

VFR: THE BEHAVIOUR OF 'BALIK KAMPUNG' TRAVELLER

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To My Wife and My Children

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In the Name of Allah, Most Gracious, Most Merciful.

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ABSTRACT

Travel involving 'balik kampung' can have a range of purpose. For example, the travel might be to highlight an event such as festivals and wedding. Alternatively, it might be an extra bonus if added to a vacation in a popular destination. In addition, individual mobility has increased in Malaysia, as car ownership has risen steadily, whilst incomes have generally risen steadily than the costs of running a car. However, little is known about Malaysia 'balik kampung' travellers, especially with regard to their travel behaviour.

This study attempts to identify the behaviour of the 'balik kampung' traveller. To this point, all 'balik kampung' traveler have been based on the assumption of single-destination travel, i.e. when they leave home, they go directly to the destination and then return directly home. In many cases this assumption is incorrect. As shown in the study by Seaton and Tagg (1995), suggested that a trip to visit a friend or relative might be a combination of several trip types. Comparison of single and multi destination in terms of socio-demographic and trip characteristics is proposed to draw greater attention to the market's importance in terms of its relative size and economic impact. This analysis should provide valuable information for several sectors of tourism including retailing, restaurants, car rental companies, and commercial accommodation.

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CHAPTER 1

INTRODUCTION

Globally, tourism is the largest and fastest growing industry and is widely regarded as a growth catalyst which able to generate much needed income and employment opportunities. Since the 1960s, tourism has expanded into all corners of the earth (Theobald, 2004; Theuns, 2002). The outreach of tourism as a modern economic sector outpacing all other industries is on a rising edge. Being economies benefiting from its positive impacts, international tourism which form a various group of visitors with significantly different purpose of visits and spending behaviour is often promoted in developing countries for its positive effect on the balance of payments and much-needed foreign exchange earnings (Williams & Shaw, 1992). However, this had downplayed and even ignored the domestic tourism, in favour of potential international arrivals (Anon, 1993).

One category of tourists who have as their main purpose “visiting friends and relatives” (VFR), which has been neglected, most likely because they are assumed to have a secondary status when measured in economic terms. Paci (1994) noted that one of the major problems with the VFR market was that it was poorly documented and under researched. Until now, more and more researchers are questioning whether the economic contribution of VFR tourists is really insignificant.

After a long period of overlooking the VFR market in most international tourism studies, the VFR market is increasingly becoming a subject of research. Most recently, empirical studies have supported the notion that the VFR market can be segmented into various sub markets. In Malaysia, one of the potential VFR market segment which yet to be explored by the industry is the 'balik kampung' traveller. This is due to lack of information on balik kampung travellers, and in the assessment of the roles played by this segment in local tourism.

1.1 Background of Study

Malaysia is experiencing a tremendous pace of tourism development. Tourism sector has been recognized by Malaysian government as a major source of revenue and a catalyst to the Malaysian economic renaissance. In the year 2006, Malaysia attracted 17.54 million foreign tourists generating around RM36.2 billion into the national economy (The Star, 1 March 2007). As for domestic tourist, based on the hotel guest's statistic by locality, it shows about 30 million domestic tourists have checked-in to hotels in Malaysia (MOTOUR, 2005). Due to lack of statistical data domestic tourism, this benchmark can be concluded that domestic tourist expenditure is increasing progressively as a consequence of Malaysia economic stability.

During the 20th century, society in Malaysia has become much more fluid, and spatial dispersion has occurred for a variety of reasons. Increasingly, children move away from their parents when they reach maturity, and may take up educational or job opportunities in a distant location. Greater unemployment, particularly in rural areas, has fuelled this trend, as has the increasing affluence of young adults, who now expect to live separately from their parents at an earlier age. Regardless of socio background, return to village or 'balik kampung' (a form of VFR tourism in Malaysia) is a must for younger generation to visit their parents or relatives during festivals or holidays as to strengthen the social ties.

