A Preliminary Study of Perception and Impact of Tourism Development in Malacca, Malaysia

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ABSTRACT: This study is done to compare the perception towards the tourism development in Malacca and the impact of tourism development in Malacca on Malaysian and foreign tourists. The survey had been carried out in Malacca, a state located in the southern region of Malaysia. A total of 100 respondents consisting of Malaysian and foreigners have been interviewed. The findings show that the majority of respondents have opined that Malacca is either a place for tourism or a world heritage but a large portion of this majority still feel that Malacca is more a tourist destination than world heritage. Tradition, food and heritage sites are the main attractions chosen by the respondents as the attraction of Malacca. It was found that there are statistical differences between the perceptions towards tourism development in Malacca. Tourism development has boosted the economy of Malacca, the safety level in the state of Malacca, the increase in cost of living, increase in common social problem and an increase in the living standard. In general, foreign visitors hold more positive perceptions as compared to Malaysian visitors.

Keywords: tourism, world heritage, economic development, environmental, socio-cultural, attitude

1. INTRODUCTION

According to the World Trade Organisation (WTO), tourism is defined as any activity that occurs when tourists travel, which includes the planning of the trip, traveling to the tourism destination,
the staying, returning and reminiscences (Cooper & Lockwood, as cited in Samuel, etc 1999). With such conception, tourism is apparently a powerful economic activity that can lead to the growth of one’s nation GDP and wealth.

Malaysian tourism has achieved a remarkable state of development since the launching of the Visit Malaysia Year 1990. With its well-endowed is natural and cultural resources plus government’s vigorous support, tourism has become the country is significant source of foreign exchange and outstanding economic sector. Between 1999 and 2008, Malaysia’s volume of tourist arrivals had increased from 8 million to 22 million indicating a growth rate almost threefold (Tourism Malaysia). The continued uptrend of foreign tourists inflow had also resulted in an expansion of total receipts from RM12,312.2 million to RM 49,561.2 million, a fourfold increase signaling the huge potential of tourism revenue earnings from foreign exchange (Tourism Malaysia). According to Tourism Ministry, there were 13.5 million tourist arrivals from January to July 2009, a rise of 3.6 percent compared with the corresponding period in 2008. Given these promising industry figures, the outlook for the domestic tourism sector remains strong going forward (Hee, 2009). After the year 1990, a series of tourism related efforts had been initiated by the government and private sectors at pushing further the growth of the country’s tourism sector. Holding the MATTA (Malaysian Association of Tour and Travel Agents) fair annually, the tradition of launching Visit Malaysia Year annually, sports event tourism related activities such as the Langkawi Ironman Triathlon in 2008 and many more were aimed at aggressively promoting Malaysia, stimulating and increasing the number of tourist arrivals into the country. The declaration of Visit Malaysia Year 2007 (VMY 2007) in conjunction with the celebration of Malaysia’s 50th Golden Jubilee Merdeka Anniversary, had increased the awareness of foreign tourists and attracted them to plan their holidays in Malaysia. According to the Ninth Malaysian Plan (2006-2010), the government aim to achieve 24 million tourists’ arrivals to Malaysia. In achieving the national target, Malacca plays vastly important role as it is one of the most favorable tourism
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destination in Malaysia. The state has long succeeded in attracting both domestic and foreign holidaymakers as it becomes a premier destination for business and leisure activities.

On 7 July 2008, a big surprise was sprung on Malacca as it had been announced by UNESCO as a World Heritage site. The exciting news positioned the state to harness a crucial share of overall tourism market in Malaysia due its richness of historical and cultural heritage. Between 1999 and 2008, there were about 40.1 million tourists visiting Malacca with an average annual growth rate of 20 percent and with an average length of stay of 1.97 nights (The Official Malacca State Government Portal). These figures reveal the potential of Malacca’s tourism industry in providing economic benefits for both tourists and the state’s community. Tourism is one of the pillars in generating the state’s revenue. The tourism industry in Malacca is an important foreign exchange earner, contributing to economic growth, attracting investments and providing employment. Entrepreneurs, business owners and tourism related operators are among those who benefit from the fast developing tourism industry. In order to sustain its leading position as a foreign holidaymakers’ destination, the Malacca state government continues to initiate measures to accelerate the pace of tourism development. In this regard, the message from the state government is very clear through her slogan “To Visit Historic Malacca means To Visit Malaysia” implies the government’s endeavor in attracting more visitors to the state. Traveling to Malacca will truly offer memorable experiences to both domestic and foreign visitors (The Official Malacca State Government Portal). The objectives of this study are to compare the perception towards the tourism development in Malacca and the impact of tourism development in Malacca between Malaysian and foreign visitors.

