

Strategic Positioning of Malaysia as a Tourism Destination:

A Review

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ABSTRACT

Like its Asean neighbors, Malaysia sees tourism as a sector full of potentials to generate job and business opportunities but as a new entrant in the tourism world, Malaysia struggles to position itself in a region that shares identical cultures, heritage and natural environment. Because of this, the Asean members now compete fiercely to claim greater share of the limited international tourist market. Competing with another sees many states copying one another and trying to outdo each other. This paper focuses on Malaysia's efforts and strategies to maintain its position and competitiveness in this sector. It discusses policy and marketing and promotional changes that had taken place in the past decade. It also touches on cooperation and regional exchanges forged by the Malaysian government to stay afloat and competitive.



Keywords: Malaysia, image, positional, regional tourism

1. Introduction

Most of Asean countries regard tourism as one of the important economic sector of the economy. Forecasts by the World Travel and Tourism Council (1995) for the Asia Pacific region revealed that by the year 2005, travel and tourism would generate US\$1.9 trillion in gross output, accounting for 11.6% of GDP. The sector is also expected to create an additional 105 million new jobs. WTO (2000), in its Tourism 2020 Vision study, predicted that by 2020, Asia, in particular the East Asia and the Pacific, will become the second-most visited region of the world and with South Asia, will have one of the highest rates of growth in tourism arrivals and receipts. Receipts from international tourism (excluding transport) are projected to increase more than fivefold between 1995 and 2020 to reach US\$2 trillion. It was reported that a record high of more than 44 million tourists arrived in Asean region in 2004, an increase of more than 35 percent from 2003. Half of the tourists came from within Asean while 29 percent were from the rest of Asia. Europe represented 11 percent of the tourism market with the United States accounting for 5 percent.

Becoming a recognized destination presents a difficult marketing challenge and to maintain a positive image in the minds of visitors may be even more difficult since alternative and competing destinations are always pushing the limits of market competition to maintain or capture a significant portion of the visitor market (Uysal, Chen and Williams, 2000). This also relates to the fact that the decision to travel (or not to travel) to a particular destination is linked to our perception of that destination, thus an examination of that perception process may help us understand how we can change an individual's perception of a destination in order to increase the likelihood of that

individual's visiting the destination (Mill and Morrison, 1985). The World Tourism Organization (WTO) (1983) suggested that 'familiarity' with destinations would influence the future demand of world travelers. v



A tragedy that hit one country can spill the impacts to its neighboring region. This is especially true for Asean, as visitors or potential visitors to this region often regard this whole region is considered as one. The tsunami tragedy that killed hundreds of thousands of people in this region early this year was a clear example of that. The SARS outbreak at the end of 2002 through the middle part of 2003 that took 772 lives, among other things, have left a dent on the regional tourism sector with the worse casualty experienced by Singapore.

Instant flight cancellations to this region by potential travelers were reported soon after the Bali and Jakarta Bombings. This brief paper evaluates changes in Malaysia's global tourism image positioning and how Malaysia has been perceived as a destination. It discusses strategies and efforts carried out by Malaysia to stay and maintain its position and competitiveness in this sector.

Tourism cooperation among Asean nations

Figure 1 shows that Asean nations enjoy steady growth of tourist arrivals since 1991. Most of the travelers, however, come from neighboring countries (Table 1). Visitors from former colonial states also make up a significant number of the market. Malaysia for instance, enjoys consistent arrivals of visitors from the United Kingdom. Religious and cultural relations between countries also attract tourists. Malaysia recently enjoys a substantial growth in the number of Middle Eastern travelers.

Figure 1: Total International Visitor Arrivals to ASEAN (1991-2004)

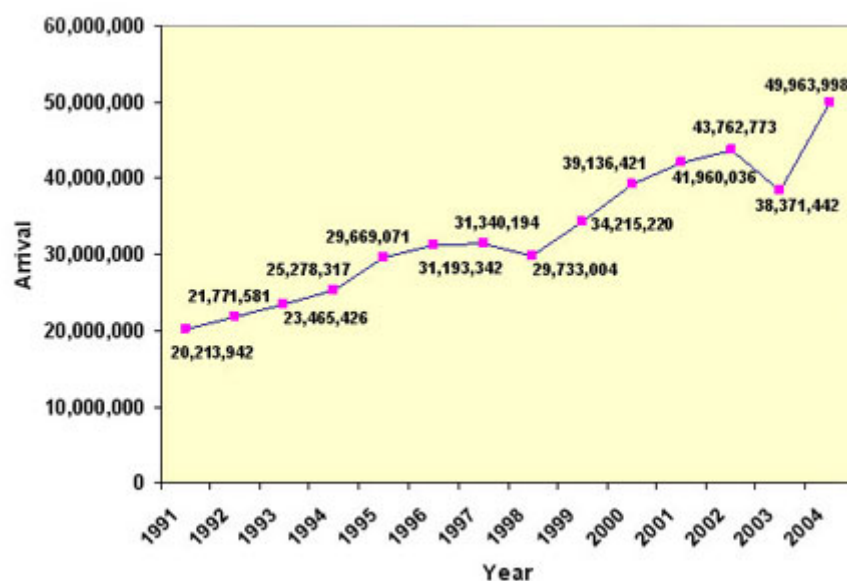


Table 1: Top 10 Visitor-Generating Markets Of International Visitor Arrivals To ASEAN (2004)

