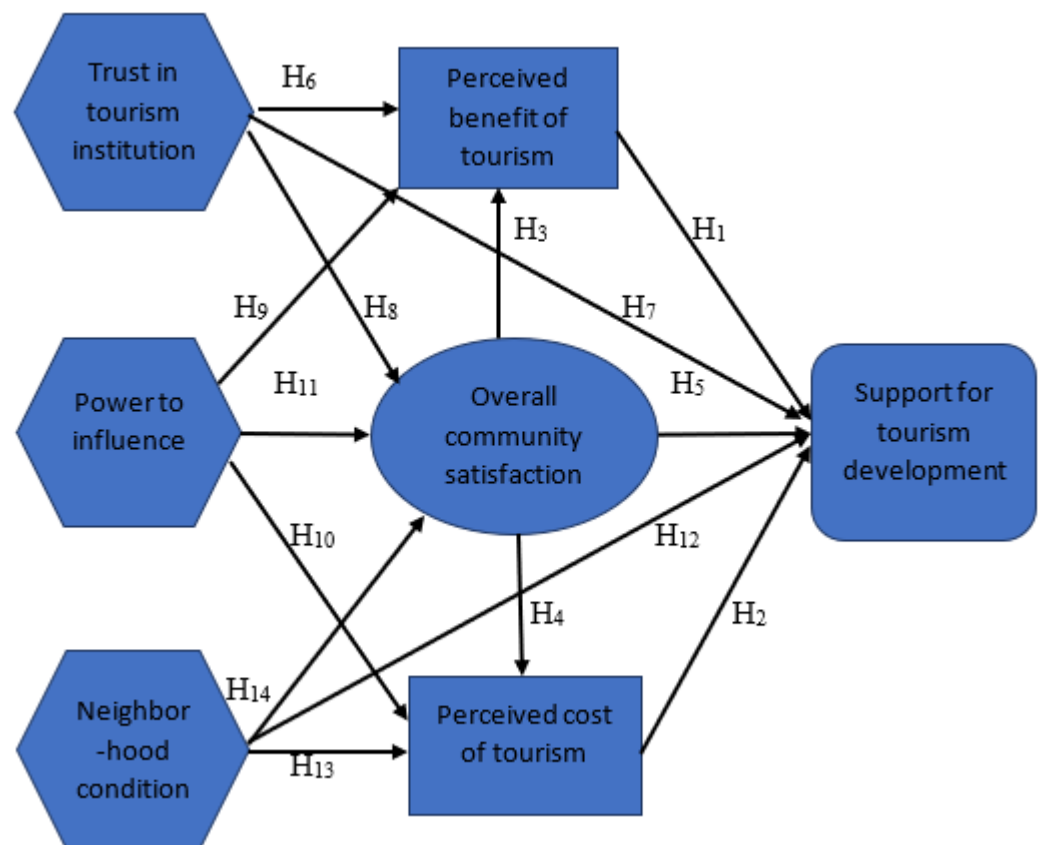
1. Conceptual framework of the study

In many parts of the world, tourism remains a growing industry. It creates jobs, generates income, facilitates cultural exchanges, enhances infrastructures, and serves as a tool for protecting the environment (Nunkoo, 2016). Community implications resulting from tourism growth are also subdivided into three aspects. Economic aspects include tax collection, employment generation, income generation, inflation, and the market of local products. Sociocultural aspects encompass the revival of local arts and culture and increase social shocks and crimes. Environmental aspects are associated with conservation/loss of flora and fauna, environmental management, solid waste

problems, crowding, and environmental pollution (Andereck et al., 2005). These factors affect the neighborhood conditions of a tourist destination which may influence perceptions of tourism.

The growth of tourism brings socio-economic benefits along with environmental costs at the local level (Nunkoo & Ramkissoon, 2011). Therefore, locals should be actively involved in making tourism successful (Moghavvemi et al., 2017). In planning for the industry, it is critical to consider the impacts of tourism as well as the perspectives of natives (Martín et al., 2018). Recognizing the local community's constructive role is essential for sustainable tourism (Moyle et al., 2010). In this context, scholars and researchers should acknowledge residents' views and their support for the industry (Sinclair-Maragh & Gursoy, 2016).

