

Perceived Destination Competitiveness of Langkawi Island: An evaluation

Zaliha Zainuddin, Salleh Mohd Radzi, Mohd Salehuddin Mohd Zahari

zaliha@tourism.gov.my

Abstract

Destination competitiveness has become a critical issue and creates increasingly challenging in tourism market. A successful tourism destination should embrace an integrated approach towards the many components of the tourism system and competitive advantage of a destination is closely relates to the quality of the products offered, which means the tourist satisfaction that experienced at the destination. This research note discussed the tourism destination competitiveness and highlight Langkawi Island as one of competitive tourism destination in Malaysia. These early finding indicated that the Key Success Factors and Perceived Destination Competitiveness are significant with experience investigate the travel revisit intentions to this destination.

Keywords: Perceived Destination Competitiveness, tourist satisfaction, tourism image, travel revisit intentions

eISSN 2514-751X © 2018. The Authors. Published for AMER ABRA cE-Bs by e-International Publishing House, Ltd., UK. This is an open-access article under the CC BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/4.0/>). Peer-review under responsibility of AMER (Association of Malaysian Environment-Behaviour Researchers), ABRA (Association of Behavioural Researchers on Asians) and cE-Bs (Centre for Environment-Behaviour Studies), Faculty of Architecture, Planning & Surveying, Universiti Teknologi MARA, Malaysia
DOI: <https://doi.org/10.21834/aje-bs.v3i10.318>

1.0 Introduction

Tourism destination around the world is competing each other's owing to increasing global mobility of the tourists. Every tourism destination is trying hard to be more competitive. Meng (2006) noted that in the current competitive tourism market, competitiveness has increasingly be seen as a critical influence on the performance of tourism destinations. He further argued destination competitiveness has become a critical issue and creates increasingly challenging in tourism market. Ritchie & Crouch, (2003); Jones & Haven-Tang (2005) postulated that a successful tourism destination must embrace an integrated approach towards the many components of the tourism system. However, the tourism industry players like the government, tourism enterprises, local communities and tourist itself may have very different approaches to destination competitiveness.

Many studies have indicated that tourists and their needs stand as the ultimate driving force which influences competition and competitiveness in the tourism destination. Today, destinations eventually compete on the quality of tourism experience offered to visitors. In this note, competitiveness in tourism denote a destination is compatible, attract visitors, increase tourism expenditure and providing them with satisfying memorable experiences. It is also enhancing the well-being of destination resident's and preserving the natural capital of the destination for future generation (Ritchie and Crouch, 2003).

Most destination competitiveness research suggests that the competitive advantage of a destination closely relates to the quality of the product offered, which means the quality of tourist experienced provided by the destination (Crouch and Ritchie 1999, Chon and Mayer 1995, Faulkner, Oppermann, and Fredline 1999, d'Hautesserre 2000, Hassan 2000).

According to the World Tourism Organization (WTO), the year 2005 saw more than 800 million international tourist arrival, and the tourism receipts were of US\$ 682 billion. The World Travel and Tourism Council (WTTC) for 2006 forecasts that travel and tourism will generate 234 million direct and indirect jobs world-wide, accounting for 8.7% of the global employment, and it will contribute up to 10.3% of the global GDP. According to the same estimate, the global travel and tourism activity is expected to increase by 4.7% between 2007 and 2016. And also there are links between the tourist and destination such as the transportation, information availability, and marketing components to make buying decision easier.

Another big market in the world is China. Therefore, China will still be the biggest source market for international tourism, easily surpassing 110 million border crossings, further supported by the Chinese government exploiting the Soft Power policy opportunities coming with it. The push factors pollution and overcrowding will continue to encourage Chinese tourists to make the switch from domestic to outbound traveler, even though it is to be hoped that pollution levels will not continue to rise as dramatically as in 2013.

