

**FACTORS INFLUENCING INTERNATIONAL TOURISTS IN
CHOOSING A TRAVEL DESTINATION:
CASE STUDY OF PENANG, MALAYSIA**

by

ANG LAY POOI

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FAKTOR-FAKTOR YANG MEMPENGARUHI PEMILIHAN DESTINASI OLEH PELANCONG ASING : KAJIAN KES DI PULAU PINANG, MALAYSIA

ABSTRAK

Tujuan kajian ini adalah untuk menentukan faktor-faktor yang akan mempengaruhi pemilihan destinasi oleh pelancong asing. Tabiat melancong, faktor tarikan dan tolakan ke suatu destinasi dan imej sesuatu destinasi akan mempengaruhi pembuatan keputusan. Selain daripada mengenalpasti faktor tarikan sesuatu destinasi, kajian ini juga mengkaji persepsi pelancong asing terhadap imej Pulau Pinang. Kajian ini akan membincangkan tiga aspek utama iaitu: (a) elemen-elemen atau faktor-faktor yang penting yang akan mempengaruhi pelancong untuk memilih suatu destinasi pelancongan, (b) Sebab dan tujuan mereka melancong, dan (c) Imej Pulau Pinang daripada pelancong asing. Selain menggunakan analisis frekuensi dan analisis *cross tabulation*, analisis faktor juga akan digunakan dalam kajian ini untuk menentukan faktor-faktor yang mempengaruhi pelancong semasa memilih suatu destinasi dan pandangan pelancong asing terhadap imej Pulau Pinang. Sebagai kesimpulan, cadangan untuk meningkatkan sektor pelancongan di Pulau Pinang akan disyorkan.

FACTORS INFLUENCING INTERNATIONAL TOURISTS IN CHOOSING A TRAVEL DESTINATION: CASE STUDY OF PENANG, MALAYSIA

ABSTRACT

The aim of this paper is to define the elements that affect tourists in choosing a destination. The travel behaviour, the pull and push factors for a destination and image of a destination are elements which will affect the decision-making. Besides of clarifying pull factors, this research explores perspectives of international tourists about image of Penang. This paper discussed three main parts: (a) The elements or factors for tourists in choosing a travel destination (b) The reason or purpose for making trip, and (c) Image of Penang from international tourists. Besides frequency and cross tabulation analysis, factors analysis is used to clarify elements that influence tourist's priority in choosing a travel destination and image of Penang as a travel destination. As a conclusion, recommendations for improve tourism in Penang will be suggest.

Chapter 1 Introduction

According to the OECD Tourism Commission (1973), the 1937 definition specifically excluded the following. Persons arriving, with or without a contract of work to take up an occupation or engage in any business activity in the country. Other person coming to establish a residence in the country. Students or young people in boarding establishments or schools. Residents in a frontier zone and persons domiciled in one country and working in an adjoining country. Travellers passing through a country without stopping, even if the journey takes more than 24 hours (Collier, 1989).

Understanding why people travel and what factors that influence their travel behaviour intention of choosing a travel destination is beneficial to tourism planning (Lam & Hsu, 2005). The underlying idea of the pull and push model is the decomposition of an individual's choice of a travel destination into two forces. The force is to push individual away from home and second force is pull individual toward a destination.

Hudson (1999) concluded that needs are the force that arouses motivated behaviour and it is assumed that, to understand human motivation, it is necessary to discover what needs people have and how they can fulfil it when a person start have a motive to visit a place. Following, a lot of plan will come out and these plans will form a process from the beginning (the motive want to travel) to the final (decision making on where to visit base on perception and interest). By the process of choosing a destination, we will go though the tourists' behaviour, the image of the destination and finally the factors (pull and push factors) that make the tourists' decided a destination.

