

AN IMPORTANCE-PERFORMANCE ANALYSIS OF INTERNATIONAL VISITORS TO PENANG ISLAND, MALAYSIA

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This paper examines international visitors' perceived importance and performance of 12 destination attributes of Penang Island using an Importance-Performance Analysis (IPA). The result was drawn from a questionnaire survey of 803 respondents who visited the island between August and November 2012. The importance-performance analysis grids illustrate that Penang Island performs well in six attributes namely 1) safety and security; 2) image of destination; 3) friendliness of the people; 4) variety of tourism attractions; 5) value for money; and 6) accessibility to the destination. The attribute of cultural and historical uniqueness appears to get too much concentration, and five attributes fell into the Low Priority quadrant. Safety and security was found to be the determining attribute for international visitors. Implications and recommendations for Penang managers and marketers were discussed.

Keywords: *Importance-performance analysis, international visitors, destination attributes, Penang Island.*

JEL Classification: *L83, M1, O1*

INTRODUCTION

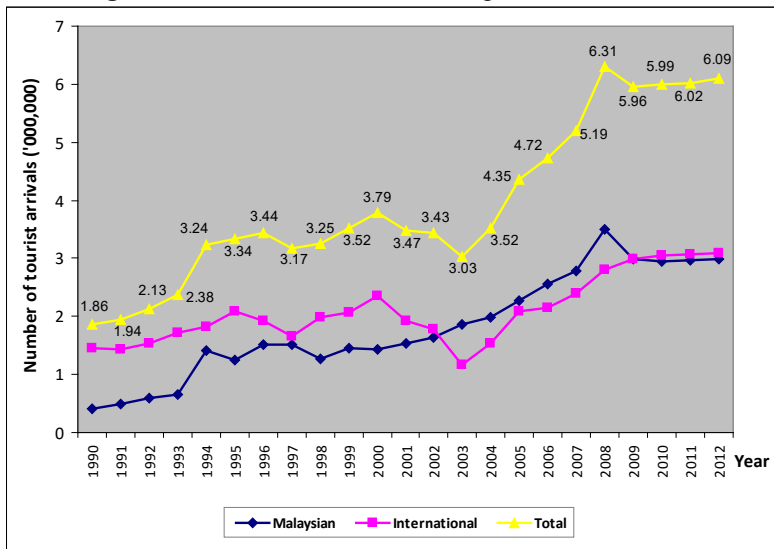
Penang Island and the Tourism Industry

Tourism has been an important industry in Malaysia for a number of years. As one of the country's leading tourist destinations particularly



after Kuala Lumpur and Pahang (The Star Online, 2012), Penang received over 90.14 million visitors from 1990 to 2012 with an annual average of 3.92 million visitors (Figure 1). The total arrivals for 2012 reached a record of 6.09 million, representing a remarkable growth of 3.27 times over 1990. According to Penang Global Tourism (2012), Penang's top five foreign tourist generating markets (travelling by air) in 2012 were Indonesia (234,703), Singapore (98,777), China (43,676), Japan (24,454), and United States of America (19,948). Recognized by its government as an important source of revenue and catalyst to the state's economic growth, tourism, which is placed as the second sector after manufacturing (Organisation for Economic Co-operation and Development, 2010), accounted for 39% of Penang's Gross Domestic Product (GDP) in 2012 (Chua, 2012).

Figure 1. Visitor arrivals to Penang State, 1990-2012



Source: Compiled from Penang Development Corporation (PDC), 1990-1999; DCT Consultancy Services Sdn. Bhd., 2000-2003; PDC Consultancy Sdn. Bhd. & Penang Tourism Action Council, 2004; Penang Development Corporation, 2005-2006; Penang Global Tourism, 2007-2013

Despite the tremendous growth, Penang's inbound tourism has experienced a number of unprecedented declines since 1997. The fall in visitor arrivals, particularly from the international tourist market, has been intensified by global disruptions and threats such as the 1997 Asian

financial crisis and the 2003 terror bombings in Jakarta and Bali, which have made international tourists stay away from visiting Southeast Asian countries. Furthermore, Penang Island is now considered less attractive as a “sun, sea and sand” (3S) destination which previously contributed to the island’s reputation as the “Pearl of the Orient”. As 3S tourism has been promoted up to its maximum in the 1990s (Cairns, 2002), Hooi (2006) asserted that the island’s charm was slowly diminishing and fast losing out to emerging destinations like Phuket, Bali and other Indo-China countries which are regarded as more “exotic” in the eyes of Western foreigners.

