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ABSTRACT

Tourist satisfaction is the key factor of successfulness in tourist industry. This is extremely important to clarify which dimensions affect the satisfaction in tourist industry. This study was trying to explore factors that lead to tourist's loyalty in terms of choice tourist destinations. This study was conducted three stages of data analysis for instance: descriptive statistics, exploratory factor analysis; and multiple regression analysis to test the hypothesis. Multiple Regressions was employed to identify the relationship among the variables. Results showed that Destination Image, Perceived Value and Service Quality have a positive relationship with tourist loyalty on tourist destination in Melaka River Cruise. Explore of significant factors influencing tourist satisfaction for making strategic marketing plans to encourage tourists to visit in Malaysia. Incompletion, the outcome of this study provides a useful source of information for global marketers to understand and satisfaction, finally positive loyalty towards tourism destination in Malaysia. Consequently, a review on the existing literature was conducted by this study and a model was presented including four variables and three causal hypotheses.

KEY WORDS: tourist loyalty, destination image, tourist perceived value and service quality.

FACTORS INFLUENCING TOURIS'S LOYALTY: MELAKA RIVER CRUISE

1.0 INTRODUCTION

1.1 Background

Throughout the tumultuous periods of Malaysia history, the Melaka River flowed calmly, silently witnessing the legendary Hang Tuah galloping away on his horse, the crowd markets of all different races including Malays, Chinese, Indians and Arab traders. The razing of the Sultan's palace, the sacking of the city and the laborious construction of the A Famosa. Melaka River has degenerated slowly from an important historical lifeline to a large ignored drain that nobody wants to see. With haphazard construction on the riverbanks over the decades, many are forgiven to forget that the "drain" they cross every day is the same waterway that had witnessed 500 years of the city's glorious and sometimes, violent as well as history. (Sungai Melaka, The Rejuvenation of a National Cultural Heritage,2008).

The strategic position of the straits of Melaka controlling the world trade East, which is rich in the mineral resources, and its strategic location between China and mainland India was known since the Srivijaya era (Nordin Hussin,2008). At one time, Melaka has been called as the 'Venice of the East' by European seafarers back in those days when the state has yet to be formed, Melaka River is the point where the history of Malacca began (Tome, 1944). A Prince from Sumatra, Parameswara – also the founder of Malacca – had established his sultanate near the mouth of this river in the early 1400s, and his palace was built on the east-bank of the river at the foot of St. Paul's Hill, then known as Malacca Hill.

Heading towards the sea, the river passes through the town of Malacca and the many settlements situated along the riverbanks. From a place where major trade and commerce activities used to take place, it is now a major tourist attraction, a remnant from Malacca's past left behind to tell the tale. A 45-minute cruise down the river via boat enables visitors to recall Malacca's history while enjoying the rustic scene of leftovers from Malacca's past. Covering a distance of 10 kilometres, the boat ride takes you all the way down to the infamous Kampung Morten. The nine miles travel by cruise boat is definitely an amazing journey with the beauty of the Malacca River without any initial garbage. The journey will take the visitors along the Malacca River which filled with the LED lights along the way. Interestingly, in the first 200 meters of travel, visitors will be entering down the 'Kampung Morten' which is one of the world's oldest village decorated with beautiful light.

Kampung Morten name taken in conjunction with the name of the British Local Land Commissioner, JF Morten who certainly respected for its responsibility in solving problems of local people in the early 1920's. Now, Kampung Morten is also known as the village museum where the state government and the residents association would play a part share Malacca Malay tradition to visitors along the Melaka River. Malacca is a wonderful repository for its cultural heritage, and in 1989, Malacca was declared as Malaysia's historic city and has been listed as a UNESCO World Heritage Site²⁶ since 7th July 2008. Presently, Malacca is well known as a tourism centre for Malaysia (Azlina binti Md Yassin, 2011).

1.2 The Development of the Melaka River

Sungai Melaka runs through the heart of Melaka Historical City and forms the spine of its economy, from the days of the Portuguese galleons and Chinese junks to the barges that that unload a variety of cargo at the steps of the Old Port just over 50 years ago. However in the early 1930s, the reclamation of the original coastline had altered into oblivion, sadly turning into an abandoned waterway of pollutants, refuse and sewage. It was perceived to have a negative effect on the city even though it has immense potential as a tourism draw and a tourism source of revenue.

http://www.niaspress.dk/files/excerpts/Nordin_extract.pdf

The main impetus in the beautification and rehabilitation of the river, an initiative by the State Government of Melaka under the leadership of Chief Minister YAB Datuk Seri Hj Mohd Ali bin Mohd Rustam, together with Melaka City Council (MBMB) is to provide an enhanced image for tourism (Sungai Melaka, The Rejuvenation of a National Cultural Heritage, 2008). The beautification would also benefit the city environment and revitalise the historical city of Melaka as the oldest and at one time the most famous port east of India (Tome, 1944).

