Tourist's place experience: An Empirical study in Penang Culture Traits and Heritage

By

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DEDICATIONS

To My Beloved Parents
Ooi Oh Leong & Tan Kim Lye

My Siblings & Family

My Beloved Friends

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ABSTRAK

Kajian ini mengkaji dimensi ciri-ciri budaya perniagaan dan warisan pelancongan di Pulau Pinang. Pulau Pinang merupakan satu tempat pelancongan yang menarik disebabkan oleh keunikan, warisan and budaya bandaraya yang penuh dengan populasi berbagai-bagai etnik. Kekurangan ilmu pengetahuan dan pengalaman serta hala tujuan yang berbeza mungkin akan menyebabkan industri pelancongan di Pulau Pinang merosot.

Konsep ciri-ciri budaya perniagaan dan warisan diperbincangkan dan faktor-faktor pengaruh industry pelancongan akan dianalisa dalam kajian ini. Ia merupakan satu peluang yang menghasilkan pelantar pelancongan dimana sumber semulajadi akan dikekalkan dan persaingan dihasilkan pada masa yang sama. Kebelakangan ini, ciri-ciri budaya perniagaan dan warisan merupakan satu topik yang penting dalam konsep perancangan dan pembangunan pelancongan selepas Pulau Pinang dianugerahkan sebagai Tapak Warisan UNESCO pada 7 Julai 2008.

Kajian ini mengkaji ciri-ciri budaya perniagaan dan warisan di Pulau Pinang dari aspek kekekalan ciri-ciri budaya dan warisan pelancongan Pulau Pinang. Model ini juga menguji keputusan yang dikaji mempunyai pengaruh kebolehan menunaikan keperluan pelancong dan mempunyai daya saing dalam industri pelancongan warisan globalisasi. Keputusan kajian ini menunjukkan tempat pengalaman pilihan pelancong (bangunan bersejarah, jangka waktu tinggal, makan angin, masa lapang) berkaitan dengan tempat pengalaman sebenar pelancong (kekekalan anugerah UNESCO, suasana, bangunan) dan tempat pengalaman hasil pelancong juga dibincangkan.

ABSTRACT

This dissertation explores the dimensions of Cultural Traits and Heritage tourism in Penang. Penang is attractive to tourists because of its uniqueness, heritage and cultural city elements with its unique multiracial ethnic population. However, lack of knowledge and experience, combined with different interest may cause the tourism industry in Penang collapse.

In the present study, Cultural Traits and Heritage tourism concept is discussed and their influences on tourism industry are analyzed. Cultural Traits and Heritage tourism is discussed as a region's opportunity to create tourism platform where natural resources are be kept and marketed and at the same time, competition among other world heritage cities are be created. Cultural Traits and Heritage Tourism recently has become an important topic and concept to tourism development especially after Penang was awarded as World Heritage City by UNSECO on July 7th 2008.

Hence, this research proposes the links of renewal variables to current desired outcomes of the sustainability of Penang's UNESCO award. At the same time, the framework of this research tests of how these outcomes influence the destination ability to meet tourists and to compete in the global heritage tourism industry. This research has examined the predictive relationships between Tourist's Place Experience Preferences (historical building, stay, sightseeing, leisure) and Tourist's Actual Place Experience (sustainability of UNESCO award, ambience, building) are intercorrelated and the Tourist's Place Experience Outcomes are discussed. Among the results, historical

building dimension are the most positive related to sustainability of UNESCO award, ambience and building.

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Chapter 1

BACKGROUND OF THE STUDY

1.1 Introduction

The World Tourism Organization defines tourism as "the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes (Middleton and Hawkins, 1998, p50).

In developing countries especially those with limited choices of growing economic condition, tourism serves as an important economic sector since their uniques location and resources combined with an abundance of cultural heritage (Ashworth and Tunbridge, 1990) create oppourtunities for them to generate income. During the last few decades, tourism rapidly gained importance in the de-industrialization and deteriorating economic situation in the developed and developing world respectively (Alsayyad, 2001; Chang, Milne, S., Fallon, D. and Pohlmann, C. 1996; Harvey, 2001; Ward, 1998). Tourism benefits are plenty, a few examples are; it creates direct and indirect employment opportunities, it also serves as the generation of multiplier effect on the economy, through the recycling of tourist expenditure in local economy and it stimulates the production of local products such as souvenirs and crafts (Bosselman, Peterson and McCarthy, 1999; Graham, Ashworth and Tunbridge 2000; Middleton and Hawkins, 1998).