2. LITERATURE REVIEW

In the 1960s, early work on perceived impacts of tourism, tended to focus on the economic and positive effects of tourism (Pizam, 1978). However, in the 1970s, the issue was critically examined by anthropologists and sociologists with emphasis mainly on negative socio-cultural impacts (de Kadt, 1979). A more balanced approach
had been practiced in the 1980s and 1990s, known as sustainable tourism, with pros and cons of tourism discussed in the studies (Ap and Crompton, 1998; Inskeep, 1991). In today’s world, tourism is widely perceived as a contributive effort towards the expanding economic growth of a nation. It is regarded as a source of creating employment revenues, additional tax receipts, foreign exchange benefits and enhances community infrastructure that will, in turn, spill over to other industries (Lankford & Howard, as cited in Ko & Stewart, 2002). Generally, tourism is a double-edged activity. It has potential to contribute in a positive manner to socio-economic achievements but, at the same time, its fast and sometimes uncontrolled growth can be the major cause of degradation of the environment and loss of local identity and traditional cultures. Studies on tourism impact has revealed seven important factors of interest which are social and cultural, economic development, quality of environment, state and local services, cost of living, community attitude, and crowding and congestion, with each factor having a satisfactory level of reliability (Ekrem Tatoglu, Fuat Erdal, HÜSEYÝN ÖZGÜR, and Sedat Azakli, 1998).

**Negative Tourism Impacts**

The tourism sector had been entrusted with an important economic role as an economic activities generator such as creating business opportunities, offering job opportunities and leveling up one’s national income. It cannot be denied that tourism can generate alternative or additional income to the people (Russell, 2003). However, the continuous flow of tourists on a particular site can have a permanent impact. According to Russell, tourism in developing countries like Malaysia has been a double-edged sword. Many studies concluded that communities throughout the world welcomed the economic benefits that tourism brought but lamented on the negative effects that it brought along. However, the euphoria and over focusing on the economic aspects sometimes sidelines other detrimental impacts. Tourism has created greater competition among tourism operators such as resort operators (some eventually have to bow out of the islands, leaving unwanted scar to the landscapes). Also, amidst of a community welcoming more tourists
and more tourism development, residents complain of higher general prices, the depletion of greenery, increased urbanization and so on (Badaruddin Mohamed*, Ahmad Puad Mat Som, Jamil Jusoh and Kong Yew Wong, 2005). The prices of goods and services might go up with the increased demand from foreign customers (Liu and Var, 1986b; Husbands, 1989). There is an increase in demand for accommodation especially during peak season and this might push up rental rates as well as land prices for constructing new houses and hotels (Pizam, 1978; Var et al, 1985). New revenues from tourism usually flow to the landowners and businessmen while the residents suffer from an ever increasing cost of living. This might cause a misdistribution of income (Dogan, 1987).