Nevertheless, the designation of Penang’s capital city, George Town, along with Malacca, as a World Heritage Site (WHS) in July 2008, has brought back visitors to the island. The number of visitors in 2008 recorded the highest arrival in Penang’s history with 6.31 million visitors. As a WHS, the uniqueness of George Town lies in the cross-roads of religious pluralism, historic townscape and living heritage. In consequence, “novelty and knowledge seeking” and “cultural and historical attractions” have been the most important push and pull motives of international visitors for visiting Penang in recent years (Yousefi and Marzuki, 2012).

Since maintaining that the WHS status is important for retaining tourists in Penang Island as well as attracting new ones, it is vital to understand how the visitors perceived the product and service attributes in the destination in order to develop appropriate marketing strategies that better satisfy them. The provision of products and services that perform better than other destinations in those aspects of tourism experience (Dwyer and Kim, 2003) would make Penang remain vibrant. Moreover, tourists would be more likely to give positive ratings to destinations they visited when their expectations were met (Pritchard and Havitz, 2006). In light of these considerations, Penang’s immediate need is to identify the strengths and weaknesses of the products and services they provide as well as, accurately define their importance and performance. Hence, it is the intention of this paper to identify both the importance and performance of destination attributes in Penang Island using the Importance-Performance Analysis (IPA) from the perception of international visitors.

LITERATURE REVIEW

Importance-Performance Analysis

Importance-Performance Analysis (IPA) is a useful technique that was introduced by Martilla and James (1977) in the late 1970s that is capable of providing managers and marketers with valuable information for both satisfaction measurement and resources performance, in an easy applicable format. IPA is able to give a quick overview of what areas are most in need of improvement and what areas receive too much attention from management (Lacher and Harril, 2010). The fundamental assumption of IPA is that the level of customers' satisfaction with the attributes is mainly derived from their expectations and judgment of the product's or service's performance (Chu and Choi, 2000).

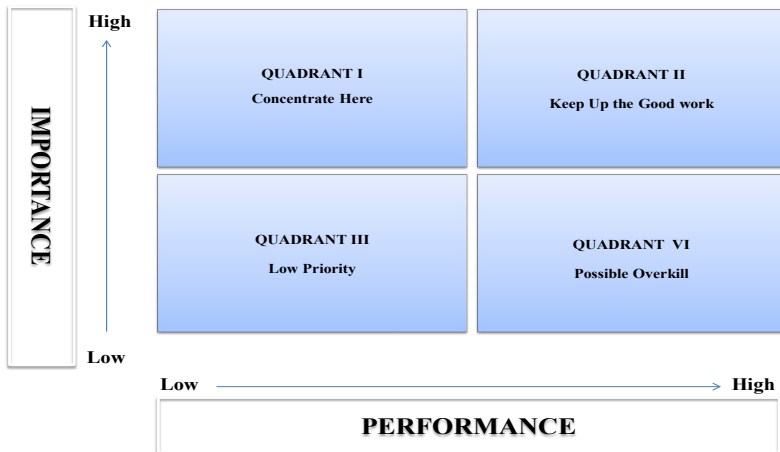
Martilla and James (1977) have applied the IPA technique to analyse the performance of the automobile industry. In their study, a set of key attributes of a target product is generated and subjects rate each attribute for its importance in a purchase decision. The attributes of importance need to be measured prior to, rather than after, an actual purchase experience, because the IPA in general pursues understanding the role of the key selected attributes in a purchase decision. Performance is then measured using the same set of attributes so that importance and performance can be directly compared within the same attributes via the IPA or grid. The scores of importance and performance are obtained from a survey instrument Likert scale. In the survey, the customers are asked two questions about each attribute that may read something like below:

How important is this attribute?

How well did this attribute perform?

The interpretation of the importance and performance scores is graphically presented on a grid divided into four quadrants (Figure 2). The Y-axis demonstrates the customers' perceived importance of selected attributes, while X-axis reports on the performance (of products or services) of the same attributes. The four identifiable quadrants include Concentrate Here, Keep up the Good Work, Low Priority, and Possible Overkill. Interpretation of the IPA grid is rather straightforward as explain in Table 1.