The theory of social exchange is a frequently used mechanism for researchers seeking to analyze local residents' perceptions (Chuang, 2010). This sociological and psychological theory explores the relationship and social behavior between two parties to identify risks and benefits by conducting a cost-benefit analysis. It is implemented to understand and clarify locals' perception of tourism development (Rasoolimanesh et al., 2016). In the context of tourism, this theory demonstrates that the support of residents depends on their estimates of the advantages and disadvantages (Látková & Vogt, 2012). For example, locals are likely to participate in tourism if they think the benefits are more significant than the expenses (Cropanzano & Mitchell, 2005). Based on the model in Figure 1, we can examine six impacts related to tourism, the local economy, and community concern: (a) economic benefit, (b) economic cost, (c) sociocultural benefit, (d) sociocultural cost, (e) environmental benefit, and (f) environmental cost (Ozturk et al., 2015). Similarly, community satisfaction may serve as an essential tool to assess the perceptions of locals regarding the effects of tourism, attitudes toward increased growth of tourism (Stylidis et al., 2014) and resident's support for tourism development (Ward & Berno, 2011).



Modified from Nunkoo and Ramkissoon (2011)

Figure 1. Conceptual Framework

As shown in Figure 1, the dependent variable supports tourism development, and the independent variables are trust in tourism institutions, power to influence tourism, and neighborhood conditions. Mediator variables include perceived costs of tourism and perceived benefits of tourism. A mediator variable mediates the interaction between the independent and dependent variables and illustrates why such a connection exists. Additionally in our model, overall community satisfaction acts as a moderating variable.

1.1 Hypotheses

Inevitably, there are both positive and negative impacts of tourism as perceived by locals. Tourism creates job prospects for local residents (Neupane et al., 2013), boosts the local economy, adds revenue, and enhances the living condition of local people. However, there is an increase in living costs and the price of land and housing, which can have adverse effects on society and culture (K C et al., 2021). Studies examining the attitudes of locals towards tourism show that host communities receive benefits from the tourism industry. Perceived benefits and costs of tourism might affect the support of tourism development locally (Kim et al., 2021). In some cases, the perceived benefits and costs of tourism may not be sufficient enough to influence residents' interest in tourism growth (Chow et al., 2019). Therefore, we propose the following hypotheses:

H₁: There is no significant relationship between the perceived benefits of tourism and local residents' support for its development.

H₂: There is no significant relationship between the perceived costs of tourism and local residents' support for its development.

The satisfaction of a community is vital for tourism planning and development (Chow et al., 2019). In this context, tourism will be accepted and supported by the residents who are satisfied with outcomes related to tourism (K C et al., 2015). Perceived positive and negative influences of tourism development affect locals' satisfaction, and the satisfaction with tourism development affects the support for future tourism development (Chow et al., 2019). Previous studies have shown that negative perceptions associated with tourism affect overall satisfaction, while other studies have shown non-significant effects related to negative perceptions of tourism on community satisfaction (Nunkoo & Ramkissoon, 2011). Based on existing literature, we propose the following hypotheses:

H₃: There is no relationship between residents' overall community satisfaction and the perceived benefits of tourism.

H₄: There is no relationship between residents' overall community satisfaction and the perceived costs of tourism.

H₅: There is no significant relationship between residents' overall community satisfaction and their level of support for tourism.

Trust is an important issue arising from uncertain circumstances. In the tourism sector, a tourist and a tourism service provider must establish trust in order to make a tourism destination successful (Williams & Baláž, 2021). This relationship improves collaboration for economic development and has a positive impact on the tourism-dependent community. For example, if residents perceive that the benefits of tourism are more significant than the costs, their trust in tourism will improve (Nunkoo & Ramkissoon, 2011). An increase in tourism benefits will also improve the support of local people. Thus, the following hypotheses are proposed:

H₆: There is no significant relationship between residents' level of trust in tourism institutions and their perceived benefits of tourism.

H₇: There is no significant relationship between residents' level of trust in tourism institutions and support for tourism.

H₈: There is no significant relationship between residents' level of trust in tourism institutions and their overall community satisfaction.

Local residents' involvement in tourism policy formulation is crucial for the sustainability of tourism. Locals should be fully involved in the tourism policy development process and given the power to promote tourism in their locality (K C & Fernandez, 2022). In many tourism dependent communities, power is not allocated to the local communities, which increases tourism-related conflicts (Nyaupane & Budruk, 2009). Locals will be satisfied and have a positive outlook on tourism if they are involved in tourism planning and development activities. Therefore, the following hypotheses have been established:

H₉: There is no significant relationship between residents' perceived level of power to influence tourism and the perceived benefits of the industry.

H₁₀: There is no significant relationship between residents' perceived level of power to influence tourism and the perceived costs of the industry.

