Perceptions of Cruise Tourism and its Impact on Tourism-Related Businesses: A Case Study in Penang, Malaysia

Submitted by

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ABSTRACT

The modern cruise tourism industry, which started to develop and diversify from the 1960s, has evolved from small-scale adventure and luxury for the affluent to large-scale vessels equal to a global floating destination for the mass market. The industry has the potential to generate economic benefits for destination ports from the expenditure of the cruise operators, passengers and crews. However, research shows that the emergence of large cruise ships with a significant range of onboard services means that cruise companies may benefit more from passenger expenditure than businesses in the local economy at the shore. Cruise operators have shifted their focus to promoting a holiday experience on board by providing all-inclusive resort experiences instead of making destination ports the primary attraction. In addition, the contribution of cruise passengers' expenditure in destination ports is lower compared to that of regular tourists. Consequently, this study seeks to evaluate the perceptions of cruise tourism and its impacts on tourism-related businesses in Malaysia from multiple perspectives involving the destination stakeholders, businesses, and cruise passengers for the purpose to justify if the cruise tourism may benefit the local businesses at the cruise destination port.

This study focuses on one of the most favoured stop-over cruise ports in Malaysia as a case study, namely Swettenham Pier Cruise Terminal at George Town, Penang. The cruise terminal is more than just a destination for international cruises as it acts as a catalyst for the development of the local and international tourism industry in Malaysia. This study adopts a multi-methods research design based on a case study to build a more holistic insight into cruise tourism. Qualitative data from semi-structured interviews with stakeholders and tourism-related businesses explores perceptions of cruise tourism development and its impact on the local economy, particularly on the tourism-related businesses. Quantitative data collected through a survey questionnaire examines the passengers' perceptions and behaviour at the destination.

The study identifies the growth of Penang as a cruise tourism port based on cruise ship and passenger arrivals, alongside cruise terminal expansion involving a partnership with an international cruise line. Integrative collaboration between destination stakeholders with public and private sectors is highlighted as the main factor that contributes to cruise development. Most of the tourism-related businesses believed that cruise passenger spending had benefited their businesses. In addition, the proximity of the location of the cruise terminal to the businesses does not necessarily mean that a business will be more highly impacted by cruise tourists. More important aspects affecting perceived passenger propensity to visit businesses and attractions include where tour guides take passengers, onboard marketing brochures that highlight tourism-related businesses, and the ease of access to public and hired transportation for cruise passengers to travel within Penang. Cruise passengers' perceptions of Penang as a stop-over destination are explored, particularly in relation to motivation, mobility and on-shore activities, purchase behaviour, satisfaction, and intention to return and recommend to others. The primary conclusion of this study is that integration between destination stakeholders and tourism-related businesses plays a crucial role in enticing and accommodating cruise lines and passengers, and generating more beneficial outcomes for the destination.

Keywords: Cruise tourism, tourism impact, tourism-related businesses, cruise passenger behaviour, destination stakeholders

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CHAPTER 1: INTRODUCTION

1.1 Introduction

This thesis focuses on the perceptions of cruise tourism, cruise passengers' behaviour, and the cruise tourism impact on tourism-related businesses. The key purpose of this chapter is to introduce the context of cruise tourism as a research topic and to outline the rationale for the thesis. The aim and objectives of the study are presented, alongside the key conceptual components of the study and the structure of the thesis is outlined.

1.2 Research context

While the antecedents of the cruise industry can be traced back to the nineteenth century (Cartwright & Baird,1999), the modern cruise tourism industry commenced in the 1960s (Rodrigue & Notteboom, 2016) and has developed and diversified noticeably, from small scale adventure and luxury to large scale cruises with vessels equivalent to global floating destinations (Barron & Greenwood, 2006; van Bets, Lamers & van Totenhove, 2016; Wood, 2000). Not only that, many studies acknowledge the cruise sector is emerging rapidly (Brida & Aguirre, 2010; Dwyer & Forsyth, 1998; Gibson, 2006; Hung & Petrick, 2010; Klein, 2011; Larsen & Wolff, 2016), and it is said to be the fastest-growing segment of the tourism industry (Penco & Di Vaio, 2014; United Nations World Tourism Organisation [UNWTO], 2012). In addition, the cruise tourism industry has displayed robust growth in international cruise passenger numbers rising from 17.8 million in 2009 to 28.2 million in 2018 (Cruise Lines International Association [CLIA], 2019).

The emergence of cruise ships from floating hotels to floating resorts has increased the incentives for the industry to maximise passenger time and expenditure on board (Seidl, Guiliano & Pratt, 2006) instead ports of call have created direct competition between cruise ship companies and tourism-related businesses in destinations for cruise passenger expenditures (McKee, 1988; McKee & Mamoozadeh, 1994; Seidl et al., 2006). Cruise tourism has increasingly focused on promoting a holiday experience on board by providing all-inclusive resort experiences. Boarding a cruise ship not only will indulge the passengers with great views of the sun and sea but it also provides an all-inclusive resort experience offering various entertainments such as without-ticket shows in cinemas and theatres, unlimited food in the restaurants, and shopping centres on board.

Previous studies, such as those by Vaya, Garcia, Murillo, Romani and Surinach (2017), claim that cruise activity acts as a strong catalyst for investment in port facilities, revitalising existing businesses and creating new activities and businesses in destination ports (Bel & Fageda, 2008; Vaya et al., 2017). Additionally, the arrival of large cruise ships into the port requires a large amount of capital investment in port infrastructure and ongoing maintenance (Brida & Aguirre, 2008). Although cruise passengers create an economic impact on national economies similar to other types of tourism, the major distinguishing feature is that cruise tourists will spend more money on the cruise itself instead of within the destination port economies (Dwyer & Forsyth, 1998). The contribution for the local economy per cruise tourist is significantly lower than other types of tourism although the total tourism expenditures of cruisers may be similar to that of other tourists (Seidl et al., 2016). Nonetheless, according to Larsen, Wolff, Marnburg and Ogaard (2013), per hour spending of cruise passengers and other tourists are equivalent, but the length of stay at the destination limits cruise passengers' decisions to purchase at the destination.

In recent years, academics have shown a growing interest in the impacts of cruise tourism development (see, for example, Brida & Aguirre, 2008; Brida, Pulina, Riano & Aguirre, 2013; Del Chiappa, & Abbate, 2016; Gibson & Bentley, 2007; MacNeil & Wozniak, 2018; Vayá et al., 2018). However, most of the previous studies obtained data and information on the economic impacts of cruise tourism from cruise passenger surveys (Seidl et al., 2006) rather from destination surveys. Understanding the economic contribution from the perception of local businesses at the cruise destination is crucial in understanding the perceived impacts of cruise tourism activity. Furthermore, data on the economic impacts of cruise tourism are often obtained from travel cost surveys. Whilst these may unveil the expenses at the port country, such costs do not recognise the wider port community (Seidl et al., 2006).

Conceptually, cruise tourism is an intricate and transnational mobility system governed by different levels and players, such as national and local government, municipal officials, port authorities, the cruise industry, tour operators, travel agencies, non-government organizations (NGOs), dive shops, local residents and others (Seidl et al., 2006; van Bets et al., 2016). Shone, Simmons and Dalziel (2016) emphasise on that suitable balance of public and private sector participation in tourism planning is crucial in assuring optimal tourism outcomes for destination areas. Yet, studies that include a variety of stakeholders in cruise tourism are somewhat lacking. Previous cruise studies that investigate the perception of multiple stakeholders explore a range of issues, such as reviewing cruise stakeholders' interrelationship and the power in the context of cruise destination (London & Lohman, 2014); regulatory complexity (Dawson, Johnston & Stewart, 2017); and the economic and social, environmental impact of cruise tourism on the destination (MacNeill & Wozniak, 2018). However, studies that explore the perception of tourism-related businesses of cruise tourism impact are limited. For example, the study by MacNeill and Wozniak (2018) does not distinguish tourism-related businesses from local community respondents.

Therefore, this thesis explores in-depth three perspectives on cruise tourism based on a case study of George Town, Penang, Malaysia. Penang has one of the primary cruise ports in Malaysia. The cruise terminal is known as Swettenham Pier Cruise Terminal and is located in the town centre called George Town, which has been designated as a UNESCO World Heritage Site as a Historic City, for its unique architectural and cultural townscape. Penang is more than just a destination for international cruises vessels as it also acts as a catalyst in the development of the local and international tourism industry. The terminal is one of the most favoured stop-over ports of the world's largest cruise vessels. Swettenham Pier Cruise Terminal was listed in the top 10 Cruise Ports by Total Calls in Asia (Cruise Lines International Association, 2017).