Figure 2. Importance-performance analysis grid



Since the late 1970s, IPA has become a popular managerial tool that has been broadly used to identify the strengths and weaknesses of brands, products, services and retail establishments in various industries (Chapman, 1993) including tourism. While, Lewis (1985) reported the IPA as a competitive analysis technique to identify tourist’s perceptions of the hotel industry, Chu and Choi (2000) have used IPA to examine business and leisure travellers’ perceived importance and performance of six hotel selection factors in the Hong Kong hotel industry. Wade and Eagles (2003) have applied IPA, complemented with market segmentation technique, to measure the service quality of Tanzania’s National Parks. Lee and Lee (2009) adopted IPA to examine the cross-cultural comparison of the image of Guam as perceived by Korean and Japanese leisure travellers. Recently, IPA was applied to Robinson Crusoe Island Resort in Fiji to investigate the salient features perceived by backpackers and to measure their satisfaction towards experience gained at the resort (Lück, 2011). Apart from that, IPA also has been applied to ski resorts (Hudson and Shephard, 1998), tourist activities (Lacher and Harril, 2010), heritage site (Yurtseven, 2006), and tourist-destination shopping centres (Kinley et al., 2002).

Table 1. Description of IPA quadrants

Quadrant	Description
<p>Quadrant I: Concentrate here <i>High Importance, Low Performance</i></p>	<p>This quadrant is the most critical categorisation because it provides a classification of elements in which the firm fails to satisfy the customer perceived level of performance in areas they judge as salient. Under performance in these attributes requires immediate attention and the highest prioritisation in terms of resources and effort. The factors identified in this quadrant represent major weaknesses and threats to competitiveness. Policy changes and strategies should focus on directing marginal resources and extra effort to these attributes.</p>
<p>Quadrant II: Keep up the good work <i>High Importance, High Performance</i></p>	<p>Attributes falling within this quadrant are indicative of a firm's success in meeting customer standards of performance in areas which customer deem relevant. They represent major strengths and potential competitive advantages that should be maintained or exploited. It is assumed that scarce resources are being effectively allocated where they are needed most and that the current action strategies should be kept in place or enhanced (Wade and Eagles, 2003).</p>
<p>Quadrant III: Low priority <i>Low Importance Low Performance</i></p>	<p>Attributes falling in this category do not embody an immediate competitive threat and are viewed as minor weaknesses. They are likely to attract low priority in the rationing of scarce resources by decision makers and are potential candidates for losing out completely on resources and effort. If no gains can be achieved from improved performance, extra effort in this area is unnecessary (Azzopardi and Nash, 2013).</p>
<p>Quadrant IV: Possible overkill <i>Low Importance, High Performance</i></p>	<p>This area captures those attributes that are suggestive of over performance. Marginal resources are being directed at attributes that represent minor strengths that have minimum impact on the firm's relative competitiveness. These attributes signify inefficient use of resources and should command the lowest priority for improvement. Cost cutting strategies may be appropriate to release resources and effort to be redeployed where they are needed.</p>

Source: Adapted from Martilla and James (1977), Chu and Choi (2000).

Perceived Importance and Performance Attributes

Attribute of importance is generally regarded as a person's general assessment of the significance of an attribute for a service. A review of

the literature suggests that tourist satisfaction is assessed in terms of both expectations that relate to certain important attributes and judgments of the attribute performance (Beldona and Cobanoglu, 2007). However, there appears to have been diverse conclusions made about how one should relate attributes of importance and performance. The concept of importance is viewed by tourists the same as satisfaction (Yang et al., 2009). When a customer perceives an attribute as important, the customer will believe that the attribute will play a significant role in influencing his or her service choice (Chi and Qu, 2008). More recently, the term importance has been used to refer to the perceived importance of an attribute and its effect on service in the destination area (Frias-Jamilena et al., 2013). Weber (2000) agrees with this view in term of important attributes considered important by consumers, and that the various services are perceived to differ. Matzler et al. (2004) assert that performance lies in customer perceptions of the performance of the attribute. The more favourable the perception of performance, the greater the likelihood of it being chosen from among similar alternatives.

