

# Current perception of brand malaysia



**ASSIGN  
BUSTER**

1.

1What is brand Malaysia? A country's brand can emit a positive or negative aura over all the country's products and services. Our perception of a place can influence investment, tourism and purchase decisions. Brands, innovation and world class quality helps elevate the perception of Malaysia goods and services shows clear proof that Malaysians and their corporations can compete on a global stage. Branding is, after-all, a mind game.

A brand, whether it is a product or a nation is a collection of perceptions. However, we know that to the target market, this perception is reality.

If the country manages these perceptions well, a more vibrant, confident and dynamic Malaysia will emerge. Tourism was virtually unknown in Malaysia until the late 1960s. Since then it has developed very rapidly into a major industry and makes an important contribution to the country's economy.

The government has played a significant part in the development by allocating substantial funds to the marketing in term of promotion of tourism and also provision of infrastructure. Economic and political events are also having an effect on the international perception of brand Malaysia as a tourist destination.

Malaysia has a land area of 330 434km<sup>2</sup> and is a federation of thirteen states. Peninsular contains eleven states, while Sabah and Sarawak are the remaining two states in the north part of Borneo.

The country's population is 21. 2 million (Asiaweek 1998) and a multi-racial country: Malays and other bumiputra (indigenous people), Chinese, Indians

<https://assignbuster.com/current-perception-of-brand-malaysia/>

and other races. 1. 2Tourism Destination: Why Malaysia? The Mother Nature in Malaysia is really unique. Long coastlines, sunny and sandy spotless beaches, the oldest caves, the largest rain-forest, crystal water, and white water rafting are all in Malaysia.

Mountain climbing, horse riding, and diving are further “ add-on” activities. Malaysia is also known for its shopping malls where you can find from international brands to locally produced items. The visitors will get real value for money and good bargains along with total satisfaction while shopping at Malaysia tourist destinations. Malaysia is a country celebrated for its multiculturalism; here people of different race, religion and country live in a peaceful and harmonious atmosphere. The multiculturalism of the country is evident in the food of the country.

Food of Malaysia is variegated and eclectic; here you will find everything from spicy Malay food and Chinese food to Indian, Nyonya and Portuguese food. You can also avail Western cuisine in the country. Malaysia has a strategic position and is one of the world’s meeting points making it easily accessible from major countries including China, India, and the Middle East. A large number of tourists come to Malaysia by air. There are six international airports in Malaysia. The main gateway here is the KL International Airport at Sepang in the state of Selangor.

Currency conversion is a real concern, but not in Malaysia.

With all of that, someone can still keep the value of his money due to the affordability and favorable currency conversion. As regard to political stability, Malaysia has been a stable country since it has been independent

for 51 years. Many other countries in the region have instability issues that affected both safety and security.

Accommodation in Malaysia is considered to be cheap comparing to other countries. The diversity in accommodation can offer a wide range of choices to satisfy all needs. Five-star hotels are available in almost every city and island.

Chalets, duplexes, suites, and bungalows are readily accessible and obtainable. 2.

CRITICAL ANALYSIS OF CURRENT SITUATION 2. 1View of current situation The tourism trend in the East Asia and Pacific region is increasing. In 1950 its market share was about 0. 8%, increasing to 8. 4% in 1980 and 16.

9% in 2000. After the September 11, 2001 incident, tourism growth in the East Asia and Pacific achieved 5. 0% annual increment, and continued with vigorous performance. The region recorded 19% and 25% of the market share over the world market in 2010 and 2020 (WTO 2006).

The Middle East and the Africa even showed an increment in the market share but the percentage is relatively small.

Both markets only dominated 2. 8% of the market share over the world market in 1950. This figure increased to 5. 3% in 1980, 7. 8% in 2000, and is expected to increase 9. 4% in 2010 and 2020.

According to Tourism Malaysia, nearly 8 million tourists visited Malaysia in 1998, the year before the campaign began. Figures for 2003 show 13. 3

million tourists, and already +10 million tourists have visited in 2004 (figures from January through August). Ministry officials are upbeat that the total figures for this year will exceed 15 million, which they translate into earnings of US\$ 8 billion, compared with 6.8 billion from 2003.

Malaysia welcomed 20.97 million tourists in 2007. This was a very strong performance, representing an increase of 19.5% year on year (y-o-y) and just beating our own expectations for the year. Tourism receipts for 2007 stood at US\$14.37bn.