1.1 Factors That Influence Tourists Behaviour

When individual decided to visit to a destination, there must be purpose that makes him to do so. According to Methodological Supplement to World Trade Statistics (1978), the World Tourism Organisation (WTO) has notable nine categories of main purpose for visits. The nine main purposes are holiday/recreation, business, health, study, missions, meetings/ conferences/ conventions, visiting friend and family, religion and sports (Collier, 1989).

According to Hakinson (2004), destinations are visiting by two types of tourists, leisure tourists and business tourists. For the business tourists, usually they come for purpose such as seminar, conferences, meeting and event. Choice of a destination is based on the degree to which they generate favourable images.

Lam & Hsu (2005) concluded that according to the tourism literature and related of travel destination choice and decision-making process, travel motivation involves the concept of push and pull factors. Many people perceive leisure and holiday periods as a time to escape from the normal routines of life; to do, to see, to experience something different (Christopher, 1993). Dann (1977) argued that there are two factors in a decision to travel, which are pull and push factors. The pull factors are those that affect where you travel include intangible cues of a specific destination that pull people to realize the needs of particular travel experience (Lam & Hsu, 2005), the push factors are those that make you want to travel include cognitive process and socio-psychological motivations that predispose people to travel. As a simple push level, many people just want a change. They do not want to stay in the same place all the year round and looking to go and see another place (Law, 1993).

Tourists' attractions are essential ingredient for successful tourism destination development. Gunn (1972) recognizes them as " the first power, lodestones for pleasure and the real energiser of tourism in a region. " Attractions are design to attract; they are prime motivators for visiting a destination or a resort.

Tourists change their behaviour in choosing a destination from a leisure place to a psychologically destination. They prefer to visit a place that can make them learn more and their willing to pay more on the destination. However, the fact is, the visitors will not return to the same destination after they have come once. As a result, the historical building, heritage, castle need to re-evaluated to attract the visitor to come again. A nice environment and atmosphere, good services are needed to remain a sustainable destination. Travel becomes a way for person to express inquisitiveness and satisfy curiosity (Gupta, 1984).

1.2 Image of destination

'Image' is defined as being a person's beliefs, ideals, feelings, expectations and impressions about a place. 'Image' of place is derived from either personal experience or secondary information sources including personal conversation or the mass media (Crompton, 1979).

Gunn (1989) argues that image of destinations progress at two levels, an 'organic image' and an 'induced image'. The 'organic image' is one communicated through and sourced in discourses of the educational, electronic media or mass media and publishing institutions. An 'induced image' is an institutional one, but derived from

the event, symbols and advertising produced by National Tourist Organizations. Slogans, events, symbols and advertisements are therefore produced by state tourist organizations specifically to differentiate countries within the international tourists market. From Hankinson (2004), image distributes can be classified into two subsets; functional/ tangible attributes and symbolic/ intangible attributes.

For destination marketers, perhaps the most significant aspect of an image is its influence in travel behaviour. Basic consumer behaviour theory suggests that consumers make product choice decisions based on the images they form of different brands (Leisen, 2001). The image of the destination is different for each person. Different people will have different image of the same product. The image they have is based on their own background such as country of origin, education level, and travel experience and so on (Reynolds, 1965).

Leisen (2001) find that residents can influence tourists' perceptions because they are an information source for tourists. The image of a destination can be shaped by the residents and they either can positively or negatively shape tourists' images of their home area by their role-play. Meanwhile, a destination with a long political/ social history or culture heritage perhaps may have developed a strong positive image (Hankinson, 2004).

Besides, potential tourists learn about the world from the media and from literature. Most importantly, they learn from television and films, which provide potent images of places. Historic cities attract people a great deal, from Florence and Venice in Italy, to small cities like Bath, Chester and York in England. Some places, because of their good preservation, become representative of history or urban landscape (Law, 1993).

According to Beerli & Martin (2004), destination image can divide into nine (9) dimensions. The nine dimensions are natural resources, tourists' leisure and recreation, natural environment, general infrastructure, culture, history and art, social environment, tourists' infrastructure, political and economic factors and atmosphere of the place. It is proved that Penang is a successful destination as it does provide all nine dimensions.