With all the drastic changes some effects on the nature of the travel industry (Holjevac, 2003). AS the demand for tourism has increased and many new tourist destinations have emerged, the competition in the tourism sector has intensified (Crouch. G.I 2011; Getz & Brown, 2006). The United Nations World Tourism Organization (UNWTO) agreed that tourism

can be an assistance to the country's economy growth. Tourism is a system combining of tourism goods and services.

2.0 Literature Review

2.1 Destination Competitiveness

d'Hartserre (2000) defines destination competitiveness as the ability of a destination to sustain its market position and share and /or to improve them through time. Destination competitiveness is similarly defined by Hassan (2000) as the ability of one destination to create and integrate value-added goods that maintain its resources while also carry on its own market position concerning those of competitors. The most detailed work on overall tourism competitiveness was undertaken by Crouch and Ritchie (1999, 2003). They contended that to be competitive, a destination development of tourism must be sustained not just economically, ecologically but socially, culturally and politically. They focus on long-term economic prosperity as the yardstick by which destinations can be assessed competitively. Thus, the most competitive destination is that which most effectively creates sustainable well-being for its tourists and residents.

2.2 Key Success Factors

Key success factors are adopted from the University of Pretoria etd. Jonker, JA (2004) that are divided into safety, stability, security of the destination, unique and diverse attractions, transportation accessibility of the destination and utilities infrastructure, quality of tourism experience, effective and collective marketing effort and lastly destination image and reputation. Tourism is also influenced by a range of international forces including changing demographics, technological changes, the changing world order, growing concern for the environment, sustainability of safety and health and human resource developments. It must therefore be kept in mind that both the factors of national and international environments are in a constant state of change and evolution resulting in changing competitive environments.

2.3 Tourist Involvement

Tourist involvement specifically deals with the level of consumer engagement in the consumption process thus represents a better indicator which may influence the tourists' perception of tourism experience and destination competitiveness. It is assumed that a traveler with high involvement level with the travel and tourist activities would have different perceptions of the tourism experience and the destination compared with a traveler whose involvement is low. From the tourist's perspective, a tourism experience and their tourist involvement could be considered as the major contributing factors in their perception of the competitiveness of a specific destination and would influence their decision-making, the image, the future behavioral intention towards the destination (Dwyer et al., 2004; Dwyer & Kim, 2003).

2.4 Destination Resources and Attributes

There are several studies have been conducted on the attributes or characteristics of destination competitiveness (Ritchie & Crouch, 2003; Dwyer et al., 2004; Dwyer & Kim, 2003; Wilde & Cox, 2008; Buhalis, 2000; Hassan, 2000; Mihalic, 2000 and Kozak & Rimmington, 1999). Dwyer, Mellor, Livaic, Edwards & Kim, (2004) posits that to achieve competitive advantage for its tourism industry, any destination must ensure that its overall attractiveness and the tourism experience must be superior to that of the many alternative destinations open to potential visitors. According to Dwyer et al. (2004), the key success factors in determining destination competitiveness can be classified under eight main headings: Endowed Resources (natural / heritage); Created Resources; Supporting Resources; Destination Management (Government/Industry); Situational Conditions and Demand. In an earlier model, Ritchie and Crouch (2003) developed similar factors, but categorized them into five general industry levels as well as mainstream tourism destination attractiveness attributes including: Supporting Factors and Resources; Core Resources, Attractors and Destination Management.

It is interesting to see that both research studies (Ritchie and Crouch, 2003; Dwyer et al., 2004) revealed similar competitiveness factors. The only difference is the descriptive terms which are used by these researchers and other studies such as those carried out by Kozak & Rimmington (1999); Wilde & Cox (2008). In addition to this, scholars also identified a destination's resources as universally important factors in determining its competitiveness (Ritchie & Crouch, 2003; Dwyer et al., 2004; Dwyer & Kim, 2003; Wilde & Cox, 2008; Buhalis, 2000; Hassan, 2000; Mihalic, 2000 and Kozak et al., 1999).