Changes for the Melaka River gradually began to reveal its beauty after the company was acquired by River Development Corporation and Coastal Islands (PPSM). A total of 27 boats are provided with guides to facilitate local and foreign visitors to know more in depth information along the way to Merdeka. Tourists that come only have to pay RM10 for adults and RM5 for children to travel 45 minutes full of wonderful experiences. They have two options either to take a boat from the jetty or the jetty Spice Garden Square Quayside.

Passengers and tourists of Melaka River Cruise is not only able to see the original Malacca row house in Kampung Morten, but also the uniqueness of a traditional Malay house, Sentosa Villa where visitors can see the originality of houses Malacca remain. Visitors also had the opportunity to see the wild growth of mangrove trees naturally where conditions are properly maintained and filled with blue lights on the trees.

Wildlife such as lizards are also lead to excitement for those who love wildlife. In addition, visitors who take Melaka River Cruise can also enjoyed an amazing transformation where the old warehouses that runs along the estuary has been renovated into a modern and impact that excavated the ancient city at its best. Tourists can also watch the fountain show 'dancing' on the banks of the river to the rhythm of traditional songs. For those who want to enjoy the Venetian-style holiday romantic experience down the river, Melaka River Cruise is certainly enough to fulfill the dream. During cruising Tan Kim Seng Bridge, visitors get to see the back of the shop houses building that has been redeveloped so beautifully. There was made a promenade and cafes as in Venice.

1.3 Cruise Tourism

Cruise Tourism is becoming an increasingly popular 'leisure choice' worldwide. Cruises, which were at one time considered the prerogative of the rich, the only option for the aged and the natural choice for honeymooners, is today fast reaching the wider leisure market. Representing one of the fastest growing sectors worldwide, cruise market trends indicate a qualitative as well as quantitative consolidation in the industry, with cruising gaining greater significance globally and successful seizing a significant 'niche' market.

1.4 Problem Statement

Customer loyalty to Melaka River Cruise as a tourism destinations in Melaka is likelihood that tourists will come back to visit again. Loyalty is crucial in maintaining the economic sustainability of the destination as in Melaka, tourism industry has become one of the important service sector that contributing for country's economic development The tendency for them to become a repeat tourist is based on several attributes, which is about to be discussed in this particular study.

Today destinations face the toughest competition in decades and it may become tougher still in years to come so marketing managers need to understand why tourists are faithful to destinations and what determines their loyalty (Ana Mari'a Campo'n, Helena Alves, and Jose' Manuel Herna'ndez, 2013). Some tourism motivations would inhibit destination loyalty", such as, for example, the desire to break with the monotony of daily life, engage

with new people, places and cultures or look for new experiences. However, risk-averse people may feel the need to revisit a familiar destination.

From this study, we can find that loyalty is a difficult to define abstraction because of the different roles it can play. This depends on the antecedents of attitudes and values, the repetition behavior and the specific characteristics of the object of loyalty. As a concept, it involves the power to attract the object and the propensity to commit the individual. The empirical question to be answered is what pattern of behavior in tourism consumption can be interpreted as an indicator of loyalty.

1.5 Research Objective

The main objectives of the study are:

- To identify how destination image, perceived value, service quality influence tourist loyalty for Melaka River Cruise tourist destination.
- To provide a conceptualization of destination knowledge, building on extant branding and destination image.
- To discuss the relationship between tourist destination knowledge and loyalty by reviewing and bridging related literature.

1.6 Research Questions

The study is concern to answer these following questions:

1. How does destination image, perceived value, service quality influence tourist loyalty has a positive effect on Melaka River Cruise?
2. How can the conceptualization of destination knowledge, become a branding and destination image?
3. How to improve the relationship between tourist destination knowledge and loyalty of tourist?

