CREATIVE AND INNOVATIVE DESTINATION BRANDING FOR PENANG TOURISM

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ABSTRACT

As the economies of Southeast Asian countries continue to develop at a faster pace, the opportunity to preserve and promote indigenous heritage and culture is critical. While the heritage buildings and culture of Malaysia may appear familiar and unpopular among locals, they continue to be in greater demand among foreign tourists. The purpose of this study is to examine the local attractions in Penang, which has been perceived as an unpopular tourism destination in recent years due to a lack of creative destination branding but has been recognized as a World Heritage Site by the United Nations Educational, Scientific, and Cultural Organization (UNESCO) for its historical heritage. Historical destinations should be rebranded through the creation of brand histories, as each heritage structure has a unique backstory. To summarize, innovative destination branding strategies were used to accomplish the objective. The foundation of destination branding is to promote the destination and attract new tourists. Observation and questionnaires were used to generate concept proposals. Three critical aspects of a heritage destination can be improved through this research project: the reputation, identity, and perception of the local attraction. Local historic structures should be maintained and protected for aesthetic and safety reasons. This proposal may be accepted as a viable solution for reviving Penang's tourism industry through a creative and innovative approach to destination branding.

Keywords: Design, branding destination, culture, heritage, rebuilding.

INTRODUCTION

Creating a strong brand can assist a location or destination in standing out and gaining a competitive advantage. The main subject of destination branding is not logo creation. It entails a holistic 360 degree strategy for building, developing, and nurturing a location's distinctive identity based on important factors such as destination concept, legacy, and values.

The marketing strategies used to attract visitors are referred to as destination branding. The rapid growth of media, the rise of place branding efforts, and the mobility of people and capital have all fuelled interest in destination and place branding (Hanna & Rowley, 2011).

As a result, there is a growing interest in destination identities and local attraction through heritage culture differentiation. In order to achieve high-income nation status, the tourism sector was designated as one of the national key economic areas (NKEA) in 2010 under the National Transformation Programme (NTP). The Malaysian economy benefited from RM 86.14 billion in tourism revenue generated by a total of 26,100,784 overseas visitors who visited the country in 2019. (Tourism Malaysia, 2020) Tourism is one of Malaysia's most important industries, accounting for about 5.9 per cent of the country's GDP and employing roughly one-fifth of the workforce. To capitalise on this sector even further, it planned to launch the Visit Malaysia 2020 campaign, with the goal of obtaining 30 million tourist arrivals. However, due to the COVID-19 epidemic, the programme has been cancelled. In 2020, Malaysia will strictly prohibit foreign visitors from crossing the border and restrict access for non-residents, resulting in a decrease in tourist arrivals. Tourism receipts have almost completely dried up, resulting in a significant drop in earnings for tourism-related businesses.

According to Statista, Malaysia visitors Arrival recorded 6,459 people in June 2021, compared to 9,156 people the previous month. The date had a high of 2,806,565 people in December 2013 and a low of 5,11 people in May 2020 (CEIC, 1989-2021). The COVID-19 outbreak had a significant impact on the tourism industry in Malaysia and other countries. Inbound tourism was halted as countries closed their borders and restricted travel to prevent the virus from spreading, while domestic tourism suffered as a result of the Movement Control Orders (MCO). The speed and success of Malaysia's vaccination programme will determine the tourist industry's resurgence as it faces a terrifying third wave of COVID-19 infections (Statista, 2021).

The total value of tourist revenues in Malaysia is expected to be RM 12.7 billion in 2020, a significant decrease from the previous year. This was due to the COVID-19 epidemic disrupting the international tourism industry (Statista, 2021). Tourism has a significant impact on Malaysia's economic performance and acts as a catalyst for economic growth. In 2018, the tourism industry contributed RM84.1 billion to Malaysia's economy. This increased by 2.4 per cent, resulting in a total income of RM8.2 billion in 2017 (*Bernama* 2019). Tourism is clearly the most important economic stimulus in this country's development, according to the data. It aids in the development of local infrastructure. The development and protection of heritage buildings, as well as local attraction destinations, are preserved as this action aids in the reputation and recognition of tourism sites.