Kozak & Rimmington (1998) noted that the elements contribute to the attractiveness of a tourists' destination are attractions (scenery/natural resources, climate, culture, food, history, ethnicity, and accessibility), facilities and services (accommodation, airports, bus/train stations, sport facilities, entertainment, shopping centres, and food and beverage facilities), infrastructure (water system, communication networks, health care, power sources, sewage/drainage areas, streets/highways, and security system), hospitality (friendliness, helpfulness, and responsiveness to complaints) and cost (value for money, accommodation prices, food and beverage prices, transportation prices, and shopping prices).

1.3 Factors which influence decision making in choosing destination

As visitors become better educated and better informed about a travel destination, it will open new choices and provides new opportunities for unique experiences. Since a lot of travel destination promote to the world and with a great variety of competing destinations, tourists able to make their own choices based on money and time constraints (Mohsin, 2004). Many factors will influence the decision-

making. The factors that will affect the visitors are quality of a destination, quality in management and environment, transportation management such as local transportation, safety of a destination, cultural, image of a destination, purpose of the tourists related with the product of a destination, public service that have provided and travel cost (Prideaux, 1999; Gunn, 1972; Dann, 1977; Martin & Witt, 1988).

'What makes a city an exciting place to visit?' from a survey by Longwoods international, has suggested that tourists want something that is unique and interesting, popular, entertaining and includes cultural attraction and sightseeing. Tourists based on these elements to decide destination they want to visit. The secondary elements included hotels, shopping facilities, restaurants, clubs, pubs and other form of entertaining might be consider by the tourists (Law, 1993).

The quality of environment will become a main factor for the tourists in making destination decision. Environment quality refers to the quality of the natural features of the destination that can be worsened by human activities. Natural features like beautiful scenery, natural hydrologic structure, clean water, fresh air can suffer from pollution and lose their attraction. Pizam (1991) claims quality of the natural attraction is a part of quality destination. If environment in a destination in low quality, tourists will stay away from it. Quality of a destination makes a strong influence in choice vacation destination. Thus, destination environment quality need to be managed until can provide a high-quality environment.

Tourism studies show transport and destination have linkage. Transport will influence tourists to visit a destination. Prideaux (1999), transport is defined as operation of, and interaction between, transport modes, ways and terminals that support tourism resorts in terms of passenger and freight flows into and out of

destination, the provision of transport services within the destination, and the provision of connecting transport modes in the tourism generating region.

Prideaux (1999) noted that there are some tasks in transport system that we should not ignore. These included providing transport from tourists' home to terminal; Providing a safe, comfortable, competitive priced and fast services; Providing transport in destination; Providing freight services into tourism destination.

Martin and Witt (1988) noted that travel cost become a factor when the traveller make decision on which destination they want to visit. Destination provide a superior transport services will attract more tourists come to visit. Transport is an important element in access. Identify and invest appropriate transport infrastructure will make destination to grow.

Mihalic (1999) comment that for a destination, there are ten (10) attractive elements, which are natural features, climate, cultural and social characteristics, general infrastructure, basic services infrastructure, tourism superstructure, access and transportation facilities, attitudes towards tourists cost/ price levels, economic and social ties and uniqueness, such as unique religious centre or unique geography. The Calgary model of competitiveness in tourism assumes prices as a factor of competitiveness and has strong relations between the different level of the quality and price changed. Visitors are not willing to trade lower environment quality by a lower cost and willing to pay more for a better environment.

Blank (1989) noted that International tourists flows are commonly regarded as being generated by a combination of push and pull factors in the demand (generating) and supply (attracting). Push factors are shaped by tourists' personal disposable income, travel need, travel motivations, formal or informal commitment to normative

travel behaviour and publicity to marketing oriented travel information. Theoretically, demand generated by these 'push' factors could be fulfilled, at a particular budget, by a wide range of tourists' destination.