2.0 LITERATURE REVIEW

2.1 Tourism Industry

The tourism industry in Malacca has enormous potential and generated jobs, more revenue for companies and has helped improve the standard of living of the local population. Malacca, which was awarded World Heritage City Status by the United Nations Educational, Scientific and Cultural Organisation continues to attract not only foreign tourists but also locals.

Tourist arrivals Malacca helps to promote tourism industry. A century and viewpoints, namely 1) history, 2) culture, 3) recreation, 4) Economic inputs, 5) Shopping centers, 6) Convention, 7) Health, 8) Education, 9) Food 10) Malacca as a second home programmed and 11) Youth programmed (Syed Najmuddin Syed Hassan, etc; 2009). These activities continue to attract tourists, such as various developments happening in Malacca.

Tourists may wonder why the Malacca government needs to have so many new projects for tourism, rather than relying on the historical sites, culture, arts and tradition left behind by the Portuguese, Dutch, and British, or even focusing on the unique Baba Nyonya and Melaka Chitti communities. Truth be told, if there are no new attractions, Malacca would not be a destination which is repeatedly frequented by tourists.

Projects such as the Malacca River Cruise, beautification of Sungai Melaka, Melaka Wonderland, Menara Taming Sari, Melaka Botanical Garden and the more than 25 museums in the state have been attracting tourists in droves, and the spill over effect has benefited people of all walks of life and political ideology. (The Star, 2013)

According from the Melaka City Council (MBMB), the tourism and manufacturing sector are the 2 most important incomes for Melaka economy. The Melaka government adopted a slogan “Visiting Melaka Means Visiting Malaysia” to attract the tourists to Melaka.

2.2 Tourists Loyalty

Many organizations approach the relationship with their customers to consider customer loyalty as a key target for their organizations. It is impossible to determine customer loyalty in the tourism industry without a review of relevant theories of marketing. The literature provides some definitions of it dependently of classification. Commitment trust theory of relationship marketing makes the difference between the repurchase and loyalty. (Panisa Mechinda, Jirawat Anuwichanont, 2010) has defined loyalty as „a deeply-held predisposition to repatronize a preferred brand, place or service consistently in the future, thereby causing repetitive same purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior. When a customer is loyal, and he or she will buy the same brand, visit the same plae and tend to buy more and willing to recommend to others.

Loyalty has been measured in the following ways: the behavioral approach, and the attitudinal approach. The behavioral perspective defines loyalty as actual consumption that is connected to the brand loyalty of consumers. Consumers tend to use the same product because of the history by using it. In this study, tourists visit the place again just to get the same expectation and more. For example, visitors will find the site that offers the tranquility and beauty of Melaka. The second approach is the attitude. Attitude approach is based on consumer brand preferences or intends to buy. (Hasnawati Guliling, etc; 2013) stated that tourists' loyalty was enhanced by positive destination image and high satisfaction.

2.3 Destination Image

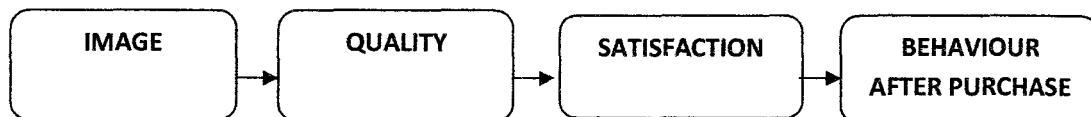
Image is a key destination for sightseeing and a better picture of bringing more tourists to the destination. If any of the Tourism Authority can create a positive image of a destination in mind, it is easy to achieve success in business tourism. Destination image gives a strong competitive advantage of competitors. Destination image or the image of the country has a significant impact on the decision-making process of tourists. If the target image is positive and favorable for the tourist knows in his mind, then they want to visit tourist place often want, and there are three main factors helping to build a destination.

First, the word-of-mouth by tourists. If tourists spread positive word of mouth, then it is easy to build a strong image of a destination. Second, the media and imaging and finally policies and interest taken by the government target. If the destination address particular take the initiative to build the fate of the positive and work according to it, then, helps to build an

image as a tourist destination. That's also a destination that plays an important role in the selection of destinations. Destination positive image enhancing the opportunity to visit a favorite destination and helps you to make a decision on any particular destination. Images also have been found to have significant direct and indirect effects (through satisfaction) on customer loyalty (Patcharaporn Mahasuweerachai & Hailin Qu, 2011). According to the World Tourism Organization, the image of an object or situation is defined as:

- The artificial imitation of the apparent form of an object.
- Similarity or identity with the form (e.g.: art or design).
- Individual or collective ideas about the destination.

