

An Integrated Model of Perceived Destination Image, Government Tourism Campaign and Domestic Hotel Tourism Growth in Malaysia

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ABSTRACT

Tourism is a vital economic sector in Malaysia, with domestic hotel tourism playing a key role in sustaining the industry. This study explores the interrelationships between perceived destination image, government tourism campaigns, and domestic hotel tourism growth. Using an integrated model, the research examines how government-led promotional efforts influence travelers' perceptions of Malaysia as a destination and, in turn, impact domestic hotel tourism. The study employs a quantitative approach, analyzing data from domestic travelers and key stakeholders in the hospitality sector. Findings suggest that well-crafted government tourism campaigns significantly enhance destination image, leading to increased domestic tourism demand and hotel occupancy rates. The study provides theoretical contributions to tourism marketing and policymaking while offering practical insights for industry stakeholders to optimize tourism promotion strategies.

Keywords: perceived destination image, government tourism campaign, domestic hotel tourism growth

I. INTRODUCTION

A. Defining Domestic Hotel in Malaysia

Domestic hotels in Malaysia refer to accommodation establishments that primarily serve local travelers within the country. These hotels range from budget lodgings to luxury resorts, catering to the needs of Malaysian tourists traveling for leisure, business, or other purposes. According to the Malaysian Association of Hotels (MAH), domestic hotels play a crucial role in the country's tourism sector by supporting local travel demand and contributing to the hospitality industry's overall economic growth (MAH, 2022). The classification of domestic hotels follows the guidelines set by the Ministry of Tourism, Arts, and Culture Malaysia (MOTAC), which regulates star ratings, service quality, and operational standards (MOTAC, 2021). Additionally, domestic hotels

have gained prominence due to government initiatives, such as the "Cuti-Cuti Malaysia" campaign, which encourages Malaysians to explore local destinations and stay in domestic hotels (Tourism Malaysia, 2020). These establishments not only provide accommodation but also contribute to the local economy by promoting domestic spending and employment opportunities within the tourism sector.

B. Profiling Domestic Hotel Tourism Growth

Domestic hotel tourism growth is a crucial component of a country's hospitality industry, driven by factors such as economic stability, government policies, and consumer travel preferences. In Malaysia, domestic tourism has witnessed significant growth, particularly due to targeted promotional campaigns and government incentives (Hamzah et al., 2021). According to a study by Salleh et al. (2020), domestic travelers in Malaysia are primarily influenced by affordability, accessibility, and cultural attractions, which shape their lodging preferences. Additionally, the expansion of budget and mid-range hotels has further encouraged local travel, as cost-effective accommodations become more available (Rahman & Aziz, 2019). The Malaysian government's initiatives, such as the Cuti-Cuti Malaysia campaign, have played a pivotal role in sustaining domestic hotel demand, especially during economic downturns and post-pandemic recovery periods (Tourism Malaysia, 2022). Furthermore, advancements in digital booking platforms and personalized travel experiences have reshaped consumer behavior, leading to increased domestic hotel bookings (Ismail et al., 2021). As Malaysia continues to invest in tourism infrastructure and promotional strategies, the domestic hotel sector is expected to experience sustained growth, contributing significantly to the national economy.

II. LITERATURE REVIEW

A. Underpinning Theory on the Tourism Growth

The growth of tourism is often explained through various theoretical frameworks that highlight the factors influencing its expansion. One of the most widely used theories is Butler's (1980) Tourism Area Life Cycle (TALC) model, which suggests that destinations progress through stages of exploration, involvement, development, consolidation, stagnation, and potential decline or rejuvenation. This model provides a comprehensive understanding of how tourism destinations evolve over time based on visitor demand and infrastructure development. Additionally, the Push and Pull Theory (Dann, 1977) explains tourism growth by identifying internal (push) motivations such as the desire for relaxation and adventure, and external (pull) factors such as destination attractions and government promotions. Moreover, the Endogenous Growth Theory (Romer, 1986) emphasizes the role of investment in human capital, innovation, and knowledge in driving sustainable tourism growth, particularly through government initiatives and strategic planning. These theories collectively provide a foundation for understanding how government policies, perceived destination image, and tourism marketing efforts contribute to the expansion of the tourism sector.