On the other hand, uncontrolled conventional tourism may also pose potential threats environmentally. It can put enormous pressure on an area and lead to impacts such as soil erosion, worsening pollution, discharges into the sea, natural habitat loss, increased pressure on endangered species and heightened vulnerability to forest fires (Lew, 2007b). Tourism bears a complex relationship with the environment. In most cases, a lot of adverse environmental impacts are associated with the creation of general infrastructure like roads and airports, apart from provision of tourist facilities including hotels, resorts and shops (Lew, 2007d). In the Mediterranean, negative impacts of tourism includes forest destruction, changes to the shorelines, sea-pollution and damage to corals (William & Shaw, 1991). The overdevelopment of tourism has threatened natural living as well as natural environment. Tourism activities such as opening new land, building tourists facilities and so on have caused enormous disruption and destruction of an area’s ecosystem. These activities involving direct contact with nature are linked to loss of biodiversity (e.g. the loss of essential ecological functions, the productivity of ecosystems). Meanwhile, the development of marinas and breakwaters can cause changes in currents and coastlines. Extracting building materials such as sand from beaches affects coral reefs, mangroves, and hinterland forests, leading to erosion and destruction of habitats. In the Philippines and Maldives, dynamiting and mining of coral for resort building
materials has damaged fragile coral reefs and depleted fishery resources that sustain local people and attract tourists (UNEP, 2001). Moreover, environmental problems like pollution, animal and plant extinction, coral reef destruction, inadequate sewage and waste disposal systems, deforestation, and the destruction and erosion of the beaches besides portraying a dual relationship between tourism and climate change. About 50 per cent of traffic movement is linked to tourism and air traffic contributes to about 2.5 per cent of the production of CO2. Therefore, this figure denotes tourism as a significant contributor to the increasing concentrations of greenhouse gases in the atmosphere. This worsens global warming. It causes climatic disaster and other impacts including drought and heat wave (UNEP, 2002). Tourism also threatens the local community in matters such as local food suppliers, opportunities for recreation and tourism and sources of wood, water and energy. The tourism industry generally overuses water resources for hotels, swimming pools, golf courses and personal use of water by tourists. This can result in water shortages and degradation of water supplies, as well as generating a greater volume of waste water (Lew, 2007).

Other than environmental impact, the local society’s values, beliefs and cultural practices are also affected. Local residents might get affected by the attitude of tourists in their daily life. While this influence may be interpreted positively as an increase in the standard of living, it may also be considered negatively as an indication of acculturation (Brunt and Courtney, 1999, Dogan 1987). Meanwhile, tourism is perceived to contribute to changes in the local residents’ value systems, individual behavior, family relations, collective lifestyle, moral conduct and community organizations (Ap and Crompton, 1998). In spite of freedom awareness arising, tourism has affected the oriented mind or traditional virtue. Tourism distracts family structure and values, and also leads to increase in divorce rates and prostitution (Gee et al, 1997).

Tourism may lead to a decline in moral values; invokes use of alcohol and drugs; increases crime rates and tension in the community (Liu and Var, 1986; Milman and Pizam, 1988). Other
study also showed that tourism can contribute to congestion in terms of overcrowding of people as well as traffic congestions (Lew, 2007). These problems will lead to a decline in the local’s quality of life.

**Positive Tourism Impacts**

Tourism brings substantial economic benefits. A host nation will gain foreign exchange, which will contribute to improving the nation’s balance of payments (Gee et al, 1997; Liu and Var, 1986a; Dogan, 1987). Besides that, it reduces unemployment by creating new job opportunities (Sheldon and Var, 1984). Jobs are created by new tourism markets. Increasing demand for tourism encourages new infrastructure investment (Inskeep, 1991), and communication and transportation possibilities (Milman and Pizam, 1988). Through tourism development, residents can enjoy enhancement of life through upgraded facilities, better quality of drinking water, improved roadways and many more resulting from government efforts to improve the local society to meet the needs of tourism. On the other hand, the amount of taxes collected by the government will also increase with higher levels of tourism activities. Studies have shown that tourism plays an important role in Turkey’s gross national product, exports, and in meeting foreign trade deficits. The share of tourism receipts relative to exports has significantly increased since 1980 (Cengiz Demir, 2004).

In addition, tourism development can generate positive impacts on the environment through the rise of awareness for environmental protection and conservation. Tourism, therefore, creates a need to conserve areas of outstanding beauty which have aesthetic, economic, and cultural values. It promotes the establishment of National Parks and Wildlife Preserves while educating the public about the environment (Lew, 2007a). Besides that, it also promotes the preservation of world heritage buildings and historical sites.

Furthermore, tourism can contribute to the revitalisation of arts, crafts and local culture and to the realization of cultural identity and heritage. In order to attract more tourists, architectural and historical sites are restored and protected (Inskeep, 1991; Liu and Var, 1986). Tourism also facilitates the exchange of cultures among
the tourists and local community. It brings a new outlook to the local society’s cultural structure (Brayley et al, 1990).