2.5 Travel Revisit Intentions

There are two main consequences of value perceptions, that is: 1) intentions to repurchase and 2) recommending behaviours and both the consequences have been of concern for value studies. Invariably, favourable behavioural intentions come by way of saying positive things about the service and recommending the service to others (Boulding, Kalra, Staelin, & Zeithaml, 1993; Zeithaml et al., 1996), paying price premiums to the company and expressing cognitive loyalty to the organisation (Chi & Qu, 2007; Oliver, 1997).

The Definition of Behavioural Intention customarily, intention is conceived as a position of a consumer who deliberates about purchasing a product or brand during an anticipated time frame (Berkman & Gilson, 1986). An earlier study by Howard & Sheth (1969) assert that intention is a rendering of a consumer's attitude, confidence and anticipation about a certain purchase plan that inhibits the effect of attitude and confidence. Intention is understood as a cognitive state that reflects the consumer's plan to buy units of a particular product or brand in some specified time period.

2.6 Langkawi Island As Tourist Destination

Many scholars claim that competitive destination is one which brings about the greatest success not only in developing a particular destination but increase in tourists' arrival or

receipt, market share and that is, the greatest well-being for its residents on a sustainable basis (Ritchie and Crouch, 2003).

As Langkawi Island as the case study area of this survey, in line with this notion, Malaysia government through Ministry of Tourism is continually proactive in promoting the nation by using all the available tourism resources in making this country as competitive destination. Attractions like shopping with duty-free prices, conventional tourism like diving, flora, fauna, cultural, heritage and now step- up promotion for gastronomic, eco-business tourism, sports, MICE (Meeting, Incentive, Convention and Exhibition) tourism and many others while committed in preserving Mother Earth for future generations well-being are some of the initiatives undertaking. Refer Figure 1 and Figure 1.1 for the map of Langkawi



Figure 1: Map of Langkawi Island, Malaysia



Figure 1.1: Map of attraction in Langkawi Island, Malaysia

In 2010, tourism has been allocated around RM 899 million (US\$ 267.4 million) and this funding has increased the revenue for local in capitalizing the economy. 36 million of tourists' arrival and 168 billion in revenue are set by the government from tourism in line with the 2020 Vision (MTPB, 2012)

The vision aimed by LADA's Blue Print 2012, of becoming nothing less than a Global Top 10 island and Eco-Adventure Destination 2015. An island paradise where visitors can enjoy pristine beaches, secluded islands and nature sanctuaries filled with exotic wildlife, tropical plants and rock formation as ole as the Earth. One with high baseline standards and a handful of truly world-class attraction and unique experience example the Live Malay Village as it was 100 year ago at Makam Mahsuri and trace history of the Earth on a geology discovery. Also with exemplary standards and practices for the protecting and regeneration of the environment and culture.

In making competitive destinations, some of the popular islands are also included. Langkawi besides Penang, Tioman since the inclusion of it as a prospective competitive tourist destination in 1975 is one of the popular destinations aggressively developed. It was first declared as a tax-free island to draw more visitors to shop and spend besides appreciating the exotic beauty of the island.

The rapid investments by the federal government and the private sector can still be seen in making Langkawi at least compatible with Phuket and Bali Island. Not only that, in positioning Langkawi as an international tourist destination the Langkawi Development Authority (LADA) as the local government agency was formed.

3.0 Methodology

They found that the most prominent antecedent of revisit and the strongest indicator of satisfaction are perceived attractiveness. Revisit intention together with the word of mouth publicity, price sensitivity, spending behavior, and spending risk are the main variables that contribute to a market development (Petrick, 2004). On the other hand, -seeking and destination satisfaction revisit intention (Jang & Feng, 2007).

The tourists will be satisfied with their travel experiences and they will be willing to revisit and suggesting to others. Moreover, satisfaction has a direct affect towards destination loyalty (Alegre & Cladera, 2009). The adapted and proposed conceptual framework model as per Figure 1 and Figure 2.