Tourism has become one of the main industries identified as having the potential to assist local communities in developing stronger economic diversity (Gustke, L, 1993;

Long, P.T, Perdue, R.R & Allen, L, 1990; Hassan, S.S, 2000). Tourism is skepticle to cycles, trends and competitions like other industries. Alternative tourism has became one contemporary trend of tourism that marks a shift from mass tourism (organized guided tours) towards experience-based tourism. MacCannell (1999) mentioned that tourists now always seek urban destinations with distinctive local identities; preferably destination that differ from their own socio cultural backgrounds. Thus, tourists nowadays choose destinations that would given them unique holiday experiences.

Many countries, including Malaysia was hit by global economic slowdown in 2008. Thus, this may be a good timing for Malaysia to venture into service industry like tourism rather than concentrate only in manufacturing industry. Eadington and Redman (1991) mentioned that tourism industry indeed effects on a country's economic development.

Tourism sector has been seen often seen by economists as a source of earnings and volatile over time. Generally, tourism industry seems to be fickle when it comes to global uncertainty engendered by terrorism or war, or local political circumstances. For examples, the effects of civil war on Sri Lankan in the 1980s, the sharp fall in the number of visitors to China after the June 1989 pro-democracy uprising and Bali bombing in 2002 and 2005 *(www.furgly-bali.org/bombing.html).* Lately, environmental factors also have become increasingly important in explaining sudden shifts in demand from one country to another as a tourist destination. In 1990, British tourists virtually abandoned the Spanish resort of Salou in the wake of a cholera outbreak, and German tourists deserted Gran Canaria after receiving negative television reports about pollution

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and tsunami issues *(www.sattlers.org/mickey/travel/2004/GC-winter/tsunami.html)*. Asley (2005) mentioned that the Indian Tsunami in 2004 also had caused a lot of losses to Indonesia, Thailand and Malaysia. All these incidents have made tourists become afraid to go to others destinations and as a results, the economy of the country is affected.

Nowadays, tourists have powerful in term of knowledge, greater curiosity and exercise their rights to choose more carefully tourist spots or destinations as compared to before. Moreover, with technological, demographic changes, social, educational and work patterns, increasing leisure time, rising real incomes and the falling cost of long distance travel are likely to increase both the desire and ability of people to take holidays abroad or engage in more frequent foreign travel.

Thus, tourism policy makers need to develop appropriate tourism products in order to meet and fit the right customers and remain competitive in the tourism markets. The challenges are that policies and programs need to be designed to mitigate negative impact of tourism and enhance positive effects. This will involve trade off based on the understanding of the dynamics of tourists impacts and how these will vary under different types of tourists.

The total number of world tourists continues to rise although there are some indications that tourism is changing in form and composition. The tastes and preferences of international travelers seem to be changing and getting more demanding. This has caused the tourist market to be highly segmented. According to the World Tourism Organization (WTO), the number of international tourist worldwide has increased from

25 million in 1950 to 160 million in 1970, 429 million in 1990, 689 million in 2001, 846 million in 2006 and 1.6 billion in 2020. Prosser (1994) suggested that tourism has become a fashion industry while Butler (1980, 1993), argued that tourism is a product which like many others passes through an evolutionary cycle. But it is important to make the distinction between an extension of mass tourism and the targeting of alternative, selective, discretionary and high quality tourism (Ayres, 1997). For examples, Cultural Traits and Heritage is always perceived as product that generates income rather than as unique cultural experiences for tourists. The consequence will jeopardize the distinctiveness of heritage city as a tourist attraction and threaten its socio cultural and physical sustainability. This outcomes will happen to Penang if fast actions are not taken places.

Many approaches tend to focus on increasing the revenue from tourism and offset high fixed costs of tourism infrastructure like attraction, accommodation and dining places. Therefore, one of the present study's objective is to examine the effects of tourism infrastructure, accommodation and dining places preferences.

However, Culture Traits and Heritage tourism is still a new type of activity to many tourism destinations like Penang compared to the well established ones such as Turkey, Syria and Rome. Many new Cultural Traits and Heritage places have little or no experiences in developing culture and heritage tourism in professional ways.

This research will examine the gaps from tourist perception on place experience preferences and actual place experience. The researcher also try to explore the extent of the tourist's place experience outcomes in Penang World Heritage City.