This study will examine the perceptions of **destination stakeholders** concerning the development and the impact of cruise tourism in the destination. Key stakeholders that play vital roles in the cruise tourism industry at Penang include

Penang Port as the body that manages the cruise terminal, Penang Global Tourism as the state tourism bureau, and Tourism Malaysia Penang under the auspices of the Ministry of Tourism and Culture of Malaysia. Each of these stakeholders plays different roles that have a significant influence and control on the cruise industry in Penang. In addition, this study will explore the perceptions of **tourism-related businesses** in Penang about cruise tourism and investigate how cruise tourism affects these businesses.

Other than that, one of the underlying issues is the ability of ports to provide a positive in-port experience for the cruise **passengers.** This issue is vital because cruise lines are very selective, and they are willing to change routes and disregard specific ports according to passenger experience (Andriotis & Agiomirgianakis, 2010). DiPietro and Peterson (2017) assert that an investigation into cruise tourists' behaviour and factors that stimulate their behaviours are vital in helping cruise tourism destinations stay relevant in the accessible and competitive global cruise destination market. Therefore, to investigate the impact of cruise tourism development at the shore destination, particularly on tourism-related businesses, this study examines the cruise passengers' perceptions and behaviours at the shore.

This study will be a contribution to knowledge by attempting to provide a holistic picture of the cruise tourism industry in a case study location utilising qualitative and quantitative methods to examine the perspectives of different yet related audiences. Furthermore, this study will contribute to the limited studies on cruise tourism research, particularly in South East Asia. Additionally, it is hoped the research will expand knowledge in the multidisciplinary research areas of cruise tourism, tourism impact, and tourism-related businesses. From an applied perspective, this study will generate valuable insights and ideas for policymakers to help optimise the cruise tourism development in creating a more enticing offering for cruise passengers for the benefit of local tourism-related businesses in George Town, Penang, Malaysia.

In order to evaluate the development of cruise tourism and its impact on tourism-related businesses, this research combines qualitative and quantitative methods on different levels and categories of stakeholders such as the destination stakeholders, tourism-related businesses, and cruise passengers, to provide a variety of insights into the cruise tourism industry in Malaysia. Figure 1.1 displays the concept of the study.

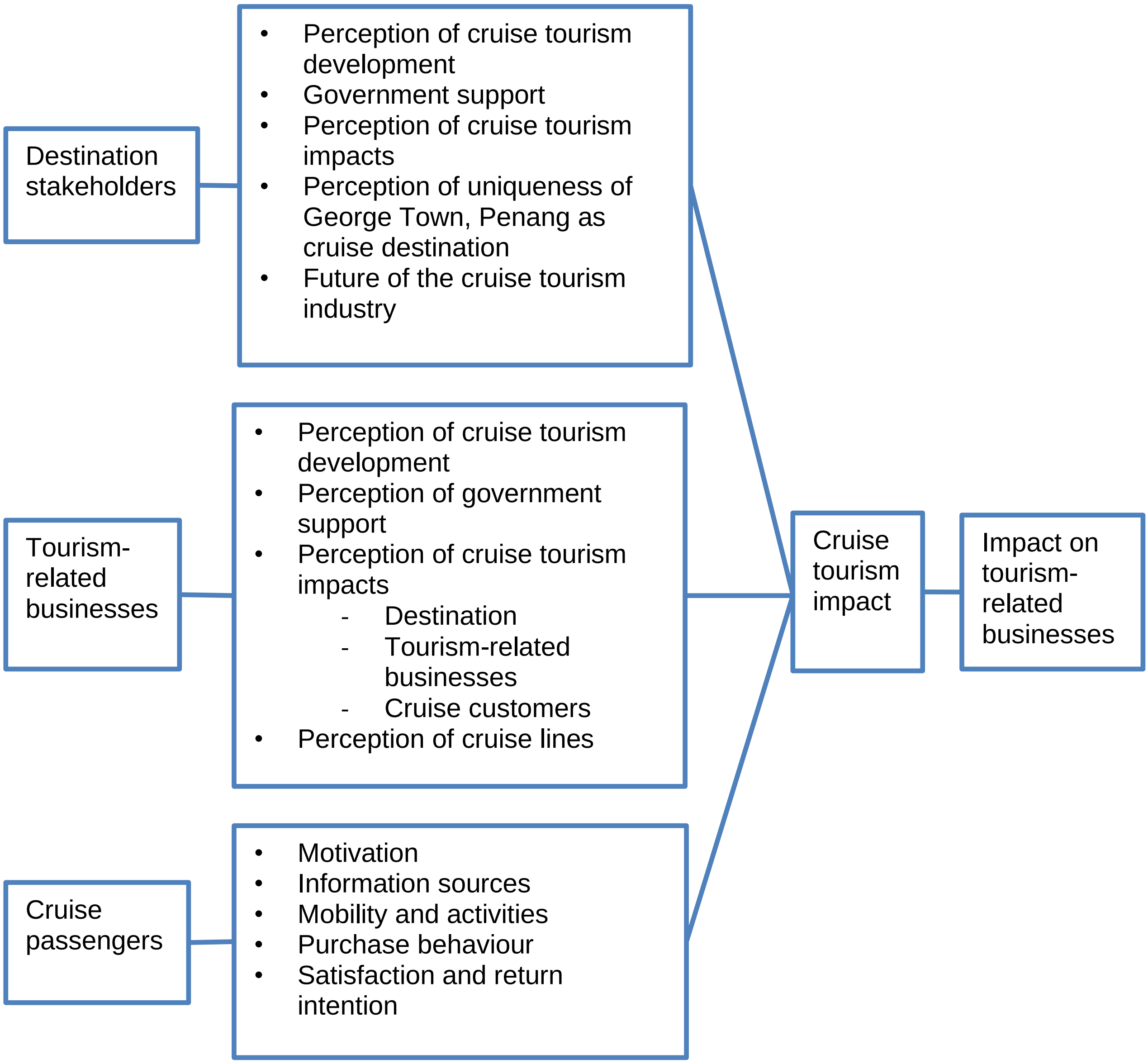


Figure 1.1 The key components of the study

Source: Author

1.3 Study aim and objectives

The study aims to critically evaluate the perceptions of cruise tourism and its impact on tourism-related businesses at a cruise destination, Penang, Malaysia. This study selects one of the leading cruise ports in Malaysia as a case study, namely Swettenham Pier Cruise Terminal in Penang. To achieve this aim, the study adopts the following research objectives:

1. ***To investigate cruise tourism development in Penang, Malaysia from the perspectives of cruise destination stakeholders***

   The objective investigates perceptions of cruise tourism development, the factors that contribute to the development, and future planning and strategic developments. The qualitative method of semi-structured interviews with the organisational stakeholders in Penang is adopted to address this objective. The investigation of perceived cruise tourism development helps to justify and explain how the stakeholders position Penang as a cruise destination. The results will also uncover the impact of cruise activity on the destination.

2. ***To analyse the impact of cruise tourism from the perspectives of tourism-related businesses***

   This objective analyses the perceived impacts of cruise tourism on tourism-related businesses and examines the perceived economic impacts. Data is generated through semi-structured interviews with tourism-related business owners or representatives. The analysis provides an understanding of how tourism-related businesses perceive the impact of cruise tourism and also uncover how the businesses are associated with cruise tourism activity.

3. ***To examine cruise passengers' behaviour at the cruise destination of Penang, Malaysia***

   Cruise passengers' behaviour including motivation, mobilities, spending patterns, satisfaction and return intention is the focus of this objective, based on a questionnaire of cruise passengers at the Swettenham Pier Cruise Terminal in George Town, Penang. This objective also examines the comparison between tour and non-tour participants of cruise passengers to see the difference between the two categories. Cruise passengers are predominantly the crucial aspect of cruise tourism development, therefore understanding the cruise passengers' behaviour is essential to measure the impacts of the cruise passengers on the cruise destination.

1.4 Structure of the thesis

This thesis is organised into eight chapters. This chapter (Chapter 1) explains the research background, research issues, the aim and objectives of the research. Chapter 2 presents a literature review that explores relevant research on cruise tourism, particularly on its impact, also about the cruise-related destination stakeholders, tourism-related businesses, and cruise passengers' behaviour. Chapter 3 sets out the research design used to collect empirical data to inform the thesis, and explains the research methods and the types of analysis used in this study. Chapter 4 presents an overview of cruise tourism in Malaysia and an outline of the case study location, George Town, Penang. Chapters 5, 6 and 7 present the results of three data sets: Chapter 5 reports the findings of qualitative interviews with destination stakeholders; Chapter 6 presents the findings of qualitative interviews with tourism-related businesses; Chapter 7 discusses the findings of quantitative data from a questionnaire survey on cruise passengers at George Town, Penang. Finally, Chapter 8 concludes the main findings of the research, outlines the contribution of the study and suggests the limitations of the study, as well as giving recommendations for future research.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

The aim of this chapter is to present a review of the research literature relating to cruise tourism development and its impact on destinations. Furthermore, previous research on related themes including destination stakeholders, tourism-related businesses and cruise passenger behaviour is reviewed. This chapter begins by reviewing the definition and concept of cruise tourism, exploring the history behind the emergence of cruise tourism and the development of cruise tourism until the present time, as well as investigating the development of academic cruise tourism research. The chapter also appraises the economic, environmental and social impact of cruise tourism development.