Travel involving 'balik kampung' can have a range of purpose. For example, the travel might be to highlight an event such as festivals and wedding. Alternatively, it might be an extra bonus if added to a vacation in a popular destination. In addition, individual mobility has increased in Malaysia, as car ownership has risen steadily, whilst incomes have generally risen steadily than the costs of running a car. Besides that with mushrooming of low cost carriage such Airasia, the maintenance of relationships over longer and longer distances has become more and more feasible. However, little is known about Malaysia 'balik kampung' travellers, especially with regard to their travel behaviour.

This study attempts to identify the behaviour of the 'balik kampung' traveller. To this point, all 'balik kampung' traveler have been based on the assumption of single-destination travel, i.e. when they leave home, they go directly to the destination and then return directly home. In many cases this assumption is incorrect. As shown in the study by Seaton and Tagg (1995), suggested that a trip to visit a friend or relative might be a combination of several trip types. Comparison of single and multi destination in terms of socio-demographic and trip characteristics is proposed to draw greater attention to the market's importance in terms of its relative size and economic impact. This analysis should provide valuable information for several sectors of tourism including retailing, restaurants, car rental companies, and commercial accommodation.

1.2 Problem Statement

In the 9th Malaysia Plan (RMK-9), domestic tourism has been emphasized as one of the important component in the tourism industry through out the planning period. Statistic shows the numbers of domestic trip by locals increased by 30.1 per cent from 12.3 million (2000) to 16 million (2005).

It also shows that approximately 30 million hotel guest were domestic tourist due to stability of Malaysia economic, increase of household income, quality of life and trend of travelling among Malaysian and is expected to be increase in the future (MOTOUR). Advancement on land and air transportation networks also influence the increase of domestic tourism. Hence, efforts in promoting domestic tourism have been carried out by the government such as 'Cuti-Cuti Malaysia' and Mega Shopping Carnival to encourage local to travel within Malaysia. Helleiner (1990) noted that within developing countries, the value of domestic tourism may not directly attract foreign exchange, but still has substantial economic impact through employment and the development of infrastructure that can attract international tourists.

Although domestic tourism has been the main concern in contributing to the growth of Malaysia tourism industry, it had overlooked one of the potential VFR tourism market segments which are 'balik kampung' traveller. This segment has tended to be ignored by the Malaysia tourism industry. Being statistically underestimated in tourism statistics, the tourism industry appears to conclude this segment is not economically significant as stated below:

- a) They do not use commercial accommodation facilities. Presumably, they stay with their friends and relatives and do not spend as much as other visitors for accommodation.
- b) They do not spend as much as other types of visitors. Presumably, since they are staying with their friends and relatives, they also spend less money on food and less time visiting tourist attractions and other tourist facilities.
- c) They are unaffected by tourism promotions. Presumably, they are mainly influenced to visit the destination by their friends and relatives, and are unlikely to be affected by a tourism agency's promotions. The assumption, therefore, is that it is not worthwhile for an agency to invest in promotions specifically targeting 'balik kampung' travellers.

1.3 Research Questions

The purpose of this study is to explore the potential of ‘balik kampung’ traveller market in Malaysia. Based on the above described gap, the research question serving as a thread through this study is as follows:

- a) Do ‘balik kampung’ travellers travel to other destination beside from their main destination?
- b) Is there any difference between single and multi-destination ‘balik kampung’ travellers?

1.4 Research Goal and Objectives

This study aims to develop an understanding on the behaviour of ‘balik kampung’ travellers in Malaysia in terms of socio-demographic and trip characteristics. Thus, the main objectives of the study are as below:

- a) To determine the trip characteristics of ‘balik kampung’ travellers.
- b) To compare the single and multi destination of ‘balik kampung’ travellers in terms of socio-demographic and trip characteristics.
- c) To provide recommendation of strategies in developing VFR tourism through ‘balik kampung’ traveller market.

1.5 Scope of Research

This research followed a two-pronged approach, namely a literature study and a survey. The scope of the study is divided into four main areas. The following are the areas covered in the study.

1.5.1 Literature Review

The literature review focuses on the theoretical perspectives of the following elements: the VFR tourism, 'balik kampung' and trip characteristics.