3. SWOT Analysis Strengths: ? Synergism among the states may be motivated to attract visitors to their own region ? People awareness with the economic impact of the tourism ? Political stabilities comparing to other countries in the region ?

Diversities and differentiations Weaknesses: ? Uncoordinated branding effort nationally ? Limited overseas campaigns ? Lower hospitality than other countries ? Focusing only in few popular areas Opportunities ? East Asia: second-most visited region in the world (Asean Secretariate 2003) ? The GDP in 2020 to reach US\$2 trillion ? Collaboration in the region Threats ?

Branding battle in the region ? Sudden shift in tourist preferences to another country in the region 4. Objectives We sought to develop a relationship-based strategy to overcome the current weaknesses and to get the most opportunities that we can.

We will develop a strategy that shares the most common interest among the three nations. We hope by doing such to attract more by paying much less effort and money. 5.

Relationship-based Strategy Development 5. 1Segmentation Alternatively, this is breaking Malaysian Tourism market into strategically manageable parts. Generally speaking, there is a wide range of choices in segmentation and they are as follow Demographic, Geo-demographic, Geography, Lifestyle or Behavioral characteristics (Kotler ; Armstrong 2001). Currently, Geo-demographic, and Geography are followed in the country.

Lifestyle concept, when used carefully, can help Malaysia tourism board to understand changing tourists' value and how they positively affect tourism market. This approach has been chosen in our research to facilitate the segmentation as it shares the common interests among these broadly varied nations.

If Malaysian tourism market is segmented so, it can respond more effectively to the desires of groups of prospective rather than personal perspective. Moreover, using Lifestyle approach is going to help to increase profit for the tourism industry and the nation at large.

Assuming that, India, China, and Middle East have common Lifestyle relationships and partnerships. Accordingly, we can divide our tourists as follows: Figure 1: Lifestyle based segmentation approach Free Independent Travellers (FIT) cover ages from 21-41 years old, such as young men and women, university students, college students, and civil servants.

On the other hand, Group Travellers (GT) consists of family, senior citizens, committee of friends, church groups, and peer group. For Executive Travellers (ET) they consist of achievers self actualisers, ministers, governors, directors, managers, kings and so on.

<https://assignbuster.com/current-perception-of-brand-malaysia/>

The reason why Malaysian tourism market should be segmented using Lifestyle approach is as follows: 1. To narrow their targets. 2. To effectively match their internal strength with external needs.

3. Maximize their resources, that is, to save time, cost, and efforts. 4. It will enhance better opportunity for innovation and build brand equity. 5.

2Targeting A target consist of a set of buyers who share common needs or characteristics that the company decides to serve, this depends on the growth and size of market attractiveness and profitability.

Generally, targeting has three different strategies Differentiated: This is also called segmented marketing strategy. Undifferentiated: This is also called mass marketing strategy, a firm might decide to ignore market differences and target the whole market with just one offer. Customized: This is also called niche or concentrated marketing, and it is a market coverage in which a firm goes after a large share of one or a few segments or niches (Kotler ; Armstrong 2001). This already has been used such as: health tourism and ecotourism.

Based on the Malaysian tourism market and its quest to foster partnership/relationship with China, India and Middle East market, differentiated approach is adopted to target these markets. Targeting Malaysian tourism market with benefit sought variables, which consists of dividing Malaysian tourist into groups and according to the different benefits or packages the tourists' (F. I. T, G. T, E. T) seeks from Malaysian Tourism board.

By doing such, we will have different marketing mix that needs to be addressed separately.

Table 1: Marketing mix for the different segmented and differentiated categories. 5. 3Positioning Malaysia has changed its image several times to overcome the fight on tourism in the region. Such changes have impacted negatively in the perception towards Malaysia, creating a faulty nucleotide in its DNA. All the previous studies have shown that the image of Malaysia is rather unclear compared to its neighbors, especially Indonesia and Thailand (Badruddin 1994).

Three major causes were suggested: several changes, conflicting changes, and diversity within Malaysia (ibid).