Based on the initial study of Khirfan (2007) regarding the traits and heritage tourism, there are several important specific benefits of undertaking research on this kind of tourism. These benefits include:

- Developing tourism so that its natural and cultural resources are indefinitely maintained and conserved for future, as well as present use. This is what the present study will emphasis that it, the Cultural Traits and Heritage and at the same time, to sustain and maintain Penang as Cultural Traits and Heritage city.

- Integrating tourism into overall development policies and patterns of the country or region and establishing close linkages between tourism and other economic sectors.

- Providing a rational basis for decision making by both public and private sector on tourism development.

- Coordinated development of all elements of tourism sector. This includes inter relating the tourist attractions, activities, facilities and services and the various and increasingly fragmented tourists markets. In the present study, tourists' place experience in term of attractions, accommodations and dining places in Penang are examined.

- Optimizing and balancing the economic, environmental and social benefits of tourism industry and at the same time, minimizing the possible problems in

tourism industry especially in the context of Penang Cultural traits and Heritage city.

- Providing a physical structure which guides the location, types and extent of tourism development of attractions, facilities, services and infrastructure.

- Laying the foundation for effective implementation of the tourism development policy and plan and continuous management of the tourism sector, by providing the necessary organizational and other institutional framework.

- Offering a baseline for the continuous monitoring of the progress of tourism development and keeping it on track.

1.2 Purpose of thePresent Research

The purpose of the present research is to examine tourist's place experience on the Cultural Traits and Heritage tourism industry in Penang.

The research investigates the of Tourists' Place Experiences of Penang as Cultural Traits and Heritage city in term of purpose of visit, preservation of heritage buildings, accommodation preferences and dining ambience preferences from the tourists' perspectives. Based on the research outcomes, hopefully it will enable Penang as the Cultural Traits and Heritage city to meet the preferences of foreign tourists simultaneously. In addition, it also enable Penang to function as a tourism product that is capable of competing in the global Cultural Traits and Heritage tourism industry and sustain the prestigious UNESCO award. Therefore, the present research is emphasizes on the sustainability of Penang's UNESCO award of the World Heritage City.

1.3 Problem Statement

Jayawardena (2002) pointed out that the future of tourism markets is depend on the ability of tourism countries to deliver "a high quality product that corresponds to the changing tastes, needs, wants and demands of the international travelers". He further posited that the use of well-developed niche-based marketing strategies can lead to total market growth. Recently, cultural factor has become important marketing tools to attract tourist especially that had interest in cultural traits and heritage (Weiler and Hall, 1992). In global context, museum, art gallery, building, cultural and historical place has become main motivator to the tourism industry (Zeppel and Hall, 1992).

The sustainable development approach implies that the cultural, heritage and other resources of tourism are conserved for continuous use in the future, while still bringing benefits to present society. Thus, Penang has to put forth of all efforts in order to sustain the UNESCO award based on:

Criterion (ii): Melaka and George Town represent exceptional examples of multicultural trading towns in East and Southeast Asia, forged from the mercantile and exchanges of Malay, Chinese, and Indian cultures and three successive European colonial powers for almost 500 years, each with its imprints on the architecture and urban form, technology and monumental art. Both towns show different stages of development and the successive changes over a long span of time and are thus complementary.

Criterion (iii): Melaka and George Town are living testimony to the multi-cultural heritage and tradition of Asia, and European colonial influences. This multi-cultural tangible and intangible heritage is expressed in the great variety of religious buildings of different faiths, ethnic quarters, the many languages, worship and religious festivals, dances, costumes, art and music, food, and daily life.

Criterion (iv): Melaka and George Town reflect a mixture of influences which have created a unique architecture, culture and townscape without parallel anywhere in East and South Asia. In particular, they demonstrate an exceptional range of shophouses and townhouses. These buildings show many different types and stages of development of the building type, some originating in the Dutch or Portuguese periods.

(Operational Guidelines by the World Heritage Committee: WHC-08/32.COM/24, p. 168*)*

The sustainable approach to tourism is acutely important because tourism development depends on attraction and activities related to natural environment, historic heritage and cultural traits of areas. If these resources are degraded or destroyed, then tourism destinations cannot attract tourist and tourism industry will not be successful. Generally, many tourists would like to visit places that are attractive, clean, and neither polluted nor congested and have specific and special niche. Therefore, Penang tourism policy maker needs to be sensitive into the preservation process to make sure the honored UNESCO award to be preserved and sustained. To maintain Penang as the Cultural Traits and Heritage city by UNESCO, Penang needs to takes necessary steps to in order to protect it from relinquish. In return, tourism can greatly justify and pay for the conservation if it is properly developed based on the concept of sustainability of Penang's UNESCO award as one of the Cultural Traits and Heritage cities of the world.

