ROLE OF TOURISM ORGANISATIONS IN THE DEVELOPMENT OF TOURISM INDUSTRY OF MALAYSIA

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ABSTRACT
Tourism has now become one of the key activities in Malaysia. It has been earmarked to play an important role in the socio-economic development of the country. Tourism is currently the second highest contributor to Malaysia’s Gross Domestic Product (GDP) after manufacturing. This paper will discuss about the tourism organisations of Malaysia. Further, it will also discuss the objectives and functions of these organisations in detail. The Government has actively promoted both domestic and international tourism. Government has been giving special emphasize on the tourism sector. The rising significance of tourism in terms of its arrivals and receipts has motivated the government to take several steps time to time for the development of tourism industry. A number of travel and tourism organizations (Government & private both) are formed and approved, which cooperate and helped the travel & tourism industry in growing and development. We found that tourism organisations play an important role in the development of travel & tourism industry in Malaysia.

Keywords: Malaysia; Tourism Development; Tourism Organisation; Tourism Planning; Tourism Promotion; Travel Trade

INTRODUCTION
Tourism industry becomes an important sector in many countries because it contributes to the foreign exchange earnings. Besides, tourism industry also creates a lot of employment opportunities and hence prevents the increasing rate of unemployment. Other advantages contributed by tourism industry are increasing income, economic growth, savings, investment and business activities. Besides, the tourism industry helps in generating the strong flow through effects on other industries such as transportation, retail, construction etc. Since the tourism industry provides a lot of benefits to the country, it is imperative for the public and private sectors to improve the satisfaction of the tourists and consequently survive in the competitive tourism industries.

Malaysia is one of the economic superpowers in South East Asia emerging as a major player in Global Travel and Tourism, prospering at a fast pace as tourism is becoming one of the most important sectors of its economy. Malaysia’s main areas for activities in leisure and recreation tourism which include entertainment, beach & island tourism, adventure & sports and rural tourism in the form of home stays programmes that it offers extensively throughout the country. Malaysia has a natural advantage for reeling in tourists. Tourism has now become one of the key activities in Malaysia. It has been earmarked to play an important role in the socio-economic development of the country. Tourism is the second highest foreign exchange earner for the Malaysian economy, after manufacturing. The Government has actively promoted both domestic and international tourism. The rising significance of tourism in terms of its arrivals and receipts has motivated the government to take several steps time to time for the development of tourism industry. Many national tourism policies are drafted, committees are formed and actions plans are adopted in this regard. A number of travel and tourism organizations
(Government and private both) are formed and approved, which cooperate and helped the travel & tourism industry in growing and development.

OBJECTIVES

This paper will discuss about the tourism organisations of Malaysia. Further, it will also discuss the objectives and functions of these organisations in detail.

Tourism Organizations in Malaysia

The tourism planning organisation in Malaysia is complex and influenced by the three-tier form of government i.e. Federal government, State governments and Local Authorities:

The National Tourism Organisation

Essentially, tourism is a Federal affair and the overall policy planning is carried out by the Ministry of Culture, Arts and Tourism (MOCAT) (Ministry of Tourism as from April 2004). Meanwhile, the Malaysia Tourism Promotion Board (MTPB or Tourism Malaysia) is responsible for the marketing and promotional aspects of tourism. In addition to the MOCAT/MOT and Tourism Malaysia, Federal government agencies related to rural development are also involved directly in tourism development. These agencies are as follows (Hamzah, 2004):

1. Department of Agriculture (agro tourism)
2. Department of Forestry (ecotourism)
3. Department of Fisheries (coastal tourism)
4. Department of Wildlife and National Parks (ecotourism)
5. Department of Aborigines’ Affairs (ethnic tourism)
6. Department of Museums and Antiquities (heritage/cultural tourism).

State Tourism Organisation

In Malaysia, land is a State matter and the State Economic Planning Unit (SEPU) is entrusted to formulate strategies and policies related to tourism development within each state. As tourism in Malaysia is private-sector led, both the Federal and State governments are only required to provide the infrastructure to facilitate private investments. By way of practice, however, the provision of tourism infrastructure includes not only the ‘hard’ infrastructure such as roads, airports and jetties, etc. but also the ‘soft’ infrastructure in the form of the organisation of special events.

