

An overview of tourism in malaysia tourism essay



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CHAPTER 1

INTRODUCTION

1. 1 Introduction

Tourism begins to bloom dramatically in the world and is the world's largest industry and generator of jobs. With the advancements of technology, travelling from one place to another place became easier and that it has become essential to our life. Whenever one speaks of travel and tourism, images of relaxing by the sandy beach and strolling along the beautiful landscape came to mind. Travelling allows people to see the world, a world different from their comfort zone where they live. It gives them chances to explore the unknown and experience a completely new different culture, tradition and people. Travelling broadens one's mind and provides life-changing experience.

Tourism is, without a doubt, one of the most important forces shaping our world (Cohen & Kennedy, 2000). The World Tourism Organization defines tourists as people who travel to and stay in places outside their usual environment for more than twenty-four hours and not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited. A tourist destination can be defined as an amalgam of tourism products and services consumed under the same brand name offering customers and integrated experience, which is subjectively interpreted according to the customers' travel itinerary, cultural background, purpose of visit, past experience and other related factors (Buhalis, 2000).

In a study of Caribbean charter yacht tourism, Lett (1983) found that vacations provide individuals with opportunities to satisfy needs which constraints back home leave unsatisfied. Tourists are a fundamental part which their involvement may be active or passive, but their presence influences what is delivered (Baker and Crompton, 2000). Visitor perceived quality of a destination, satisfaction with their experience and revisit intention are important for successful destination management. The information is essential for the managers to attract visitors by improving the quality and the performance of the destination.

Mazanec, Woeber, and Zins (2007) found that while destination competitiveness is usually interpreted as the destination's ability to provide the visitors with a satisfying memorable experience and thereby increase the number of visitors and the destination's revenue. The concept remains on a conceptual level (Zabkar, Brencic and Dmitrovis, 2010). Baloglu and McCleary (1999) showed that destination image will influence tourists in the process of choosing a destination, the subsequent evaluation of the trip and in their future intentions. The purpose of this research is to explore the relationship among perceived quality of destination level, the satisfaction level and revisit intention of visitors using quantitative data collected from one of the tourist destinations in Malaysia, Tioman Island.

This chapter first provides an overview for this research, the background, problem statement, research objectives and the significance of this study. The main variables and hypotheses linking the influence of perceived quality on satisfaction and revisit intention will then be identified through a research framework.

1. 2 Research Background

As tourism continues to grow at a steady rate across nations, it looks promising that the tourism industry will enrich the country's economy. The importance of the tourist destination's image is universally acknowledged, since it affects the individual's subjective perception and consequent behaviour and destination choice (Chon, 1992). Anderson and Narus (1998) summarized that perceived value is the perceived worth in monetary units of the set of economic, technical, service, and social benefits received by a customer's firm in exchange for the price paid for product's offering, and taking into consideration, the available alternative of supplier's offerings and price.

Oliver (1980) defines an individual's perception of performance quality or level of satisfaction with an experience in terms of the magnitude of his or her disconfirmation. By relating perceptions of the former or experience to initial expectation, we can assess perceived quality and satisfaction. An extension of that, perceived quality may affect satisfaction in the similar way. For example, perceived quality measure as quality/performance ratio was repeated by many to predict customer loyalty which is a state motivated by satisfaction (Cronin, Brady, and Hult, 2000). Thus, it seems logical that there should be a link between visitor's perceived quality, level of satisfaction and the revisit intention. It recognizes that satisfaction may be influenced by the social-psychological state a tourist brings to a site and by extraneous events that are beyond the provider's control, as well as by the program or site attributes that suppliers can control (Baker and Crompton, 2000).

Zeithaml, Parasuraman and Berry (1985) distinguished between the two constructs by defining quality as a gestalt attitude toward a service which was acquired over a period of time after multiple experiences with it, whereas satisfaction was seen to relate to a specific service transaction. Revisit intention is an extension of satisfaction rather than an initiator of revisit decision making process (Um, Chon and Ro, 2006). Revisit intentions might be influenced by performance of a destination as a whole because of their initial stay while some intentions may be influenced mainly by promotional materials to recollect their memories and by information which are disseminated widely on new attractions. Tourists' positive experiences provided by destinations could produce revisit intentions.