H₁₁: There is no significant relationship between residents' perceived level of power to influence tourism and their overall satisfaction with the community.

Satisfaction of local residents is essential to establish support in any tourism project (Chow et al., 2019). Locals' satisfaction depends on the neighborhood environment, economy, and society, and satisfaction with their neighborhood might affect their overall community satisfaction. Tourism can simultaneously stimulate positive and negative impacts at the local level (K C et al., 2015). If the costs of tourism development are low, locals will most likely develop a positive attitude towards tourism. Perceived costs and benefits of tourism affect the local peoples' satisfaction towards tourism (Andereck & Nyaupane, 2011). In this sense, the following hypotheses have been created:

H₁₂: There is no significant relationship between residents' level of satisfaction with neighborhood conditions and support for tourism.

H₁₃: There is no significant direct negative relationship between residents' level of satisfaction with neighborhood conditions and the perceived costs of tourism.

H₁₄: There is no significant relationship between residents' level of satisfaction with neighborhood conditions and their overall community satisfaction.

1.2 Variable construct

The study has identified seven variables (See Table 1): support for tourism (STP), overall community satisfaction (OCS), perceived benefits of tourism (PBT), perceived costs of tourism (PCT), trust in tourism institutions (IT), power to influence tourism (PT), and neighborhood conditions (NC).

2. Study area and methods

The Bardiya District of Nepal (one of 77 districts) was chosen for this study, as shown in Figure 2. Inside the Bardiya District, Thakurbaba Municipality was selected because it has high tourism potential. According to the 2011 Nepal census, the municipality's area is 104.57 km², with a population of 44,361 (CBS, 2011). Additionally, Bardia National Park is located in the municipality's eastern, western, and northern sections. This national park is home to the one-horned rhinoceros, Royal Bengal Tiger, elephants, and a large diversity of mammals and birds. Although there are tourism related benefits, locals in the area report human-wildlife conflicts and illegal extraction of forest resources (Panta & Thapa, 2018). This municipality lies in the Terai Region of Nepal which has tropical and sub-tropical climates. The establishment of a national park boasted an increase in tourist numbers in the area, and locals began taking advantage of the benefits related to tourism by establishing homestays and participating in tourism activities (Panta & Thapa, 2018).