This study wants to be able to draw conclusions and plan to generalize. The population is one hundred tourists were randomly distributed from second week of February 2013. Furthermore, the ratio of respondents to parameter should increase with a ratio of 15 respondents for each parameter if the data have some violation of multivariate normality (Iannario & Piccolo, 2010). SPSS were used and the preliminary finding was gathered and analyzed in this paper. The existing literature suggested that the measurement scale of involvement, key success factor, perceived destination competitiveness will be measured using a six point Likert scale.

To gain the objectives of the study, an extensive review of the existing literature has been done and a theoretical and structural model is developed as in Figure 1 and Figure 2 accordingly to examine the relationship between the Keys success factor and Perceived destination competitiveness. To determine the casual relationship effect between tourists' perceived destination competitiveness and total tourist's satisfaction in determining tourists' revisit intention. To identify the influence of tourists' perceived destination competitiveness on total tourists' satisfaction. To investigate the moderating effect of tourism image on the relationship between tourists' perceived destination competitiveness and total tourists' satisfaction thus creating revisit intention. To identify potential usage of tourism image in tourism organizations as promotional tools to help promote Langkawi Island as tourist's perceived destination competitiveness, increase total tourists' satisfaction and generate revisit intention.

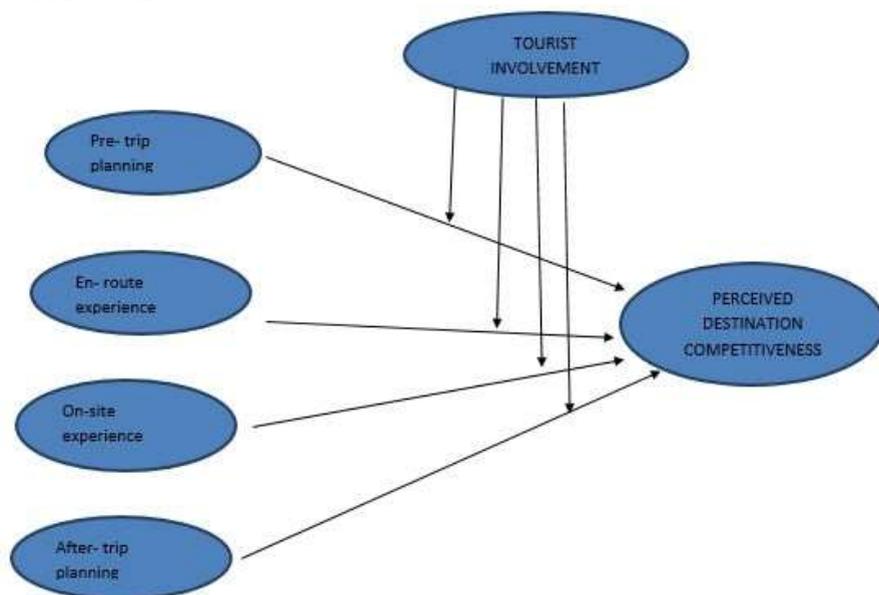


Figure 1: Conceptual Framework Destination Competitiveness Model Based on Tourists' Perception
(Source: Adopted from Fang Meng - An Examination of Destination Competitiveness from the Tourists' Perspective : The Relationship between Quality of Tourism Experience and Perceived Destination Competitiveness, Dec 13 2006)

Three research questions are addressed in this study. The first is to examine to what extent the Key success factor and tourists' perceived destination competitiveness relate to each other. Secondly, is to examine the moderating effect of tourist involvement on the relationship between Key success factor and perceived destination competitiveness. Thirdly, is to investigate the influence of the tourist involvement related to a destination on tourists'

perception of destination competitiveness. Last question will be the influences on both variables that is Key success factor and perceived destination competitiveness towards tourist decision on behavioral intention or revisit intention.