As competition between the various states increases, the lack of coordination in implementing promotional blitzes sometimes experienced clashes in timing. The aggressive but fragmented promotional blitzes carried by the various State governments fail to take into account the fact that the majority of tourists to Malaysia only stay at 2 different locations during their visit.

In response to the State governments’ request for more representation on tourism matters, the Federal government set up the State Tourism Action Council (STAC) in 2002 for each and every state in Peninsular Malaysia. Established under MOCAT, the STACs are supposed to form a link between the Federal government and the various State governments on tourism related matters. With a small operating budget, the STACs are empowered to carry out product development and organising events but their efforts, so far, have been focused mainly on the latter (Hamzah, 2004).

Local Tourism Organisation

At the local level, the local authorities are now required to not only ‘Think Tourism’ but also to ‘Act Tourism’. However, MOCAT/MOT’s call for local authorities to be more proactive in the planning, management and promotion of tourism has not been well received by the local authorities, citing the lack of funding and qualified personnel as the major constraints. Moreover, local authorities do not
regard tourism as their core business since their establishment under the Ministry of Housing and Local Government is for the purpose of providing and maintaining public facilities such as recreational areas, landscaping and garbage disposal. Another main reason for their reluctance to be actively involved in tourism is the lack of mechanism for direct revenue capture given that almost all income from tourism are channeled back to the Federal government coffers.

At the local authority level, the bulk of the tourism-related projects carried out are in the form of street improvement and beautification programmes. Modeled on the successful Bintang Walk project in Kuala Lumpur, several local authorities have embarked on their own programmes to create a vibrant focal point cum tourist attraction within their cities/town (e.g. Hang Tuah Mall in Melaka, Star Walk in Alor Star, Batu Pahat Walk in Batu Pahat, Meldrum Walk in Johor, etc.). However, these projects have not been able to emulate the success of Bintang Walk due to the lack of critical mass (Hamzah, 2004).

Tourism Malaysia

Tourism Malaysia or Malaysia Tourism Promotion Board (MTPB) is an agency under the Ministry of Tourism, Malaysia. Tourism Malaysia, formerly known as the "Tourist Development Corporation of Malaysia (TDC)", was established on 10 August 1972. It was then under the former Ministry of Trade and Industry. On 20 May 1987, the Ministry of Culture, Arts and Tourism (MOCAT) was established and TDC moved to this new ministry. TDC existed from 1972 to 1992, when it became the Malaysia Tourism Promotion Board (MTPB), through the Malaysia Tourism Promotion Board Act of 1992 (Annual Report, 2010).

Functions of Tourism Malaysia

In accordance with the Malaysian Tourism Promotion Board Act 1992, the functions of the Board (Tourism Malaysia) are as follows (Annual Report, 2010):

- Stimulate and promote tourism to and within Malaysia.
- Invigorate, develop and market Malaysia internationally and domestically as a tourist focal point.
- Coordinate all marketing or promotional activities relating to tourism conducted by any organisation, government, or non-governmental agency.
- Recommend to the minister relevant measures and programmes that stimulate development and promotion of the Malaysian tourism industry and to implement them upon approval.

In line with the role of Tourism Malaysia as a promotional organisation, the following objectives were upheld:

- Increase foreign tourist arrivals.
- Extend the average length of stay of the visitors to increase tourism revenue.
- Stimulate the growth of domestic tourism.
- Increase the benefits/share obtained from the Meetings, Incentives, Conventions and Exhibitions (MICE) market.

Malaysia Tourism Centre

The Malaysia Tourism Centre (MaTiC) is located within a building in Kuala Lumpur, which is both an architectural and historical landmark. Built in 1935, the main building served as the residence of a wealthy mining and rubber estate tycoon, Eu Tong Seng. Its architecture is typically colonial reflecting the era during which it was built.
In 1941, it briefly housed the war office of the British Army. However, when the Japanese invaded Malaya during the Second World War, it became the headquarters for the Japanese Imperial Army until the end of the war in 1945. Soon after, the new government of the Federation of Malaya (as Malaysia was then termed) claimed ownership of the building. A conference hall was added and named the Tunku Abdul Rahman Hall, in honour of YTM Tunku Abdul Rahman Putra Al Haj, the country's first Prime Minister.