The Influence of Destination Attributes on Destination Choice

Different attributes may influence destination choice. Those attributes directly influencing destination choice are determinant attributes that may arouse tourists looking for intentions and differentiate from other competitor destination offerings (Ranjanthran and Mohammed, 2010). The services and facilities offered by a tourism destination are those features of services that lead tourists to choose that service over others (Cerviño and Cubillo, 2005). Oh (2001) agrees that cleanliness of the accommodation, followed by safety and security, accommodation value for money, courtesy and helpfulness of staff were identified as top attributes for travellers in destination choice selection. In addition, Chu and Choi (2000) mentioned that personal services, physical attractiveness, opportunities for relaxation, standard of services, appealing image, and value for money were significantly evaluated by travellers. However, an extensive review of the literature in the tourism industry suggests that attributes such as image of the destination, variety of tourism attractions, historical uniqueness, value for money, safety and security, cleanliness of destination, and accommodation service have been considered by most tourists in choice decision (Chu and Choi, 2000, Guillet et al., 2011, Pritchard and Havitz, 2006, Yousefi and Marzuki, 2012).

Destination image is one of the important attributes in influencing decisions made by travellers as to which destination to visit (Mat Som et al., 2012, Rittichainuwat et al., 2001, Yousefi and Marzuki, 2012). Rittichainuwat et al. (2001) found that value for money was considered as important in affecting tourism destination selection. Limanond and Niemeier (2003) mentioned that accessibility to the destination is an undeniable asset to any kind of attraction. It is true that there are cases where people will take extra time and effort to reach unusually good entertainment value like that secluded fishing high in the sierras reached only by mule, but worth the hardship. These, however, are exceptions. There is a preponderance of vacation travellers who demand ease of access; without it, an attraction is at a severe competitive disadvantage (Shi and Ying, 2008).

Grosspietsch's (2006) study observed that in the international travel market friendliness builds tourism. It is interesting to note that the main attraction for visitors to Bermuda was the friendliness of the people. Rittichainuwat (2006) described friendliness of the local people, service-minded people and relaxing atmosphere as very important elements for travellers. Chen and Hsu (2000) confirmed the positive effect of availability of information in a tourist destination that will seek tourism development assistance. Goossens (2000) suggested that information availability plays an important role in the tourist's decision making process. Many studies have pointed out the relationship between availability of information and ease of communication (Chen and Tsai, 2007, Prayag, 2009, Rittichainuwat, 2006). Cleanliness of destination has been identified and reviewed by a number of scholars. Most notably, Chu and Choi (2000) found that cleanliness, comfort of place and quality of the environment were three attributes in which destinations received the highest ratings from tourists and visitors. Enright and Newton (2004) also found that cleanliness was the most important factor influencing the travellers in their destination selection. Local transport services in destination have received considerable attention from researchers and practitioners as an important benchmark for developing the tourist destination (Liu et al., 2008).

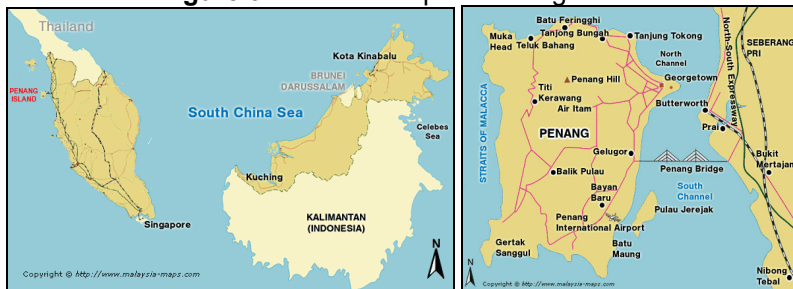
It is strategically important to understand and to identify the attributes that are perceived by travellers as important in their destination selection choice as well as to examine how travellers perceive these attributes. It is also very likely that a traveller's favourable post-purchase experience may lead him or her to repurchase if the traveller is satisfied with the destination performance.

RESEARCH METHODOLOGY

The Study Site

The research was conducted in Penang Island, Malaysia (Figure 3). Penang Island is located in north-western Peninsular Malaysia specifically between latitude $5^{\circ}24'00''\text{N}$ and $100^{\circ}14'20''\text{E}$ longitude. The island which has a total land area of 293 km^2 is easily accessible, either by air, ferry and cruise, or land transport. The island is connected to the mainland by a 13.5 km bridge, the longest bridge in Malaysia. The capital city of Penang State is George Town, named after Britain's King George III and situated in the north-eastern cape of Penang Island. The total population of the island in 2010 was approximately 750,000 and the islanders are predominantly Chinese (41.7%), followed by Malay (41.3%), Indian (9.8%) and others (7.2%). Although Penang State is composed of two parts i.e. Penang Island and Seberang Perai (the mainland), the name of Penang is widely known and referred to Penang Island, which is how it will be referred to in this paper.