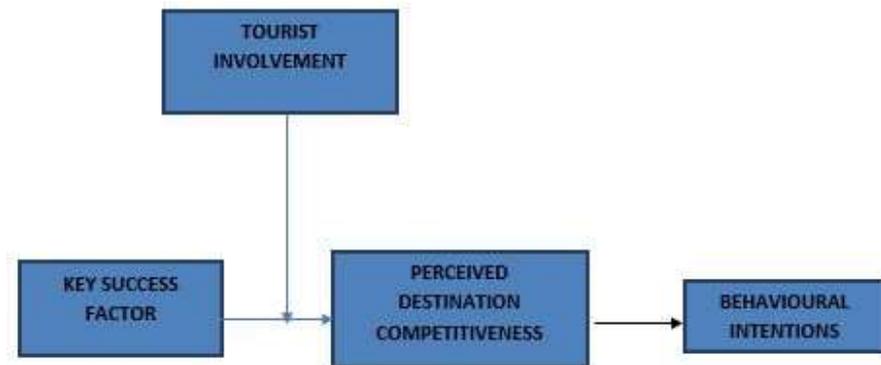


Figure 2: Proposed Model Framework Destination Competitiveness Model Based on Tourist' Perception

(Source: University of Pretoria etd. Jonker, JA (2004) Research Framework)

4.0 Results and Discussions

During pilot test data collection from 100 respondents in the period from January to February 2013 was done by the author around tourist spots in Langkawi Islands.

The questionnaires more subjected to an exploratory factor analysis but using Principle Components Analysis. The factor analysis was carried out to identify the respondent's perception of the Perceived Destination Competitiveness and Tourist Involvement that causes their Travel Behavioral Intention, revisit intention to Langkawi .

Before performing the principal component analysis, the suitability of data for factor analysis was assessed through reliability analysis. An inspection of correlation matrix revealed the presence of many coefficients of 0.55 and above but few items were recommended to be removed for further analysis due to a very low coefficient. Therefore the balance items are usable for PCA. In addition, the Bartlett's Test of Sphericity shows statistical significance with Kaiser-Meyer- Oikin value of 0.79 and above, exceeding the recommended value of 0.6 (Hair, J.F. Jr., Anderson, R.E.,).

Please refer to Table 1 Reliability Analysis (Cronbach 's Alpha) was calculated to test the reliability and intend consistency of each factor and a cutoff point of 0.55 was used to include items in the interpretation of a factor. As shown in Table 1, the first factor KSF A,B,C,D,E,F all ranged from 0.89 to 0.91. The values are acceptable as it is above the minimum value of 0.55 indicated for reliability for basic research. These factors related to travel behavioral intention to Langkawi as discussed further as follows:

Table 1. Reliability Test

Independent	Variables	Cranbach's Alpha Value
KSF	A	0.91
	B	0.89
	C	0.93
	D	0.91
	E	0.90
	F	0.91
PDC		0.95
TI		0.89

*KSF – Key Success Factors

*PCD – Perceived Destination Competitiveness

*TI – Tourist Involvement

Key Success Factors of vacation experience as shown in Table 1, the KSF A focuses on tourist vacation safety/stability /security of the travel destinations that it is very important the destination safety/stability and security of Langkawi for determining the destination competitiveness and influenced their decision making to travel to Langkawi (mean = 4.95), KSF B focuses on unique and diverse attractions, (mean = 4.85) important to travel on uniqueness, facilities and user-friendly and high quality of the services at the destination, KSF C focuses on accessibility of the destination, (mean=4.54) very important of the accessibility to the destination, KSF D focuses on Quality of tourism experiences (mean = 5.14) very important, KSF E focuses on effective and collective marketing effort is important in choosing the effective marketing tagline of the destination (mean = 4.87) and lastly the KSF F focuses on the destination image and reputation (mean = 5.05) . All values of KSF signifying that the determinants and the scales had good internal consistency and high reliability respectively.