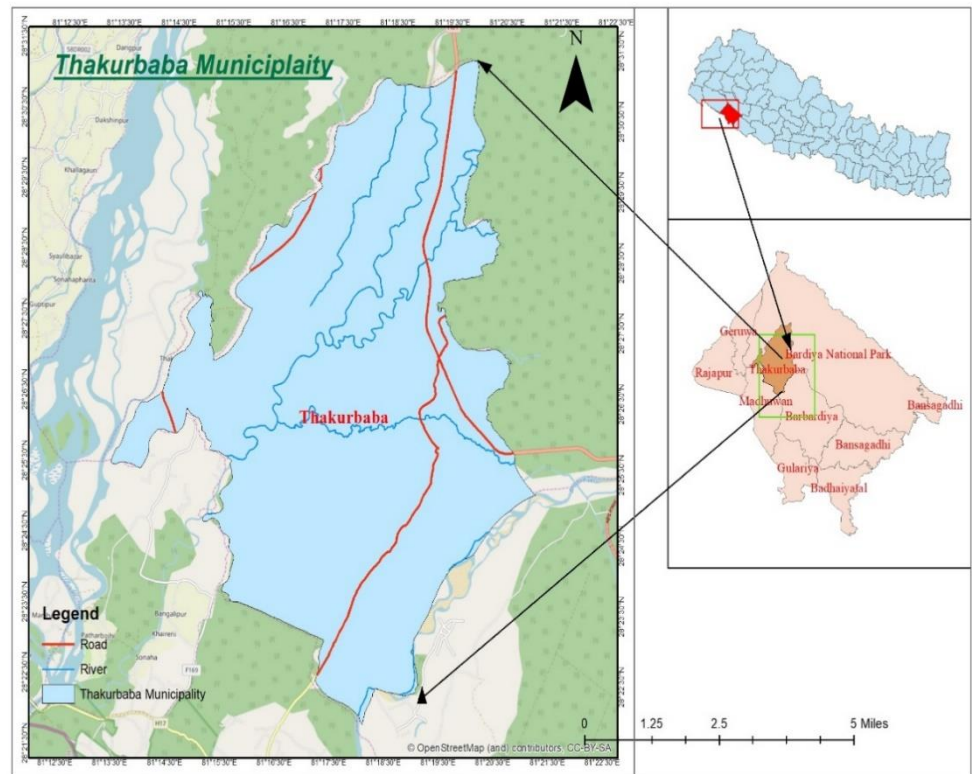


Figure 2. Study Area

2.1 Research instrument

This research is based on an explanatory research design as it explains the cause-and-effect relationship between dependent and independent variables. Using structured questionnaires, two hundred ninety surveys were collected during a field visit from December 2020 to January 2021 to obtain quantitative data from local residents of Bardiya. There was an initial target of surveying 315 participants (35 each from 9 wards of the municipality). However, due to the unavailability of locals during data collection, our sample consisted of 290 participants. Purposeful sampling was utilized in selecting participants due to the lack of an initial list available at the local level. The questions were prepared in English and translated into the Nepali language. Later, the information was translated and tabulated in the English in Microsoft Excel. The questions were focused on seven variables highlighted in Table 1. Participants provided their responses based on their preferences and assumptions. The questions were prepared in the form of a 5- point Likert scale. After preparing the questionnaire, 5% of the total sample size was taken for the pre-test. For validity analysis, convergent and discriminant validity was used.

For data analysis, a descriptive and inferential method was followed using structural equation modeling (SEM) based on several latent constructions. During data entry and research tabulation, Microsoft Excel was used. STATA and SPSS AMOS were used to analyze the data. In descriptive statistics, the sociodemographic variables are described through various tables and graphs. Inferential statistics evaluations can be divided into three main categories, depending on their intent: difference assessment, relationship testing, and prediction making.

3. Results

3.1 Summary statistics

Table 1. Observed variables

Construct		Variable	Description
Support for tourism (STP)	ST1	Most important industry	Tourism is the most important industry for my community.
	ST2	Growth of the community	Tourism helps my community grow in the right direction.
	ST3	Play an important economic role	Tourism continues to play an important economic role.
	ST4*	Tourists are coming	We are proud that tourists are coming in our community.
	ST5*	Important part	I support local tourism and would like to see it becomes an important part of my community.
	ST6*	Actively encouraged	I believe that local tourism should be actively encouraged in our community.
	ST7*	Vital to my community	I support the development of local tourism as it is vital to my community.
Overall community satisfaction (OCS)	OC1*	Quality of life	We have overall satisfaction with quality of life.
	OC2*	Overall conditions	Overall conditions of Bardiya are satisfying.
	OC3*	Future conditions	Future conditions of Bardiya in the years to come will be more satisfying.
	OC4*	A desirable place	Bardiya is a desirable place to live in the future.
	OC5	Maintain ethnic values.	Local tourism organization helps to maintain ethnic values.
	OC6	Facilitate recreational satisfaction	Local tourism organization helps to facilitate recreational satisfaction.
	OC7	Quality of infrastructure	Local tourism development has improved the quality of infrastructure.
Perceived benefits of tourism (PBT)	PB1	Employment opportunities	Employment opportunities
	PB2	More business for local people	More business for local people
	PB3	Better infrastructure	Better infrastructure
	PB4	Increase in the standard of living	Increase in the standard of living
	PB5*	Investment opportunities	Investment opportunities
	PB6*	Our standard of living would increase considerably because of tourism.	Our standard of living would increase considerably because of tourism.
	PB7*	Tourism leads to greater environmental awareness among the residents	Tourism leads to greater environmental awareness among the residents
Perceived costs of tourism (PCT)	PC1	Environmental pollution	Local tourism increases environmental pollution.
	PC2	Alcoholism and prostitution	Local tourism increases alcoholism and prostitution.
	PC3	Price of goods and services	Local tourism increases the price of goods and services.
	PC4	Land and property	Local tourism increases the price of land and property.