After discussing factors influencing tourists' behaviour, factors influencing in choosing a destination and image of destination, purpose for this study is to specify important elements or factors that being considered by international tourists when they choose a travel destination. The motivation or reason of tourists travel around also noted in this research. Besides, this study is done in Penang and image of Penang from international tourists will discuss.

1.4 Purpose & objective of study

The purpose of study is to specify factors which influence international tourists in choosing a destination.

The objective of study is

- a. To specify the factors that affect the international tourists in choosing a destination.
- b. To know the motives of travelling from the international tourists.
- c. To measure the satisfaction level of the international tourists on Penang.
- d. To know the impression of Penang from international tourists.

1.5 Definition of terms

Visitor, according to Robert *et al.* (1995), is a person who travels to a country other than the one in which they generally reside for a period not exceeding twelve months, whose main purpose is other than the exercise of an activity remunerated from within the place visited. Visitors are subdivided into two categories:

1. Same-day visitors: visitors who do not spend the night in a collective or private accommodation in the country visited.
2. Tourists: visitors who stay in the country visited for at least one night.

There are many purposes for a visit, notably pleasure, business, and other purposes, such as family reasons, health, and transit.

In 1937 The Committee of Statistical Experts of the League of Nations proposed the following definition of 'international tourists';

"Any person visiting a country, other than that in which he usually resides, for a period of at least 24 hours. Persons travelling for pleasure, for family reasons or for health; Person travelling for meetings, or in a representative capacity of any kind (scientific, administrative, diplomatic, religious, or athletic); Persons travelling for business reasons; Persons arriving in the course of a sea cruise, even when they stay less than 24 hours".

According to the OECD Tourism commission (1973), * the 1937 definition specifically excluded the following:

" Persons arriving, with or without a contract of work to take up an occupation or engage in any business activity in the country; others persons coming to establish a residence in the country; students or young persons in boarding establishments in one country and working in an adjoining country; travellers passing through a country without stopping, even if the journey takes more than 24 hours. "

This definition was accepted in 1950 by the International Union of Official Travel Organisation (IUOTO), the predecessor of WTO, but with two suggested amendments:

1. The students and those others staying in boarding establishments be included as tourists and
2. The excursionists and transit travellers not be included as tourists.

* International tourism and tourism policy in OECD countries, OECD: Paris, July 1973.

(Source: Principles of Tourism, 1989)

1.6 Limitations

This study discussed about factors that influence the international tourists in choosing a destination. For study the behaviour of the tourists, this research was done in Penang, Malaysia. This study was conducted about nine months. The report need to be complete by April 2006.

In this study, the behaviour of the tourists, the view of the international tourists about Penang, the attractive destinations in Penang will be mention. Measurement of image was limited to the tourists currently visiting Penang on December 2005 to February 2006. The satisfaction of the tourist was based on the feelings after experiencing destination attributes.

Chapter 2 Tourism Industry

2.1 Tourism Malaysia

Tourism Malaysia Industry is the second main sector contributes to the country economy growth based on the Eight Malaysia Plan. Since 1990, the number of international tourists visits Malaysia increases and it generates incomes, creates career and business opportunities to the country. In 1998, the number of tourists arrived in Malaysia reached 7.2 million people and through the international monetary exchange; the sector contributes approximately RM 9.3 billion to the Malaysia economy (Mohamed, 2001). Table 2-1 shows the origin country of the tourists who visit Malaysia in every fifth year from year 1995 and we found that the major tourism markets in Malaysia are ASEAN countries, Japan, Australia, USA, India, Taiwan and United Kingdom. However, most of the tourists arrived Malaysia is from Singapore and Thailand. In tourism statistic, Singapore and Thailand tourists visit Malaysia in year 2000 to 2004, contribute 65% to 70% of overall total of visitor.

The public interest on tourism sector rose especially after the success of the 1st Visit Malaysia Year Campaign in 1990. Public start realizes the potential and the importance of the tourism sector.