The following sections elaborate on the different types and levels of stakeholders at a cruise destination and then discuss tourism-related businesses that are involved in the cruise industry. In addition, this chapter examines the dimensions of cruise passenger behaviours including motivation, mobility, purchase behaviour and satisfaction and return intention. Lastly, the chapter summarises the debates in the literature and then presents a conceptual framework for the study.

2.2 Cruise tourism: definition and concept

At face value, cruise tourism might appear to be a simple construct. However, the evolution of this form of tourism has opened several lines of inquiry. Wild and Dearing (2000: 319) define cruise tourism as *'any maritime based tour by fare paying guests on board a vessel whose primary purpose is the carriage of passengers'*. However, the scope of cruise tourism has developed to encompass much more than just for carriage or transporting of passengers. For example, Teye and Leclerc (1998) define cruise tourism as a pleasure ship voyage where the whole voyage is the experience, including the cruise ship's facilities and services as well as destinations en route.

However, cruise tourism is conceptualised beyond the basic definitions. Van Bets et al. (2016) argue that cruise tourism is a movable placeless activity, with a particular intersection of travelling and belonging to both the space of flows, characterized by the global cruise sphere, and the space of places such as the cruise destinations. This mobility, as Lamers, Eijgelaar, and Amelung (2015) state, requires the involvement of multiple different levels of players (local, regional and global), creating the networks that steer the different flows (on-shore visits, the journey itself and on-board activities) running in the cruise sphere. In addition, cruise tourism is a distinctive form because it can deterritorialize and reterritorialize simultaneously. Cruise tourism becomes deterritorialized as the cruise vessels and tourist flows crossing the globe detach from any state regulations, and constraints of touristic space (van Bets et al., 2016). However, at the same time, cruise tourism becomes reterritorialized by the reachability of destinations from Europe and Asia to the remote and vulnerable regions that are included on the cruise itinerary (van Bets et al., 2016).

2.3 Cruise tourism development

The modern cruise tourism industry began in the 1960s with the establishment of the Norwegian Cruise Line in 1966, Royal Caribbean International in 1968, and Carnival Cruise Lines in 1972 (Rodrigue & Notteboom, 2016). The aim of the developing cruise industry was to cultivate a mass market since cruising was exclusive to the elite. Bigger ships that could accommodate more passengers created economies of scale, while further opportunity for on-board source revenue was created (Rodrigue & Notteboom, 2016). The era between 1970 and 1990 demonstrated the tremendous growth of the cruise tourism industry, carrying around half a million passengers in 1970, increasing to 1.4 million by 1980, and reaching 3.8 million in 1990 (CLIA, 2017b). Ever since then, the cruise industry has expanded geographically to regions such as Europe, Asia and Oceania. While as Weeden, Lester and Thyne (2011) note, maturing cruise markets have repositioned their offerings, with a focus on pricing and sales, development of on-board services and promoting new destinations.

Yet although some markets are maturing, cruise tourism has displayed consistent year-on-year growth in the numbers of global ocean cruise passengers from 17.8 million in 2009 to 26.7 million in 2017, and this accumulated to 6.3% increases from 2016 to 2017 (CLIA, 2018a). Figure 2.1 below shows the number of global ocean cruise passengers from 2009 until 2017, and the projected numbers for 2018 and 2019.

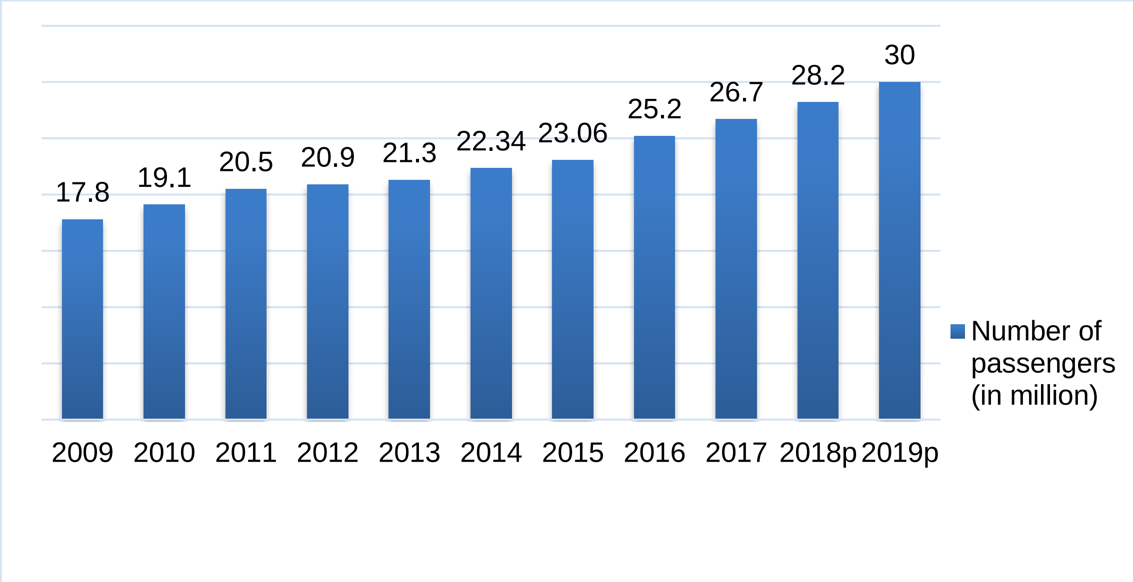


Figure 2.1 The number of global ocean cruise passengers from 2009 and 2019
Source: CLIA (2019)

In the 1970s, although the Caribbean was the main global destination of cruise tourism, the growth of alternative destinations developed in the Gulf of Mexico, the Atlantic, the Pacific, northern Europe, and especially the Mediterranean coast (Vaya et al., 2017). The Caribbean is still the major global destination of cruise tourism, accounting for 34.4% of international cruise deployment (CLIA, 2019) (see Figure 2.2).

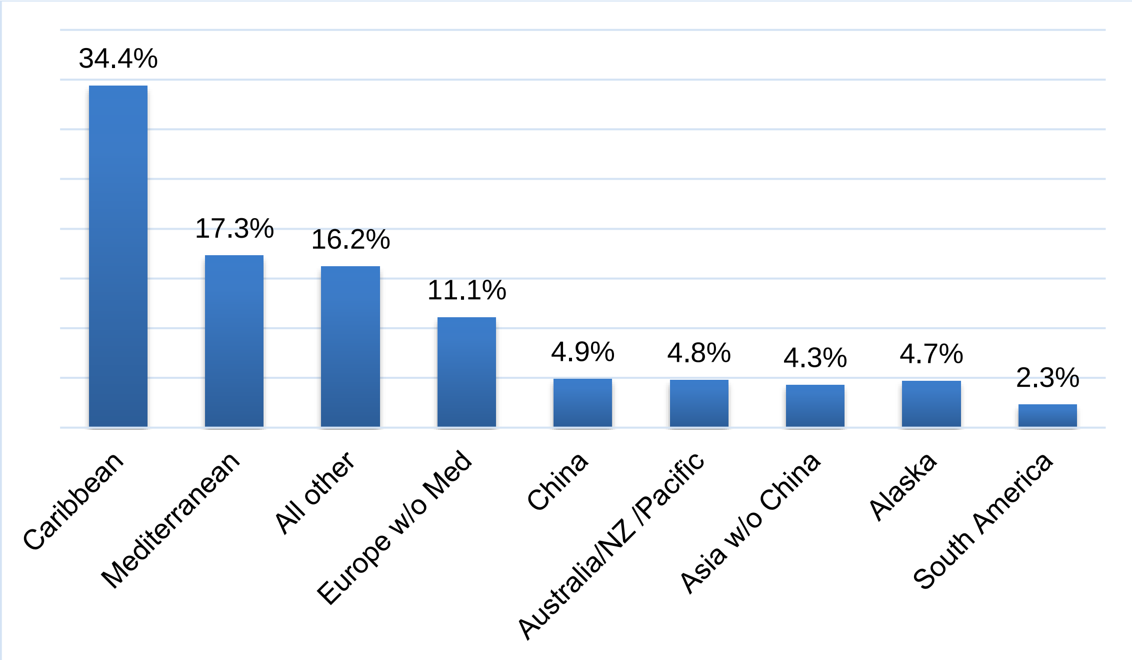


Figure 2.2 The percentage of cruise line deployment by region in 2018

Source: CLIA (2019)