**The Role of Host Community**

In recognition of the critical role the host community plays in the tourism development process, many studies have addressed the attitudes toward tourism of various types of local residents grouped according to socio-demographic characteristics, economic dependence on tourism, type of employment, and place of residence (Rothman; Pizam; Belisle & Hoy; Ahmed, as cited in Allen et al., 1988). Tourism researchers found that residents, who depend most upon tourism, express favorable attitudes while the residents who depend less are expressing unfavorable attitudes (Thomason, Crompton, and Kamp; Belisle & Hoy, as cited in Allen et al., 1988). In the case of Goa, most of the local people felt threatened by the tourists. The presence of tourists was not welcomed by the locals (Larsen, 1997a,b,c,d,e). Phenomenon such as the increasing numbers of tourists, land prices and levels of consumption had caused violation of buildings and land use regulations were prevalent among locals. The Goa’s community in general felt threatened and degraded by inappropriate behavior of tourists (Frederick Noronha, 1999).

Finally, from the above discussion, the following hypotheses can be designed:

**Hypothesis 1:** There is a difference in perception towards tourism development in Malacca between Malaysian visitors and foreign visitors

**Hypothesis 2:** There is a difference in perception towards tourism development as a booster of the economy of Malacca between Malaysian visitors and foreign visitors.

**Hypothesis 3:** There is a difference in perception towards safety in Malacca between Malaysian visitors and foreign visitors.

**Hypothesis 4:** There is a difference in perception towards increased cost of living between Malaysian visitors and foreign visitors.
Hypothesis 5: There is a difference in perception towards common social problem in Malacca between Malaysian visitors and foreign visitors.

Hypothesis 6: There is a difference in perception towards an increase in the living standard in Malacca between Malaysian visitors and foreign visitors.

3. RESEARCH METHODOLOGY

Survey

The study has been carried out locally in Malacca, a historical state of Malaysia. Malacca is the third smallest state in Malaysia. It is located in the southern region of the Malay Peninsula, on the Straits of Malacca. Malacca covers an area of 1,650-sq. km. or 0.5 percent of the whole area of Malaysia. It is divided into Central Malacca, Alor Gajah and Jasin with a population size of nearly seven hundred and fifty thousand. Tourism and the manufacturing sectors are major contributors of the state’s economy, which recorded an average Gross Domestic Output (GPP) of 5.8 per cent since 2001.

Data Collection

Face to face interview was conducted in March 2009 with visitors to the Malacca Town. The survey was performed with a convenience sampling of 100 visitors of different demographical background, including nationality, gender, age, educational and social background. Only those visitors that were willing to take part in the survey were interviewed. No claims can be made that sample group represents the general populations of local visitors and foreign tourists. However, the fact that visitors are interested in spending their holiday in Malacca, suggests that the survey respondents may provide an interesting study group for this issue.

The questionnaire consisted of 20 questions organized into several sections including, respondents’ personal data, general issue relating tourism in Malacca, perception towards tourism development in Malacca, economic impact as well as social impact
such as common social problems and safety perception in Malacca. Several perception related questions were measured using the five-point Likert scale of 1 = very disagree, and 5 = very agree.

Data Analysis
Descriptive statistics were computed from the data to check the distributions of frequencies and to detect possible errors occurring. Independent t-test was employed to examine the differences in perception toward tourism in Malacca between Malaysian and foreign visitors. All statistical analyses were made using Social Package for Social Science (SPSS) for Windows version 16.

4. RESULTS AND DISCUSSION
The respondents in the study consists of 50 per cent Malaysian visitors and per cent foreign visitors (Table 1). The foreign visitors include tourists from Hong Kong, Singapore, Britain, China, Russia, Australia, Switzerland and France. There are about 45 per cent male respondents and the remaining are female respondents. About half of the respondents are aged between 22 and 30 years old, and some 42 per cent of the respondents are aged between 31 and 60 years old.

When asked about image towards Malacca, about 44 per cent of respondents opined Malacca as a place of tourism whereas 23 per cent viewed it as a world heritage site. This could be due to Malacca being the oldest town in Malaysia and tourism is one of the main industries in the state. However, about 12 per cent of the respondents expressed a negative image towards Malacca as an old and laggard town. In terms of attraction, traditional (31 percent) and food (30 percent) was the two main draws of Malacca. In addition, 28 per cent of the respondents named Malacca as a state rich in heritage due to its’ historical background as the oldest town in the Malay Peninsula’s history.

