



## **The contribution of heritage product toward Malaysian Tourism Industry: A case of eastern coastal of Malaysia**

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### **Abstract**

The purpose of this paper is to develop the relationship model between creative industry and tourism industry toward the heritage product development. As the tourism industry has become more competitive in Terengganu, creative industry moves forward to improve the marketability in a heritage product. Terengganu has a variety of heritage products that can be promoted to the tourists such as craft, *batek*, silk, wood carving, *mengkuang* weaving, music performances and copper products. Creative industry also known as cultural industry becomes important to tourism industry and highly contributes to the GDP in south-east Asian countries. The expansion of market segment in tourism industry in Terengganu also has a relationship with the demand of local heritage product. State government plans to give extra convergent to tourism industry in context of marketing culture, heritage, and environment. A good market in tourism will enable more application of creativity and innovation in the context of heritage product development.

**Keywords:** Heritage Product; Creative Industry; Tourism industry;

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## Introduction

In recent years, Terengganu state government<sup>3</sup> has been very involved in tourism industry to keep abreast with the rapid development in this industry. It is true because within fifteen years, the number of international travelers, estimated at 650 million today, will have doubled (Boumendjel, 2010). Considering the nature of Terengganu which is rich of heritage and culture, one of the main visions in Terengganu State Development Plan had emphasized on the development of tourism sector (Penggalakan Pelancongan Negeri Terengganu, 2004). Terengganu state government is currently emphasizing the development of several facilities in tourism such as transportation, hotels and restaurants, and also business plazas (Penggalakan Pelancongan Negeri Terengganu, 2004). Mensah (2006) asserted the implication in tourism must be supported with good hotel and restaurant services, telecommunication and efficient transportation system that meet international standard. However, mutual cultural heritage and tourism would serve to generate economic improvement.

Three main components have been identified by the state government to develop identity in tourism sector; heritage, cultural and environment. Terengganu is rich of heritage product which can be promoted to the tourists. These can be in the form of craft, batek, silk, wood carving, mengkuang weaving, music performances and copper product (Penggalakan Pelancongan Negeri Terengganu, 2004). Therefore, creative industries play an important role to support the activities in tourism industry in Terengganu. Agust Enarsson (in Abi Sofian & Nawawi, 2007) mentioned creative industry also known as a cultural industry becomes important to tourism industry and highly contributed to the GDP in south-east Asian country. He also set three main components to develop culture industries in Iceland as well as in Terengganu. These are culture, personal background and society. Meanwhile, Hewison (1987) defined heritage tourism as the phenomenon in which the cultural, historical and ethnic components of a society or place are harnessed as resources to attract tourists, as well as to develop a leisure and tourism industry. Creative industry in Terengganu highly contributed to the development of heritage product.

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<sup>3</sup> Terengganu is situated in north-eastern Peninsular Malaysia, and is bordered in the northwest by Kelantan, the southwest by Pahang, and the east by the South China Sea (Wikipedia, 2010).

Ministry of Arts, Culture and Heritage of Malaysia is taking responsibility to ensure that the implementation of creative industry in Malaysia becomes a reality. The new emphasis was to urge the local artists to be more market oriented in order to be more competitive when competing with international competitors in the home grown market (Rais Yatim, 2006). Thus, the target groups that can be aimed as a potential market segment in a creative industry are the local and foreign visitors. Normally, the expansion of market size in tourism industry has a correlation with the demand of local heritage product in Terengganu. This is the reason why Terengganu state government emphasized the importance of heritage, culture and environment to promote tourism product to the foreign tourists.

### **Heritage Product in Creative Industry**

Culture and heritage phenomena are commodities in creative products to be sold to foreigners in tourism industry. Certainly, cultural commoditization such as customs, beliefs and value will contribute to the development of heritage. Ashworth and Larkham (1994) have described heritage as not relic but a dynamic and multi-purpose resource or a form of capital that can be mould and transformed for diverse audience.