According to the head of the Penang Tourism and Creative Economy Committee, Yeoh Soon Hin, tourism attractions in Penang have seen a significant increase in the week since interstate travel was allowed with a total of 27,059 visitors. Penang Hills, Penang Bird Parks, Audi Dream Farm, Tropical Spice Garden, Monkey Cup Garden, Pinang Peranakan Mansion, The TOP Penang, Tropical Fruit Farm, Cheah Kongsi, Wonder Food Museum, Penang 3D Trick Art, Tech Dome Penang, and Dark Mansion are among the 14 attractions. The top three reasons for visiting Penang, according to the 2016 Penang Tourist Survey, are leisure, recreation, and holiday (61.1 per cent), culture and heritage (13.9 per cent), and visiting friends and relatives (7.4 per cent) (Omar & Mohamed, 2017). These findings imply that culture and environment are inextricably linked. Heritage is an important component of George Town's appeal to both international and domestic visitors. In 2008, the UNESCO designated them as World Heritage Sites, along with the historical site of Malacca.

LITERATURE REVIEWS

In the tourism industry, relationship marketing is a method of gaining a competitive advantage. The term refers to marketing strategies aimed at gaining and retaining customer loyalty. Even though the primary goal of relationship marketing is to build consumer loyalty, there is no agreement on which antecedents can be used to accomplish this. This is especially true in the crowded tourist destination market.

Relationship marketing has drawn a lot of attention since 1990's, because customers have become more demanding in their interaction and competition has increased (Sherrell & Bejou, 2007). Casielles et al. (2005) believe that in a globally competitive market, international development has an impact on tourism

destinations, posing a significant challenge to market survival. Relationship marketing is now recognised as a management approach that encompasses all marketing activities and generates significant benefits in its implementation for both firms and customers. It is defined as a competitive strategy aimed at the establishment, maintenance, and growth of profitable customer relationships. Berry (1983) defines relationship marketing as "attracting, retaining, and enhancing customer relationships in multi-service organisations."

He believes that the marketing mindset is that attracting new tourists is the first step in the marketing process. Tourism satisfaction, its antecedents, and its consequences, according to Bruhn and Frommeyer (2004) are critical for effective relationship marketing control and management. According to Anderson and Sullivan (1993), Taylor and Baker (1994), and Cronin (2020), there is a significant positive relationship between tourism satisfaction and retention. Valle et al. (2006: 27), stated that the level of satisfaction of tourists have in a particular destination influences their likelihood of returning to that tourism destination. Reese (1996), on the other hand, discovered no link between tourist satisfaction and tourist retention.

Ritchie and Uzabeaga (2008) defined destination branding as a name, symbol, logo, word mark, or other visual that identifies and distinguishes the destination. Furthermore, it conveys the promise of a memorable travel experience that is distinctively associated with the destination, and it also aids in the consolidation and strengthening of pleasurable memories of the destination experience. This definition included several additional characteristics due to the importance of the concept of 'experience' in tourism theory and management. The first section of the definition addresses the traditional role of a brand's identification and distinctiveness. The second section emphasises the importance of the destination brand expressly or implicitly promising a memorable experience, and if possible, a unique experience not available at any other location.

In 2011 and 2012, ECA International ranked Penang as the 8th 'Most Livable & Workable City' in Asia (Penang State Tourism Development Office, 2014). Penang has been voted the world's second-best street food destination. Penang is also one of the 30 global Business Process Outsourcing Centers of the future. Since then Georgetown was designated as a UNESCO World Heritage Site, Penang's international profile has grown significantly. Penang, on the other hand, must modernise to compete in today's global economy with other rapidly growing cities. The city should implement a creative city strategy for

urban redevelopment, aiming for a sustainable Penang that capitalises on its multiculturalism and rich collection of historic components.

PROBLEM STATEMENTS

Penang has many dilapidated heritage buildings, and the Penang Government should focus on restoring heritage buildings to give the inner-city new life. The reputation of dilapidated buildings deteriorates as the first impression for visitors on the buildings does not meet their expectations and does not incarnate the destination's identity. This demonstrates that those buildings lack a distinct selling point on the destination, as well as consistency and a strong personality. Furthermore, because Penang is a World Heritage Site, consumer perception has a significant impact on the tourism industry. Several flaws in the plans, including the plan to develop more data and sites to attract more tourists to the state. There is no comprehensive research has been conducted to determine why visitors are losing interest in the area and why occupancy rates are declining.