(Kotler, Bowen & Makens; 1998) views that image influences the way customer or tourists observe and experience a destination and its quality. The experienced level and also influence behaviour are possibility of revisiting or introducing the destination to others, as figure 2:



Source: Kotler, Bowen & Makens; (1998)

2.3 .1 The destination place – Melaka River Cruise

River cruise has been operationed long time ago, which is more longer than the ocean cruise. Europe was established in river Cruise industry in the 19th century using some of the beautiful and historic rivers, and more further development of the Nile and the Irrawaddy River for the same purpose. In other continents Such as North America and Australia, and there are those who love the river may feel some attachment to the river regarding their pioneering days . The river cruise travel featuring mature culture. Unlike ocean cruises, River cruise ships can accommodate only small as 100 passengers or fewer. No live performance or gaming facilities on the river cruise ship that equipped with facilities such as a dining room, bar and observation lounge, swimming Swimming pool. The aim is to keep the work in a quiet and comfortable because this kind of Ship, and instead of paying attention to the views of passengers and tourist attractions outside the ship.

Melaka River Cruise's concept master plan proposes various activities such as leisure, commercial and riverfront activities. The atmosphere of the 'old era' fused with contemporary ambience together with the blend of various historical cultures will be taken into consideration in the overall urban design to preserve and highlight the historical unique elements to Melaka.

The concept plan also proposes a complete, continuous pedestrian esplanade and walk away either on the embankment or on suspended boardwalk. This is to enable tourists and city residents to walk all the way from the Hang Jebat bridge upriver near Kampung Morten down to the Flor De La Mar square at the old port area. Tourists will be able to experience a river walk while making stops at various interesting spots along the river. For the first time in many decades or even century one would be able to walk along the riverfront on this route with ease and pleasure.

The purpose is also to regain the hustle and bustle of the river life during the past centuries, reinforcing the riverfront character as an integral soul of Melaka as a riverine city. City residents and tourists can now enjoy a continuous riverfront walk from Hang Jebat Bridge upriver, all the way to the tourist areas of the old port near the Syed Abdul Aziz Bridge. In recent years, the Malacca Waterfront has become one of the most prominent places for tourists visiting Malacca and Malaysia.

2.4 Perceived value

The perceived value is a necessary result of marketing activities, and is a first class element in the relationship. Perceived value is defines as the comparison of the benefits or output with the price of product or service (Javier Sa'nchez, Luis Callarisa, Rosa M. Rodriguez, Miguel A. Moliner; 2004). Market researchers recently in an attempt to address this concept and explore further. Can identify two main approaches to conceptualizing and perceived value. On the one hand, it is the perceived value as configured by the construction of two parts, one received benefits (economic, social and relational) and sacrifices (money, time, effort and risk and comfort) customer.

Customer perceived value is also the difference between the assessment of potential customers all the benefits and all the costs of supply and perceived alternatives. The perceived value of the service includes five dimensions: quality and emotional response, monetary price, behavioral price and reputation (Rini Setiowati & Andradea Putri; 2012).

2.5 Service quality

The quality of service is to evaluate tourist service expected and actual service. Better quality of service brings more tourists and generates more revenue. Tourists today are very aware of the quality of service and a tourist destination. If the quality of service of any tourist destination meet the expectations of tourists, then it is easy to attract more tourists to that destination. Noticing the importance of service quality tourist destinations and administrators of all tourist destinations and very concerned about improving the quality of service. Through the improvement of the service, managers can make them satisfied and loyal tourist to the destination. If any tourist destination did not meet tourist's expectation, especially for providing better service to them and tourist will turn to another destination.

According to Gronroos (1998), service is complicated phenomenon. Service analyze with reference to their characteristics and possible influence of their characteristic on the measurement of the service quality. These characteristics are intangibility, relevant inseparability, interdependence and heterogeneity of service. It is believed that the perceive value quality contributes to positive business outcomes, such as greater levels of customer satisfactions, favorable marketing behaviors, such as repurchase and positive mouth-to-mouth behaviors. (Taylor and Hunter, 2002)