Figure 3. Location map of Penang Island



Source: <http://www.malaysia-map.com>

Tourism started in Penang as early as 1834, when the first reference of 'tourist' in the island was published in a travelogue (Begbie as cited in Din, 1986). A few hotels namely Hotel de L'Europe, E & O, Runnymede and the Crag Hotel on Penang Hill were established in the 19th century as a response to British and Europeans expatriate's demands (Snodgrass, 1980). Starting from the 1940s, Penang promoted the 3S - sun, sea and sand, where Ferringi beach and tropical weather were the key selling points. However, the economic recession that affected Penang's tourism sector in the late 1990s has pressured the government to focus on heritage tourism in order to sustain the sector generally. The conservation and

preservation efforts carried out for historic buildings, melting pot communities and living cultures mainly in the inner city of George Town was recognized by the United Nations Educational, Scientific and Cultural Organization (UNESCO) which therefore granted World Heritage Site status. Apart from heritage tourism, Penang continues to promote itself as a 3S destination, Meeting, Incentive, Convention and Exhibition (MICE) hub (The Star Online, 2013), as well as a gastronomy paradise (Zainal et al., 2010). Due to this variety of key selling points, the state government therefore adopted the slogan “Penang Has It All” in its marketing and promotional campaigns (Eng, 2008). Without having any specific brand name for Penang, the destination managers and marketers recently faced difficulties in assessing visitor satisfaction from its marketing programs. Certainly, the application of IPA would benefit them, and Penang offers an excellent case study example for this study.

Questionnaire Design

This study utilized a questionnaire as a survey instrument. Based on a review of relevant literature, 14 destination attributes were identified. These attributes were presented and discussed in a focus group discussion with tourism industry professionals on July 2012. The professionals among whom were hotel managers, travel agents, airline officials, airport staff and tourist attraction representatives, selected 12 destination attributes and discarded two attributes that were not significantly relevant to Penang’s situation.

The questionnaire contained 31 questions and was structured into four parts, namely (1) travel planning, (2) travel expenditure and shopping, (3) travel preference and opinion, and (4) demographic background. Section three was the most important part of the survey and it was, in essence, the IPA instrument. The respondent was required to rate the attributes based on a 5-point Likert scale ranging from 1, not at all important to 5, extremely important, in the Importance part, and from 1, poor in 5, excellent, in the Performance part. Prior to the main survey, a pilot survey was conducted in July 2012 and from there, several changes were made, e.g. word replacement and reduction to avoid ambiguity and confusion. The final survey instrument was initially written in English and then translated into Mandarin, Arabic and Japanese by fluent bilingual experts to capture a wider range of respondents.

Sampling and Data Collection

The sample chosen in this study were international tourists who visited Penang between August and November 2012. The survey population was based on the total number of international arrivals to Penang in 2011. Using the Raosoft Online Sample Size Calculator, the sample size was calculated. Data were collected from tourists in the departure hall of Penang International Airport, Swettenham Pier Passenger Terminal, Beach Street tourist information centre, departure hall of the Penang Hill top station and other tourist spots, by trained enumerators. The tourists were selected using a random sampling approach and the selection is based on two justifications namely; (1) respondent must be aged 18 and above and, (2) respondent is not transient tourist. The questionnaire was completed either by face to face interview with the tourists or with self-completion by tourists. From the 1000 questionnaires distributed, 851 forms were returned of which only 803 forms were usable (80.3%). The number of usable questionnaires exceeded the sample size.

Data Analysis

In the first stage of analysis, descriptive analysis was computed on the respondents' demographic, travelling profiles and expenditure patterns. The reliability test was performed on each 12 items of destination importance and performance respectively to test the stability of variables and only variables that had coefficients equal or greater than 0.70 were acceptable and considered an excellent indication of constructing reliability. The Cronbach's Alpha for 12 items of destination importance was found 0.874, which is an indication of strong item homogeneity. While, the reliability value for 12 items of performance was 0.879. All items appeared to be worthy of retention.