1.5.2 Assessment on trip characteristics of 'balik kampung' travellers.

The distinction of trip characteristics of 'balik kampung' traveller is based on variables proposed earlier by Hu & Morrison (2002) and thorough review of other literature. The variables are as follows:

- | | |
|----------------------------|------------------------|
| a) accommodation type used | e) purpose of trip |
| b) activity participation | f) travel arrangements |
| c) destination pattern | g) travel distance |
| d) expenditures | h) travel party size |

1.5.3 Assessment on socio-demographic of ‘balik kampung’ travellers.

The profiling is intended to determine the typology and common traits of ‘balik kampung’ travellers in terms of their:

- | | |
|--------------------|---------------------|
| a) gender; | e) place of origin; |
| b) age; | f) education level; |
| c) race; | g) occupation; and |
| d) marital status; | h) income level |

1.5.4 Recommendation of strategies to develop VFR tourism through ‘balik kampung’ traveller market.

Appropriate strategies are formulated to develop VFR tourism in Malaysia through ‘balik kampung’ traveller market. The development is aimed to recognize it as an important market segment in domestic tourism. The recommendations proposed indicate the main factors that have to be considered before developing such market. It also determines the potentials and opportunities to develop an innovative travel packages design by tour operators.

1.6 Study Approach

The study approach is divided into four stages. All the stages are described briefly under several headings below (see Figure 1.1):

1.6.1 Stage 1 – Preliminary Stage

The preliminary stage of the study includes refining of the study objectives and scoping as well as literature review. The literature review is aimed at establishing a foundation on the research area specifically on VFR tourism, 'balik kampung' and trip characteristics. Most of the information was collected from secondary sources such as internet, academic books, journals, conference papers and other research publications. The study design is also developed in this stage.

1.6.2 Stage 2 – Data Collection

The information collected in this study is a combination of primary data and secondary data. The primary data is obtained through field work conducted at the selected study area using self-administered questionnaires. Items on the questionnaire were derived from a thorough review of the literature. Besides, it also used secondary data from previous studies, reports, statistics and research publication to support some information in forming the survey questions. In this stage, the survey question was thoroughly designed.

Questionnaire design is divided into two (2) aspects (Refer Appendix 1) as below:

- a) tourist profile – place of origin, gender, age, race, status, education level, occupation and income level.
- b) trip characteristics – purpose of trip, destination pattern, travel distance, travel arrangements, travel party size, travel companion, total number of nights spent, accommodation type used, activity participation and travel expenditure.

1.6.3 Stage 3 – Analysis and Synthesis

The analysis of the data collected is deliberated using the Statistical Package for the Social Sciences (SPSS) and simple statistical tool such as Microsoft Excel. Descriptive analysis is used to examine traveller's profile and trip characteristics. Chi-square test and t-tests were then done to compare single and multi-destination 'balik kampung' travellers.

1.6.4 Stage 4 – Recommendations

This final stage of the study is the formulation of recommendations to develop VFR tourism associated with the 'balik kampung' traveller market.