Ajzen (1991) summarizes that perceived behavioral control is added to the theory of reasoned actions as a determinant of intentions which direct experience and attitudinal confidence and attitude accessibility. Fazio and Williams (1986) justify the attitude-behaviour relationship. There are three key links in attitude theory which is the attitude-intention, subjective norm-intention, or intention-behavior. According to Bagozzi (1992), there are three theories of attitude which are the theory of reasoned action, the theory of planned behaviour, and the theory of trying.

Higher perceived quality and higher levels of satisfaction will result in higher visitor retention rate as suggested by Theory of Attitudes. This shows that if the perceived quality improves, it will increase the satisfaction which will lead to revisit intention. To increase visitors' positive behavioral intentions, managers should set their priorities to provide high quality, satisfying experiences that visitors perceived to be a good value (Lee, Petrick, and <https://assignbuster.com/an-overview-of-tourism-in-malaysia-tourism-essay/>

Crompton, 2007). The satisfaction of the visitors is the result of a post-consumption or post-usage evaluation, containing both cognitive and affective elements (Oliver, 1997). It is interesting to test the attitude framework in tourism context.

1.3 Overview of Tourism in Malaysia

Malaysia is a developing country in South-East Asia. The country is separated by the South China Sea into two regions, Peninsular Malaysia and Malaysian Borneo or also known as the West Malaysia and the East Malaysia. Malaysia is a country that has Asia's three major races such as Malay, Chinese and Indian. Besides that, there are various other ethnic groups in large numbers. Multiculturalism has not only made Malaysia a unique country but it has also made Malaysia famous for its exciting diversity of cultures, festivals, traditions, food and customs.

Malaysia's climate is categorized as hot and humid all the year therefore Malaysia is famous for its natural rainforest and numerous beaches. Cool hideaways are found in the highlands that roll down to warm and sandy beaches. Thus, many tourist destinations have sprung up throughout the country like mushrooms growing after the rain. In an effort of making Malaysia's economy less dependent on the exports of the country, the government has pushed to increase tourism in Malaysia. It is important to balance any decision to develop an area for tourism against the need to preserve fragile or threatened environments and cultures.

According to Munan (2002), tourism has become Malaysia's third largest source of income from foreign exchange. In 1999, Malaysia launched a

worldwide marketing campaign called “ Malaysia, Truly Asia” which was largely successful in bringing in tourists. The extra revenue recently generated by tourism helped the country’s economy during the economic crisis. In research, there has been relatively less attention paid to tourist attractions compared to the transport, accommodation and tour operator components of the tourism sector (Wu and Wall, 2005). The tourism industry in Malaysia has encouraged the development of numerous integrated island resorts, promotion of the diverse cultures and also travelling opportunities to the tourists. As the tourists in Malaysia increase, this at the same time making the tourism industry the major contributor to the socio-economic development of the nation, and thus market Malaysia as a premier destination of excellence in the region.

Map of Malaysia

<http://travelmalaysiaguide.com/images/Maps/malaysia-overview-map.jpg>

Retrieved from <http://travelmalaysiaguide.com/malaysia-maps/>

According to the figure retrieved from the Tourism Malaysia website, the number of tourists’ arrival to Malaysia increases every year. As the number increased, it also increases the income generated from the tourism industry every year. While not many associate tourism with the country’s economy, it shows that tourism industry plays a huge role in the country’s economy.

<http://www.tourism.gov>.

[my/corporate/images/research/TM_factsfiguresChart_09.gif](http://www.tourism.gov.my/corporate/images/research/TM_factsfiguresChart_09.gif)

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Retrieved from http://www.tourism.gov.my/corporate/research.asp?page=facts_figures

1.3.1 Overview about Tioman Island

Malaysia's hot and humid weather is an advantage to its country as it has many beautiful hideaways and one of the famous hideaways is Tioman Island. Tioman Island rises up above the waters of the South China Sea like a giant sleeping dragon. Tourists can easily access Tioman Island by taking flight or ferry. As it was situated at the east coast, the monsoon season which falls between early November and late February forbid the local residents and visitors from getting near to the sea. The heavy downpour, rough sea and bad weather made it difficult to access or to perform any activities in Tioman Island.