The British government Department of Culture, Media and Sports defines creative industries as comprising activities which have their origin in individual creativity, skill and talent, and that have the potential for wealth and job creation through the generation and exploitation of intellectual property (DCMS, 1998). On the other hands, Agust Enarsson (in Abi Sofian & Nawawi, 2007) defined the creative industry as refer to a set of interlocking sectors, and a growing part of the global economy. Creative practitioners are often focused on creating and exploiting intellectual property products such as textile, handicraft, films, performing arts, or fashion designs; or providing business-to-business creative services.

Creative industry is a new approach for Malaysian government to establish relation to the needs of idea to develop arts composition through creativity in several sectors. Long-time observers of the artisan sector in developing countries assess that the escalating number of small businesses turning to craft production are unlikely to decline significantly in the future (Herald, 1992). Local artists should be aware of the threats of foreigners' products in the

local market today. Hence, imported arts products may influence consumers' behavior of the local market, especially in the traditional household products, music, textile design, and furniture.

Hatta Azad Khan (2006) has suggested three main components to highlight entrepreneurship among artists in creative industry in Malaysia. They are knowledge of entrepreneurship, arts, and technology. This model directly explains how a good artist will become useless if they do not have an experience to handle their business and also do not know how to sell their products into the market. Thus, entrepreneurs in creative industry must indicate what are their strengths in a market, which their competitors are, identified target market, and what their strategic selling is.

Tourism is a one of the market segments that entrepreneurs in creative industry can utilize to sell their product. Thus, good entrepreneurs in creative industry in Terengganu will plan their product market in a tourism industry. They have to think several roles of heritage products in tourism market. In this regard, every country which wants to enter new international tourism market needs to develop marketing strategy in order to be successful in that market (Alaeddinoglu & Can, 2009).

### **Tourism Industry in Terengganu**

Terengganu is well known for its strength and riches in traditional culture heritage in Malaysia. Terengganu state government has set their own policy in planning culture heritage towards tourism industry based on their strengths and advantages. This policy enables the state government to anticipate global market as well as to improve their performance in meeting the need of global standard.

Terengganu is a coastal state comprises of seven districts; Besut, Setiu, Kuala Terengganu, Hulu Terengganu, Marang, Dungun, and Kemaman. Hence, the traditional economic activities are fishing, agriculture, boat building, traditional food, textile, and craft. So, the tourism industry is set to become a major contributor to Terengganu's gross domestic

product which is second to petroleum and gas. This industry is the biggest gain to Terengganu under the East Coast Economic Region Plan (ECER)<sup>4</sup> which was recently launched. ECER plan recognizes the importance of the conservation of the heritage, culture and environment in order for the tourism industry to excel.

With great emphasis on the important of heritage, cultural and environment in tourism industry, the state government has protected them under conservation planning legislation, for example listed building or monuments as agreed by Goodal et al. (2004). With this effort, the number of visitors to Terengganu is increasing yearly. More than 2.0 million visitors in 2005, 2.8 million visitors in 2006, and 3.5 million visitors in 2007 arrived in Terengganu (Penggalakan Pelancongan Negeri Terengganu, 2008). In addition, 2008 has been declared as a Visit Terengganu Year by Ministry of Unity, Arts, Cultural and Heritage. An increasing number of visitors in Terengganu for several years have caused state government to implement several prime programs in tourism industry. Most of the programs are related to the culture, heritage as well as environmental which become good opportunities for creative entrepreneurs who are involved in heritage product

These prime programs (*flagships*) under the tourist sector in Terengganu State Tourism Promotion are;

- i. Concentrating to the craft industry in term of heritage and culture, like songket, boat, cooper, batik and, wood carving.
- ii. Renovating of Pasar Payang to be Craft Market.
- iii. Highlighting the activity of research and development in tourism and creative industry.
- iv. Building centre of incubator and craft complex like *Kompleks kraf Ukiran Kayu, Kg. Raja Besut and Pusat Tenunan serta Tembaga, Kg. Ladang*.