Besides, another factor that relate to sustainability will be the concept of quality tourism. This approach is being increasingly adopted for two fundamental reasons: 1) it can be achieve successful tourism from marketing standpoints and 2) it brings benefits to local people and their environment. Quality tourism development can compete more effectively in attracting tourist. Therefore, this concept should be built into tourism planning, development and management process.

Generally, the research problem is that what Penang can do to sustain the UNESCO award as the Cultural Traits and Heritage City and at the same time make

Penang as a distinctive tourist spots in term of Cultural Traits and Heritage characteristics and values.

Penang was awarded by UNESCO as the World Heritage City on 7 July 2008. Many issues are highlighted after Penang is awarded as the World Heritage city. The first issue will be maintaining, sustaining and developing the cultural traits and heritage in Penang. The site management requires a lot of expertise and cost in order to preserve the condition of the heritages itself. Moreover, to sustain the given UNESCO award needs more effort compared to what the Penang government has done previously.

The second major challenge is the need to develop human resources, particularly indigenous personnel, both reasons of delivering quality services for tourists, as well as enhancing general skills of the local workforce (Dieke, 2001). To develop tourism industry, a destinations like Penang needs expertise and professional in tourism field to come out with new ideas to attract the tourists.

The third issue, which was based on the interview with Penang tourism EXCO members YB Law on 23 September 2009, the researcher found out that there is delineated role of the Penang State Tourism Board and Penang Action Tourism Council. In particular, the decisions in the areas of investment, marketing and operation of the tourism enterprises appear to be critical to the tourism industry. The key issue is to recognize that the development decisions made by them will have wider economic consequences to Penang Culture Traits and Heritage tourism and do not conflicting

among each other. Therefore, the policy makers have to recognize the implication of their actions in the overall long run economic sustainability of the tourism sector.

Fourthly, YB Law also mentioned that there are a few major problems facing by the local SME tourism industries in Penang. SMEs serve useful functions in tourism (examples, the development of linkages, providing personal services, promotion etc) but for most of them operating at the margin of survival. The real challenge is to develop marketing strategies like promotion that would enable them to overcome some of these difficulties and enable for them to sell their services and products.

Since 1972, world heritage sites have been designated through the UNESCO World Heritage Convention because of their "outstanding universal significance" to the international community. The Convention states, ". . . the deterioration or disappearance of any element of cultural or natural heritage constitutes the harmful impoverishment of the heritage of all the nations of the world" (from: UNESCO operational guideline). World Heritage designation implies "uniqueness" in terms of the physical resource and also posits a challenge for unique solutions in terms of management. Each site is a complex entity which include inter-disciplinary nature of conservation, tourism and visitor access that impact upon its management, and in relation to the web of overlapping and inter-dependent strategies in which it is sited at a regional level. Therefore, Penang has much more responsibility to carry in order to maintain and sustain the heritage sites and cultural traits besides meeting the tourist interest and expectation. Therefore, it generates and inspires the researchers' is interest to conduct the study in this field.

Lastly, Ricther (1984a) and Kadir (1990) also indicated that the whole field of policy making with regard to tourism is planning. The local people and tourists need to know whether there are relevant policies and legal regulations and procedures in placed already, covering such matters as environmental conservation, spatial planning, employment regulations and infrastructural development, the policies regarding tourism and what else needs to be done.

Generally, the research problem of this research is:

- How Penang want to sustain the UNESCO Award as the World Heritage City and how Penang's Cultural Traits and Heritage will lead to the tourists' place experience outcomes?

1.4 Research Objectives

The main challenge of the present study is to shed light on the gap between tourist's place experience preferences, actual place experience and the place experience outcomes in term of educational; awareness; repetition visit & tell others; environment and safety. Ritchie & Goeldner (1994) mentioned that tourism industry generate income and creates job oppourtunity and taxes. It helps to elevate and generate better economy to certain country.

Thus to summarize, the objectives of the present research are:

1. To study the relationship between tourist's place experience preferences (in terms of purpose of visit, preservation of heritage buildings, accommodation preferences and dining ambience preferences) and the tourist's actual place experiences (in term of heritage, cultural traits and sustainability of Penang 's UNESCO awards).