As an enduring and tranquil island, Tioman Island display white sandy beaches and swaying palm trees, charming villages and friendly people. Lush tropical jungle covers about 12, 000 hectares of the island and the waters around the island are filled with corals of all shapes which became the home to diversity of marine life. There are a few excellent beaches on Tioman and more resorts or hotels were built to accommodate the increasing tourists year by year. As government encourages the development of tourism, the natural Tioman Island was transformed into a tourist's retreat for sunbathing, watersports, jungle trekking or just simply a hideaway from the hustle and bustle of life. In 2002, Tioman Island was granted at a duty free zone island and this caught the attention of many thus creating more opportunities for the tourists to visit Tioman Island.

Tioman Island has a few villages and the population in Tioman Island is estimated around 3000 people. Most of the locals are found in Kampung Tekek as it was the main village of Tioman Island. Tourism has improved the quality of life of local residents by creating employment opportunities to them with the establishments of resorts, chalets, restaurants and duty free shops (Ministry of Natural Resources, 2004). As Tioman Island faces competition from other island such as Redang Island, the numbers of visitors vary from year to year.

Map of Tioman Island

<http://www.myoutdoor.com/tiomanisland/images/map.jpg>

Retrieved from <http://www.tioman.com.my/>

1.4 Problem Statement

There have been inconsistencies in the definition and measurement of quality and customer satisfactions contribute to the mixed findings regarding relationships among quality, satisfaction, and performance (Choi and Eboch, 1998). Baker and Crompton (2000) found that there has been relatively little discussion of the distinction between the constructs of quality of performance and level of tourist satisfaction, nor has there been any assessment of their relative impact on subsequent behaviour. While Cole and Illum (2006) found that satisfaction fully mediates the impact of attribute-level service quality on behavioural intentions, Baker and Crompton (2000) and Chi and Qu (2008) established a partial mediation effect.

In contrast, Lee, Petrick, and Crompton (2007) found no mediation effect at all. As a theoretical construct, customer satisfaction is perceived to be

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problematic to define, especially in relation to perceived service quality (Cole and Illum, 2006). Evidence from other studies suggests that quality and customer satisfaction does not always lead to better performance and that results may even be negative (Ittner, Larcker, and Meyer, 2003). In the context of travel and tourism, a review of literature reveals an abundance of studies on tourist satisfaction. However, destination loyalty or revisit intention has not been thoroughly investigated (Oppermann, 2000). Not many studies focus on the interrelationships of perceived quality, satisfaction level, and revisit intention should be carried out to understand how perceived quality can influence the satisfaction level and also the revisit intentions. A recent study was done by Zabkar, Brencic and Dmitrovic (2010) based on four tourist destinations on those variables in Slovenia. To the best knowledge of researcher, no similar research was conducted based on Malaysia's tourists' destination. Thus, the present study closes the gap in the literature by looking at the relationships between perceived quality, satisfaction level and revisit intention.

1. 5 Research Objectives

This study intends to find out the influence of perceived quality on satisfaction and revisit intention. There are a few objectives in this study, namely:

To understand tourists' perceived quality on tourist experiences in Tioman Island

To understand tourists' satisfaction level in Tioman Island

To find out if there is a relationship between perceived quality and satisfaction

To find out if there is a relationship between perceived quality and revisit intentions.

1. 6 Significance of Study

The significance of this study will have strong managerial implications to attract tourists. This allows the management to have a better understanding of the role played by perceived quality of tourists and how it influence the satisfaction and also the revisit intention so that management is able to identify areas for improvement. Management will have a clearer view on how to improve on the perceived quality of performance and service to improve the level of satisfaction of tourists which eventually lead to tourists intending to visit the same destination again.

Understanding the tourists' satisfaction level will also give the management the opportunity to concentrate on the major influencing factors that lead to visitor retention. They can obtain information that could be translated into marketing strategies. The management will be able to measure these important factors that may affect future strategic actions which will be an advantage to the management so they can compare satisfaction level on regular basis to assess the destination's performance. If satisfaction level of tourists on a particular attributes is low, management can find ways to improve on their performance and services in order to increase the satisfaction level. If satisfaction level of tourists on a particular attributes

matched to their expected result, the management can find ways to retain the visitors.