More structures would not translate to more tourists because the identity of the heritage buildings is still lacking in attracting tourists' attention. It appears to have more tourist arrivals and direct flights to Penang, but the number of tourists from Singapore has been declining in the last three years. This demonstrates that the dilapidated buildings are no longer an attraction for residents or tourists, with many preferring to engage in gastronomic tourism when visiting Georgetown.

RESEARCH OBJECTIVE

The goal of this research is to identify issues concerning the restoration of dilapidated buildings, as well as to craft, develop, and nurture a distinct identity for the destination. The issues raised may result in innovative and creative destination branding for dilapidated and outdated heritage buildings. A better reputation, identity, and perception of the tourism destination in Georgetown is to be proposed by involving different branding development processes.

RESEARCH METHODOLOGY

The goal of this study is to conduct a study to achieve the research objectives and solve a problem on the future rebuilding of the Penang tourism industry using a creative and innovative destination branding approach. Furthermore, many dilapidated buildings in Penang have the potential to become tourist attractions, but many of them have not been restored and lack the reputation

and identity that can provide a unique selling point of the destination and a strong personality. Because the goal of our case study is to gain an in-depth understanding of the study's experiences, ideas, and concepts, we chose qualitative research as our research design. Furthermore, qualitative research aids in the interpretation and understanding of subjective experience, as well as providing a rich account of a specific context. Furthermore, qualitative research investigates an unexplored problem and generates ideas for future research. Qualitative research is associated with the inductive method, in which we begin by observing data, observing patterns in the data, and using the observations to develop theories or hypotheses.

In this research design, a case study on people who visited heritage and culture buildings between the ages of 18 and 30 years old is investigated, and an experience comparison between them is made based on their times visiting heritage destinations.

OBSERVATION RESULTS

Penang has been designated as a World Heritage Site, and Georgetown is known for having many heritage and cultural buildings that date back more than a century. However, not all buildings have been properly conserved and restored by the local community, particularly the owner and tenant (see Fig 1). The public's lack of understanding of the buildings and the attractive destination will result in several issues, including the buildings' lack of identity and neglect.

Thus, the people of Georgetown are encouraged to be more vigilant in protecting and restoring heritage buildings and attractive destinations by participating in heritage conservation programmes organised by local governments, non-governmental organisations (NGOs), or even the local community.

Figure 1 Abandon of Penang heritage and culture buildings

RESULTS

In this study, 30 responses were gathered from respondents who had previously visited Penang. The questionnaire is divided into three sections: the respondents' backgrounds, their level of understanding of Destination Branding, and the effects of Destination Branding on economic growth.

Part 1: Respondent Background

The following information is a profile of respondents who have previously visited heritage and cultural buildings in Georgetown, Penang. According to the findings, 63.3 per cent of respondents are male. In terms of age distribution, most respondents are between the ages of 19 and 22 years old, with 22–25-year-olds accounting for 30 per cent of the total. There were no respondents over the age of 30, and only four respondents under the age of 18 and between the ages of 26 and 29. All respondents are Malaysians, but they come from different states and have varying levels of education. Chinese account for half of all respondents, with Malay and Indian accounting for 30 per cent and 20 per cent, respectively.

Part 2: The Degree of Understanding of Destination Branding

According to the summarised pie chart in Figure 2, there is a high level of understanding of Destination Branding. The participants who heard about Destination Branding D account for 70 per cent of the 30 respondents, implying that 21 of the 30 respondents are aware of this branding process. This is a good starting point for the Penang Government to move forward with restoring the dilapidated buildings and improving the reputation and identity of Georgetown's attractive destination.
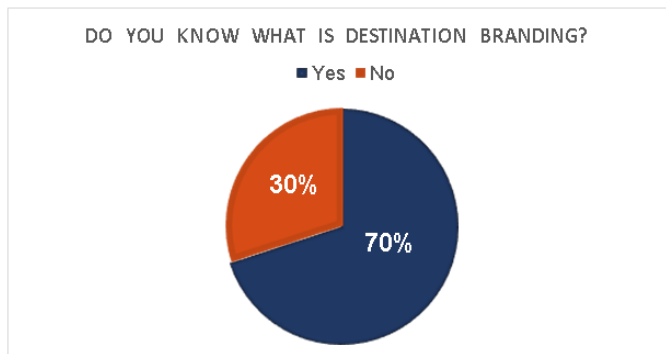