No	Country Of Residence	TOTAL
1.	Singapore	12,216,878
2.	Japan	3,481,186
3.	Malaysia	3,342,543
4.	China	3,163,642
5.	Indonesia	2,851,745
6.	Thailand	2,568,802
7.	South Korea	2,348,065
8.	USA	2,099,322
9.	Australia	1,848,524
10.	Taiwan	1,753,121

Collaborating Tourism Programs Among Asean Countries



Over the years, Asean nations had pledged cooperation to promote this region as one. Efforts to work together within the spirit of Asean started with the establishment of the Sub-Committee on Tourism (SCOT) in charge of arranging regional marketing endeavors. While SCOT was dissolved in the mid-1990s, this committee was a good example of an early attempt to begin regional marketing efforts. The establishment of Aseantta, which replaced

SCOT, demonstrates a continued interest among ASEAN members to promote the region abroad. As a follow up of the Manila Declaration of 15 December 1987, 1992 was designated as Visit Asean Year, considered by many to be a failure. The Manila Declaration stated that intra-ASEAN travel would be encouraged among member countries and that a competitive and viable tourism industry should be developed. All member countries should work together to promote the region as one destination, to encourage overseas visitors to remain longer and to offer special air travel incentives (Walton, 1993). A second follow up Visit Asean Year was carried out in 2002. Since the Manila Declaration, many joint statements, Action Plans (like the one in 1998), and pledges were made to affirm strong commitment of its member nations to join hand. Asean agreed in principle to facilitate travels into and within ASEAN and to enhance cooperation in the tourism industry among ASEAN Member States (Asean Secretariat, 2003). An example of this cooperation is the "Asean Hip-Hop Pass," which will run until March 31, 2005. It is a promotional program offering competitive prices for intra-regional travel by citizens of the ASEAN-member countries. The countries also agreed to establish an integrated network of tourism and travel services to maximize the complementary

nature of the region's tourist attractions and to promote Asean as a single tourism destination with world-class facilities and attractions

Selling united image of Asean

One of the primary goals of the ASEAN Plan of Action for tourism is to build a holistic image of the region as one vast and appealing destination that will provide a wide range of experiences for potential tourists. While many barriers still exist in policy and environmental management aspects of tourism, this effort is beginning to pay off with marketing and promotional efforts are the strongest part of the ASEAN partnership (Hall, 1994; Timothy, 2000). Besides hosting the Visit Asean Years in 1992 and 2002, Asean tourism ministers have also join hands to counter negative publicity of the region, which had affected the flow of tourists into the region. A trend of "sharing" tourism, with countries cooperating in offering packages spanning several countries, increasing value and synergizing both to the customer and each economy. With the complexity of the inbound tourism market rising annually, positioning and brand image is becoming more and more essential to successful branding of Asian tourist destinations.

Positioning Malaysia within Asean tourist map

Despite pledges of joint promotions and united image, it seems that most of the time, members of the Asean nation works individually. While the main suppliers of tourists are its neighboring states, main competitors of Malaysian tourism are also its neighbors. Situated in the same geographical region, Malaysia shares similarities with other ASEAN nations in term of natural resources, tourism infrastructure, culture, traditions and hospitality. While these similarities can be seen as an advantage, they serve more as a handicap to Malaysia. The introduction of 'Six in One' concept by the Asean leaders when they inaugurated the Visit Asean Year 1992 in fact worsens this problem. Emerging as a new tourist destination, an increasingly popular Malaysia in the 70s started as 'A Tropical Paradise', only to realize that tourists are more interested in going to the more established Hawaii and Bali and later to Phuket. In its efforts to shoot to prominence and set itself apart from its neighbors, Malaysian often alters its tourism image (s) promoted abroad. During the early spread of sex related diseases, like AIDS, the country was promoted as 'a clean destination'. This strategy was to attract travelers who visited nearby three Ss-Sun, Sea and Sex destinations like Phuket, Bali and Pattaya and certain destinations in the Phillipines. This 'Clean Destination' approach, however, did not leave a significant impact on the markets as tourists continued to flock the 3 Ss destinations.