The management will have a clearer view about how perceived quality can influence the visitor retention rate. When retention rate increase, revenue will also increase thus lead to a good financial performance. This would also help the management to evaluate their performance and also improve the satisfaction level. Besides that, management can test Theory of Reasoned Action by Ajzen and Fishbein (1980). Theory of Reasoned Action proposed that behavioural intention depends on the person's attitude about the behavior and subjective norms. This study extends the theory into tourism context.

1. 7 Theoretical Framework

This study assessed the influence of perceived quality on satisfaction and how satisfaction influenced revisit intention. Four demographic factors such as place of stay, age group, education level and gender were proposed to influence perceived quality. Perceived quality was hypothesized to influence satisfaction and also revisit intention. Level of satisfaction was then influence revisit intention. The relationships between perceived quality, satisfaction and revisit intention were reflected in this framework. The framework is depicted in Figure 1 below:

Satisfaction

H1

Place of Stay

H5 (+ve)

H2

Age

Perceived quality

H7 (+ve)

Academic Qualification

H3

H6 (+ve)

Revisit intention

Gender

H4

Figure 1: The research framework

1. 8 A Summary of Hypotheses

Based on the framework, this study developed seven hypotheses for testing as below:

H1: There are mean perceived quality differences across place of stay.

H2: Age is related to perceived quality.

H3: Academic qualification is related to perceived quality.

H4: There are mean perceived quality differences between gender.

H5: Perceived quality is positively related to satisfaction

H6: Perceived quality is positively related to revisit intention

H7: Satisfaction is positively related to revisit intention

1. 9 Conclusion

This chapter provides an introduction of this study. First, it defines the research background and the problems statements. It also explains the research objectives and the significance of this study. The structure of this study was also discussed. As mentioned earlier, this study will continue in Chapter 2 where we discussed more about the research framework and also the hypothesis.

CHAPTER 2

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

2. 1 Introduction

The literature review offers the foundation on which the researcher justifies the research questions and constructs the research design. Through the several journal articles related to the research topic that have been reviewed and written in this chapter, it guides the researcher to collect information and analyze collected information. The present study explored the relationship between perceived quality, satisfaction and revisit intention. The literature relevant to this study will be discussed in this study. First, we review the concepts of perceived quality, satisfaction and revisit intention.

Then the relationships between respondents' background, perceived quality, satisfaction and revisit intentions are reviewed. The hypotheses on the relationships are then developed for testing.

2. 2 Perceived quality

Perceived quality is usually at the heart of what the customers are buying.

Typically, individuals respond to a set of attributes designed to measure their expected quality and then subsequently respond to the same battery of items with a score that reflects their perceptions of an organization's performance on each attribute (Baker and Crompton, 2000). Most scholars agree that services are intangible because they are more like performances, not objects (Zeithaml, Berry and Parasuraman, 1985). Perceived quality is an important antecedent to satisfaction and behavioural intentions (Cronin et al., 2000). One service facet that impacts customer quality perceptions is the tangible cues in the physical environment (Bitner, 1992).

Generating high quality requires an understanding of what quality means to the customers. The nature of the relationship between a firm's financial outcomes and its customers' perceptions of quality were described as the issue of highest priority (Zeithaml, Berry and Parasuraman, 1996). By improving perceived quality of performance and service, this will increase the level of customer satisfaction and eventually lead to a better financial performance. Some studies have produced results consistent with the assumption that improving quality and customer satisfaction lead to better performance outcomes for the firm (Fornell, 1992). Customers are the most appropriate source of quality judgments and quality relative to competitors is the most relevant measure of perceived quality (Gale, 1994; Olsen, 2002).

Thus, it is important to understand the little things that customers used as a basis for making a judgement of quality.

For assessing the service quality, the instrument most widely used is SERVQUAL, which was developed in the mid-1980s (Parasuraman, Zeithaml, and Berry, 1988). SERVQUAL contains 22 pairs of Likert-type items. One half of these items are intended to measure consumers' expected levels of service for a particular service industry. The other 22 matching items are intended to measure the perceived level of service provided by a particular organization.