Perceived Destination Competitiveness: The second factor as shown in the Table 1 suggested the tourist perception of Langkawi as a destination based on their general experience and opinion, with Cronbach's alpha values 0.95 above the minimum limit 0.60 and mean = 4.75 (Hair et al. 2011)

Tourist Involvement: Involvement is believed to perform a moderating role in the travel and tourism context and thus it is applied in the research model. This study aims to examine the moderating effect of tourist involvement, and further research could be conducted to test other factors mentioned above, (mean = 4.69)

5.0 Conclusion

It should be noted that the conceptualisation of perceived customer value which was fine tuned to align with the tourism context, provides deeper insight into the value-enhancing strategy for sustaining and expanding market growth and acts as a competitive advantage in this turbulent business environment. Practices that allow employees to serve customers

more fully also enhance employee satisfaction in essence showing that employees do indeed care about the service quality they deliver to customers. The research findings of this present study show that employee satisfaction is a strong predictor of tourist satisfaction.

In this study, Key success factors that have six determinants has communicated to the research survey respondents as their experience during their leisure vacation, since it is easier for the general public to understand and it is commonly believed that a vacation involves tourism activities related to a destination.

The reliability and validity are central issues in the measurement of constructs. The reliability of the measurement instrument is assessed by Cronbach's alpha. A Cronbach's alpha and composite reliability were more than 0.70 and higher indicate that the measurement scale that is used to measure to construct is highly reliable. And all results have Cronbach alpha all have more than 0.70 values and all values of KSF signifying that the determinants and the scales had good internal consistency and high reliability respectively.

Therefore, for this study, the relationship between destination competitiveness and the tourism experience have a common variance has a positive influence on tourists' perceived destination competitiveness. The study utilizes factor analysis to discover the underlying dimensions of Key success factors determinants, tourism experience, destination competitiveness, and tourist involvement to test the moderating effect of tourist involvement on the relationship between them. Therefore, their satisfaction, commitment, loyalty, motivation and productivity are the antecedents of customer loyalty and revisit intention. This confirms recent work on the "experience" economy that posits that customers look beyond the product itself and even the help employees give when assessing a retailer (Hill, Self & Roche, 2002).

Acknowledgement

The authors would like to thank Malaysia Tourism Promotion Board and TIC frontliners and Langkawi Development of Authority for assisting and helping author to gathered information and supports to this paper.

References

- Assaker, G., Vinzi, V.E., & O'Connor, P. (2011). Examining the effect of novelty seeking, satisfaction, and destination image of tourists' return pattern: A two factor, non-linear latent growth model, *Tourism Management*, 32(4), 890 -901
- Azjen, I (1985). *From Intentions to actions: a Theory of Planned Behavior*. In J. Kuhl & J. Beckmann (Eds.), *Action Control: From Cognition to Behavior*. (Pp. 11-39). Heidelberg: Springer
- Ballantyne, R., Packer, J., & Falk, J. H. (2010). Visitors' learning for environmental sustainability: Testing short- and long-term impacts of wildlife tourism experiences using structural equation modelling. *Tourism Management*, 32(6), 1243-1252.