Furthermore, the cruise industry has become very popular in Asian markets. It was reported that Asian cruise passengers mostly cruise only within Asia on short sailings (CLIA, 2018b). The Asian cruise industry grew immensely between 2013 and 2017, as seen in the increases in cruise capacity across all metrics. According to Cruise Lines International Association (2017a: 7), the growth of cruise industry in Asian markets:

- The number of ships deployed in Asia increased 53%
- The number of cruises and voyages within and through Asia grew at 25%
- Operating days expanded 137%
- Passenger capacity approximately tripled from 1.51 million to 4.24 million

Despite the proliferation of the cruise industry, it is actually an oligopolistic industry monopolised by the giant cruise line parent companies from three countries: The United States (USA), Norway and the United Kingdom (UK). This has caused a very high level of ownership concentration because the four major cruise companies account for 96% of the market as measured by the number of cruise passengers: these companies are Royal Caribbean, Norwegian Cruise Line, Carnival Lines and MSC Cruises (Rodrigue & Notteboom, 2013). The domination of these giant corporations increases the barrier to the cruise industry and means that the products and services have become more homogenous. In addition, cruise tourism signifies an on-going process of globalisation at sea that is ambiguous, complex and contradictory, mainly because globalisation separates economic life from the physical, geographical, cultural and political constraints (Wood, 2000).

2.3.1 Port and cruise destination development

The emergence of cruise tourism comes with a requirement for the development of port facilities in the cruise destination. The advancement of the modern cruise ship in terms of its facilities and size of the vessels, calls for a larger space and better facilities at the cruise terminal. As claimed by previous studies (Bel & Fageda, 2008; Vaya et al., 2017), cruise activity acts as a strong catalyst for investment in port facilities. According to London and Lohmann (2014), two reasons inspire the destination management to decide whether to pursue development as a cruise destination, namely: (1) a destination strategy to engage in cruise tourism; or (2) a cruise line approaching the destination.

When selecting and adding a new port-of-call into the itineraries, cruise lines contemplate the potential improvement in the tourist experience supplied, and the related disparity in profitability either in the short and long run (Gui & Russo, 2011). Cruise companies are very particular with regards to the quality and security issues for passengers which includes the dedicated infrastructures and services, docking or anchorage facilities, customs and immigration handling, transportation and coaching services, shore excursions, shopping areas and others (Gui & Russo, 2011). Whereas the cities and ports are concerned about the total economic impact of the cruise business, its social impact, the environmental sustainability, the touristic impacts in the long run, and the global impact on the site image (Gui & Russo, 2011).

Other than that, it is crucial for the destination stakeholders and management to carefully plan to either to pursue cruise tourism and port development or not because according to Munro and Gill (2006), new terminals do not guarantee continued cruise business. They give an example of what happened in 2002 when Vancouver lost more than a quarter of its cruise business to Seattle after terminal expansion. Another case in 2004, in St John, New Brunswick, was the near completion of a US$ 12 million cruise terminal project. It was discovered that it would have one-third fewer visitors in 2005 because the ship Voyager of the Seas was being diverted from Canada to Bermuda.

Besides, destination stakeholders and cruise lines should also be aware of the life cycle of a cruise port when deciding to go for expansion. Corresponding to Gui and Russo (2011), a cruise port/city experiences a life cycle comprising different stages of development, in a similar way to tourist destinations (Butler, 2006). The stages are: exploration (low number of visitors, lack of access and facilities), development (increase in the number of people discovering the destination, enhanced attractions and destination amenities), stagnation/maturity (visitor growth close to carrying capacity), and lastly declining or rejuvenation through technology advances, infrastructure enhancements or new marketing strategies.

2.4 The development of cruise tourism research

To undertake the literature review, Google Scholar was adopted as the main search engine for collecting a database of cruise tourism academic research. The aim of initial searches was to explore and understand the nature and scope of cruise tourism and later to identify previous studies related to the research objectives. The main keyword was '*cruise tourism'*. Other keywords that were used for database searching included '*cruise tourism impact'*, *'cruise', 'cruise tourism development', 'cruise passenger',* '*cruise stakeholders'*, *'cruise ship', 'cruise destination'*. An analysis of titles and abstracts of papers was undertaken to identify for papers that were relatable and suitable to for the study.

As for this research, at first only previous studies in tourism journals were searched, and papers focusing on the cruise industry, the impacts of cruise tourism on cruise destinations, passengers' behaviour at the shore and cruise destinations were selected for review. However, previous studies that focused on cruise destination stakeholders were quite limited. The next stage was to expand the literature search to journals in the transportation, maritime, and policy fields. Table 2.1 presents the related journals that were referred to for this study. The table was developed at the end of the study to show a variety of fields of journals involved for the study.

Table 2.1 Journals referred to in the literature review

Journals	Number of studies focusing on cruise passengers	Number of studies focusing on cruises in general
Tourism Geographies	3	1
Tourism Management	2	1
Annals of Tourism Research	1	3
Current Issues in Tourism	2	1
International Journal of Culture, Tourism, and Hospitality Research	1	0
International Journal of Tourism and Hospitality Research	0	1
Asia Pacific Journal of Tourism Research	o	1
International Journal of Hospitality & Tourism Administration	1	0
International Journal of Tourism Research	5	1
Journal of Hospitality and Tourism Management	1	4
Journal of Travel & Tourism Marketing	1	3
Journal of Travel Research	2	0
Maritime Policy & Management	2	1
Ocean & Coastal Management	1	0
Research in Transportation Business & Management	1	3
Tourism Economics	1	0
Tourism Management Perspectives	1	0
Canadian Journal of Development Studies	0	1
Tourism Review International	1	0
International Journal of Hospitality Management	0	1
Journal of Destination Marketing & Management	0	1
Journal of Sustainable Tourism	0	1
Marine Policy	0	1
PASOS (Journal of Tourism and Cultural Heritage)	0	1
Mobilities	0	1
Sustainable Tourism as a Factor of Local Development	0	1
Total	26	28

Source: Author

Academic research on cruise started as early as 1988 by McKee (1988,) who was among the pioneers conducting cruise studies, and exploring the economic development effects of cruise ship tourism activities on a small island nation. According to Andriotis and Agiomirgianakis (2010), the topic of research interest in cruise study has narrowed to two major areas: first is the issue surrounding cruise passengers' experience behaviour and patterns; and second is the research reviewing various other issues in the cruise industry (Andriotis & Agiomirgianakis, 2010). On the other hand, Hung, Wang, Guillet and Liu (2018) categorised the research key topic into four areas; customer research, cruise management, employee management and destination management, emphasising that customer research is predominant in cruise tourism studies.

The literature review categorises cruise studies into two major areas; first is the research focus on cruise passengers (see Table 2.2), and second is the research that focuses on other cruise issues or cruises in general (see Table 2.3). The themes were categorised based on the main topics and concerns discussed in the previous studies. Previous studies on cruise passengers have explored experiences, satisfaction, return intention, motivation, purchasing behaviour, mobility, activities, excursions, destination attributes, information sources, itinerary and on-board behaviour. The second category of general and other issues in cruise tourism studies includes cruise tourism development, cruise tourism impacts (environmental, economic, social, political, power relations, regulations or policy, sustainability, cruise port, networks of flow and typology). This category includes studies from other destination stakeholders' perspectives such as authorities, local businesses, residents and cruise liners.