The findings from Table 2 shown that foreign visitors have more positive perception towards tourism development in Malacca (3.55), that tourism development has boosted the economy of Malacca (4.12) and their perception of safety in Malacca (3.26) as compared to
Malaysian visitors. These differences are significant at five per cent level. The findings indicated that foreign visitors felt comfortable and safe when they were in Malacca. Thus, Hypothesis 1, 2 and 3 are supported.

### Table 1
Profile of Respondents

<table>
<thead>
<tr>
<th>VARIABLE*</th>
<th>Malaysian Visitors (%)</th>
<th>Foreign Visitors (%)</th>
<th>Total (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nationality</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malaysian</td>
<td>50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Malaysian</td>
<td>50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>27</td>
<td>18</td>
<td>45</td>
</tr>
<tr>
<td>Female</td>
<td>23</td>
<td>32</td>
<td>55</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10-21</td>
<td>6</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>22-30</td>
<td>23</td>
<td>25</td>
<td>48</td>
</tr>
<tr>
<td>31-60</td>
<td>19</td>
<td>23</td>
<td>42</td>
</tr>
<tr>
<td>61 and above</td>
<td>2</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Image towards Malacca</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>World heritage</td>
<td>5</td>
<td>18</td>
<td>23</td>
</tr>
<tr>
<td>Tourism place</td>
<td>13</td>
<td>31</td>
<td>44</td>
</tr>
<tr>
<td>Modern city</td>
<td>2</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Old and laggard town</td>
<td>12</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Neither...nor</td>
<td>18</td>
<td>1</td>
<td>19</td>
</tr>
<tr>
<td>Attraction of Malacca</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban attraction</td>
<td>5</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Traditional attraction</td>
<td>14</td>
<td>17</td>
<td>31</td>
</tr>
<tr>
<td>Food attraction</td>
<td>22</td>
<td>8</td>
<td>30</td>
</tr>
<tr>
<td>Natural View</td>
<td>0</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Heritage View</td>
<td>7</td>
<td>21</td>
<td>28</td>
</tr>
<tr>
<td>Others</td>
<td>2</td>
<td>0</td>
<td>2</td>
</tr>
</tbody>
</table>

* sample size = 100
Table 2
Mean and Standard Deviation of the Perception And Impact Towards The Tourism Development of Malaysian and Non-malaysian

<table>
<thead>
<tr>
<th>Variable**</th>
<th>Nationality of Visitors</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perception towards tourism development in Malacca</td>
<td>Malaysian</td>
<td>2.89*</td>
<td>0.7396</td>
<td>Hypothesis 1</td>
</tr>
<tr>
<td></td>
<td>Non-Malaysian</td>
<td>3.55</td>
<td>0.5659</td>
<td></td>
</tr>
<tr>
<td>Tourism development has boosted the economy of Malacca</td>
<td>Malaysian</td>
<td>3.78*</td>
<td>0.6481</td>
<td>Hypothesis 2</td>
</tr>
<tr>
<td></td>
<td>Non-Malaysian</td>
<td>4.12</td>
<td>0.5584</td>
<td></td>
</tr>
<tr>
<td>Safety perception in Malacca</td>
<td>Malaysian</td>
<td>2.98*</td>
<td>0.3656</td>
<td>Hypothesis 3</td>
</tr>
<tr>
<td></td>
<td>Non-Malaysian</td>
<td>3.26</td>
<td>0.3318</td>
<td>supported</td>
</tr>
<tr>
<td>Increase of cost of living in Malacca</td>
<td>Malaysian</td>
<td>4.10*</td>
<td>0.5803</td>
<td>Hypothesis 4</td>
</tr>
<tr>
<td></td>
<td>Non-Malaysian</td>
<td>3.88</td>
<td>0.5206</td>
<td></td>
</tr>
<tr>
<td>Common Social Problem in Malacca</td>
<td>Malaysian</td>
<td>3.98*</td>
<td>0.5455</td>
<td>Hypothesis 5</td>
</tr>
<tr>
<td></td>
<td>Non-Malaysian</td>
<td>3.71</td>
<td>0.4104</td>
<td>supported</td>
</tr>
<tr>
<td>Increase in the living standard in Malacca</td>
<td>Malaysian</td>
<td>3.94*</td>
<td>0.5115</td>
<td>Hypothesis 6</td>
</tr>
<tr>
<td></td>
<td>Non-Malaysian</td>
<td>3.70</td>
<td>0.5440</td>
<td></td>
</tr>
</tbody>
</table>