Realizing the potential of its nature, for the 1990 Visit Malaysia Year (VMY90), Malaysia started to sell the vast natural resources that the country has. Slogans like 'To know Malaysia is to love Malaysia' and 'You Will Be Fascinated' were used extensively both in the domestic and international promotions. Selling nature seems to have done the magic, as it opened various new products like nature tourism, adventure tourism and agrotourism. The success of this campaign had resulted 7.45 million of tourist arrivals. In the early 90s, while continuing the success trail of marketing its nature, Malaysia continued to diversify its products (and the promotional images), and started to readjust its marketing strategies,



hoping to receive a greater number of travelers. Despite the fact that selling nature was a success, Malaysia could not resist the temptation of informing the world that it does have everything. As stated by the former Minister of Culture, Arts and Tourism (now Ministry of Tourism), '...diversifying the tourism base, which would include reducing its dependence on a narrow range of activities and markets, would be one of the thrusts of tourism in the next ten years. This strategy would be used to develop Malaysia as a shopping, sports, convention center, and a special interest destination, therefore catering to a wide range of tourist interests (Bernama News Daily, Oct 19, 1991).

Mid nineties saw Malaysia embark on the 'A Shopping Paradise' drive, selling itself as a value-for-money destination, after realizing that shopping is one of the main activities that generate real income for the economy. More recently, Tourism Malaysia (the country's promotional arm) carried out a promotional blitz on CNN repackaging the country as one of nature and culture, under the theme 'Truly Asia'. It, however, still projects Malaysia as a destination of everything, being friendly and festive. Due to the increase of tourists from the Middle Eastern countries in the wake of the September 11 attack, Malaysia presents itself as a moderate Islamic nation to increase the flow of Arab tourists, who normally come between June and August. Nearby countries like Singapore and Thailand are also experiencing similar increase in visitors from the Middle East.

Today, Malaysia seems to shift from tourism in the rural settings to new urban-based tourism concepts like Health Tourism and Sports Tourism. Grand landmarks like the Petronas Twin Towers, the Kuala Lumpur International Airport (KLIA), the international Formula One Grand Prix circuit in Sepang, the Langkawi International Maritime (LIMA) exhibition, and the new KL Sentral railway station, to name just a few, are parts of the government's aspiration to mark Malaysia in the global tourism map. Among government-backed world-class events are the Grand Prix Formula One, International Go-Kart Race, Speedboat Race, Le Tour de Langkawi, Eco Borneo Challenge, Kinabalu International Run and Motorized Para glider Tour of Malaysia.

Perceived Image of Malaysia

As discussed above, successive changes of images promoted by Malaysia can both enhance its image(s) as well as create confusion within the tourist market. As most tourists travel over a short period with specific interests, presenting them with a mixture of images can be perplexing. Previous studies showed that Malaysia's tourism image abroad was rather unclear compared to its neighbors especially Thailand and Indonesia (Badaruddin, 1994).

Table 2 Attractiveness Indexes of Four Asean Nations

County									
Attributes	DOI	Thailand	AI	Indonesia	AI	Malaysia	AI	Singapore	AI
Climatic condition	3.94	3.26	12.84	3.43	14	3.45	13.59	3.63	14.3
Beach	4.28	3.96	16.95	4.12	7.6	3.83	16.39	2.9	12.4

Mountains, high plains. Tropical forest	3.03	2.84	8.605	3.15	9.5	3.22	9.757	2.69	8.1 5
Village sights	2.81	3.25	9.133	3.27	9.2	3.26	9.161	2.64	7.4 2
Historical relics	4.25	4.14	17.6	4.11	17	3.48	14.79	2.89	12. 3
Traditional Events (fiesta, etc)	3.78	3.88	14.67	3.87	15	3.35	12.66	3	11. 3
Night life and sightseeing	4.22	3.82	16.12	3.34	14	3.22	13.59	4.2	17. 7
Accommodati on Facilities	4.62	3.89	17.97	3.79	18	3.55	16.4	4.48	20. 7
Sports and recreation	4.08	3.41	13.91	3.63	15	3.31	13.5	3.7	15. 1
Transportatio n	3.92	2.75	10.78	2.78	11	3.02	11.84	4.18	16. 4
Safety	4.4	2.71	11.92	2.93	13	3.07	13.51	4.08	18
Sanitation	4.31	2.39	10.3	2.68	12	2.85	12.28	3.92	16. 9
Foods	3.78	3.28	12.4	3.15	12	3.19	12.06	4.01	15. 2
Hospitality of the people	3.48	3.18	11.07	3.06	11	3.14	10.93	3.78	13. 2
Communicatio n (in Japanese)	3.6	2.96	10.66	2.9	10	3.01	10.84	3.48	12. 5
Similarity to Japan	2.92	3.03	8.848	2.85	8.3	2.94	8.585	3.41	9.9 6
Total Attributes' Average	61.4 2	52.75	203. 8	53.06	20 5	51.89	199. 9	56.99	22 2

Note: n= 120

AI Attractiveness Index DOI=Degree of Importance Source: Badaruddin Mohamed (1994)

Table 2 presents the findings of a survey conducted among 400 Japanese travel agencies that compared perceived tourism image of Malaysia to its Asean neighbors namely Singapore, Thailand and Indonesia. A total of 120 agencies responded to the survey, which revealed that the respondents highly regarded climatic condition, beach, historical relics, nightlife and city sightseeing, accommodation, sports and recreational facilities and sanitation.