Table 2-1 Country of origin of tourists arrived Malaysia 1995-2005

Guide	1995	2000	2005
Number tourists arrived ('000)	7,469	10,221	14,273
base of country of origin (%)			
ASEAN ¹	73.5	70.3	63.5
Japan	4.4	4.5	5.2
China	1.4	4.2	4.8
Taiwan	3.9	2.1	2.4
Hong Kong SAR	2.0	0.7	1.8
India	0.4	1.3	2.7
Australia	1.8	2.3	2.7
United Kingdom	2.2	2.3	2.5
United State	1.3	1.8	2.1
Others	9.1	10.5	12.3
Total tourism income ² (RM million)	9,927.8	18,756.7	29,499.5
Number of hotels ³	1,220	1,492	1,541
Number of hotels rooms	76,373	134,503	140,503
Average length of stay (night)	4.8	5.5	5.8
Accommodation rates (%)	65.5	55.0	60.0
Man power ⁴	67214	78671	79603

Note:

1 Not included Myanmar, Vietnam and Cambodia

2 tourism income= income from tourists+ income from daily visitor

3 Hotel 10 room and above, not included apartment and condominium

4 man power in hotel only

(Source: Eight-Malaysia Plan- Tourism chosen guide, 1995, 2000 and 2005)

Tourism in Peninsular Malaysia is divided into six (6) main zones. There are Penang-Langkawi, Perak, Kuala Lumpur-Melaka, Kota Bahru-Terengganu, Kuantan and Johor (Chee, 1998). The advanced and organized transportation system in Peninsular Malaysia could attract more international tourists because transportation system could make the easy accessibility to their destination. The airline industry, rail industry, motor coach industry, automobile and cruise industry are the five (5) types of transportation system which offered in Peninsular Malaysia (Robert, 1995). Kuala Lumpur, Johor Bahru, Penang, Bukit Kayu Hitam, Kuching and Kota Kinabalu would be the several entrance spot for tourists.

Kuala Lumpur, Penang, Malacca, Johor Bahru and Genting Highlands are the five (5) main spot destinations which are the most popular among international tourists as they served various attraction.

The development and sustainable management of Tourism Malaysia has been started when the culture department established in 1953. Tourism sector become more mature in early 1970an. Besides, government start to realize the importance of tourism in 1972. As a result, Tourism Development Committee (TDC) was established on 10 August 1972. While, PATA which was held in Kuala Lumpur has given an awareness to the community about the importance and future of tourism (Mohamed, 2001). Beside that, Ministry of Tourism and Cultural was established on 20 May 1987. Consequently, tourism sector became more important and government started to emphasize on it until 27 March 2004. The objective of Ministry of Tourism and Cultural is to organize and develop tourism sector in Malaysia (See Kementerian Pelancongan Malaysia web site; www.motour.gov.my). Table 2-2 shows factors of attracting international tourists to visit Penang and the factors of Malaysian good asset would be one of the most outstanding reasons.

Table 2-2 Reason international tourists come to Malaysia

- Governmental support	- Language and Culture
- Standard of Living	- Food and Fruits
- Cost of Living	- Recreation/Entertainment
- Weather	- Shopping
- Infrastructure	- Education
- Political Stability	- Medical Facilities
- Rule of Law	- Residences
- Safety	- Religion

(Source: www.motour.gov.my)

According to Eight Malaysia Plan (8MP), sustainable development would be the main foundation for tourism sector. It could do by introducing a variety of tourism quality product to stimulate the tourists' need for international and domestic level. Besides that, promotion strategy becomes more effective if the promotion is held continuously in the market.

Arrival of tourists has increased from the average 6.5 percent per year in the plan phase. In 1997 and 1998, arrival of tourists was decreased because of haze, virus Nipah, and Coxsackie, which happened in several areas and due to Asia economic crisis. Therefore, statistic of tourists visit Malaysia has been decreased about 13 percent in 1997 and 10.6 percent in 1998. In 1999, arrival of tourists increase rapidly reached 43.6 percent compared to 1998. In 2000, a new record created by having 10.2 million tourists visited Malaysia.