Month	PLACES OF ATTRACTION				
	NUMBER				
	No	Respond	Number Of Tourist	Domestic	Foreigner
JUMLAH	28	28	6,162,402	5,204,675	957,727
JANUARY	28	28	510,980	380,609	130,371
FEBRUARY	28	28	351,211	277,790	73,421
MARCH	28	28	438,537	383,746	54,791
APRIL	28	28	400,473	345,785	54,688
MAY	28	28	779,362	658,253	121,109
JUNE	28	28	638,783	566,903	71,880
JULY	28	28	351,192	280,601	70,591
AUGUST	28	28	364,478	293,386	71,092
SEPTEMBER	28	28	435,820	375,784	60,036
OCTOBER	28	28	453,685	394,298	59,387
NOVEMBER	28	28	619,917	534,493	85,424
DECEMBER	28	28	817,964	713,027	104,937

Statistic of tourists in Melaka: Data by Melaka Tourism Department (BPP), 2012

3.0 METHODOLOGY

3.1 Introduction

This study is intended to study on Factors Influencing Tourist's Loyalty: A Study on Melaka River Cruise. It will determine the tourist's loyalty towards the tourism industry. There are three elements that will involve as a survey instrument. The first element that will give implication on the customer loyalty of the Melaka River Cruise is the destination image for tourists who came there to use the service provided as well as to enjoy the beautiful scenery along the river. Second is the perceive value that is the Melaka River Cruise give to tourists as it is one of the main attraction people wants to go and see The Melaka River Cruise again and again. The third element is the service quality given to tourists in order for them to come and visits Melaka River Cruise each time they visit Melaka City.

From this study, we can see the factors influencing tourist's loyalty for Melaka River Cruise in order to become the must-go-see place in Melaka. Other contribution of this study is, suggestion to the Melaka State Government as a major play role of The Melaka River Cruise on the tourist's expectation of Melaka River Cruise. Then, this study also can suggest to the Malaysian government's roles on how to make The Melaka River Cruise as an interesting place for tourists all around the world to come and visit.

Before conducting the real investigation on giving a questionnaire and interview, there will be a pilot study to be done. This pilot study is to employ on face to face interview as a preliminary investigation on gathering the information. Reason of doing a pilot study is to

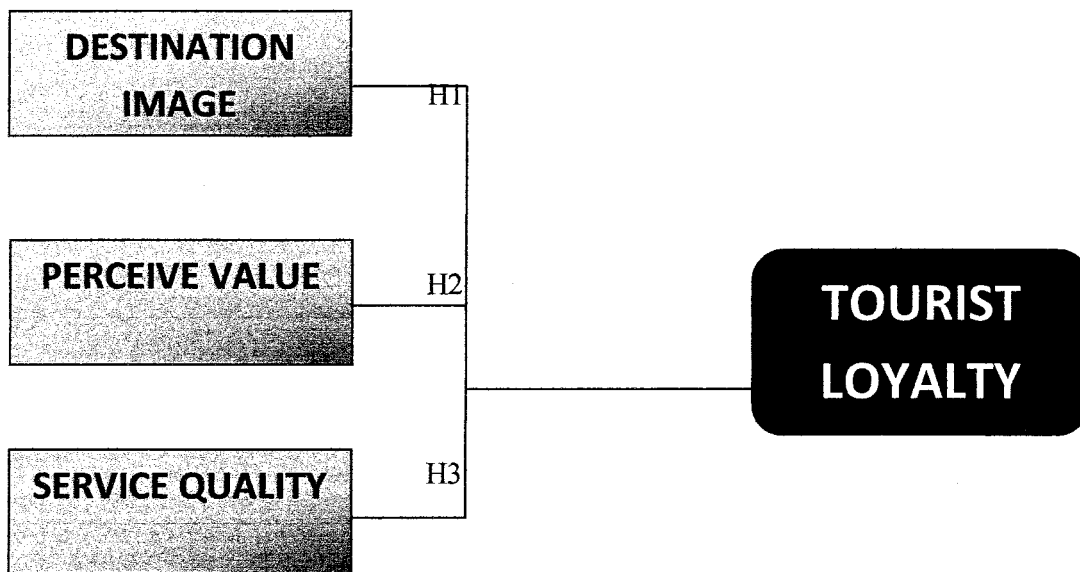
refine and improve the quality of the questionnaire. The pilot study will comprise on 45 questionnaire based the four element to be tested. The questionnaires will be based on the product itself, the location of Melaka River Cruise, the tourist's expectation and will they ride the cruise more than one time and lastly the promotion of Melaka River Cruise in order to become a benchmark tourism place in Melaka. From this pilot study, the researcher can revise the questionnaire based on the comments and feedback received. The questionnaire will be conducting in dual-languages in English and Bahasa Malaysia.