2. To study the relationship between the tourist's actual place experiences (in term of heritage, cultural traits and sustainability of Penang's UNESCO

award) and tourist's place experiences outcomes (in term of educational; awareness; repetition of visit and tell others; and environment and safety).

1.5 Research Questions:

There are two main questions in the present study. The research questions are:

1. Does significant relationships exist between between tourist's place experience preferences (in terms of purpose of visit, preservation of heritage buildings, accommodation preferences and dining ambience preferences) and the tourist's actual place experiences (in term of heritage, cultural traits and sustainability of Penang's UNESCO awards)?

2. Does significant relationships exist between the tourist's actual place experiences (in term of heritage, cultural traits and sustainability of Penang's UNESCO award) and the tourist's place experiences outcomes (in term of educational, awareness, repetition of visit and tell others and environment and safety)?

1.6 Definition of Key Terms

There are a few major key terms used in the present research. They are:

1.6.1 Tourist's Place Experience Preferences for Culture and Heritage

Tourists are 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, (From The World Tourism Organization (UNWTO). Theobald (1994) defined tourist as "a person travelling outside of his/her normal routine-either normal living or normal working routine.

Tourist's place experience preferences for culture and heritage in this study refer to those who select activites that take place on the mosaic of places traditions, art forms,

celebration and experiences portraying the beauty of a country (WTO, 2004). Dimension of tourist place experience for culture and heritage are:

1.6.1.1 Purpose of Visit

Crompton and Mckay (1997) described purpose of visit as a dynamic process of internal psychological factors (needs and wants) that generate a state tension or disequilibrium within individuals.

1.6.1.2 Preservation of Heritage Building

Pearce and Mourato (1998) mentioned preservation and enhancement of the historic environment is typically viewed as a desirable undertaking. Historic environment include : i) building, areas such as parks, garden, other designated landscapes or public spaces with historic assocation comlexes and ii) sites, examples, ancient monements, places with historical associations such as batterfilens and preserved evidence of human effects on the landscape. In this study, preservation of heritage building including all the buildings gazetted under the UNESCO award in Penang which inludes temples, houses, shops etc.

1.6.1.3 Accomodation Preferences

Tourist's perceptions of accomodation preferences criteria may include contextual cues that they use to evalute the service quality and to decide future patronage, whether or not they have experienced the hotel's products and service before (Parasuraman, Zeithmal, Berry, 1985).

1.6.1.4 Dining Ambience

All tourists have to consume food and drink when they travel. Travel dining is per se a "pleasureable sensory experience". It offers a "pleasure factor" that "pulls" tourists to a destination (Kivela and Crotts, 2006).

1.6.2 Tourist's Actual Place Experience for Culture and Heritage

Tourist's actual place experience emphasis on the actual experience of the entire place or spots poses numerous complexities that pertain to the development of the city as a tourism product and to the sustainability of its distinctive characteristics (Sternberg, 1997). The dimension of tourists' actual place experience for Cultural Traits and Heritage are:

1.6.2.1 Culture

Many commentators like Ritzer (1999) and Urry (2001) argued that culture has now become an essential element of tourism system or culture of tourism. Culture is something complex and develop from knowledge, belief, morale, custom and other ability which processes by human as society (S.Takdir Alisjahbana, 1986). Culture is one of society lifestyle which decided to live peacefully together (Ministry of Culture and tourism Malaysia, 1988) In this research, culture is referring to Culture Traits in Penang.

1.6.2.2 Heritage

Heritage is a broad concept that includes tangible assets, such as natural and cultural environments, encompassing landscapes, historical places, sites and built environments as well as intangible assets such as collections, past and continuing cultural practices, knowledge and living experiences (ICOMOS, 1999). In this research, it refer to all heritage fall under *Operational Guidelines by the World Heritage Committee:* WHC-08/32.COM/24, p. 168*).*

1.6.2.3 Sustainability of Penang UNESCO award

The concept of sustainability is that it meets the need of the present without compromising the ability of future generations to meet their own needs (Miltin, 1992). In this research, we are emphasizing on the sustainability of Penang's UNESCO award as the Cultural Traits and Heritage City of the world. In other word, Penang must put extra effort in sustaining the characteristics that it has to be categorized as the World Heritage city. Meaning that by sustaining all these characteristic are meant for the current local people and tourist to enjoy and at the same time preserving these elements for the future generation. According to Hauff (1987), sustainability is considered as a holistic and interdisciplineary approach covering economic, social, environmental issues.