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	PC5*	Suffering in living	Local residents would suffer from living in a tourism destination area.
	PC6*	Natural environment	The construction of hotels and other tourist facilities would destroy the natural environment.
	PC7*	Crime	Tourism increases the rate of crime.
Trust in tourism institutions (IT)	IT1	Ministry of Culture, Tourism and Civil Aviation	I trust Ministry of Culture, Tourism, and Civil Aviation.
	IT2	Nepal Tourism Board	I trust in Nepal Tourism Board.
	IT3	Local government	Trust in local government to do right in tourism.
	IT4	Interests of the community.	Trust in local government to look after the interests of the community.
	IT5*	Decisions	Trust in tourism decisions made by the local government
	IT6*	District Council	Trust in District Council.
	IT7*	Local elected officials	Trust in local elected officials to make the right decisions in tourism.
Power to influence tourism (PT)	PT1	Personal influence	Yes, there is personal influence over decisions related to community tourism development.
	PT2	Political influence	Extent to which tourism businesses had political influence in the area's decision-making process.
	PT3	Involvement	Yes, we are involved in tourism development.
	PT4*	Decision making	Take part in tourism related decision making.
Neighborhood conditions (NC)	NC1	Behavior	Behavior of children in our neighborhood is good.
	NC2*	Personal safety	Personal safety in the neighborhood is good.
	NC3*	Security	Security in the home.
	NC4	Number of trees	Enough trees in the neighborhood
	NC5	Amount of traffic	Amount of traffic in the neighborhood.

* items that is dropped during factor loading

This study included 290 participants which consisted of 79% males and 21% females. Most of the respondents were between 25 to 35 years of age, followed by participants between the ages of 36 to 45. The socio-demographic outcomes further indicated that the majority of respondents had received at least a bachelor's degree, and few respondents had obtained a master's degree or higher. Furthermore, 78% of the respondents were not involved in the tourism industry, which shows that despite the possibility of tourism in the area, individuals chose not to engage in such profitable activities.

Mean, standard deviation, skewness, and kurtosis were used to summarize the data. Mean, and standard deviation ranged between 3.9034 to 4.2862 and 0.52382 to 0.78432, respectively, indicating that the responses have low dispersion. Skewness is defined as a measure of distribution symmetry, while kurtosis is defined as a measure of a distribution's peak or flatness (Oja, 1981). In this study, the value of skewness of data lies from -0.030 to -0.0960, representing the negative skewness of the data. Similarly, all the kurtosis measure lies between -10 to +10, revealing that data is free from normality.

3.2 Exploratory factor analysis (EFA)

Exploratory factor analysis (EFA) seeks to discover the significance of a series of responses-influencing constructs (Downing, 2003). The primary goals of the EFA are to determine the number of common factors affecting a series of measures and the strength of the relationship between each element and each measure observed (Pett et al., 2011). Before considering the data, the applicability of the data needs to be tested by using KMO and Bartlett's test. The KMO value of our study is 0.833 which satisfies the minimum threshold of 0.60 (Bertsch, 2012; Crane et al., 1991). Likewise, the data is considered significant as the value of Bartlett's Test is <0.001 , which is below 0.05 and indicates that the results are statistically significant.

3.3 Common method bias

Harman's single factor test is used to identify if the study has a common method bias. Harman's single-factor test examines the outcome of an EFA analysis to check whether the first extracted factor explains more than 50% of the variance (Aguirre-Urreta & Hu, 2019). In this study, the total variance for a single factor is 32.49% which is under 50%, implying that there was no common method bias.

3.4 Confirmatory factor analysis

Confirmatory factor analysis (CFA) tests whether certain constructs affect the predicted responses (Pett et al., 2011). The decision of whether the model fit is excellent or not is determined by using CMN/DF, RMR, RMSEA, GFI, IFT, TLI, and CFI as the fitness indicators. This study had an excellent model fit as all the indicators lie under the criteria of CMN/DF <5 , RMR <0.08 , RMSEA <0.08 , GFI >0.80 , IFT >0.90 , TLI >0.90 , and CFI >0.90 required for good fitting (Blunch, 2012).

3.5 Measurement model

Reliability and validity of the data were confirmed by using convergence validity and discriminant validity as shown in Table 2. For the data to demonstrate convergence validity, it should satisfy the condition of CR >0.70 and AVE >0.50 . Similarly, for the data to confirm discriminant validity, it should fulfill the condition of AVE $>$ MSE and the square root of AVE $>$ correlation. The findings of this study demonstrates both convergence and discriminant validity as it satisfies the criteria mentioned (See Table 2).