Table 2.2 Summary of cruise passengers' studies

Author	Year	Experience	Motivation	Destination attributes	Mobility	Activities	Excursions	Purchasing behaviour	Satisfaction	Return intention	Information source	Itinerary	On-board behaviour
Vayá, Garcia, Murillo, Romaní, & Suriñach	2018							√					
DiPietro & Peterson	2017	√	√						√				
Whyte	2017		√	√									
Lee & Lee	2017						√	√					
Sanz-Blas, Buzova, & Carvajal-Trujillo	2017	√							√		√		
Ros Chaos, Pino Roca, Saurí Marchán & Sánchez-Arcilla Conejo	2018				√								
Larsen & Wolff	2016							√		√			
Ozturk & Gogtas	2016			√					√	√			
Cantis, Ferrante, Kahani & Shoval	2016				√								
Brida, Bukstein & Tealde	2015							√					
Satta, Parola, Penco & Persico	2015	√						√	√		√		
Parola, Satta, Penco & Persico	2014	√				√	√	√	√	√			
Penco & Di Vaio	2014	√						√			√		
Brida, Pulina, Riano & Aguirre	2013	√						√					
Brida, Pulina, Riaño & Aguirre	2012	√			√				√				
Juan & Chen	2012	√											
Teye & Paris	2011		√	√		√							√

Jones	2011	√	√									√	
Andriotis & Agiomirgianakis	2010	√	√			√			√	√			
Hosany & Witham	2010	√							√	√			
Silvestre, Santos & Ramalho	2008	√							√	√			
Kwortnik	2008	√											√
Douglas & Douglas	2004							√					
Petrick	2004								√				
Jaakson	2004				√								
Teye & Leclerc	1998	√							√				
Total		14	5	3	4	3	2	9	11	6	3	1	2

Source: Author

Table 2.3 Summary of studies on other cruise issues

Author	Year	Cruise tourism development	Environment impact	Economic impact	Social impact	Political impact	Power relation	Regulations or policy	Sustainability	Cruise port	Networks & flows	Typology	Authorities perspective	Local business	Residents perspective	Stakeholder	Cruise liner	Paper review
Vayá, Garcia, Murillo, Romaní & Suriñach	2018			√														
Yoshitani	2018									√								
MacNeill & Wozniak	2018		√	√	√										√	√		
Hung, Wang, Guillet & Liu	2018																	√
Vayá, Garcia, Murillo, Romaní & Suriñach	2018			√														
Dawson, Johnston & Stewart	2017			√				√					√			√	√	
Del Chiappa & Abbate	2016	√	√	√	√										√			
Del Chiappa, Lorenzo-Romero & Gallarza	2016	√	√	√	√										√			
Dawson, Stewart, Johnston & Lemieux	2016	√		√	√			√					√	√	√	√	√	

Van Bets, Lamers & van Tatenhove	2016		√				√				√		√	√		√	√	
London & Lohmann	2014						√	√		√			√			√		
Pallis, Rodrigue & Notteboom	2014							√		√								√
Weeden, Lester & Thyne	2011	√																
Dowling	2011	√		√						√								
Klein	2011	√	√	√	√				√									
Stewart, Dawson & Draper	2011											√			√			
Gui & Russo	2011						√	√		√	√					√		
Brida & Aguirre	2010			√														
Hung & Petrick	2010																	
Brida & Aguirre	2008		√	√	√	√												
Gibson & Bentley	2007	√		√	√										√			
Seidl, Guillano & Pratt	2006	√	√	√														
Weaver	2005		√	√														
Lester & Weeden	2004		√				√		√							√		
Wood	2000	√																
Singh	1999	√		√														
Dwyer & Forsyth	1998	√		√				√										
Mckee	1988			√														
Total		11	10	17	7	1	4	6	2	5	2	1	4	2	6	7	3	2

Source: Author

A systematic review of the cruise tourism research conducted by Hung et al. (2018) provides a content analysis of 62 studies from 1997 to 2016. However, Hung et al.'s review only concentrated on studies published in the top six English journals in the tourism and hospitality industry, specifically: *Annals of Tourism Research* (ATR), *International Journal of Hospitality Management* (IJHM), *Tourism Management* (TM), *Journal of Travel Research* (JTR), *Journal of Hospitality and Tourism Research* (JHTR) and *Cornell Hospitality Quarterly* (Cornell). Figure 2.3 below shows the number of English cruising studies during the stated period.

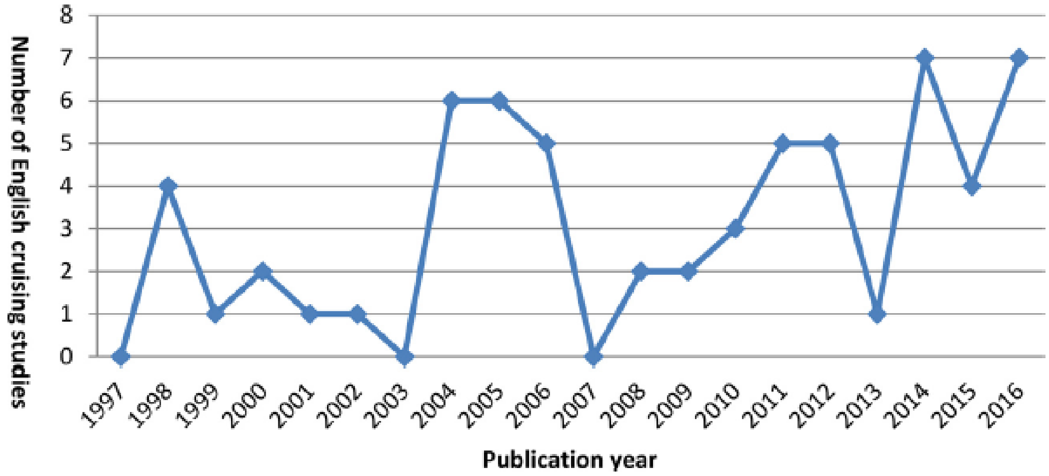


Figure 2.3 The number of cruising studies published in English in the top six journals in tourism and hospitality industry from 1996 to 2016

Source: Hung, Wang, Guillet and Liu (2018)

According to the findings by Hung et al., (2018), a significant number of cruise studies have focused on North America, particularly Florida and Hawaii (42 studies in total). Less focus has been given to Asia (8), Europe (2), and Oceania (2). North America, particularly the USA, has reliably been the most prevalent research destination in cruising for the past two decades, while Asia is a new era of interest (see Figure 2.4). This is in line with the CLIA (2019) that reported the highest number of cruise passengers coming from United States, followed by China in second place (see Figure 2.5).

Continent/ Seas	Frequency	Country/Area	Frequency	Publication year(s) (frequency)
North America	42	USA	40	1997-2006 (18), 2007-2016 (22)
		Jamaica	1	2000 (1)
		Mexico	1	2004 (1)
Asia	8	Singapore	2	2010 (1), 2014 (1)
		Hong Kong	2	1999 (1), 2014 (1)
		Phuket (Thailand)	1	2014 (1)
		Sanya (China)	1	2014 (1)
		Port Klang (Malaysia)	1	2014 (1)
		Taiwan	1	2016 (1)
Europe	2	Germany	1	2012 (1)
		Italy	1	2016 (1)
Oceania	2	Australia	2	1998 (1), 2011 (1)
Caribbean	1			2000 (1)
No-specific-place	8			2004 (1), 2005 (2), 2009 (1), 2012 (1), 2014 (2), 2016 (1)

Note: multiple locations were studied in some articles.

Figure 2.4 The location areas of cruising studies published in the top six journals in tourism and hospitality industry from 1996 to 2016
Source: Hung, Wang, Guillet and Liu (2018)

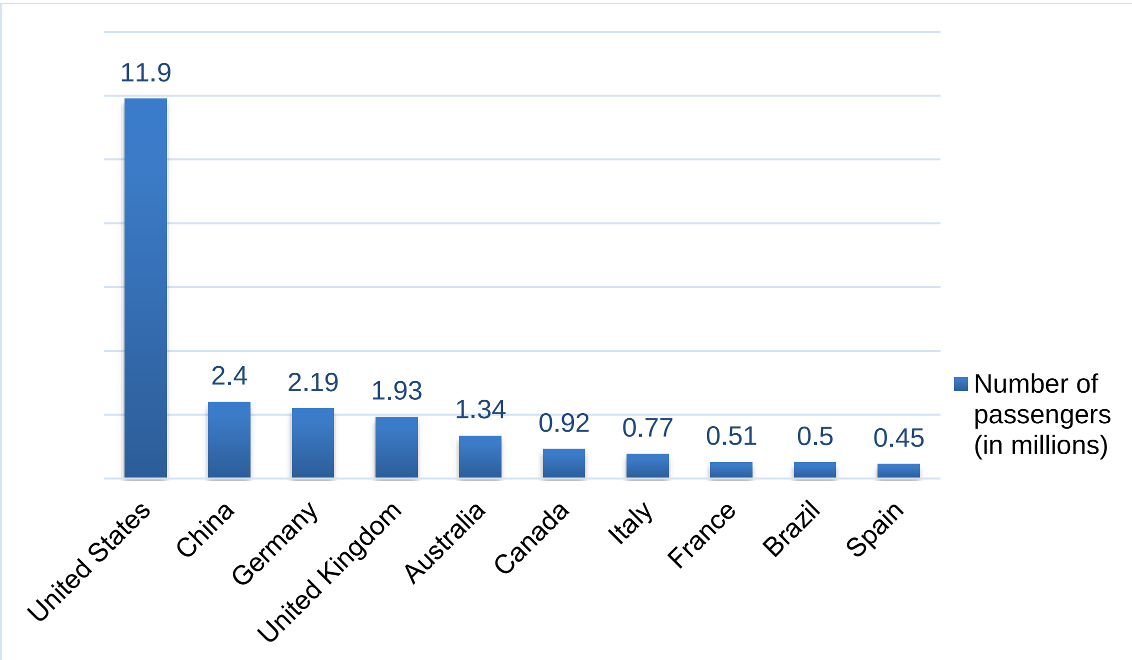


Figure 2.5 Countries of passengers coming from
Source: CLIA (2019)

2.5 Impact of cruise tourism development

The emergence of the cruise industry has increased critical attention from academics and stimulated a prevalence of research on its impacts in a variety of different contexts of economic, environmental and social impacts (Lamers et al., 2015; van Bets et al., 2016).