Figure 2 Understanding of destination branding

Based on the pie chart in Figure 3, we can conclude that tourists who visited Georgetown, Penang before agree that Creative Destination Branding can aid in the recovery of the Penang tourism industry. These statements are supported by 83.30 per cent of respondents. The statistics from this survey, which also includes respondents from other states, become more accurate as respondents are collected from different states and levels of education.
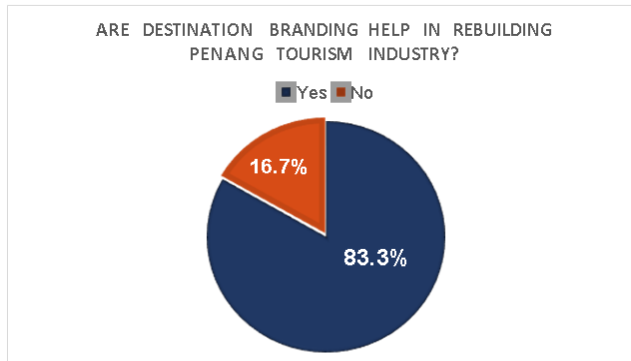
Figure 3 Destination branding help in rebuilding Penang tourism industry

According to Figure 4, the Penang Government should take action to restore dilapidated buildings in order to breathe new life into the inner city. According to the graph, 83.30 per cent of respondents agree that the government should restore old buildings by creating a backstory and increasing the reputation in order to develop the destination's attraction. It is appropriate for the government to invest in Penang tourism because Penang is a tourism hotspot full of heritage and culture sites that could help attract tourists from different states or overseas to visit Georgetown, Penang, and as a path to increase Malaysia's economic.
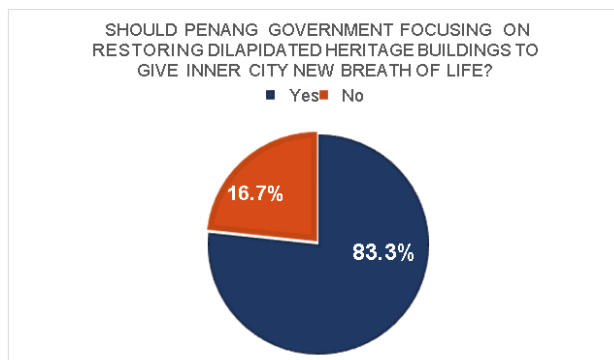
Figure 4 Improvement on the Penang City

Part 3: Process of Destination Branding

The process of destination branding is critical in reviving Penang's tourism industry. According to the pie chart summary, 83.30 per cent of respondents chose the first option, which includes the five steps of destination branding (see Fig. 5). The first step is to create the vision, mission, and objectives, which will be followed by an analysis of the current place brand. Furthermore, the third step is to create a new place branding essence, and the fourth step is to implement the brand. Finally, the final step is to monitor the brand.
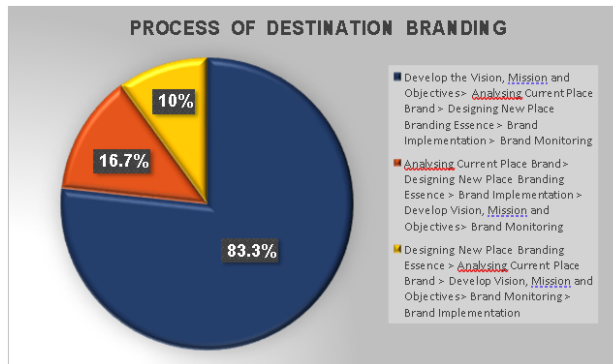
Figure 5 Process of destination branding