Development of tourism industry contributed to development of economy by involving variety industries in county. It can be reflex through the pattern of tourists'

expenses. According to the expenses pattern, accommodation industry is still the major component that increases from 32.0 percent in 1995 to 32.8 percent in 2000. Shopping is the second major expenses component that increase from 21.0 to 23.1 percent in the duration Malaysia promoted as shopping paradise. It is followed by food and drink industries. The entire components summarized in Table 2-3.

Tourism industry income had achieved about RM18.7 billion in 2000. Tourists average daily expenses increased from RM255.90 (1995) to RM308.36 (2000). Duration of staying increased from 4.8 nights (1995) to 5.5 nights (2000). For the tourists income according to country had shown in Table 2-4. From the table, it tells us that the main income of tourists come from Asia country.

Table 2-3 Composition Of Tourism Expenses¹ , 1995 and 2000

<i>Item</i>	<i>1995</i>	<i>2000</i>
Accommodation	32.0	32.8
Shopping	21.0	23.1
Food & drinks	18.0	19.5
Local transportation	8.0	7.1
Domestic flight fare	5.0	4.6
Arrange visit	4.0	4.2
Entertainment	6.0	5.0
Others	6.0	3.7
Total	100.0	100.0
Total (RM million)	9,174.9	17,335.4

Note: 1 Tourists expenses not included the daily visitor expenses

(Source: Eight Malaysia Plan)

Table 2-4 Tourists¹ Income According To Country, 1995 and 2000

<i>Country</i>	<i>(RM million)</i>	
	<i>1995</i>	<i>2000</i>
ASEAN	5,456.1	9,582.0
Japan	682.0	1,029.5
Taiwan	630.7	469.0
United Kingdom	323.0	646.4
China	171.9	1,226.4
Australia	251.7	644.1
Hong Kong SAR	164.5	280.1
Others	1,379.4	3,573.5
Total	9,174.9	17,335.4

Note: 1 Tourists income not included the daily visitor income

(Source: Eight Malaysia Plan)

Promotion activities under 'Cuti-Cuti Malaysia' theme are to encourage the domestic tourism in country to reduce the high rate of money exchange. Tourism promotion at the state level such as 'Year Visit Perak' and 'Year Visit Selangor' has increased domestic tourism rates. In addition, the new announcement on first Saturday every month start on 1 January 1999 and third Saturday every month start on 1 February 2000 as public holiday has gave a positive impact in domestic tourism industry.

Man power in hotel industry growth at an average rate 3.2 percent per year and achieve 79,600 people in 2000. 18 public institutions and 47 private institutions have providing training courses related with tourism industry. A research on manpower development in tourism industry study has started in 2000 to prepare an overall image that related to the issue, development and direction of man power development in tourism industry.

Variety of tourism products has been introduced to fulfil the taste and needs of the tourists. Tourism products including the introducing Malaysia as an ideal destination with everything under one roof, this is varies from interesting island and mountain, shopping destination, international festival, ecology base tourism, agriculture base tourism, home stay program, cultural and heritage tourism, education to students and health.

The value of mix unique in between natural and multi-cultural, traditional, history and living multi-racial in Malaysia is the most important elements to promote Malaysia internationally as part of the marketing and promotion strategy.

'Malaysia Truly Asia' theme has been introduced in 1999 to promote Malaysia as a unique tourism destination. Because of importance of marketing impact, government has given a special allotment around RM150 million.

Tourism development strategy in 2001-2005 is to emphasize sustainable development. It gives attention on overall tourism development, promotes Malaysia as an interesting destination by having carnival environment whole year. Product has developed and promotes mainly to clients, increase development of manpower, prepare and upgrade the communication network, make sure the comfortable, safety and harmony environment to tourists, and form a strategic and upgrade international cooperation.