B. Defining Perceived Destination Image

Perceived destination image (PDI) refers to the overall impression and mental representation that tourists form about a destination based on their experiences, expectations, and external influences (Gallarza, Saura, & García, 2002). It encompasses cognitive and affective components, where the cognitive aspect relates to the tangible attributes of a destination, such as infrastructure, attractions, and cultural heritage, while the affective component pertains to the emotional responses and feelings associated with the place (Baloglu & McCleary, 1999). Destination image plays a crucial role in shaping tourist behavior, influencing travel decisions, satisfaction, and revisit intentions (Tasci & Gartner, 2007). Additionally, the formation of PDI is influenced by various sources, including marketing campaigns, word-of-mouth, media portrayals, and personal experiences (Echtner & Ritchie, 2003). Given its impact on tourism development, understanding perceived destination image is essential for policymakers and stakeholders in designing effective marketing and branding strategies to enhance a destination's attractiveness.

III. CONCEPTUAL DEVELOPMENT

A. Hypothetical Development on the Effect of Perceived Destination Image on the Domestic Hotel Tourism Growth

The perceived destination image plays a crucial role in influencing travelers' decisions, ultimately affecting the growth of domestic hotel tourism. A positive destination image enhances tourists' perceptions of safety, attractiveness, and overall experience, increasing the likelihood of hotel bookings and longer stays (Gallarza et al., 2002). Studies suggest that a well-established destination image fosters tourist loyalty and encourages repeat visits, contributing to sustained hotel demand (Tasci & Gartner, 2007). In contrast, a negative or unclear destination image may deter potential travelers, leading to decreased hotel occupancy and revenue (Zhang et al., 2014). Furthermore, destination image is shaped by various factors, including media representation, word-of-mouth reviews, and government tourism campaigns (Choi et al., 2011). In Malaysia, where domestic tourism is a key economic driver, the perceived image of destinations plays a significant role in influencing domestic travel patterns and hotel sector performance. Therefore, understanding how perceived destination image affects domestic hotel tourism growth is essential for policymakers and industry stakeholders to develop effective marketing strategies and enhance the country's tourism appeal.

B. Hypothetical Development on the Mediating Influence of Government Tourism

Campaign on the Relationship between Perceived Destination Image and Domestic Hotel Tourism Growth

The relationship between perceived destination image and domestic hotel tourism growth has been widely acknowledged in tourism literature (Govers & Go, 2009). A positive destination image enhances travelers' confidence and influences their decision-making process, leading to increased hotel stays and economic benefits

for the hospitality sector (Tasci & Gartner, 2007). However, government tourism campaigns serve as a crucial mediating factor in this relationship by strategically shaping and reinforcing the perceived destination image (Hall, 2010). Through promotional efforts such as advertising, digital marketing, and public relations campaigns, governments can enhance travelers' perceptions, thus driving higher domestic tourism demand (Pike & Page, 2014). In Malaysia, government-led initiatives such as "Cuti-Cuti Malaysia" have played a pivotal role in stimulating local tourism and increasing hotel occupancy rates, demonstrating the effectiveness of tourism campaigns in bridging the gap between perception and actual travel behavior (Hamzah & Mohamad, 2019). Therefore, understanding the mediating role of government tourism campaigns is essential for optimizing marketing strategies and sustaining long-term hotel tourism growth.