The main reason why foreigners visit Malaysia is because they are interested in the Malay traditional lifestyle. They can see and learn the Malay traditional lifestyle, heritage, custom, as well as experiencing the environment in the rain forest. Meanwhile, heritage products

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<sup>4</sup> A Master Plan was developed and will be the basis for guiding the development of this region over the next 12 years where it will be transformed into a **major international and local tourism destination**, an exporter of resource based and manufactured products, a vibrant trading centre, and an infrastructure and logistics hub (East Coast Economic Region Plan Official Web, 2010)

became important in adding more product features in tourism program.

### Objective of this Paper

This paper will discuss the contributions of heritage products in Malaysia and provide the conceptual model on how heritage products can help boost tourism industry.



Figure 1: The relationship between heritages product and tourism industry.

### The Functions of Heritage Product in Tourism

The term of "heritage" refers to something which is inherited from one's ancestors. It has several different senses, including cultural heritage, natural heritage, tradition, virtual heritage and biological heritage. Meanwhile, the meaning of culture generally refers to the patterns of human activity and the symbolic structures that give such activities significance and importance. The word of culture come from the Latin cultural stemming from *colere* which means to cultivate.

Heritage tourism is a branch of tourism oriented towards the cultural heritage of the location where tourism is occurring. Cultural and heritage has always been a major object of travel. A unique aspect of consumer motivation for purchasing cultural products is that customers are motivated toward connecting with others by engaging with artisans and their cultures (Seung & Mery, 2003). Nowadays, heritage plays an important function in tourism industry to develop local identity and to attract tourists all over the world. Mensah (2006) mentioned culture, heritage and arts have long contributed to appeal of tourist destination. However, heritage has become an important tool to attract those tourists with special interest in cultural and arts. Nowadays, cultural heritage tourism is the fastest growing segment in the tourism in Terengganu.

The demand of heritage products in a market today totally depends on the commercial value. Meanwhile, the esthetics value in a heritage product also becomes important, but must be related to the customers demand (Hatta Azad Khan, 2006). In fact, a good market in heritage

product has recently depended on how the industry can fulfill the consumer requirement in term of lifestyle. Nowadays, several countries in Asia aggressively market their heritage product into international level, like China, Thailand, Philippines, and India.

In Malaysia, heritage and creative industry becomes an important role to support the tourism industry. Most of tourists make a decision to visit Malaysia because they like to see the traditional lifestyle, custom, heritage, cultural and environment. Sometimes, heritage products also play an important role in tourism market as a medium in a marketing communication to promote the local tourism service to foreigners; value-added in several program in tourism industry; and also to support the product/service image in a local tourism industry.

#### **As a Medium in Tourism Promotion**

Promotion has become important in any parts of business in this era. The purposes of promotion are; focusing on the transferring the message from company to consumer, to give message about the products, to create awareness among consumers, to develop loyalty towards a product, and to encourage consumers in making buying-decision.

Heritage product is becoming important as a medium in promotion of local tourism product. The usage of heritage products will make the audience more attentive, arouse interest and desire towards presentation of product in tourism promotion. Heritage products also can be looked as a tool in advertisement to attract the public focus on product characteristics; such as traditional literary arts, craft, performing arts, folk music, textile and others visual arts. So, heritage product is an effective medium in marketing communication in persuading the audiences to choose the service in tourism market.

Some small businesses in tourism industry in Terengganu do not give much attention on promoting their products to consumers in a certain market segment. Even though the message is important in promotion, the strategic communication with the audience also becomes more important on how promoters introduce, develop, and conclude the message. Cultural heritage can be considered as vehicle to elaborate and support the message in

promoting in tourism market. How many consumers/tourists are interested in the promotion on television without being supported by arts or cultural heritage?