In the next stage, the mean score of each importance and performance attribute were calculated and then presented onto a two-dimensional grid where the Importance values (Y-axis) were plotted against Performance values (X-axis). The overall means of the importance and performance score were used to position the crosshairs of the grid. Using the mean scores for crosshair positioning is a more critical approach than using the middle point of the scale or some arbitrary point (Lück, 2011). In certain cases where there is insufficient amount of variance or when the importance ratings show a non-normal distribution pattern, the use of median is recommended (Martilla and James, 1977).

Figure 4 illustrates the resulting graphic representation of the data that produced the four quadrants. The information gained from the plotting of the results reveals the weaknesses and strengths of Penang as a destination.

RESULTS AND DISCUSSION

Demographic and Travelling Characteristics of Respondents

As shown in Table 2, the respondents consisted of 55.3% male and 44.7% female. The international visitors are mainly from ASEAN (23.9%), Europe (18.9%) and Eastern Asia (14.1%). The biggest age group is youth respondents aged 18 to 35 years old (63.5%). Married travellers were more numerous than single travellers. The majority of respondents obtained tertiary education and above (89.3%) and work as white-collar. More than half of the respondents received a monthly income between MYR 5,000 and MYR 50,000.

The respondents visited Penang mainly for leisure or holiday (52.4%) (Table 3). The respondents obtained their information prior to travel from many sources. Most of them trusted the internet (31.1%) rather than relying on word-of-mouth from friends and relatives (22.8%) and their own past experience (15.2%). The survey discovered that the majority of respondents were first time travellers (68.2%) and travelled independently to Penang (79.7%) mainly with spouse (26.5%), family members (22.8%) or friends (22.7%). Only 18.6% were travelling alone. The average number of persons travelling together was 3 people. They spent an average of 14.76 days at destinations, although the majority stayed 3-7 days (54.7%). Hotels and resorts (49.4%) continue to be the most preferred type of accommodation. Whereas budget lodgings like motel, inn, chalet, guest house and hostel constituted 20.7% of accommodation choice. Public transport (60.9%) such as taxi and bus is the most frequently used options for respondents to move within a destination. A smaller number (3.5%) rode trishaw during their visit. On average, the respondents spent over MYR 2,636.48 ranging from MYR 80.00 to MYR 40,000.00. The main items they purchased were local foods, beverages or fruits (42.0%), followed by clothes, bags, shoes or watches (27.5%) and souvenirs at tourist bazaars (20.4%).

Table 2. Demographic characteristics of the survey respondents

Region of residence	%	Occupation	%
ASEAN	23.9	Professional	34.7
Europe	18.9	Non-working	27.2
Eastern Asia	14.1	Technician & associate professional	19.0
Western Asia	12.5	Legislator, senior official & manager	8.1
Americas	9.5	Service worker & shop sales worker	4.8
Oceania	7.6	Clerical worker	3.8
Southern Asia	7.4	Craft & related trades worker	1.2
Africa	5.8	Plant & machine-operator & assembler	0.6
Central Asia	0.3	Skilled agricultural & fishery worker	0.5
Gender		Monthly income (in MYR)	
Male	55.3	< 5,000	42.7
Female	44.7	5,001 – 10,000	23.4
		10,001 – 50,000	29.3
Age		50,001 – 100,000	2.3
		> 100,001	2.3
		Education level	
Marital status		Higher degree	45.1
		Tertiary education	44.2
		Secondary education	9.1
		Primary education	1.0
Divorcee/Widowed	2.8	No formal education	0.6