2.5.1 Economic impacts

Similar to other tourism sub-sectors, the cruise industry has created a significant and growing global economic impact. Cruise Lines International Association (CLIA), the world cruise industry trade association, estimates the global economic impact of the cruise industry in 2014 to be £104.44 million, increasing to £32.20 billion in 2016, with 939, 232 full-time jobs in 2014 to 1,021, 681 full-time jobs in 2016 (CLIA, 2018a).

According to Brida and Aguirre (2008), the cruise industry has the potential to generate economic benefits in a port state and these economic benefits occur from five principal sources:

1) Spending by the cruise passengers and crew;

2) The shoreside staffing by the cruise lines for their headquarters, marketing and tour operations;

3) Expenditures by the cruise lines for goods and services necessary for cruise operations;

4) Spending by the cruise lines for port services;

5) Expenditures by cruise lines for maintenance.

Dwyer and Forsyth (1998) investigated cruise related expenditure and categorised it into three types; passenger, operator and crew expenditure. Table 2.4 shows cruise related expenditure breakdown involving the passengers, operators and crews.

Table 2.4 Cruise related expenditure

Passenger expenditures	Operator expenditures	Crew expenditures
Airfares to/from base country Internal travel Add-on expenditure: Accommodation Meals Shopping Excursions Port Expenditure: Meals Excursions and travel Shopping	Port expenditures: Government charges Port charges (including terminal) Towage Provedoring: Stores and provedoring Bunkering Services (waste disposal, water)	Local crew Port expenditure by foreign crew Ships maintenance Marketing in base country Taxes: Income tax Customs duties Departure taxes

Source: Dwyer and Forsyth (1998: 395)

Nonetheless, according to Munro and Gill (2006), the regional economic impact of all the expenditures contributed by cruise tourism is influenced by several key parameters:

1) The number of days the average cruise passenger spends in the region is determined by such factors as a personal choice, whether a city is the origin and/or destination of the cruise, and how regional ports are visited and for how long.
2) Average cruise passenger expenditures per day are determined by average passenger income, personal tastes and choices and port arrival/departure travel mode.
3) Average expenditures per crew member depend on the number of visits to each port and average salary levels of crew members. These vary by occupation, by nationality and by ship.
4) Cruise company expenditures depend on vessel size and characteristics (expenditures per vessel by cruise companies increase as the size of ship increases) and vessel schedule and cruise marketing.
5) Multipliers to extend the economic impact of initial expenditures across the regional economy depend on the interindustry structure of the regional economy and spending stream leakages.

Furthermore, previous studies claim that cruise activity acts as a strong catalyst that accommodates increasing investment in port infrastructure, revitalizing existing businesses and creating new activities of businesses at the port destination (Bel & Fageda, 2008; Vaya et al., 2017). Vaya et al.'s study (2017) found that the growth of the cruise segment at the port of Barcelona since 2000 caused momentous investments in the port infrastructure, improving the existing terminals and building new ones devoted exclusively to cruise ships. Furthermore, the Port of Barcelona has become as an essential port, which is a clear pull factor that has steered several huge shipping companies such as Carnival and Royal Caribbean, and other cruise sector companies to locate their headquarters in the city.

Likewise, Seidl et al. (2006) outline in their work that cruise tourism can be a potential driver of natural resource based economic development. For instance, ports of call give an ephemeral taste of the destination to a large number of passengers served by the cruise ships for a longer visit in the future. Past studies revealed that a satisfying trip experience influences the intention to return to a destination (Baker & Crompton, 2000; DiPietro & Peterson 2017; Pritchard & Howard, 1997). In addition, investment in local buildings and infrastructure can be reduced since cruise ships provide beds for their passengers. This may provide a positive impact on the local economy by way of reduction in investments aiding in controlling high levels of economic leakage because for many cruise tourism destinations, the construction materials are largely imported and well-known resorts and hotels are not locally owned.

The cruise industry development at a port destination can act as a natural catalyst for the development of other transportation, especially air traffic (Bel & Fageda, 2008; Lindsay, 2011; Vaya et al., 2017). Vaya et al., (2017) assert that cruise traffic at the Port of Barcelona stimulates intercontinental routes to and from Barcelona Airport with 78% of cruise passengers boarding or disembarking at the port taking aircraft as a means of transportation to or from the port. This has been verified by applying co-integration techniques to these series, convinced the existence of a long-term relationship between the series of cruise passengers at the Port of Barcelona and passengers on international flights.

According to Dowling (2011), the growth in the number of cruise lines visiting Australian ports is parallel with the growth in the passenger capacities of the ships, the number of cruise passengers visiting Australia, and their expenditure while in the country. However, attracting large cruise ships into port requires a large amount of capital investment in infrastructure and maintenance (Brida & Aguirre, 2008). The development of the cruise industry causes the advancement of cruise ships in size with greater facilities, hence it also affects further port expansion. One issue of concern is that this tourism scenario with high infrastructure or environmental costs, and a rapid growth of tourism may result in the stagnation of or even a decline in GDP (Brida & Aguirre, 2008; Nowak & Sahli, 2007; Nowak, Sahli & Sgro, 2003).

However, Douglas and Douglas (2004) justify that even though disbursements in ports such as in the case of their study of Lifou, New Caledonia, seem insignificant, the contributions of the ship itself must be considered because cruise ships pay a flat fee to the local landowners of every port. Furthermore, the small advantage that these ports have compared to advanced ports in urban areas is clear in that there is virtually no leakage of income as most of the entertainment and meals supplied are based on the local capacity to provide. They claim that the degree of sophistication of the ports and their roles will have important impacts on the amount of leakage of this form of economic input.

Seidl et al. (2006) state that the development of the cruise industry reflects the need for investment in terminals for larger ships arriving in greater numbers and such investment will generate income and opportunity for job creation in destination countries and for host communities. However, Seidl et al. (2006) argue that in terms of the cruise industry's impact on local economic development, it seems that the amount of money generated for the local economy per cruise tourist is significantly lower than for other types of tourism although the total tourism expenditures of cruisers may be similar to that of other tourists. Cruise companies seem to capture most of the economics in returns from the cruise tourist experience, regardless of the role of the local natural resource base and the role people might have played in it.

If in the past cruise ships made ports of call and destinations as the core attraction, the most recent cruise ships have focused on promoting the ship as a holiday destination by providing all-inclusive resort experiences. Being on board a cruise ship not only indulges the passengers with a great view of the sun and sea but also provides various kinds of entertainment, such as unticketed cinema and theatre shows, unlimited restaurant dining, and shopping centres on board. Penco and Di Vaio (2014) suggest that cruise passengers would rather eat on board rather than in port destinations because they have paid for the all-inclusive program of the cruise ship. Consequently, they also assume that the cruise industry does not function as a 'marketing tool' for either local destinations or countries. The fact that the deviation from floating hotels to floating resorts increases the incentives for the industry to maximize the time and money passengers spend on board and minimize their time in port, this has caused direct competition between cruise ship companies and local communities for the expenditures of cruise tourists (McKee & Mamoozadeh, 1994; McKee, 1988; Seidl et al., 2006).

Jayawardena (2002) asserts that although cruise passengers is a large market segment for Caribbean tourism, however it is frequently criticised for creating lower than potential income for host destination. Dwyer and Forsyth (1998) state that although cruise passengers contribute to a national economy like other types of visitors, the major difference is that they will spend more money on the cruise itself instead of local services. Thus, more payment will go directly to the foreign-owned operator, and perhaps indirectly to the home country if the cruise lines purchase any good and services from them. A key feature is that this will not be beneficial to businesses in the ports of call.