SERVQUAL includes five dimensions of service quality such as tangibility, responsiveness, reliability, empathy and assurance. SERVQUAL measures the difference between perception and expectation. Tangibility measures the physical facilities, equipment and appearance of personnel; reliability measures the ability to perform the promised service dependably and accurately; responsiveness measures the willingness to help customers and provide prompt service; assurance measures the knowledge and courtesy of employees and their ability to convey trust and confidence; and empathy measures the caring, individualized attention the firm provides for its customers (Hwang, Lee, and Chen, 2005).

2. 2. 1 Perceived quality in tourism

Visitors always developed an attitude based on their experience and performance of the destination. It has been widely acknowledged that destination image affects tourists' subjective perception, consequent behaviour, and destination choice (Baloglu and McCleary, 1999). Most

studies measured the quality of tourism products by using service product attributes. Cooper et al., (1993) grouped destination attributes into the “ four A’s” framework which are Attractions, Access, Amenities, and Ancillary services which was latter further developed by Buhalis (2000) to the “ six A’s” which are Attractions, Accessibility, Amenities, Available packages, Activities and Ancillary services.

Lee, Petrick, Crompton (2007) proposed that service quality operationalised as a set of attributes better predicts visitors’ behavioral intentions than an alternative model which defines quality as overall excellence or superiority. Gronroos (1984) suggests that services have two quality dimensions: technical quality which refers to the outcomes and functional quality which refers to the processes. Service qualities are defined as the difference between expected, perceived and delivered service qualities (Heskett et al., 1997).

Tourists’ expectations of specific levels of service quality in tourism partly stem from their own culture and prior socialisation, which can predispose them to interpret factors influencing tourism destination choice and destination experience from a distinctive perspective (Pikkemaat and Weiermair, 1999). However, when the purpose of research is to evaluate visitor experiences at a tourist destination rather than assessing the service quality offered by a specific service provider, the use of SERVQUAL has some drawbacks (Tribe and Snaith, 1998). SERVQUAL is based on evaluations of five service dimensions (reliability, assurance, empathy, responsiveness, and tangible assets) and by only relying solely on this instrument for quality

assessment, some important factors encounter at the destination may be left out from the evaluation process.

2.3 Satisfaction

No matter what type of businesses, customers just want the same thing which is satisfaction. The importance of fulfilling customer satisfaction is that without customer's purchases, companies can't run their business. In other words, customer satisfaction is the foundation of a good business.

Researchers generally agree that an essential element underlying customer satisfaction is an evaluation process (Back and Parks, 2003; Yi, 1990). Given the vital role of customer satisfaction, one should not be surprised that a great deal of research has been devoted to investigating the antecedents of satisfaction (Oliver, 1980).

Although the definitions of customer satisfaction vary in the literature, Hoyer and MacInnis (2001) said that satisfaction can be associated with feelings of acceptance, happiness, relief, excitement, and delight. It has also been defined as discrepancy between customer's expectation and perception (Oliver, 1997). Defined as an evaluation of an emotion, reflecting the degree to which the customer believes the service provider evokes positive feelings by Cronin et al. (2000). Customer satisfaction has traditionally been regarded as a fundamental determinant of long-term consumer behavior (Oliver, 1980). Kotler (2000) defined satisfaction as a person's feelings of pleasure or disappointment resulting from comparing a product's perceived performance (or outcome) in relation to his or her expectations.

Customer satisfaction is a post hoc evaluation of consumption experience (Oliver, 1980). Past studies suggested that perceptions of service quality and value affect satisfaction, and satisfaction affects loyalty and post-behaviors (Anderson and Sullivan, 1993). A customer satisfaction evaluation can be quite specific in nature. A specific subset of experience such as a single transaction and/or particular attribute but may also be cumulative, based on all previous experience with a good or service (Anderson & Fomell, 1993). Attribute satisfaction has significant, positive, and direct effects on overall satisfaction; and it capture a significant amount of variation in overall satisfaction (Oliver, 1993).