Table 3. Travelling pattern of the survey respondents

Purpose of visit	%	Source of information	%
Leisure/Recreation/holidays	52.4	Internet	31.1
Visit friends/relatives (VFR)	12.7	Word-of-mouth	22.8
Education/study/teaching	10.3	Past experience	15.2
Business/professional	10.0	Magazine/guide book	13.6
Health treatment	3.9	Travel agency/tour company	5.8
Honeymoon	3.7	Television/radio	5.3
Convention/conference	2.2	Government tourist office	2.1
Shopping	1.4	Airlines directly	1.6
Incentive travel	1.4	Expo/exhibition/tourism fair	1.3
Government affairs	0.9	In-flight information systems	1.0
Sporting tournament/event	0.6	Others (GPS, university etc.)	0.2
Religion/pilgrimages	0.5		
		No. of visit to Penang	
Length of stay		First time	68.2
1- 2 days	20.1	More than 1 time	31.8
3 -7 days	54.7		
8 – 14 days	11.0	Trip mode	
15 – 30 days	6.7	FIT	79.7
31 – 60 days	1.9	On package	20.3
> 60 days	5.6		
		Travelling party	
Accommodation		Spouse/Partner	26.5
Hotel/Resort	49.4	Family/relatives	22.8
Motel/inn/chalet/hostel	20.7	Friend(s)	22.7
Friend or relative’s house	14.3	Travelling alone	18.6
Timeshare/apartment	5.7	Business associate(s)	6.9
Rest house/bungalow/villa	3.7	Tour group member	1.9
Homestay	3.5	Travellers met along the way	0.4
Cruise ship	1.5	Incentive group	0.2
Campsite	1.2		
		Expenses (in MYR)	
Transportation		< 500	22.0
Public transport	60.9	501 – 1,000	21.2
Rented vehicle	17.4	1,001 – 5,000	46.3
Personal vehicle	13.4	5,001 – 10,000	7.4
Company vehicle	3.9	> 10,000	3.1
Trishaw	3.5		
Walking	0.9		

Importance–Performance Analysis Grid

Table 4 illustrates the mean scores of the 12 destination attributes of Penang perceived by international visitors in relation to Importance and Performance. The data were then plotted onto the IPA grid presentation (Figure 4). In Figure 4, the X-axis represents the perceptions of Performance score relating to international visitors' experience of Penang's products and services. The Y-axis represents the relative scores of Importance items on the same attributes. The mean Importance rating for the pooled data was 3.77 and the mean Performance rating was 3.67. The mean Importance and Performance ratings derived from our data provided the grid crushers presentation on which the four quadrants were identified. As shown in Figure 4, six attributes identified in Keep up the Good Work quadrant, one in the Possible Overkill quadrant and five in the Low Priority quadrant. The following provides some meaningful insights about the 'quadrant' presentation.

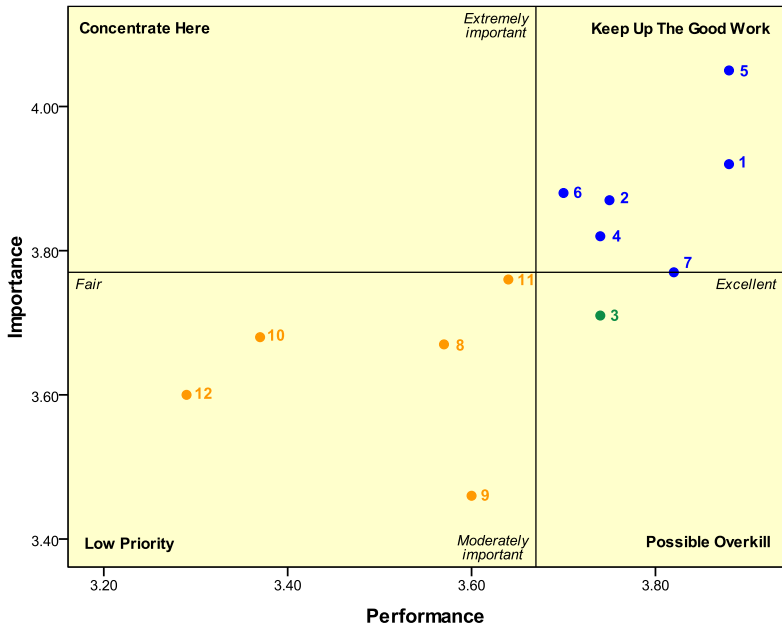
Table 4. Twelve features of the importance-performance analysis

No	Attribute	^a Mean	^b Mean	Difference
		Importance	Performance	
1	Image of destination	3.92	3.88	-0.04
2	Variety of tourism attractions	3.87	3.75	-0.12
3	Cultural/historical uniqueness	3.71	3.74	0.03
4	Value for money	3.82	3.74	-0.08
5	Safety and security	4.05	3.88	-0.17
6	Accessibility to destination	3.88	3.70	-0.18
7	Friendliness of the people	3.77	3.82	0.05
8	Availability of information	3.67	3.57	-0.1
9	Ease of communication	3.46	3.60	0.14
10	Cleanliness of destination	3.68	3.37	-0.31
11	Accommodation services	3.76	3.64	-0.12
12	Local transport services	3.60	3.29	-0.31
Total		45.19	43.98	-1.21
Central line		3.77	3.67	

a Mean scale: 1 - not at all important to 5 - extremely important

b Mean scale: 1 - poor to 5 - excellent

Figure 4. Importance-performance analysis grid of Penang attributes perceived by international travellers



First Quadrant: Concentrate Here

The analysis did not identify any attributes as being highly important with relatively low performance. One possible explanation is that most respondents simply perceived that all attributes presented to them were important and the performance was relatively satisfactory.