In duration of 8MP, allotment for tourism development is RM 1 billion. All allotment is prepared on the tourism program that can maximize return to the tourism industry and economic. The main programs which are being introduced held a conservation and refurbishment project to the historical places, beautifies and protects

the environment, enhanced the tourism products, prepares moderate accommodations and infrastructures that related to tourism. Table 2-5 shows the details of allotment.

Table 2-5 Tourism development allotment, 1996-2005

Program	(RM million)		
	7MP		8MP
	Allotment	Expenses	Allotment
Conservation Heritage/Historical	56.0	42.4	125.0
Accommodation	49.0	34.0	35.5
Beautify/Cleanliness & Protect The Environment	89.2	69.5	295.3
Infrastructure & Facilities	335.5	276.2	473.6
Others	75.8	62.1	79.6
Total	605.5	484.2	1,009.0

(Source: Eight Malaysia Plan)

2.2 History and background of Tourism Penang

Location of Penang is 5° north of the Equator. Penang, the only island state in Malaysia is known as the Pearl of the Orient. Area of Penang is 285 square kilometres. The island and mainland (Seberang Prai) are separated by a channel of 3 km wide at the narrowest point and 13 km at the widest. Mainland and island are linked by the 13.5 km Penang Bridge, the third longest bridge in the world. It took 5 years to complete and it was opened in 1988. The capital of Penang state is George Town (See Tourism Penang Web Site; www.tourismpenang.gov.my).

Penang's climate is equatorial, sunny and occasional cooling rainstorms. Humidity is usually high, and the temperature varies between 21° and 32°. Penang has 1.2 million people, more than half of them live on the island. The population is multi-

ethnic. The ethnic category is as follows: Chinese 59 percent, Malay 32 percent, Indian 7 percent and others two percent.

Air, rail, driving and water are main transportation system that attracts tourists to visit Penang. Tourists come to Penang by air, rail, land and water. The Penang International Airport is located 16km from George Town. Cathay Pacific, Eva Air, Korean Airlines, Xiamen Airlines, AirAsia Airlines, Malaysia Airlines, Singapore Airlines, Thai International and others offer connecting flights. Butterworth is a major station for the north-south railway from Singapore to Bangkok. The ferry terminal to jetty (in Penang Island) is within walking distance (5 minutes) only. Tourists also can drive to Penang Island by using Penang Bridge. It takes around 10-15 minutes to cross the bridge.

History of Penang started in 1786. During that time, Penang was a business centre for the east-south area and East Asia. The early documentation source for tourism of Penang in 1811, found that a New Zealand nation, James Wathen, has drew early view and image of the Penang (Lopez, 1991).

In February 1972, Penang became the location for "PATA Workshop". This was turning point for Penang to become a famous international tourism destination. After "PATA Workshop", "Penang International Workshop" was organized in June 1985. It was a seminar for private and public sectors in October 1985, which had successfully made Penang as a tourism destination (Lopez, 1991). In 1986, Penang Festival was organized to publicize Penang internationally through cultural events, musical shows, Foods and Fruits Festival, seminar and sport activities.

However, tourism in Penang needs to compete with Langkawi Island, Tioman Island, Pangkor Island, Hatyai, and Singapore. Although the competition is intense, Penang still become the second outwit tourism destination in Malaysia by continuously providing multi-activities to attract tourists.

Penang Tourism Action Council manages the management of tourism in Penang. Every year, the council plans activities to be held in Penang that could attract tourists. Basically, it is through maintaining and conservation of the tourism product and providing more updated information for international tourists.

The number of international tourism visited Penang was not stable from 2000 to 2004. Table 2-6 shows the number of tourists arrived Penang through Penang International Airport and Port Swettenham from 2000 to 2004, not including the tourists from land. Statistic recorded that number of International tourists reduced from 2000 to 2003 and increased from 2003-2004. Average number of international tourists arrived is 500,031 people. Decrease of tourists in 2001 because of the Bali bombing and 911 case. SARS and Bird Flu have effected decrease of tourists in 2002 and 2003. However, in 2004, number of tourists increased because of politic stability.