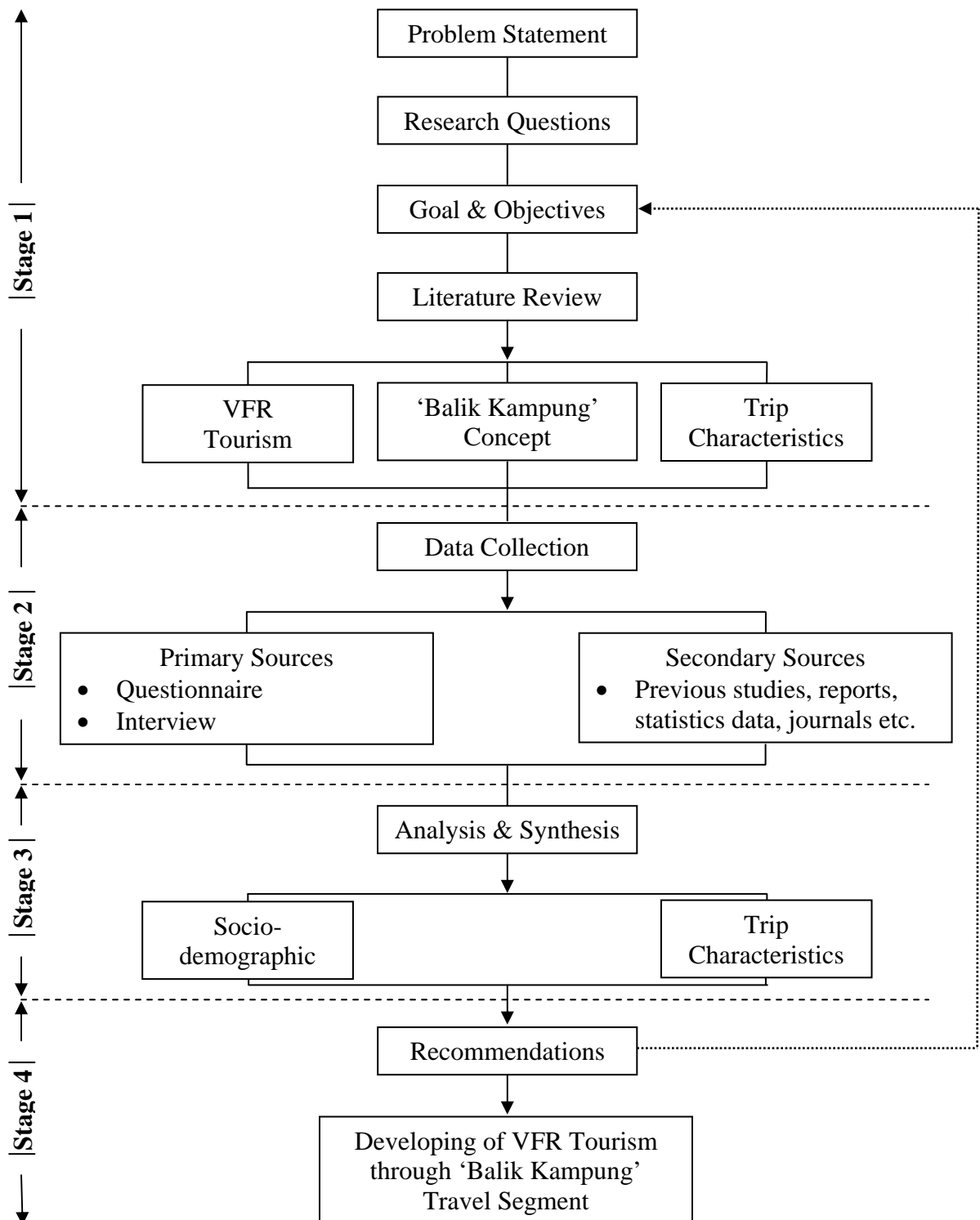


Figure 1.1: Study Flow Chart

1.7 Significance of the Study

VFR tourists have long been seen as the ‘Cinderella’ of the tourism industry. Until recently, tourism marketers believed that no special marketing strategies were needed for the VFR market (Bieger et. al, 2004). Yet more and more public and private sector tourism organizations are questioning whether the economic contribution of VFR tourists is really insignificant due to research on VFR for tourism is still at its infancy stage. However, academics have gradually found that VFRs have significantly different characteristics and behaviours from other segments and require specific marketing strategies (Morrison & O’Leary, Morrison et al., 2000; Seaton & Tagg, 1995). As the economic importance of the VFR market and the different characteristics of its travels are recognised, research interest in VFR travellers increases (Hu & Morrison, 2002).

This research is embarked to form early groundwork towards refining VFR market segment viz. the ‘balik kampung’ travellers as an essential component of the domestic tourism industry but also really worth influencing. This does not mean that the international tourism market may be neglected, merely that it should not be favoured above a potentially vibrant domestic tourism market. This study is needed to assist tour operators and tourism planners in determining the most suitable market strategies for this travel segment.

1.8 Limitation of the Study

In conducting this study, the following limitations are identified;

- a) Limited time, funding and labour.
- b) The study provides a limited examination of ‘balik kampung’ traveller behaviour due to the exclusion of other mode of transportations.

- c) The survey is constrained to be conducted only at selected RSAs.
- d) Long school holiday and weekend was selected for the period of survey with the exclusion of festive holiday.
- e) Data results may only reflect or represent a period in a year, and not all throughout a one year period.
- f) The questionnaire used as survey instrument is limited to self-administered measures. Respondents may understand or interpret the items asked in the questionnaire differently, as respondents have different academic background.