Table 2. Reliability and validity

Construct	Indicators	Factor Loading	Cronbach's Alpha	CR	AVE	MSV
Support for tourism	ST1	.869	0.921	0.923	0.800	0.800
	ST2	.896				
	ST3	.833				
Overall community satisfaction	OC5	.855	0.924	.0.929	0.814	0.122
	OC6	.917				
	OC7	.928				
Perceived benefits of tourism	PB1	.846	0.914	0.914	0.726	0.242
	PB2	.846				
	PB3	.836				
	PB4	.816				
Perceived costs of tourism	PC1	.830	0.893	0.894	0.679	0.0171
	PC2	.822				
	PC3	.879				
	PC4	.787				
	IT1	.884				
			0.927	0.924	0.754	0.118

Trust in tourism institutions	IT2	.893	0.824	0.834	0.118	0.143
	IT3	.883				
	IT4	.861				
Power to influence tourism	PT1	.767	0.849	0.867	0.692	0.692
	PT2	.861				
	PT3	.832				
Neighborhood conditions	NC1	.684	0.849	0.867	0.692	0.692
	NC4	.901				
	NC5	.900				

Table 3. Latent construct correlation

	PC	IT	PT	NC	PB	OC	ST
PC	0.824						
IT	0.299	0.868					
PT	0.209	0.343	0.793				
NC	0.331	0.234	0.323	0.832			
PB	0.414	0.333	0.378	0.299	0.852		
OC	0.283	0.243	0.119	0.282	0.349	0.902	
ST	0.414	0.272	0.353	0.259	0.492	0.261	0.895

3.6 Test of hypothesis

In Table 4, H₁, H₂, H₃, H₄, H₆, H₈, H₉, H₁₀, H₁₃, and H₁₄ were rejected, which implies a significant relationship. On the other hand, H₅, H₇, H₁₁, and H₁₂ were accepted, which leads to the conclusion that there is an insignificant relationship between the variable in the respective hypothesis. Mediation analysis quantifies the degree to which a variable takes part in the transmission of change from a cause to its consequence. In this case, we used the Sobel test to analyze the effect of the mediating variables. After conducting the Sobel test, a p-value of ≤0.05 was reported, which denotes that the mediating variable 'Perceived benefit of tourism' and 'Perceived costs of tourism' has a mediating effect on the relationship between the independent variable (Power to influence tourism) and dependent variable (Support for tourism development).

SEM is used in the inferential section of the study to analyze the regression analysis, the variable analysis, and the assessment of the normality pattern. There are five factors studied based on latent variables relative to observed variables. The model's fitness criteria demonstrated fitness. The consequence shows an outcome of X²/df (CMIN/DF) of 1.686 (1.686<3). The outcomes revealed that a meaningful relationship between latent and observable variables is less than 0.05 as a p-value. The hypotheses in this analysis are substantially endorsed as the meaning level of all the hypotheses (p-value) is less than 0.05. This implies that all independent variables used in this study significantly affect all the hypotheses of contingent factors as all the hypotheses are rejected (See Table 3).

Table 4. Path estimates for structural model

Hypothesis	Estimate	S.E.	C.R.	P	Hypothesis result
H ₁ : Perceived benefits → Support for tourism	.360	.064	5.610	.001	Significant
H ₂ : Perceived costs → Support for tourism	.292	.078	3.741	.001	Significant
H ₃ : Overall community satisfaction → Perceived benefits	.345	.074	4.676	.001	Significant
H ₄ : Overall community satisfaction → Perceived costs	.204	.062	3.282	.001	Significant

H ₅ : Overall community satisfaction → Support for tourism	.052	.076	.685	.493	Insignificant
H ₆ : Trust in tourism institutions → Perceived benefits	.161	.063	2.562	.010	Significant
H ₇ : Trust in tourism institutions → Support for tourism	.072	.060	1.192	.233	Insignificant
H ₈ : Trust in tourism institutions → Overall community satisfaction	.159	.053	3.019	.003	Significant
H ₉ : Power to influence tourism → Perceived benefits	.445	.096	4.625	.001	Significant
H ₁₀ : Power to influence tourism → Perceived costs	.157	.077	2.032	.042	Significant
H ₁₁ : Power to influence tourism → Overall community satisfaction	-.036	.081	-.444	.657	Insignificant
H ₁₂ : Neighborhood conditions → Support for tourism	.060	.064	.934	.350	Insignificant
H ₁₃ : Neighborhood conditions → Perceived costs	.190	.056	3.385	.001	Significant
H ₁₄ : Neighborhood conditions → Overall community satisfaction	.207	.055	3.756	.001	Significant