Since then, the Hall has become the venue for numerous historical events including the Malayan Parliament in 1959 and the Installation Ceremonies for several of Yang DiPertuan Agong (Malaysian Kings).

In 1988, the then Ministry of Culture, Arts and Tourism refurbished the main building, added two wings to the existing building and renamed it the Malaysia Tourist Information Complex (MATIC). Opened to the public since mid-August 1989, MaTiC offered a wide range of facilities and services to assist tourists in planning unforgettable holidays in Malaysia. It also enabled them to experience the essence of Malaysia within the Complex through the various cultural shows and demonstrations. On February 16, 2001, the name was changed and the Malaysia Tourism Centre (MaTiC) or also known as Pusat Pelancongan Malaysia, was born.

A division within the Ministry of Tourism, which is currently headed by YB Dato’ Sri Dr Ng Yen Yen, MaTiC was formerly known as the Malaysia Tourist Information Complex (MATIC). However, February 16, 2001 witnessed the birth of a new identity while the new logo was officially launched by the Deputy Prime Minister on October 26, 2001.

A one-stop tourist centre, MaTiC is driven by the vision to place Malaysia on the global map as one of the finest tourist destinations in the world. The various services and facilities offered by MaTiC include the Tourist Information Counter, Tourist Police Counter, Internet access to its tourism e-portal, Saloma Bistro & Theatre Restaurant, Saloma Retail Centre, ATM Machine, Money Changer, Karyaneka and Hop On and Hop Off Ticket Counter and etc.

MaTiC is dedicated and committed towards providing a quality, professional and friendly service to local and foreign tourists in its endeavour to become a leading one-stop tourist centre. Since the opening of the tourist information centre after its official launch as well as its establishment as one of the pickup points for KL city tours in January 2002, MaTiC has witnessed a tremendous increase in the number of visitors (http://www.matic.gov.my/).

**Objective**

To project the Malaysia Tourism Centre (MaTiC) as a world-class one-stop tourist centre for foreign and local tourists through various professionally run services and facilities such as the tourist information counters, modern and equipped halls, meeting rooms and event venues, E-portal terminal and facilities, Culture Show Activities, handicraft centers and many other tourism related services only have in MaTiC.

**Function**

- To promote tourism-related activities organised by the ministry as well as state-run activities through the tourist information counters, tourism websites, printed materials and the electronic board.

- To plan, implement and manage programmes including cultural and tourism-related events through shows, exhibitions, briefings and demonstrations to attract local and foreign tourists.

- To provide the space and infrastructure together with technical assistance for art and culture proponents (http://www.matic.gov.my/).
Islamic Tourism Centre (ITC)

The Islamic Tourism Centre was established to facilitate the Ministry of Tourism in undertaking strategic research for tourism policy formulation that will enhance travel and promote goodwill via sustainable development of the tourism industry. It continues to serve the government and other stakeholders by providing an objective and impartial understanding of the tourism issues on national, regional and global importance (Annual Report, 2010).

Malaysian Association of Tour & Travel Agents (MATTA)

In 1975, a group of travel and tour agents initiated an association to represent their interests. That association, aptly named Malaysian Association of Tour and Travel Agents or MATTA for short, started with 30 members. The founder of MATTA was the late Mr Loh Yit Lock who was also the 1st President.

Today, MATTA boasts a membership of over 2,800 members, comprising local tour and travel organizations as well as numerous overseas affiliations. It is also the national umbrella representative body for the entire travel industry in the country. With a full time secretariat in Kuala Lumpur, its headquarters, MATTA has state chapters in Kedah, Penang, Perak, Melaka, Negeri Sembilan, Pahang, Terengganu, Kelantan, Selangor, Johor, Sabah and Sarawak. MATTA works closely with the Ministry of Tourism (Motour) as well as Malaysia Tourism Promotion Board (MTPB) (http://www.matta.org.my/).

Objectives of MATTA

- To unite, supervise and coordinate the activities of the members.
- To publicise, encourage, promote and extend the tourist and travel trade.
- To adjudicate and settle any differences which may arise between members whenever its arbitration is requested by both parties concerned.
- To develop friendship and common purpose among the members of the tourist and travel industry.
- To make representations on behalf of members to Government and all organisations with which the Association has common interest.
- To encourage the highest ethical standards of business conduct within the trade.
- To study and promote the interest of the tourist and travel trade and profession and to educate the public regarding the function of tours and travel agents.
- To discourage unfair competition without in any way interfering with initiative and enterprise based on fair trading.