On the other hand, satisfaction factors have been classified differently by others. Kano (1984) groups the satisfaction attributes of a product or service into three categories, depending on the different ways in which their performance can influence consumer satisfaction: basic factors are those that only lead to consumer dissatisfaction if they do not meet expectations, yet they do not increase consumer satisfaction if they are met; excitement factors are factors that increase a consumer's satisfaction when offered, however they do not generate dissatisfaction when absent; finally, performance factors work in both directions, generating satisfaction when they work well and dissatisfaction when they do not.

2. 3. 1 Satisfaction on Tourism

Satisfaction research in tourism and recreation has indicated that tourists' satisfaction with individual component of the destination leads to their satisfaction with the overall destination (Danaher & Arweiler, 1996; Hsu, 2003; Mayer, Johnson, Hu, & Chen, 1998; Ross & Iso-Ahola, 1991). Baker and
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Crompton (2000) define satisfaction as the tourist's emotional state after experiencing the trip. Satisfaction can be used as a measure to evaluate the products and services offered at the destination (Schofield, 2000).

Satisfaction can be evaluated using the theory of expectation or confirmation in which expectations and the actual destination outcome are compared (Oliver, 1980). Oh (2001) pointed out that surveys aimed at measuring tourist satisfaction show a bias towards positive ratings for many of the destination's attributes.

2. 4 Behavioral Intention

Fishbein and Ajzen (1975) hypothesize that individuals respond to an object or a number of things and explore the construct of attitude as a learned predisposition of humans. Repurchase intention can be described as the willingness of a customer to maintain the relationship with a particular service provider and to make his or her next purchase in the category from the service provider (Lam et al, 2004). In the Theory of Reasoned Action and the Theory of Planned Behavior, behavioral intentions signify motivational components of a behavior and represent the degree of conscious effort that a person will exert in order to perform a behavior (Ajzen, 1991). In other words, the positive feeling such as high quality perception or satisfaction level drives customer to intend to purchase, which then leads that individual to actually engage in buying. This means that behavioural intention is a good indicator of actual buying.

Bagozzi (1992) proposed that self-regulating processes, emotional reactions, and coping responses have a significant influence on behaviour. Behavioral intentions are explored in the cognitive-affective-conative framework (Oliver, <https://assignbuster.com/an-overview-of-tourism-in-malaysia-tourism-essay/>

1999) which is justified by Bagozzi's (1992) self regulatory mechanism model. In the 1970s and 1980s, achieving a high level of satisfaction was the ultimate goal of marketing strategies, but today behavioural intentions are considered a better predictor of performance (Chi & Qu, 2008). Brady et al's. (2005) study, conducted in a multi-industry and multi-country setting, reinforces this result found that service quality, satisfaction and service value all directly affect behavioural intentions when assessed collectively. In terms of understanding individual consumer behavior, recent studies suggest that quality has important effects on consumer's purchase intentions through the mediating role of value perceptions attached to products and services (Zeithaml, 1988). In conclusion, a satisfaction framework is not complete without including behavioural intention in it.

2. 4. 1 Revisit Intention on Tourism

Revisit intention refers to subjective judgments about the future or specific actions or behaviors that consumers may take towards attitude objects (Blackwel et al., 2005). In tourism, repeat visits have also been accepted as an important phenomenon at the level of the economy as a whole and for the individual attraction (Darnell and Johnson, 2001). A number of studies have confirmed a significant positive relationship between customer satisfaction and retention (Cronin et al., 2000).

In a study on Mediterranean tourism destinations, Baloglue and Erickson (1998) reported that most international travelers to one destination are more likely to switch to another destination for their next trip, but many of them hope to revisit the same destinations in the future. In a different study, Gyte and Phelps (1989) noted a type of British traveler showing resurgent

intention of revisiting two destination areas in Spain. Through this study, they found that most visitors have the intention of returning in the future. Many destinations rely strongly on repeat visitation because it is less expensive to retain repeat tourists than to attract new ones (Um et al., 2006). Revisit intention might be one of the important tools for the management to gain competitive advantage.

2. 5 Hypotheses Development

Based on the framework and literature review on the variables, a few hypotheses were developed to show the relationship between the variables. There are a total of seven hypotheses developed in this study. There are 4 factors that proposed t