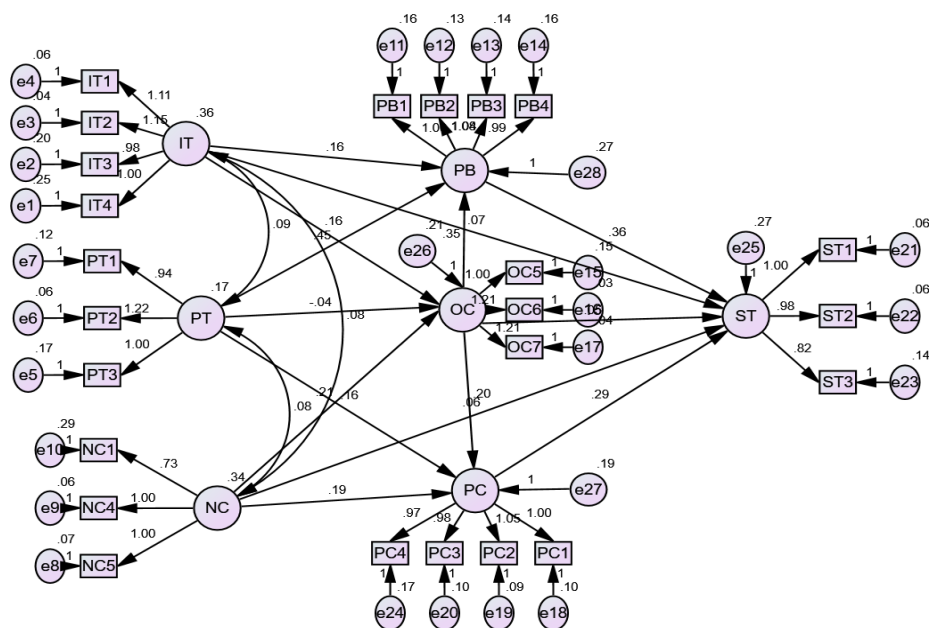


Figure 3. Structural model

4. Discussion

This study used the reliability test and multiple linear correlations to establish and test the relationship between the variables (See Figure 3). The essential impact of overall community satisfaction, perceived cost, perceived benefit, trust, and neighborhood conditions on support for tourism development was examined. The supported H₁ and H₂ states that locals' perceived costs and benefits affect their support for tourism. These two hypotheses were similar to findings from Kim et al. (2021). Locals' positive perceptions of tourism will assist in the development of tourism entrepreneurship, which was also supported by a study conducted by K C et al. (2021). A successful tourism project should have a positive impact on locals financially (Chow et al., 2019). At the local level, residents who receive economic benefits support tourism development activities, while those who did not receive benefits may not support tourism planning and development. Therefore, the support of local residents depends upon the benefits and costs received from tourism activities (Kim

et al., 2021). In contrast, the perceived impact of a tourism project might not always affect the support for tourism enhancement (Chow et al., 2019). Residents may feel that tourism affects local services in the initial stage of tourism development (Stylidis et al., 2014). In order to receive regular appreciation from local residents, tourism should be initiated in such a way as to increase benefits to locals while reducing adverse effects on the neighborhood.

According to H₃, H₄, and H₅, it can be concluded that the overall community satisfaction from a tourism venture affects perceived costs and benefits but does not support tourism development. This suggests that individuals who are fully satisfied with tourism development will hold positive perceptions. In contrast, individuals who are dissatisfied with tourism development have negative perceptions, and those satisfied with tourism might not support future tourism development. This statement partially contradicts the results of Nunkoo and Ramkissoon (2011), where no relationship was observed between overall community satisfaction and perceived costs, while a direct positive relationship was identified between support for future tourism development, perceived benefits, support for future tourism development and community satisfaction. In addition, Ko and Stewart (2002) observed an insignificant negative relationship between community satisfaction and attitudes for additional tourism development, however results indicated a significant negative relationship between adverse perceptions related to the impacts of tourism, overall community satisfaction, and attitudes for future tourism development. A positive relationship was also observed between perceived positive tourism impacts and community satisfaction. Bhat and Majumdar (2021) identified a positive relationship between economic, social, and personal benefits with support for tourism development, although outcomes detected a negative relationship between environmental benefits and support for future tourism development. Such economic and social impacts may affect residents' perceptions of tourism (Chow et al., 2019). Meimand et al. (2017) proposed that perceived sociocultural benefits positively affect support for tourism development while perceived sociocultural costs negatively impact support for tourism development. The non-significant relationship between community satisfaction and support for future tourism development in this study may be attributable to less perceived benefits and greater tourism-related costs. In order to overcome such issues, adopting tourism development frameworks that increase benefits and reduces costs may result in favorable outcomes. To gain the support of local people for tourism enhancement, it would be beneficial to provide additional incentives while reducing burdens associated with tourism (K C et al., 2015). Such strategies may be effective in improving local residents' satisfaction with tourism and facilitate support future tourism development.