1.6.3   Tourist's Place Experience Outcomes

Uysal and Jurowski (1994) summarized internal (push) and external (pull) outcomes to travel. Internal outcomes include desire to escape, rest, relaxation, prestige, health and fitness, adventure and social interaction. External outcomes were based on attractiveness of the destination including tangible resources (cultural traits, buildings, etc) and

intangible resource (safety, enviroment). In this research, it refers to both elements for tourists to experience the outcome of their visit.

1.6.3.1 Educational

Education play an important role in achieving acccesibility. In order to appreciate the heritage asset, visitors must be able to understand its nature and significance including why it should be conserved. This requires the use of an array of interpretational technique, ranging from the very formal to the very informal. Educational is most effective if it is also entertaining, (Garrod and Fyall, 2000). In this research, it refers to the educational impact that the tourist have after visiting Penang the World Heritage City.

1.6.3.2 Awareness

Awareness is a key variable in the consideration set model of consumer decision making (Roberts and Lattin, 1991). In this research, it refers to tourist awareness level upon the promotional campaign launch by Penang Tourism Board.

1.6.3.3 Repetition of Visit and Tell Others about Penang as World Heritage City

Sirgy and Tyagi (1986) mentioned that a customer's repetition visit and brand loyalty are closely associated with his or her satisfaction with the initial visit to a destination. The concept of customer satisfaction is of utmost importance because of its influence on repeat purchases and telling others as a kind of publicity (Berkman and Gilson, 1986). It refers to the purchase repetition and mouth to mouth in this research.

1.6.3.4 Environment and Safety

William and Dickson (1993) mentioned that perception of environment and safety are important because they can affect a person's behaviour including likelihood of going out at certain times of the day. In this research, it refers to the environment and safety of Penang that can attract tourists, especially from Europe and North America to visit Penang.

1.7 Significant of the Study

The present research contributes to the literature in several ways. Firstly, the present research attempt to develop a new model based on Khirfan (2007) tourists sustainability and distinctiveness model. The present study highlights on the effect of tourists place experience preferences towards Penang Cultural Traits and Heritage tourism. The present research is the first research that explores the effects among the independent variables between Penang's tourist place experience preferences and dependent variables (tourists' actual place experience). Contrell (2004), Pizam (2000), Poria, (2006), Weaver & Lawton, (2004), and Wickens (2004) highlight that many research investigating the complex relationships between stakeholders and tourism and focused on the perceptions and attitudes of individual stakeholder groups.

a) The findings of the present study aims to narrow the gaps and to expand the research areas in this topic as literature reviews in Malaysian context regarding Cultural Traits and Heritage tourism are limited. It is hope that the present study is able to look at a wider scope which may influence the Cultural Traits and Heritage tourism in Penang rather than focusing in the general tourism industry.

b) Secondly, the present research is the first research to theorize and quantify in quantitative form. Thus, this will bring us to the next significance of the present study as it may provide new insight to the Penang Cultural Traits and Heritage tourism industry. It is believed that the findings will improve quality the Cultural Traits and Heritage tourism industry in Penang as well as to boost the local SME of Cultural Traits and Heritage tourism in Penang.

c) The findings of the present research will benefits the local peoples, tourists and policy makers as a whole. It may not only help to improve the services rendered by tourism operator but it is also a way to reassure that Cultural Traits and Heritage tourism industry in Penang perform well and able to sustain and distinctive with others cultural and heritage sites.

1.8 Organization of the Remaining Chapters

This dissertation is presented in five chapters. This chapter contains an introduction to the study comprised of background of study, why Penang tourism, contribution, research problem, research objectives, definition of keys, research questions. In Chapter 2, background of Penang as the Cultural Traits and Heritage City of the world is presented. In Chapter 3, a review of literature is organized by major topics related to international demand for tourist services. In chapter 4, the research methodology selected to investigate the problem is described. In Chapter 5, data analysis is performed. In Chapter 6, contains conclusions and recommendations