No studies have been carried out to tell whether the image is clear in minds of Middle Eastern, Chinese and Indians. To position ourselves correctly and properly, we must promise a beneficial value. At the same time, it must be single handed, consistently reinforced and believable (Figure 2). Table 2: The perceived image of different asian countries Source: (Badaruddin Mohamed 1994) Figure 2: Positioning ourselves in according to our segmentation As regard to Executive Travellers, the star always should be at top whether we offer an active lifestyle or passive one " relaxation packages".

Luxuriousness, as a part of our DNA proposal, should be there all the times to ensure our trustworthiness.

Conversely, we would like to create an active and very dynamic lifestyle for the Group Travellers. It should be advised, however, that Group Travellers



always prioritize price on the top of quality. Hence cannot give a very high quality with low price, the “ star” position might come down a bit to reduce the price but at the same time ensure a reasonable quality. For Independent Travellers, they can be classified into two groups, passive lifestyle and active lifestyle.

The quality that is offered should remain above the middle line and slide them over the active-passive’s line. 6. THE DNA OF MALAYSIA The DNA is the blueprints that are unique and distinguished. Having a healthy DNA is crucial. It has been shown that health marketing DNA is correlated with higher benefits and profitability (Allen 2005).

Any faulty nucleotide would result in a flaw “ fault” in the organization. Malaysia code should have different, but friendly layers of definitions that guide all key brand decisions. We must offer all the differentiations that we have as promised.

Given that, all the values that are mention in our DNA, should remain emitting while delivering our differentiation. By matching our proposition with our reality, our goal can be hit easily.

In our model, we sought that the simplicity is really important to attract tourists. Complicated DNAs might not be understandable and perhaps even misunderstood. In this design, delivering the most important messages is our philosophy. Figure 3: Two models showing how to formulate your brand DNA (Melbourne University, 2009; BRANDDNA, 2007). To formulate our DNA, we must answer few questions related to our identity: 1.

What is the proposition and promise? Ministry of tourism should state their promise to their tourist clearly and must be consistent and continuous. It must be seen everywhere in Malaysia so the trust would be built up and well bridged between the tourists and tourism. The following proposition is suggested: Enjoy the adventurous and safe rainforests while having fun, entertainment and luxuriousness. We are dedicated to create your happiness. 2.

What are the substantiators? They represent why someone has chosen Malaysia to be his next tourism point.

They are really diverse and each one attracts a different nation. Table 3: Reasons for visiting Malaysia (Budruddin 2004) 3. What are the values? It is important to anyone who visits Malaysia to understand the values that underpins the philosophy of the tourism in Malaysia.

These values guide Malaysian behavior and drive their culture: (Abdulrahman 2006): 1-Trustworthiness 2-Sincerely 3-Dedication 4-Moderation 5-Cleanliness 6-Kindness 7-Value time and money 8-Dignity of simplicity 9-Wisdom of economy 10-Patience 11-Culture and heritage 12-Fun and safety 4.

What is the distinctive style? Malaysia tourism is customer-centered. The objective of doing such is to adapt the tourism promotions to be suitable for each segment and category (Ministry of tourism's report 2006). 5. What are the benefits of tourism in Malaysia? Several benefits can be obtained by visiting Malaysia that can be summarized as follow: 1-Opportunity to meet and enjoy several cultures 2-The niche market 3-Fun and safety 4-

<https://assignbuster.com/current-perception-of-brand-malaysia/>

International location 5-Practicing different languages 6-Exploring the mother nature 7-Shopping and saving 8-Ego effects 7. Strategic Direction

Competitive Advantage is an advantage over competitors gained by offering tourist greater value by providing more benefits which justify higher prices.

In order to build profitable relationships with target tourists' either F. I. T, G. T or E. T, Malaysia tourism market must understand tourist's needs and try to deliver customer values.

Figure 4: The strategic position of the tourism in Malaysia For all the groups without exception, focused differentiation is a must. On the other hand, cost leadership is advised for group travellers parallel to the differentiation.

For Executive Travellers, cost is not a vital concern as differentiation is totally essential. To fulfill our value, it is crucial to show that we deliver the best benefits with the best price, and hence " saving money". 8. Marketing Mix 8.

1Product Products, broadly defined, include physical objects, services, events, persons, places, organizations, ideas, or mixes of these entities (Kotler ; Armstrong 2008). Since tourism is primarily a service based industry, the principle products provided by tourism businesses are recreational experiences and hospitality.