The study found that Singapore (then) was the favorite destination among the powerful Japanese travel agencies. Unfortunately, Malaysia lied at the fourth place as the preferred or recommended destination. Malaysia's tourism attributes were regarded as 'slightly above average', without any elements that can be considered strong. This study also found that factors contributing to a dilution of Malaysia's international tourism image abroad are: (i) conflicting images with its neighboring countries; (ii) Malaysia promoting ever-changing images; (iii) many states in Malaysia (for instance Sarawak) conducting their own image marketing, some images are different from the theme set by the Federal government.



Table 3 Attributes Associated with the Image of Malaysia

Image of Malaysia	Number of Respondents	%
Exotic foods	30	19.87
Heritage and historical buildings	27	17.88
Modern buildings	27	17.88
Islamic country	26	17.22
Shopping paradise	15	9.93
Culture of the people	8	5.30
Village	5	3.31
Hospitable people	5	3.31
Multimedia Super Corridor	4	2.65
Mountain and jungle	2	1.32
Sun, sand and sea	1	0.66
Discos and night life	1	0.66
Total	151	100.00

A further study between 2001 through 2003 discovered that Malaysia is now associated with 'modern buildings', exotic foods, heritage and historical buildings, an Islamic country, and a shopping haven (Table 3). These associations reflect the success of the continuous efforts by governments to project images of the country. However, whether these images are really attractive is another issue to discuss.

Implications



This review realizes that despite inner strengths that members of the Asean have, the overall marketing efforts have been somewhat disintegrated and not well coordinated. They have been clearly influenced and dictated by what the market demands and not necessarily by what they have to offer. A good example is the setting up of an Arab Street in the heart of the Bukit Bintang area in Kuala Lumpur in the pretext to make the Middle easterners feel like home. One may wonder whether the tourism authority will continue to establish such streets for tourists from other countries.

Based on the European framework, Asean nations try to form a strategic alliance to work together, promoting one another to the global tourist market. This, however, has not been so successful as many had wished. Given the different standards of the tourist infrastructure, accessibility, and years of entering tourism world, it is thus difficult for 'young' destinations to compete with the 'matured' ones, like Singapore and Thailand.

The fact that tourists, especially from Japan, stay on a short period of time makes it difficult for them to choose more than one country. Again, this is especially true when we do not have advance and integrated tourist transportation system like those found in Europe. Inter-Asean tourism must be promoted and developed and to do this, budget Airlines like Airasia must be encouraged to link up Asean cities and to promote regional travels. Nevertheless, this should not stop Asean members from cooperating, but they must be sincere in its pledges. It seems that all of us continue to treat our neighbors as the major threat and always try to 'position' ourselves away from our neighbor to gain extra piece of the tourism pie. While Asean should continue focusing on the 'one image' concept, individual country should be encouraged to find complementary image to Asean. To assist countries like Laos, Brunei and Myanmar, Asean could perhaps utilize 'strong' images of its members to attract potential travelers. Images like the Angkor Wat, the Borobodur, and the temples of Thailand as well as the nature of Malaysia can be promoted jointly. Asean countries can also position itself along the psychographic nature of tourists where emerging destinations like Cambodia can be promoted as a backpackers' paradise, while developed destinations like Singapore can focus on the mass travelers. Learning from the Malaysian experience, changing images can only confuse the market, thus the best way of staying sustainable is to focus on the fundamental strengths or resources that one has.

Concluding Remarks



This paper discusses evolution of Malaysian image positioning. In the midst of overlapping images with other Asean members, Malaysia finds it difficult to position itself in order to attract bigger number of foreign tourists. While the development of landmarks such as the KLIA and the world's tallest (only until September 2003) Petronas Twin Towers, helped secure Malaysia on the global tourism map, it is equally

important for Malaysia to pay special attention to the level of quality and cleanliness of basic amenities for tourists such as toilets, food stalls, bus stations and kiosks which are part and parcel of tourism products. In order to be a developed destination, Malaysia needs to provide a higher class of facilities, measuring up to the standard of those found in developed destinations. Malaysia is moving in the right direction in terms of image consolidation and enhancement; however, further refinement and clever positioning are now vital to ensure continuous or sustainable inflow of 'quality' tourists to the country.

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