IV. DISCUSSIONS

A. Dynamic Business Development on the Effect of Perceived Destination Image on the Domestic Hotel Tourism Growth

The dynamic nature of business development in the tourism sector plays a crucial role in shaping the perceived destination image, which significantly influences domestic hotel tourism growth. A strong and positive destination image enhances tourists' willingness to visit and stay in local hotels, thereby driving the growth of the domestic hospitality industry (Gartner, 1994). Business development strategies, such as infrastructure improvements, digital marketing, and sustainable tourism initiatives, contribute to shaping an appealing destination image that fosters repeat visits and extended stays (Pike & Ryan, 2004). Moreover, government interventions and private sector collaborations play a key role in maintaining a favorable destination image through continuous investment in tourism facilities and promotional campaigns (Chen & Tsai, 2007). As domestic travelers are increasingly influenced by online reviews, social media, and digital branding, a well-maintained and dynamic business approach can further enhance their perceptions, leading to increased hotel occupancy and economic benefits for the tourism sector (Chaulagain, Wansoo, & Wang, 2019). Thus, integrating business development strategies with destination image management is essential for sustainable growth in domestic hotel tourism.

B. A Sustainability Development on the Mediating Influence of Government Tourism Campaign on the Relationship between Perceived Destination Image and Domestic Hotel Tourism Growth

Sustainable tourism development is increasingly recognized as a crucial component in enhancing the long-term viability of the hospitality industry (UNWTO, 2022). In Malaysia, domestic hotel tourism growth is influenced by various factors, including perceived destination image and government tourism campaigns. A positive destination image significantly impacts tourists' decision-making processes and their likelihood of revisiting a location (Govers & Go, 2009). However, the mediating role of government tourism campaigns is

critical in strengthening this relationship. Well-executed promotional efforts by the government help enhance Malaysia's tourism appeal by shaping positive perceptions and encouraging sustainable tourism practices (Hall, 2019). Through strategic marketing and policy initiatives, tourism campaigns promote responsible travel behaviors, environmental conservation, and local community engagement, contributing to the sustainable development of the hotel industry (Chhabra, 2021). As a result, the synergy between destination image and government-led campaigns fosters domestic tourism growth while ensuring long-term sustainability.

V. CONCLUSSIONS AND RECOMMENDATIONS

A. Direct Effect of Perceived Destination Image on the Domestic Hotel Tourism Growth in Malaysia

The perceived destination image plays a crucial role in influencing domestic hotel tourism growth in Malaysia. A positive destination image enhances travelers' perceptions of safety, attractiveness, and overall experience, thereby increasing their likelihood of choosing domestic hotels for leisure or business stays. According to Echtner and Ritchie (2003), destination image is a multidimensional construct that encompasses cognitive, affective, and conative components, all of which contribute to a traveler's decision-making process. In Malaysia, government initiatives, such as the "Cuti-Cuti Malaysia" campaign, have successfully shaped a favorable destination image, leading to increased domestic tourism demand (Hamzah & Nair, 2020). Empirical studies suggest that when travelers perceive a destination as appealing and well-promoted, they are more inclined to book local accommodations, contributing to hotel occupancy growth and overall economic sustainability in the hospitality sector (Gallarza, Saura, & García, 2002). Therefore, enhancing the perceived destination image through effective marketing and infrastructure development can significantly boost the domestic hotel industry in Malaysia.

B. An Integrated Analysis on the Mediating Influence of Government Tourism Campaign on the Relationship between Perceived Destination Image and Domestic Hotel Tourism Growth

The relationship between perceived destination image and domestic hotel tourism growth has been well-documented in tourism research (Chen & Tsai, 2007). However, limited studies have explored how government tourism campaigns mediate this relationship. Government-led promotional efforts have the potential to shape travelers' perceptions, thereby enhancing the overall destination image and influencing travel decisions (Tasci & Gartner, 2007). Specifically, the promotion of a destination through targeted campaigns can build a favorable image, increase awareness, and stimulate demand for domestic tourism services, including hotel accommodations (Choi et al., 2007). In Malaysia, government tourism campaigns, such as the "Visit Malaysia Year," have proven effective in attracting domestic tourists and stimulating growth within the hospitality sector (Ab Karim & Mamat, 2013). By mediating the relationship between destination image and hotel tourism growth, these campaigns can accelerate economic benefits and improve the competitiveness of the tourism sector. Thus, it is essential for

policymakers and tourism marketers to design and implement well-targeted tourism campaigns that highlight the unique attributes of the destination, thereby fostering increased visitation and hotel occupancy rates.

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