Second Quadrant: Keep Up The Good Work

Six attributes were identified in this second quadrant. The findings indicated that these attributes are perceived as high importance by the respondents and at the same time their performance was very good. So, the destination marketers should keep up the good work with regard to these attributes. In other words, ‘safety and security’, ‘image of destination’, ‘variety of tourism attractions’, ‘value for money’, ‘friendliness of people’ and, ‘accessibility to the destination’ were the major strengths of Penang that marketers should continue to emphasize.

The two attributes that obtained the highest performance scores namely 'safety and security' (mean=3.88; SD=0.825) and 'image of destination' (mean=3.88; SD=0.786), mirror that Penang prides itself as a safe destination to visit by international visitors.

Third Quadrant: Low Priority

The third quadrant was called 'Low Priority' because the attributes identified in this area were considered lower in both importance and performance. Five attributes fell into this category including 'accommodation services', 'availability of information', 'ease of communication', 'cleanliness of destination' and 'local transport services'. Although the result showed that international visitors did not perceive these items important, this does not mean that destination managers and marketers should reduce their efforts to improve such services. On the contrary, these service categories are often considered as the essential facilities or basic needs to tourists.

Fourth Quadrant: Possible Overkill

Only one item was placed in the category of low importance and high performance, i.e. 'cultural/historical uniqueness'. Destination marketers need to strategically consider the aspect of cultural and historical distinctiveness. As George Town has been listed as a World Heritage Site, Penang has received well deserved recognition for its cultural and historical products. Therefore, this attribute need not be overemphasized and further investment to enhance this element needs to be considered carefully.

CONCLUSION

This paper examined international visitors' perceived importance and performance of twelve of Penang's destination attributes using an Importance-Performance Analysis (IPA). The main group of respondents were young, educated, independent and first-time type group of visitors who came for leisure and preferred to stay at the hotels and resorts as well as relying on internet resources and word-of-mouth as their main sources of information. Only 5.3% of the respondents were senior travellers (more than 55 years old). The results showed that overall, respondents were fairly satisfied with their experience of Penang Island. In particular, their

satisfaction measurements of 12 destination attributes were presented in the IPA grid.

The IPA grids have shown that ‘safety and security’, ‘image of destination’, ‘variety of tourism attractions’, ‘value for money’, ‘friendliness of people’ and, ‘accessibility to the destination’ fell into Keep Up the Good Work quadrant; ‘accommodation services’, ‘availability of information’, ‘ease of communication’, ‘cleanliness of destination’ and ‘local transport services’ in the Low Priority quadrant; and ‘cultural/historical uniqueness’ in Possible Overkill quadrant. No attribute has been identified in the Concentrate Here quadrant. The respondents considered ‘safety and security’ as the most important item in determining Penang as their holiday destination prior to the trip. Knowing how visitors perceived the quality of services and facilities is the means by which Penang can position itself and differentiate itself from competitors and at the same time be able to prioritise tasks, allocate resources and develop tailor-made marketing tactics and strategies for their market segments.

The use of IPA has contributed both to the literature and the tourism sector in Penang. IPA is an effective way for management to identify what problems exists and why (Chu and Choi, 2000), and at the same time, the results provide valuable insights to tourism players in strategizing their marketing programs pertaining to services and product, to meet and better satisfy the international visitors’ requirements and expectations. However, there are a few areas regarding two possible applications of IPA that should be tackled in future research. The suggestions include applying the IPA technique to assess the perceptions of different categories of visitors in Penang such as male and female tourists, Asian and Western tourists, business and leisure tourists, first-time and repeat tourists as well as youth and senior travellers. Analysing the perceptions of quality for different market segments can better assist managers and marketers to address and develop specific needs and tourism packages of a particular segment. As this study only focused on international travellers, it suggested that future research examines domestic travellers to identify the important performance analysis factors that influence their decision to visit and revisit Penang Island.

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