### As a Added Value in Tourism Product and Service

Cultural heritage becomes a useful added value in tourism market to develop and design the products to attract the consumers. The figure below demonstrates the added value in tourism product.

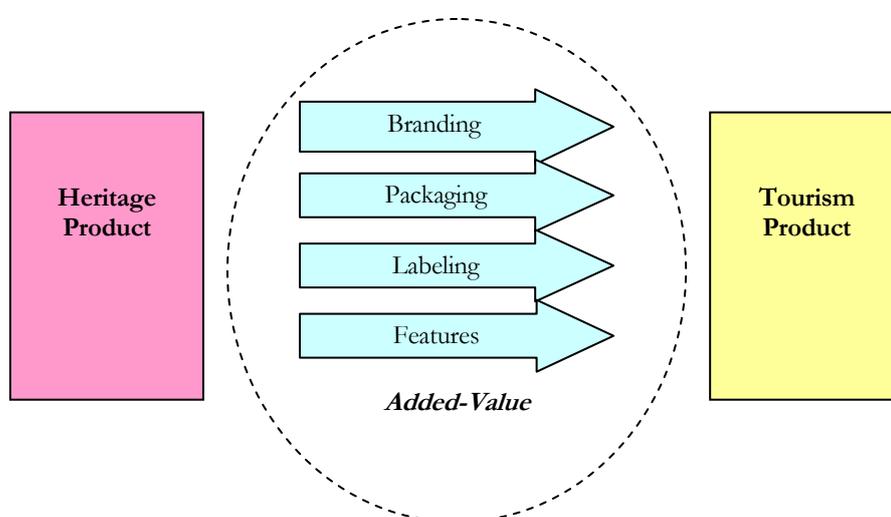


Figure 3: The role of heritage product as added value in tourism product.

### Branding, Packaging and Labeling

The purpose of branding, packaging and labeling directly describes the product and benefits making consumer to remember the product easily, more familiar and easy to pronounce with a positive connotation (Lechmann & Winer, 2003). Brand is an intangible value that people associate with a product or service. Basically, branding is a name, term, sign, symbol, or design, or a combination of these that identifies the maker or seller of that product and differentiate them from other competitors (Lamb et al. 2004). Branding is the main tool marketers use to distinguish their products from competitors.

Labeling is an integral part of any package. It is important in identifying, grading, describing, and promoting the product. Labeling also designed to help consumers in making proper product selections and lowered the cognitive dissonance after the purchase. One of the

factors that attracts tourist to come to Terengganu is Malay tradition such as custom and heritage (Penggalakan Pelancongan Negeri Terengganu, 2008). Thus, the Malay traditional origin becomes as a branding and identity in tourism products in Terengganu to differentiate from others competitors in other states in Malaysia.

### **Product features**

Our government has implemented a new product features in tourism hospitality, by encouraging home stay programs. A lot of cultural activities that relate to the heritage and environment have been practiced in home stay programs. Tourists will stay together with the Malay family and involved in any activities with the people in the village. So, foreign tourists will directly observe and experience the Malay traditional and cultural heritage which is important in tourism product/service development, in term of developing the product features.

### **As a Product and Organizational Image in Tourism**

Many business organizations are willing to spend much money to build integration among the business and consumers and make it becomes an important part in business life. As the industry grows into consumer oriented product, the building of relationship marketing will draw more attention to the need for de-emphasizing on relationship between retailer and the consumers. The building of corporate image is a part of public relation in marketing communication. The relationship and role of corporate image are campaigns strive to maintain a positive image of the corporation in the eyes of the public (Lamb et al. 2004). Actually, the role of corporate image in private sector is building up the customers' satisfactions, to set a product prestige, and to meet challenges.

