International Guest House

International Guest House is a hotel in the city of Kathmandu, Nepal. It is strategically located in the popular Thamel tourist district, where visitors from around the world come to shop for souvenirs and to visit the area's multicultural restaurants. International Guest House’s room rates are inexpensive, but the facilities are clean, attractively decorated, and comfortable. All rates for rooms in the hotel are quoted in US$ and payments are taken in this currency to avoid foreign exchange differences and the fluctuating nature of the Nepali Rupee versus other currencies.

The Hotel has a web site, located at

http://www.intguesthouse.com/

The site attracts tourists who are planning to visit Nepal and who need to stay for one or more nights in Kathmandu, often before transiting to other locations in the country, such as the:

- Mount Everest area for viewing and climbing.
- Annapurna region for trekking
- Royal Chitwan National park in the south of Nepal

Visitors learn about the location of the web site through the use of Google, travel web sites,
TripAdvisor, or through word of mouth. Another way they learn about the web site is through a brochure for the hotel which is given to a visitor as part of a tour group information package. The photos in this case study are taken from that brochure. International Guest House is not the most well-known but many tour companies give out the hotel’s brochure or web site address.

The Internet is now available widely in Nepal, primarily through the cell network, but still not used by a large percentage of the citizens (40% - 2018 statistic). The country is not a wealthy one, being on one of the ten poorest countries in the world. Most of its citizens live and work in rural areas, typically earning their living from agriculture. In the city of Kathmandu and in a most the other major tourist destinations in the country, the Internet is available through numerous Internet cafes in popular tourist areas, WIFI at hotels and restaurants, and for those staying longer, through the cell network.

Nepal is a mountainous country, sandwiched between India on the south and Tibet on the North. It has been a popular tourist destination since the 1950’s when trekkers wishing to explore the Himalayas and hippies seeking social freedom began visiting the country in large numbers. Today Nepal is a favorite destination of Europeans, North Americans, and affluent Asians from such countries as Singapore, Japan, and South Korea.

Two distinct age groups visit Nepal:

1. Young people, aged 18-25, who typically backpack and are on longer trips. Individuals in this group visit Nepal for up to two or three months and like to stay inexpensively as they are often on a tight budget. This group often uses the Internet, both in their home country and in when in Nepal, using whatever services they can access.

2. The second group are middle and older aged tourists, ranging from 40-60 years of age. Individuals in this group may book their trip through a travel agent and purchase a package deal which includes their flights, hotels, and activities. They might also use the internet in their home country to do direct bookings, setting up their own trip. Though this group is less likely to use the Internet while in Nepal than the younger visitors to Nepal, they are much wealthier. A typical vacation for this group takes about 2 weeks.
Questions for Consideration:

Important: Please do not ask the hotel questions regarding this case. Do not attempt to complete a reservation in order to try out the reservation form on their web site. This would be very inconsiderate and a waste of the hotel's time.

1. How well is the International Guest House using the Internet to market themselves? How could they improve their use of the Internet?

2. How do logistics problems affect how the company uses the Internet?

3. How could the hotel generate more sales for itself, other than by using the Internet?

4. What impact might a web site like Tripadvisor.com have on the success of the International Guest House?
The author thanks Ganesh Khadka and the International Guest House for two happy stays in the hotel and the use of their photos and information for this case study.