To determine the impacts of every activity requires an economic calculation that subtracts direct leakages from the gross expenditure. Furthermore, not all local expenditure stays within the local economy. The size of the local multiplier is reliant on the total of indirect and induced local purchases determined by the direct purchases of tourists and one issue that might arise is that the possible differences in economic impact per visitor may worsen if the differences in purchasing behaviour are from products with substantial local content or are from imported luxury goods (Seidl et al., 2006). Frechtling (1994) explains that the multiplier is the total effects (direct, indirect and/or induced) divided by the direct effects of tourism. This theory is based on the recirculation of income by which beneficiaries use some of their income for consumer spending, which then results in additional income and employment. For instance, if the cruise's passengers purchase goods produced by non-local manufacturers, there will be a consequent direct leakage in the first round of spending and thus no local impact from production.

Investigating the cruise passengers' expenditure and its characteristics in relation to the stimulation and development of sustainable local economies is of key importance to policymakers at the port destination (Dwyer & Forsyth, 1998). Furthermore, understanding cruise passengers' expenditure at the port destination would be of great benefit to both cruise line companies and local businesses (Henthorne, 2000; Lee & Lee 2017). While there are many studies of leakage, and economic analyses of cruise tourism, the attention given to tourism-related businesses, and particularly to the perception of local businesses, is minimal.

2.5.2 Environmental impacts

Most tourism destinations rely upon the natural environment that makes them significant, unique and valuable to attract tourists. Lester and Weeden (2004) note that, marine activities are important for Caribbean tourism, and thus the expansion of ports and terminals to lodge the mega cruise-ships has given rise to a conflict between the need to preserve the nature of Caribbean waters against the desire for growing economic benefit from cruise tourism. Lester and Weeden (2004) outline two sources of negative environmental impacts of marine tourism, as those: (1) caused by the infrastructure to support the marine activities, and (2) caused by activities of tourists themselves. Further, they add that sea-based activities such as channel dredging, boat anchoring and direct pollution from ship sewage undeniably cause damage to the marine environment.

Allen (1992) states that anchor damage is identified as one of the major threats to Caribbean marine life especially since the increases in the numbers of cruise ships moving through the area. Examples given by Uebersax (1996) on the adverse impacts of Caribbean cruise tourism are the devastation of coral reefs and water pollution within both harbour and coastal areas. Moreover, cruise ship activities not only produce fluid pollution but also contribute to solid waste such as the disposal of food waste, plastic, paper, cans, glass, and personal items by the passengers. Herz and Davis (2002) estimated that every single cruise passenger was responsible for 3.5 kilograms of solid water per day in the 1990s; however, Klein (2011) argued that the volume had decreased by nearly half as better attention has been given in recent years.

What is worse is that air emissions from ship engines not only cause air pollution but also had resulted in an estimated 60,000 deaths worldwide every year from air pollution and this was projected to increase by 40% by 2012 due to the rise in global shipping traffic (Corbett, Winebrake, Green, Kasibhatla, Eyring & Lauer, 2007). Nonetheless, despite past researchers having warned of the effects of pollutant emissions from cruises and its activities, the impacts are lower than those produced by road traffic, industry, and other economic sectors (Vaya et al., 2017).

2.5.3 Social impacts

The increase in the number of cruise ship arrivals in a port destination has raised an issue of overcrowding or people population. Baekkelund (1999) refers to people pollution as of the point where the carrying capacity of a port is surpassed. Brida and Aguirre (2010) and Bonilla-Priego, Font, and Pacheco-Olivares (2014) refer to this as the effects of agglomeration in the destination cities and the environment. This happens when cruise passengers arrive simultaneously, in huge numbers and concentrate their visit into a few hours. This congestion causes inconvenience to other visitors and local residents, and may cause a crowding effect on residents living in the centre of cities (Motta, 2014).

Whilst Klein (2011) states that five ships would have offloaded 10,000 passengers or less at a port of call in the 1990s, now five ships can carry twice as many or even more passengers. This can be confirmed by the increases in the number of global ocean cruise passengers for the past 10 years (see Figure 2.2). The problem arising from this issue is that the influx of a larger number of visitors at a certain time of a day affects the local community’s ability to accept and deal with the passengers.

Klein (2011) outlines the statement by the United Nations Committee on Sustainable Tourism, which states that as the social carrying capacity of an island is exceeded, the cost of living will grow parallel with overcrowding, traffic congestion and noise pollution. Klein (2011) gives an example of the situation in Key West, Florida after cruise tourism surpassed the city's carrying capacity, and had a destructive impact on the traditional, land-based tourism and local community. Klein (2011) continues to say that the Caribbean is an example of a mature cruise destination where ports become homogeneous. This can be seen in the similarity of duty free shops, jewellery stores, and an assortment of tourist-oriented products sold at the ports of call. One of the concerns is that this homogenisation may contribute to economic leakage because most of the stores are owned by foreign companies. Nevertheless, negative impacts could be minimized if the cruise operators cooperate with the local community and engage with them in efforts to mutually benefit from cruise tourism development.

Klein (2011) also raises a concern about sociocultural authenticity, doubting if cruise passengers have actually communicated with local people or experienced local culture. The arrival of passengers in bulk has caused limitations in visiting a certain place with limited space. Moreover, inadequate time for cruise passengers at the shore restricts the places that can be visited. In addition, Klein (2011) questions the authenticity and accuracy of the information about the port destination given by on-board lecturers or tour leaders. He adds that passengers tend to rely on cruise ship employers, although the information provided frequently is limited and incorrect.

On the other hand, Brown (2002) indicates that the arrival of a large number of visitors in a community may be a trigger for developing the provision of services that were previously not available to the local community. This view is also supported by Kotval and Mullin (2011), who express that tourism-related development through an increased level of cruise tourism has the potential to bring about reformative results in city waterfront areas.

In short, though there are numerous studies concerning the impacts of cruise tourism (Dawson et al., 2012; Del Chiappa & Abbate, 2016; Del Chiappa et al., 2016; Dwyer & Forsyth, 1998 Klein, 2011; Seidl et al., 2006) nonetheless, studies on the impacts of cruise tourism for the local businesses at the shore is rather limited. In addition, some issues of the impact of cruise tourism development, as discussed above, are in need of further investigation. Thus, this study will examine the perceptions of the related stakeholders such as the local authority, local tourism, policy makers and tourism-related businesses to discuss the impact of cruise tourism on the destination.

2.6 Cruise destination stakeholders

The fragmented nature of the tourism industry is advocated as the primary need for cooperation as many different stakeholders have interests in the tourism planning process, thus through a process of shared information and decision making with all the stakeholders involved that tourism planning can evolve with minimal negative impacts (Ladkin & Bertramini, 2002). The activities of cruise tourism involve many stakeholders at different levels, locally and globally, who have an importance in or are impacted by the activities. London and Lohmann (2014, p.27) define cruise destination stakeholders as the following:

> *Stakeholders who have a legitimate interest in cruise infrastructure development invariably include a diverse array of private and public sector groups and individuals who represent a wide range of interests. They may represent monolithic government organisations, multinational enterprises, central business district, business associations or loose coalitions of local residents or businesses. Their geographical reach may be local, regional, national or international.*

They further classify the stakeholders in the cruise industry into four major categories: (see Table 2.5). The first category is the cruise line stakeholder who owns, operates and manages the cruise line, commercial relationships and the ships. The stakeholders are predominantly the cruise industry groups, the cruise line shareholders, management, the ship's company and cruise passengers. The second category is the gatekeeper stakeholders who have the power to allow or prohibit the ships, passengers and crews from visiting a cruise destination. These stakeholders can be the regulatory officials, airlines and other long-haul transport providers. The third category is the portside stakeholders who deal with ship and passengers within the area of the cruise terminal and port. They are usually the cruise terminal and port owners or operators. The fourth category is the shoreside stakeholders involved with cruise passengers and crews at the shore of destination. They are typically the government, destination management organisations, local businesses and local residents.

Table 2.5 Categories of stakeholders

Category	Stakeholders
1. Cruise industry Own, operate and manage the cruise lines, their commercial relationships and their ships	Shareholders Executive/management Ship's company Cruise passengers Overarching cruise industry groups
2. Gatekeeper stakeholders Determine whether it is possible for ships, passengers and crew to visit a given cruise destination	Regulatory officials Airlines and other long-haul transport providers
3. Portside stakeholders Involved with the ship and passengers within the area of the port and cruise terminal	Port owners, operators and management Cruise terminal owners and operators Port agents Ship service providers
4. Shoreside stakeholders Involved with passengers (and crew) on-shore, in the destination	Government (national, state and local) Developers/investors Inbound tour operators and ground handlers Destination management Organisations Tour and attraction owners and operators Local transport providers Local businesses and business organisations Emergency, health and security providers Local residents including environmental and other activist groups Facilitators (including the media, academics, consultants and lobbyists)

Source: London and Lohmann (2014)

Since the cruise tourism industry involves many players, identifying what includes a cluster in a cruise port and how the main actors are coordinated, and how they co-operate and are integrated is vital. According to Gui and Russo (2011), the relationship between destination ports, cities, and global cruise lines is complex. This is because local players in destinations and global cruise lines collaborate and compete to attract cruise tourists and get a hold on their spending. In Figure

2.6, Gui and Russo (2011) outline the cruise global value chain (GVC) and the complex interaction between destination players and cruise lines. The chart simplifies the complexity, multiplicity, and a number of players and relationships that create cruise tourism products. Destination players such as port, transport, hotel, and on-shore services that have evident linkages with cruise liners are distinguished in black.