Identity and image become a new trend to use cultural heritage as a medium to develop the message and persuade the consumers in tourism market. A lot of artistic ideas in cultural heritage that have appeared in the building of corporate image, such as visual-arts, graphic, acting, music, and others screen arts. This is a new strategy in tourism industry to attract consumers. Terengganu has its own identity and image in tourism products that can attract foreign tourists. As Terengganu is already known as a state which her own identity in

heritage, culture, and environment. A lot of things in cultural heritage become as a tools to promote the product and organizational image in tourism market.

### Conceptual Model

Three main components are emphasized in tourism have been identified by Terengganu state government; heritage, culture, and environment. These three components will become the main objectives to plan and structure any activities in tourism industry. In These three components will also become an important component in creative industry to develop the heritage product. Cultural heritage products become essential tools to promote any activities in tourism market; as a medium in marketing communication, added value in tourism product, and as a medium to develop product/organizational image. Attractive heritage products in tourism market will develop consumers' awareness and demand in tourism products.

The figure below was designed to illustrate the model of heritage product and the contribution into tourism market.

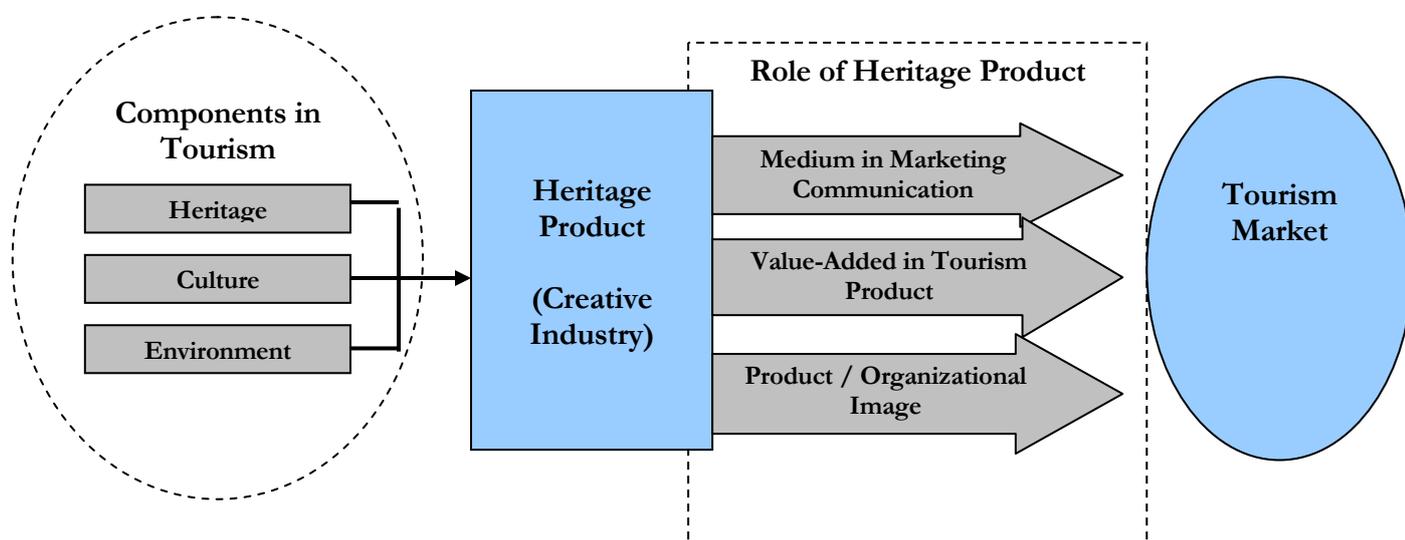


Figure 4: The implication of heritage products toward the Malaysian tourism industry.

### Conclusions

Terengganu with the cultural heritage assets must be utilized to enhance the development of local tourism industry in term of their strengths and opportunities. A good marketer will regard cultural heritage products as an opportunity to promote their products into foreign

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market. To conclude, a major component of tourism industry in Terengganu has highly contributed to the development of heritage product where it will effect to the demand of the local tourism products.

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