As an industry, tourism has many components comprising the overall ' travel experience'. Along with transportation, it includes such things as accommodation, food and beverages services, shops, entertainment, aesthetics and special events (Mahoney ; Warnell 2002).

<https://assignbuster.com/current-perception-of-brand-malaysia/>

We need to package and promote our product offering to individual targeted market carefully. Tourism experience includes five elements; trip planning and anticipation, travel to the site/area, the experience at site and travel back home (ibid). 8. 1. 1Free Independent Travelers (FIT) Table 4: Products for FIT 8.

1. 2Group Travelers (GT) Table 5: Products for GT . 1. 3Executive Travelers (ET) Table 6: Products for ET 8. 2Pricing The main drive attracting tourist to Malaysia is its value for money destinations. According to Malaysian Association of Hotels vice-president Ivo Nekvapil, “ for 2009, rates will not go down.

Hotels are increasing them marginally, as we are still the lowest in the region. Even with an increase, we are still value for money” (Tee 2009). As of January 2009, Malaysian hotel’s average room return stood at RM275, an increase from last year’s RM265. Presently, the average length of stay of a hotel guest is 3.

8 days and the target is to raise this to 5. days (Tee 2009). To continuously promote Malaysia as a value for money destination, its good-value pricing strategy should be continued, offering just the right combination of quality and good service at a fair price (Kotler ; Armstrong 2008). Table 7: Pricing strategies for each group 8. 3Place In making our services easily available to our target markets, we would apply two delivery approaches; direct channel marketing (selling services directly to target market without intermediaries) and indirect channel marketing (using intermediaries to help sell our services) (Kotler ; Armstrong 2008).

Table 8: Strategies for place marketing 8.

4Promotion A pull promotion strategy to create a market demand is deemed suitable for tourism industry. This strategy calls for spending a lot on advertising and consumer promotion to create awareness and induce visitation (Kotler ; Armstrong 2008). A range of promotional tools will be utilized accordingly to reach out to the target markets effectively; advertising, public relations, personal selling, direct marketing and sales promotion. 8. 4. 1Free Independent Travellers (FIT) Scheme 1: The promotional plan for FIT 8.

#### 4. 2Group Travellers (GT)

Scheme 2: The promotional plan for GT 8. 4. 3Executive Travellers (ET)

Scheme 3: The promotional plan for ET 8. 5People An essential ingredient to any service provision is the use of appropriate staff and people.

Consumers make judgments and deliver perceptions of the service based on the employees and general public they interact with (<http://learnmarketing.net> 2009). All staffs related to this industry from flight attendant to immigration officer even up to the bell boy in the hotel, will be trained to possess appropriate interpersonal skills, aptitude and service knowledge to provide quality service. . 6Process Refers to the systems used to assist in delivering the service efficiently (<http://learnmarketing.net> 2009). A convenient, time saving and adequate system such as a one-stop solution provider can be put in place to facilitate flight and

accommodation bookings, information seeking e. g. travel time, distance, modes to get there, directions, map, food and activity suggestions and etc.

This system can be available via the internet. People come back to a country because it is easier to move around.

On an interstate level, Malaysia is alright. In Kuala Lumpur however, the public transportation service and system needs to be improved to facilitate convenience in travelling. 8. 7Physical Evidence Physical evidence is the element of the service mix which allows consumers to make judgments on the organization (<http://learnmarketing.net> 2009).

Hence it is crucial that we provide clean basic amenities e. g. public toilets, bus and train stations, food stalls and restaurants, kiosks, public transports and the environment. . CONTROL MEASUREMENTS Control measurements process involves evaluating the result of marketing strategies and plans and also taking corrective action to ensure the objectives are attained.

Post implementing the marketing plan, we must ensure that all investment dollars are being well spent by measuring the returns of marketing investment. 9. 1 Return on Investment: What is ROI analysis? Return on Investment (ROI) analysis is one of several approaches to building a financial business case.

Return on marketing investment (ROI) is a performance measure used to evaluate the efficiency of an investment or to compare the efficiency of a number of different investments. To calculate ROI, the benefit (return) of an

investment is divided by the cost of the investment; the result is expressed as a percentage or a ratio.

Decision makers will also look for ways to improve ROI by reducing costs, increasing gains, or accelerating gains. In another words, it's a heart of every business. It measures the profits generated by investment in marketing activities.