Chapter 2

PENANG

2.1 Introduction

Malaysia had been considered one of the most successful emerging economies in the South-East Asia with an average annual growth rate of 7.3% (2007) in the decade leading up to the economic crisis (Nuryanti, 1996). For Malaysia, tourism was the third largest source of foreign exchange earnings after manufacturing and palm oil plantation (Tourism Malaysia, 1998a). Tourism arrivals also has increased about 300% from 1998 to 2008 (Malaysia Tourism, 2008). Revenue from tourism industry in 2008 increased by $3491 million ringgit as compared to 2007 (Malaysia Tourism Board, 2008). Malaysian hotel and room supply also shown a 2% increase in 2007 over 2006 (Tourism Malaysia, 2006). The industry also employed around 1,287,000 people, equivalent to 12.8% of total Malaysian employment, or 1 in every 7.8 jobs (WTTC, 2006). There has been spectacular growth in international tourism over the last 50 years, with arrivals increasing from 25.3 million in 1950 to 924 million in 2009 (World Tourism Organization [WTO], 2009). In the research of Malaysia Tourism Policy Study (1988), Cultural Traits and Heritage tourism was the biggest contributor to Malaysia tourism industry. Inside the research, it also urged to focus on tourists who looking at products that give them place experience.

George Town, the historic capital of Penang was inscribed as the UNESCO World Heritage Site alongside with Malacca on 7 July 2008. It is officially recognized as having a unique architectural and cultural townscape without parallel anywhere in the East and Southeast Asia region. Penang Cultural Traits and Heritage represents a mature

heritage tourism product that enjoy a widely acclaimed reputation for its citadel and historic destination which are inscribed on UNESCO list of World Heritage Sites. Penang started as the British Straits Settlement in the late 18th century, George Town went through tremendous transformations over the last two centuries, from a swampy frontier, to a busier trading port, to present city of living history, filled with ethnic population in every corner and worthy to be discovered by intrepid adventures. George Town has abundance of cultural heritage environment of shop houses and villas. Penang's special attractions are its multiracial communities with full of cultural traits and living traditions value and colorful traditions (from: Penang State Tourism Development & Culture).

2.2 General information of Penang

Before going to depth in literature review of previous research paper of the issues, the researcher would like to introduce some general information regarding Penang and its people. Therefore, this chapter serves as a background to the importance of the studying Penang Cultural Traits and Heritage, sustainability of UNESCO award and impact of the award towards local people, tourists and also environment.

Penang is located along the north western coast of Penisular Malaysia. It is one of thirteen states in Malaysia. The state is geographically divided into two sections which is Penang Island: an island of 293 square kilometres located in the Straits of Malacca with an estimated population of 750,000 and Province Wellesley (also known as Seberang Perai in Malay): a narrow hinterland of 753 square kilometres on the peninsula Malaysia. The island's shape resembles a swimming turtle.

Penang's climate is generally warm throughout the year with tempretures ranging from 21° C to 32 °C. Based on this tempreture, humidity is high all year round. However, Penangites always expected raining season from April to October.

The ethnic groups of Penang's population are Chinese (41.8%), Malay (40.3%), Indian (10.8%), bumiputra (.04%), non-malaysian citizen (6.3%) and others (0.4%). However, the recent statistical trends show that Malay community has superseded the Chinese in term of number of population. The official language is Bahasa Malaysia and followed by the other important language like English, Mandarin, Hokkien, Cantonese, Tamil and others. Majority of Chinese ethnic in Penang speaks Hokkien.

The official religion of Malaysia is Islam (60.4%) and other religions are freely praticed. These are Buddhism (33.6%), Taoism (8.7%), Catholicism, Protestantism and Sikhism which reflecting Penang is full of multi diversifying ethnic and socio-cultural amalgamation. Besides this, there is a small community of Jews in Penang (www.en.wikipedia.org/wiki/Penang). Lastly, the Peranakan, also known as the Straits Chinese or Baba-Nyonya are the descendants of the early Chinese immigrants to Penang, Melaka and Singapore. These ethnic partially adopted Malay customs and speak a Chinese-Malay creole. The Peranakan ethnic have their own distinct identity in term of food, dress, rites, craft and culture. The longest legacy lives on in their culture is nyonya kebaya and handicrafts.

Penang is the third largest economy states of Malaysia after Selangor and Johor. Manufacturing sector still remains as the most important component of Penang economy. The manufacturing sectors contribute about 45.9% of State's GDP in year 2000. The

manufacturing sites basically were in southern part of the Island and most of the plants are high tech electronics and semiconductor plants. (www.en.wikipedia.org/wiki/Penang)

Those days, Penang was the centre of banking in Malaysia when Kuala Lumpur was still a small outpost. The oldest bank in Malaysia is Standard Chartered bank which firstly opened in Penang in 1875. Secondly, the UK based Royal Bank of Scotland opened its first facilities in 1888. Until today, many anchor bank like Citibank, United Oversea Bank and Bank Negara Malaysia still remain their banking hub in Penang.