There are many Indonesian, Singaporean and Japanese tourists visit Penang. Indonesian tourists were around 47% of the total tourists from 2000 to 2004. Table 2-7 shows country of origin of Penang tourists. The table only shows the major tourists' country. The others tourists' countries are New Zealand, Canada, Sri Lanka, Bangladesh, India, Brunei Darulsalam, other Commonwealth Countries, Russia, Latin America, Arabia Countries, West Germany, France, Norway, Sweden, Denmark, Belgium, Luxemburg & Netherlands, other European countries, east Europe,

Philippines, Pakistan and so on. The table only shows number of tourists arrived Penang by air and sea.

Table 2-6 International tourists arrivals through Penang International Airport & Port Swettenham, Penang, 2000-2004

Year	Total International Visitors Arrivals		
	By Air	By Sea	Total
2000	418,594	109,312	527,906
2001	390,466	118,163	508,629
2002	370,753	96,851	467,604
2003	337,686	91,128	428,814
2004	447,161	120,045	567,206

(Source: Penang Tourism Action Council)

Table 2-7 Total tourists arrivals by country of origin, 2004

Country	% Visitors Arrivals, 2004
Indonesia	46.3
Singapore	11.4
Thailand	10.2
Taiwan	7.4
United Kingdom	4.9
Japan	4.2
United State	3.0
Australia	2.4
South Korea	2.3
China	2.2
Hong Kong (British)	2.2

*Total of the visitors 2004 is 567,206.

(Source: Penang Tourism Action Council)

There are tourists arrived whole year though in island. In January to March, tourists come from Australia, New Zealand and UK; while, from April to September, most of tourists are from Arab countries and from October until the end of year, the island become the favourite place for European tourists.

Penang Tourism Action Council promotes Penang to overseas as a multi-purpose destination. The accommodation in Penang can divide into four (4) types; City Hotel, Beach Hotels & Resort, Budget Hotel and Bungalow. Seminar, medical tourism and education tourism brought in many tourists to visit Penang by having workshop, conference and competition. Business tourists come to Penang by joining business trips. These kind of workshops have made Penang famous in international meeting location, besides the heritage or leisure destination.

2.3 Tourism product in Penang

The tourism products in Penang are categorized into six (6) groups. There are attraction, events, facilities and services, infrastructure, hospitality and cost. The details of these six groups in Penang are as following:

2.3.1 Attractions

Penang becomes a multi-purpose tourism destination. It offers many activities and attracts international tourists to explore. The types of attraction are categorized as heritage, economic and nature, attractiveness in Seberang Perai and attractiveness in Georgetown. Penang is a famous island by having the heritage-smell in Georgetown.

The heritages are Fort Cornwallis, City Hall, Town Hall, Court Buildings, Khoo Kongsi, Cheong Fatt Tze Mansion and others eye-catching product.

For nature aspects, Penang has Penang Hill, Batu Ferringghi, Butterfly Farm, Tropical Spice Garden, Bird Park, Botanical Garden and others. Penang also has a lot of shopping centre likes Complex Bukit Jambul, Prangin Mall, Gurney Plaza, Island Shopping Centre, Tesco and others.

2.3.2 Events

Varieties of events are held monthly throughout year in Penang. All the events which were organized in 2005 are showed in table 2-8. From the table, we found that there are 36 types of festivals and events organized in Penang.

Tourism activities are held from month to month. Besides having the cultural festivals such as Thaipusam, Thinyang and Songkran festival, Penang also has sport-tourism like the PSC Refatta in March, Penang International Floral Festival in June, Penang Indocafe E-Row Championship in July and other activities like Matta International Travel Fair, Auto-City Carnival and Mega Shopping Carnival.