- Cooper, M. D. (2000). Towards a model of safety culture. *Safety Science*, 36(2), 111-136.
- Dwyer, L., & Kim, C. (2003). 'Destination Competitiveness: determinants and indicators' *Current Issues in Tourism*, 6 (5), pp 369-414
- Dwyer, L., & Kim, C. (2003). Destination competitiveness: determinants and indicators. *Current Issues in Tourism*, 6(5), 369-414.
- Floyd, M.F., & Pennington-Gray, L. (2004). Profiling Risk Perception of Tourists, *Annals of Tourism Research*, 31(4), 1051-1054
- George, B. P., & George, B. P (2004). Past Visits and the Intention to Revisit a Destination: Place attachment as the mediator and novelty seeking as the moderator. *The Journal of Tourism Studies*, 15 (2), 41 – 66
- George, B. P., & George, B. P. (2004). Past visits and the intention to revisit a destination: place attachment as the mediator and novelty seeking as the moderator. *The Journal of Tourism Studies*, 15(2), 41-66.
- George, R. (2003). Tourist's perception of safety and security while visiting Cape Town. *Tourism Management*, 24(5), 575-585.
- Getz, D., & Brown, G. (2006). Critical success factors for wine tourism regions: a demand analysis. *Tourism Management*, 27(1), 146-158. doi: <http://dx.doi.org/10.1016/j.tourman.2004.08.002>
- Gnoth, J. (1997). Tourism motivation and expectation formation, *Annals of Tourism Research*, 24(2), 283-304.
- Hair, J.F. Jr., Anderson, R.E., Tatham, R. L, m Black , W. C. (1998) *Multivariate Data Analysis*, 7th Ed. New Jersey: Prentice-Hall International, Inc.
- Hasegawa, H. (2010). Analyzing tourists' satisfaction : A multivariate ordered prohibit approach. *Tourism Management*, 31(1), 86-97.
- Hassim, N (2006). The implication of streetscape improvement on tourist behavior at the old quarter of Melaka. Unpublished master's s thesis, Universiti Teknologi Malaysia, Skudai.
- Hong, S-K., Lee, S-W., Lee, S., & Jang, H. (2009). Selecting revisited destinations. *Annals of Tourism Research*, 36(2), 268-294.
- Jang, S., & Feng, R. (2007). Temporal destination revisit intention. The effects of novelty seeking and satisfaction. *Tourism Management*, 28(2), 580-590.
- Langkawi Development Authorities website address <http://lada.gov.my>
- Lee, S., Jeon, S., & Kim, D (2011). The impact of tour quality and tourist satisfaction on tourist loyalty: The case of Chinese tourist in Korea. *Tourism Management*, 32(5), 1115-1125
- Maggioni, I., Marcoz, E. M., & Mauri, C. (2012). Segmenting networking orientation in the hospitality industry:an empirical research on service bundling. *Working paper*, 44(2), 112.

Malaysia Tourism Promotion Board Annual Report 2011

Meng, F. (2006). *An examination of destination competitiveness from the tourists' perspective: the relationship between quality of tourism experience and perceived destination competitiveness* PhD, Virginia Polytechnic Institute and State University.

Mihalic, T. (2000), 'Environmental management of a tourist destination: A factor of tourism competitiveness' *Tourism Management*, 21, 65-78

Mokhtarshahi Sani, R. & Mahasti, P., (2013). *Journal of Asian Behavioral Studies*, Volume 3, Number 8, January/February

Pro, S. (2003). Perspectives of Tourist Safety Dimension Research. *E-Review of Tourism Research*, 1(1), 14 – 16.

Reisinger, Y., & Mavondo, F. (2005). Travel Anxiety and Intentions to Travel Internationally: Implications of Travel Risk Perception. *Journal of Travel Research*, 43 (February). 212 – 225.

Ritchie, J.R., & Crouch, G.I (2000), 'the competitive destination: A sustainability perspective' *Tourism Management*, 21, 1-7.

Ritchie, J.R.B., & Crouch, G. I (2003), *the Competitive Destinations: A Sustainable Tourism Perspective*, Wallingford, Oxon, UK: CABI Publishers.

Sonmez , S.F., & Sirakaya, E. (2002). A distorted Destination Image? The Case of Turkey. *Journal of Travel Research*, 41 (November), 185-196

WTO. (1996). *Tourist Safety and Security: Practical Measures for Destinations*. Madrid: World Tourism Organization.

Yang CH, Lin HL, Han CC (2010). Analysis of international tourist arrival in China: The Role of world heritage sites. *Tourism Management* 31(6): pp 827-837

Zabkar, V., Brencic, M. M., & Dmitrovic, T. (2010). Modeling perceived quality, visitor's satisfaction and behavioral intentions at the destination level. *Tourism Management*, 31(4), 537-546

Zaliha Zainuddin et al. (2013). *Procedia - Social and Behavioral Sciences* 105 801 – 810