Penang is considered as one of the easier and well connected state in Malaysia. Penang is well connected by road, rail, sea and air services. Penang Island itself is connected by Penang Bridge and ferry to mainland. Penang bridge was built and completed in 1985 and is considered as one of the longest bridge in the world. Besides, to get accessibility to other states in Malaysia, Penang is connected to North-South Expressway. With current economy, and high demand of facilities, many turnkey projects have beed implemented in order to make Penang more competitive and sustainable economically.

For inner city itself, Penang was boasted and supported by local public transport network like public buses, taxi and the heritage three-wheeled trishaw which is known as beca in Bahasa Melayu. Beca, quaint mode of transport still operates in Georgetown town and popular among tourists.

2.3 Penang Tourism

Based on the rich historical dimensions, Penang is a state full of fascinating fusion from the east and west. Penang has embraced modernity while retaining its traditions and old culture that last for few hundred years. For example, Penang historical buildings is dated back more than 100 year old ranging from rows of shop houses, villas and villages.

Besides, for the past decades, many tourists come to Penang to enjoy the beaches and sea sides. However, the cleanliness of beaches has gone and been neglected. Most of the pollution are from poor sewage system, illegal restaurants, hawkers and car wash activities and lastly from the poor factory waste management.

Penangites eat around the clock and they have plenty of different food to enjoy everyday. Penang's cultural diversity is reflected par excellence in its cuisine which is a mixture of Malay, Chinese, Indian, Siamese and European. Penang also well known for food lovers. Penang is full of local delicacy and cuisine. Tourists come to Penang to taste the island's unique cuisine. This has made Penang to be given the title of food capital of Malaysia. Many nominations has been made and Penang was recognized as having the Best Street Food in Asia by Time magazine in 2004 (www.en.wikipedia.org/wiki/Penang).

In addition, most of the cuisine and food in Penang also reflected the various ethnics in Penang. For example, Penang Laksa, Char Koay Teow and Hokkien Mee reflect to the Hokkien clans, Nasi kandar to the Indian Muslims and deserts for Nyonya ethnics. Penang nyonya food is different from the Malacca's and Singaporean nyonya

and it has been rated as one of Malaysia's finest cuisine. Penang nyonya food is a mixture of food which have flavours of sweet, sour and spicy Sometimes, they are also mixed with rich, deluxe version of Malay curries and desserts. Penang is also well known for "mamak" food or South Indian Muslim cuisine such as nasi kandar, nasi briyani, murtabak and an assortment of breads like thosei, capati, roti canai and the tarik before being eaten.

Penang has many places for shopping activities as well. There are a few shopping spots like Gurney Plaza, Queensbay Mall, Perangin mall and the oldest shopping mall, KOMTAR which was opened in 1986 to serve local people and tourists.
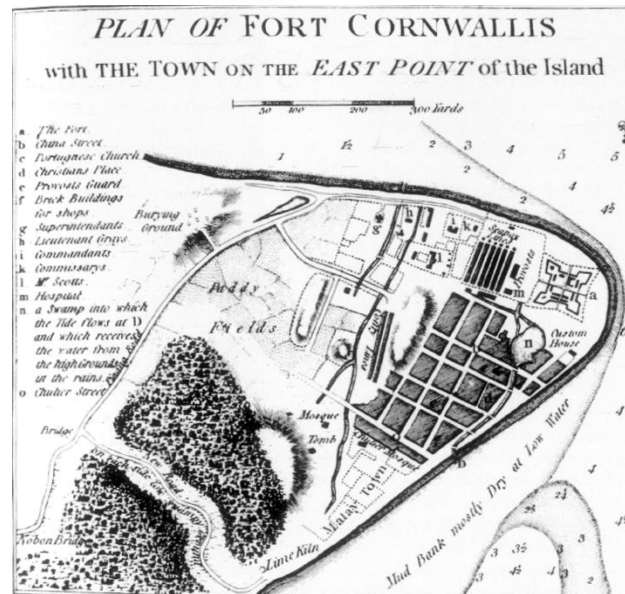

Figure 2.1: Old Penang Heritage Town Map (Source: Courtesy of state museum & art gallery, Penang)