According to the pie chart in Figure 6 about the destination branding process achievement level, 25 out of 30 respondents agree that it is difficult to achieve because it involves several complex steps and the Penang Government. The process also necessitates expert hands-on advice on the branding of cities, regions, or destinations.
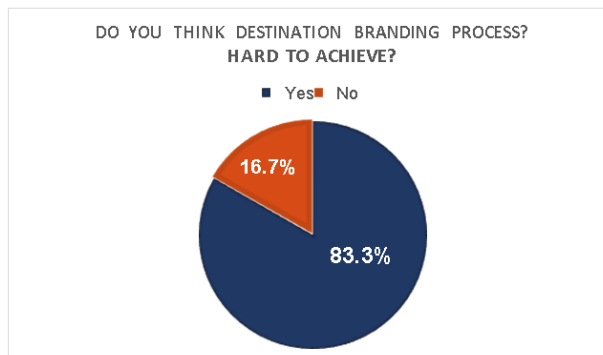
Figure 6 Destination branding process achievement level

Part 4: Influences of Destination Branding

Figure 7 depicts the effects of destination branding on economic growth, the number of tourists visiting Penang, and a place's reputation, identity, and perception. Figure 6 shows that 43.30 per cent of respondents completely agree that destination branding has an impact on Malaysian economic growth because an increase in Penang economic performance also helps to boost Malaysian economic growth because Penang is a major tourism hotspot. Furthermore, nearly half of the respondents (46.70 per cent) agree with this statement, while 10 per cent disagree. Furthermore, 13 out of 30 respondents stated unequivocally that restoring dilapidated buildings increases the number of tourists visiting Georgetown, Penang, while only 3 per cent disagreed with the statements. Finally, the third statement, which states that creative destination branding increases reputation, identity, and perception of a place, is true, as shown in Figure 6, with 43.3 per cent of respondents totally agreeing and 53.30 per cent agreeing. In short, 96.6 per cent of respondents agree that creative branding can improve a heritage location's reputation, identity, and perception. This is due to the fact that the destination branding process includes several steps that take into account the place's identity, image, and values in order to develop a selling point for the destination.
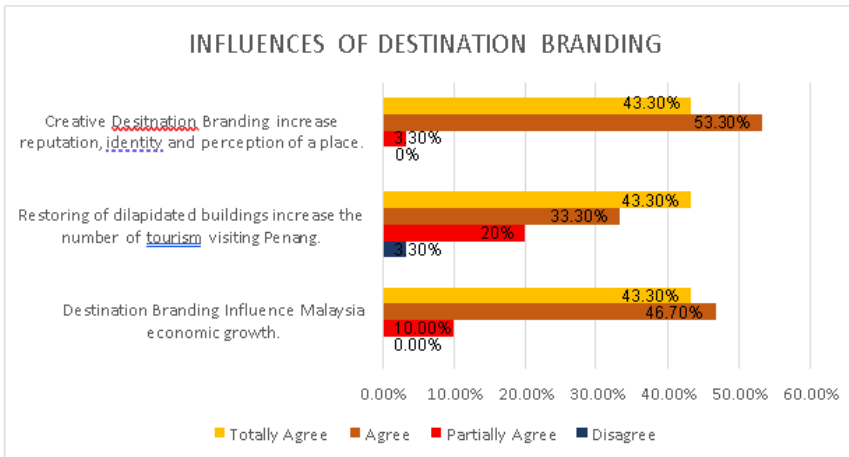

Figure 7 Influences of destination branding

CONCLUSIONS

The branding development process is an important stage for researchers to determine the direction of the Penang tourism industry's rebuilding through branding. To achieve our goals, the study's findings must serve as a guide in the development process. The tools used in determining the destination branding process are online research on Penang's heritage and culture, as well as a mind map. According to the summary of the results, the Penang Government should implement creative destination branding to ensure that heritage and cultural buildings are restored, which could increase tourists' confidence in the destination. In this study, Penang's attractive destinations, such as heritage and cultural buildings, are revitalised using the destination branding process. A variety of processes should be carried out, such as branding implementation and branding monitoring, to boost the tourism sector in Penang and ensure Malaysia's economic growth.

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