The supported H₆ and H₈ and rejected hypothesis H₇ state that the trust in tourism institutions affects perceived benefits and community satisfaction but does not affect support for tourism development. This suggests that as locals' trust of toward tourism increases, perceived benefits, and overall community satisfaction also increases. However, trust in tourism institutions might not affect support for future tourism development. Our findings support outcomes reported by Nunkoo and Ramkissoon (2011), who observed the association of trust with perceived benefits/costs and community satisfaction. Trust is vital in tourism institutions as uncertainties and problems repeatedly arise in this sector (Williams & Baláz, 2021). As tourism is associated with travel from one place to other for pleasure, fun, or work, there may be many uncertainties. The tourism sector's uncertainty might arise due to natural hazards, changing climate, war, political conflicts, and economic crises (K C, 2017). The confidence of local residents toward tourism institutions affects perceived benefits, costs, and community satisfaction (Nunkoo & Ramkissoon, 2011). Policymakers must derive tourism policies to improve the confidence and trust of locals (Devkota et al., 2020a, 2021a).

H₉ and H₁₀ advocate that power to influence tourism affects perceived benefits and costs from tourism. H₁₁ being rejected suggests that power to influence tourism might not affect overall community satisfaction. This means that if local people are involved in the tourism planning and

development process, they will have a positive attitude toward tourism. Although the community may not be fully satisfied with this process, if locals are not involved in tourism planning and development, residents will have negative thoughts about tourism. These outcomes partially support the findings of Kim et al. (2021), who observed a positive impact and attitude towards tourism participation and no negative impacts from tourism non-participation. In this case, the power of a local community in tourism decision-making is essential for the sustainability of a tourism project (Lordkipanidze, 2002). Local residents should be engaged in tourism decision-making, and authorities should apply a participatory approach (Hadavandi et al., 2011). Furthermore, regional planning agencies should be responsive by demonstrating that the needs and demands of the people are considered. To build public institutional interest, effective communication, reliable knowledge, and explanations of decision-making should be included (Ribeiro et al., 2017). Participation of locals is vital for tourism development in any tourism destination (Devkota et al., 2021b; Kim et al., 2021).

The accepted hypotheses H_{13} and H_{14} and rejected hypothesis H_{12} state that neighborhood conditions affect perceived costs and overall community satisfaction but do not affect tourism enhancement support. This suggests that dissatisfaction with effects of tourism increase perceived costs of tourism, which further decreases community satisfaction towards tourism. Various neighborhood conditions may have little influence on support for future tourism development. These results supported findings from Nunkoo and Ramkissoon (2011), who proposed that neighborhood conditions affect perceived benefits and overall community satisfaction. It is necessary to establish benefits from tourism in the community's physical, biological, and socio-economic structures. However, residents' perceptions of the advantages and costs of tourism might vary. Locals enjoy participating in policy decisions (Hasselblatt, 1973). Being educated about the benefits of tourism and costs would enable residents to make informed decisions and to have greater ownership over the industry, enabling them to contribute significantly to decision-making processes (Paskaleva-Shapira, 2007).

Researchers attempted to examine a larger sample size and investigate variables in more detail. Despite this, there are certain limitations of the study. The study was conducted in a limited time for a degree requirement, so the study was limited to a single area. Further studies are necessary on this topic in other parts of the country to get local residents' perceptions in general. Moreover, this study utilized a questionnaire survey approach. In addition to these surveys, in-depth interviews or focus group discussions may have improved our understanding of the actual reason behind perceived positive and negative impacts, satisfaction, and participation in tourism. Also, to understand the neighborhood condition of tourism destinations in further detail, studies should consider focusing on assessing the community's physical, biological, and socio-economic impacts. From 2020 to 2022, COVID-19 has adversely affected the tourism and hospitality sector (K C, 2021). Assessing how residents respond to perceived impacts, support for tourism development, trust towards tourism institutions, and participation in tourism planning and development in the post-COVID-19 era is essential.

5. Conclusion

The study aimed to identify and analyze the relationship between local people's perception of benefits, costs, support, satisfaction, trust, participation, and neighborhood conditions of tourism in the Bardiya District. It was observed that the perceived benefits of local residents were related to the support, satisfaction, trust, and participation in tourism. In addition, satisfaction towards tourism was related to trust and neighborhood conditions but not to the power to influence the tourism project. However, support for future tourism development was not associated with a tourism project's satisfaction, trust, and neighborhood conditions.

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