3.2 Theoretical Framework

The study is to identify Factors Influencing Tourist's Loyalty of Melaka River Cruise. The independent variables for this study are destination image, perceive value and service quality. Tourist's loyalty will be the dependent variables. Below is the theoretical framework for the study.

FACTORS INFLUENCING TOURIST LOYALTY:

A STUDY ON MELAKA RIVER CRUISE



INDIPENDENT VARIABLES

DEPENDEN VARIABLES

H1: Destination Image has a positive effect on Tourist Loyalty.

Perceived Value and Tourist Loyalty

The perceived value has a direct relationship with tourist's loyalty in the tourism industry. Baker and Crompton (2000) also found a positive relationship between perceived service value and loyalty in the tourism industry. They have asked for a study on golf tourism and mentioned that the perceived value of a positive reference to the golf tourist loyalty. It also showed a significant relationship between perceived value, satisfaction and behavioral intentions for tourism tourists. It is important to note that the value of money or a great moment for all tourists.

Destination image can give huge impact to the tourists visited Melaka River Cruise. This characteristic will give the impact on the tourist's loyalty by looking at the number of tourists visit Melaka River Cruise. The Chief Executive Officer of Perbadanan Pembangunan Sungai dan Pantai Melaka (PPSMP) told Bernama (Bernama, 2010) that the numbers of visitors are increasing every year since Melaka River Cruise began commercial venture in 2006. According to Melaka Tourism Department (BPP, 2012) the number of tourists visited Melaka River Cruise are 1,100,485 people, which is the highest place to be visited in Melaka.

H2: Perceived Value has a positive effect on Tourist Loyalty

Service quality and Tourist loyalty

Then, next hypothesis are is the product that is the Melaka River Cruise. The Chief Minister of Melaka said that now, the scenario is altogether different as Sungai Melaka is a 'must visit' attraction for tourists, the locals and foreigners alike (Bernama, 2011).

H3: Service Quality has a positive effect on Tourist Loyalty.

For the relationship with service quality and customer loyalty, research has been carried out in Turkey, and Malaysia, influential relationship found between service quality and customer loyalty. It is a common psychological customers if they are satisfied with the quality of service, then they will be loyal. The study was conducted to see how is the quality of service influences customer loyalty and found that the quality of services can positively influence customer loyalty and significant. Service quality positively influences the overall satisfaction of tourists, which positively affects destination loyalty. For the successful completion data this research has kept 270 questionnaires for further analysis

3.3 Research Design

After the researcher identified the variables in the problem and develop the theoretical framework, the next step is to design the the research to requisite the data and gather the information to be analyzed and drive to the solution.

For this study, the suitable methodology is using the exploratory approach. On this approach, the researcher wants to know the facors influencing tourist's loyalty towards Melaka River Cruise on number of tourists came to visit Melaka River Cruise. There will be conducting the qualitative data which is through the observation, and interviews. From this study also, there will be quantitative studies on giving the questionnaires as a data to be analyze.

The qualitative and quantitative data will be based on the five major element in the theoretical framework. There are corporate social responsibility acceptance by the society, customer image, customer consciousness, customer quality inference and the marketing mix issues. The reliability of the questionnaire will be tested before conducting to the real sample to the factors influencing tourist's loyalty owards Melaka River Cruise.

3.4 Data Collection

In this study, data was collected by using questionnaires and observing tourists using the Melaka River Cruise. Second data will also be collected form Melaka's Tourism Unit (BPP) as well as Economic Planning Unit, Melaka (UPEN).

Main data is using the questionnaire. A full set of questionnaire had been distributed to the tourists of Melaka River Cruise to answer and filled up the information based on their perception and judging about Melaka River Cruise. The questionnaires ware being given to the tourists using the Melaka River Cruise. To encourage the customer to answer the questions, some token were given out to those who response the questionnaire.

3.4.1 Questionnaires

An anonymous tourist satisfaction survey was developed with multiple choices and open questions which would take approximately 10 minutes for respondents to answer. Total of 135 questionnaires were given to tourists visiting Melaka River Cruise to answer. The first part was set to get an understanding of the basic personal information of respondents, such as gender, age, citizenship, information regarding Melaka River Cruise and how many times they have been to Melaka River Cruise.