* Significant at 0.05 for the difference in mean score between Malaysian and non-Malaysian

** sample Size = 100

On the other hand, Malaysian visitors tend to hold more negative perceptions as compared to foreign visitors. For example, Malaysian visitors opined that there is an increase in the cost of living (3.94), and also an increase in common social problems (3.71) in Malacca. These differences are significant at five per cent level. This could be due to the fact that Malaysian visitors have seen from the development of tourism in Malacca have brought about some negative impacts and created social problems which might have affected the daily lives of local residents. Thus, Hypothesis 4 and 5 are supported.

The Malaysian visitors also have a higher mean score in the statement that development in Malacca has increased their living standard with a mean of 3.94 where non-Malaysian have a mean of 3.70. The difference is significant at five per cent level. Thus, Hypothesis 6 is supported.
Tourism is an important aspect of Malacca’s economic development. The growing tourism industry in the state has significantly improved the income of many tourism sector players. It has brought new revenue streams to local communities through job opportunities creation such as home-based activities, creative commercial handicraft making, hotel accommodation and tourism merchandise production and so on. The increasing demand for Malacca’s tourism related products encourages new investment on infrastructure, communication and transportation. With tourism development, the state’s residents can enjoy the enhancement of life through betterment of facilities, improved road network and many more aspects of daily life following the efforts of the state government towards improving the state community to meet the needs of tourism. It also promotes awareness among Malaccans about their historical and cultural heritage. It brings about a new outlook on Malaccan’s cultural structure.

5. CONCLUSION AND RECOMMENDATIONS

The findings shows that a big majority of respondents have viewed Malacca as a place for tourism and a world heritage but more people perceived Malacca as a place for tourism instead of as a world heritage. It was also found that traditional attraction, food attraction and heritage sites are the main attractions chosen by the respondents as the attraction of Malacca.

Foreign visitors tend to have more positive perception towards tourism development in Malacca that tourism has boosted the economy of Malacca and of safety perception in Malacca whereas Malaysian visitors are more negative in terms of tourism having increased the standard of living and cost of living in Malacca. The former can be viewed as a positive economic impact because tourism development has contributed to domestic income and brought about an increase in the income per capita in the state and the country. The increase in cost of living is a negative economic impact to local people because the presence of outsiders have caused Malacca to become a highly commercial place and businessmen have taken the
opportunity to raise their earnings causing an increase in prices. This has indirectly affected the daily expenses for consumption of local people.

For social impact, Malaysians have a higher mean in the common social impact such as traffic jam, overcrowding, insufficient facilities and etc. These might have affected the daily lives of local people and can be considered as a negative impact to them. However, for the question of safety, the non-Malaysians score a higher mean than Malaysians. They find that Malacca is a safe place for tourists.

The study has revealed that the development of tourism in Malacca needs to be monitored. The fast paced development might cause negative impacts in the long run. The heritage sites in Malacca such as the A Famosa Fortress, the Christ Church, the Stadhuys and the houses in Jonker Street which are a few hundred years old have to be protected. With the listing of Malacca as a World Heritage site, it is advantageous to the state in attracting tourist arrivals. Although the study received favourable perception from the foreign visitors, however in the same regard opposite views were given by the domestic visitors. As such, there is a need for the authority to address such differences in her tourism development as in order to avoid tourism growth being hindered in the long term. Proper town planning of the city’s development should come into place, so that the local identity and traditional culture will be preserved in the midst of expanding the tourism market. Malacca is a small state, its economic growth depends largely on tourism besides manufacturing. Therefore, any policies of the state that are not in line with international practices will hinder tourism growth potential. To sustain the industry’s growth in the long term, new instruments are needed to expand the scope of opportunities for the market. The Malacca state government should continue to review and eliminate polices that inhibit tourism development so that the state will be able to sustain the industry’s growth momentum through strategies that are tourism-friendly. With the greater participation of all tourism industry players, it would facilitate Malacca’s tourism market to attain a higher level of competitiveness and promote innovations to drive tourism growth at a faster pace.
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