Malaysian Inbound Tourism Association (MITA)

MITA was established under the Societies Act in July 1986 and comprises various associations related to the travel trade industry in the country. Malaysian Inbound Tourism Association (MITA) is a nonprofit membership association dedicated to building responsible travel to and within Malaysia. MITA which membership comprises of the various tourism companies in Malaysia, works closely with the government on matters relating to tourism development and promotion. Acting as a national body and representing the key industry stakeholders from the private sector, the Council plays a significant and meaningful role in supporting Malaysia’s tourism objectives.

MITA on its part organises projects and events including seminars and conferences to enhance the growth of the industry and in particular to promote domestic tourism. (http://www.mitamalaysia.com/)
Objectives of MITA

- To take an active interest in the promotion of tourism to Malaysia;
- To disseminate information on the development and activities of tourism related organizations in the country;
- To provide feedback on matters relating to tourism to the government and to other public sector organizations;
- To establish and maintain linkages with various national and international tourism bodies;
- To encourage cooperation in tourism so as to create an awareness and an interest in the tourism industry;
- To work closely with other tourism related organizations, and
- To assist government agencies in the development of a national tourism master plan.

Functions of MITA

- Acting as an advisory body on matters relating to the tourism industry;
- Ensuring that there is no unfair competition among the travel trade and that business conducted by the industry conforms to accepted ethical standards.
- Assisting and taking an active interest in the promotion of tourism programmes within the country and overseas;
- Ensuring a high standard of service for tourists visiting Malaysia and to undertake public relations program to enhance the image of the industry, and
- Cooperating with and assisting the government in conducting tourism research and training courses.

Malaysian Association of Hotels (MAH)

Malaysian Association of Hotels (MAH) was initially established by a group of concerned and dedicated hoteliers to bring about a more dynamic hospitality industry and was given the approval to operate on 1 March 1974. It was officially registered with the Registrar of Societies on 18 May 1975 as Malaysian Association of Hotels & Restaurants (MAHAR). In 1982, MAHAR amended its constitution and it came to be known as MAH. The Malaysian Association of Hotels (MAH) is the umbrella body for hotels in Malaysia (http://hotelmule.com/html/36/36-785.html).

MAH’s Objectives

- To unite hotels in Malaysia into one representative body;
- To promote and foster cooperation between hotels and all similar businesses within and without the areas of the Association;
- To protect and advance the interest of all Ordinary Members and Associate Members and secure mutual advantages;
- To encourage its members to provide quality service, to keep abreast of the changing needs of the travelling public, and to promote good relationships between the industry and the public;
- To promote international, regional and domestic tourism;
- To acquire, preserve and disseminate information and to provide educational programmes of value to the membership and the industry;
- To stimulate fellowship and friendship among its Members;
To plan and organise project that will enhance productivity in the hotel industry;

To undertake human resources development programme;

To make representation on matters of interest affecting the industry to the local authorities, the State Government and the Federal Government, and other organisations within and without Malaysia; and

To do anything proper, suitable and necessary for achieving these objectives and any others which are proper and lawful objectives of a national trade Association, all of which shall be consistent with the public interest as well as in the interest of the hotel industry.

CONCLUSION

Tourism has now become one of the key activities in Malaysia. It has been earmarked to play an important role in the socio-economic development of the country. The Government has actively promoted both domestic and international tourism. After reviewing the role of tourism organisations in the development of tourism industry of Malaysia we can conclude that the Government of Malaysia is taking interest in the development of travel & tourism industry and give important place to tourism in the overall development of the country. Government of Malaysia took several steps time to time for the development of tourism industry. The government adopts and formulates various laws and regulations to ensure sustainable tourism development as well as implement necessary policies. A number of travel and tourism organizations (Government & Private both) are formed and approved, which cooperate and helped the tourism industry in growing and development. Government has been giving special emphasize on the tourism sector. We found that tourism organisations of Malaysia play an important role in the development of travel & tourism industry of Malaysia.

REFERENCES