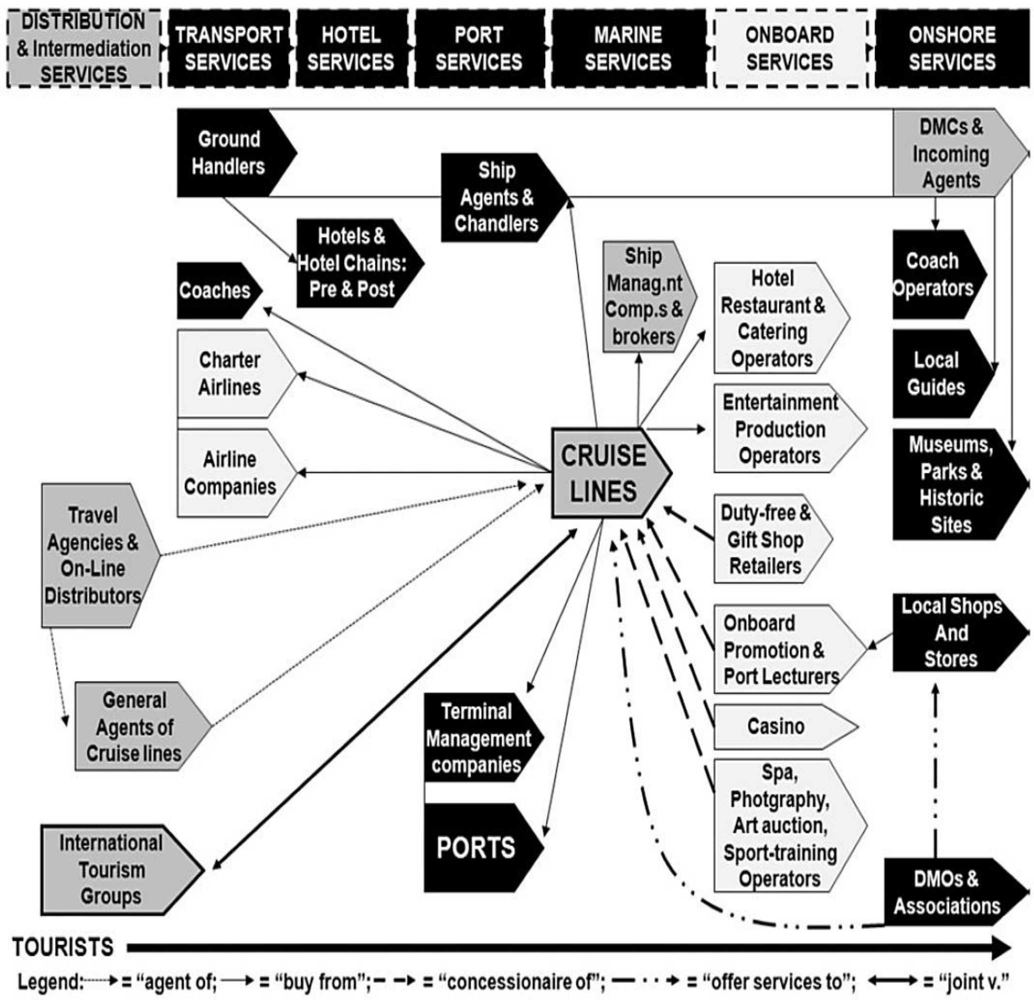


Figure 2.6 Cruise Global Value Chain destination linkages

Source: Gui and Russo (2011)

2.7 Cruise tourism and tourism-related businesses

Tourism-related businesses involve activities that meet the demands and needs of tourists, such as food, accommodation, transportation and other necessities. Othman and Rosli (2011) categorize business activities in tourism as food and accommodation services; retail and souvenir; travel agent, transport and sport;

and other businesses. Haber and Reichel (2005) state that the tourism industry involves a range of businesses and ventures that offer different forms of tourism experiences and various activities for tourists. However, there are three main sectors of tourism venture which are accommodation, sites of interest, and active recreation sites. Sites of interest comprise sites such as museums, zoos, heritage sites and arts and craft centres that usually offer educational themes. Active recreation sites offer active physical experiences, either through ‘‘soft’’ activities such as bicycle riding, nature walks and camping or ‘‘challenging’’ activities such as hiking, climbing and rappelling, mountain-biking and scuba.

In the cruise sector, Seidl et al. (2006) identified four main economic agents in the cruise industry: cruise tourists; cruise ship employees; port communities and countries; and the cruise company. In addition, cruise tourism influences all four aspects of tourism market; accommodation, transportation, tourism operations and tourism services (McKee, 1988). Furthermore, Johnson (2006) classifies five categories of excursions offered by the top cruise lines in the Caribbean: landscape/seascape tours, wildlife adventurous activities, cultural tours and heritage tours.

The fact that cruise development has created a marked deviation from floating hotels to floating resorts increases the incentives for the industry to maximize the time and money passengers spend on board and minimize their time in port. This has caused direct competition between cruise ship companies and local communities for the expenditures of cruise tourists (McKee 1988; McKee & Mamoozadeh, 1994; Seidl et al., 2006) as well as with the land-based resorts (Kester, 2002).

It is undeniable that cruise lines make significant profit from the expanded cruise tourism industry. Even though cruise lines sell land-based activity provided by locals, it comes with a substantial mark up. For example, Klein (2003) claims that the mark up is commonly 50% above the actual price and contracts with local retailers for favoured status deal for as much as 40% of gross sales. Additionally, the local tour operator is sometimes left with 50% or even 25% of the value paid by the cruisers for land-based activities (Brida & Aguirre, 2008). Cruise lines also charge the tourism service providers that want to advertise on board. Further, some cruise lines own private islands and territories, which can reduce local economic benefit as the tourists do not disembark at the destination (Brida & Aguirre, 2008).

In addition, often the communities and local businesses that are reliant on cruise tourism must contend in an environment conquered by several multi-national corporations (Seidl et al., 2006). The cruise industry is a strong lobbying group of lawmakers in a port destination, and other significant lobbying groups are the tourism operators that dominate the operation of tours and shore excursions at the port destination (Brida & Aguirre, 2008). This results in the small local businesses, especially the tour and excursion operators, withdrawing from profiting in the cruise industry.

Seidl et al. (2006) state that understanding the economic contribution from the viewpoint of local businesses is crucial despite that the data and information on the economic impacts of cruise tourism can be obtained from travel cost surveys that are typically conducted by national tourism agencies. One of the reasons for Seidl et al.'s conclusion is that the tourist surveys may unveil the expenses in the port country but not for the port community. They go on to say that a disparity in the dispersion of costs and benefits of cruise tourism development between the port community and the country may require necessities or justify corrective social, environmental or economic policy. This is line with the social exchange theory by Ap (1992), who claims that residents tend to encourage more tourism development when they notice that the benefits of the development are greater than the related costs.

2.7.1 Tourism businesses in Malaysia

Enterprise is commonly used to represent the micro, small and medium business activities. Understanding the definition of small or medium-sized enterprises (SMEs) helps to categorise the size of business. Malaysian SMEs can be categorised into three groups: micro, small, and medium enterprises. The National SME Development Council (NSDC), which is the highest policy-making authority on SME development in Malaysia, defined SMEs in terms of firm size and annual turnover, depending on sector. Sectors in SMEs are established as five key economic sectors, namely, manufacturing, agriculture, mining and quarrying, construction and services sectors. The Malaysian economy categorises the service sector based on the World Trade Organisation's (WTO) classification of business, communication, construction and related engineering, distribution, education, environment, financial services, health related and social services, tourism and related travel, recreational, cultural and sporting services, transport and other services.

Based on the NSDC definitions, micro enterprise in the manufacturing sector is an enterprise with less than 5 full-time employees with a turnover of less than RM250, 000 while a micro enterprise in the agriculture, mining and quarrying, construction and services sectors, is an enterprise with less than 5 full-time employees, and with a sales turnover of less than RM200, 000. A small enterprise in the manufacturing sector is an enterprise with between 5 and 50 full-time employees, with an annual sales turnover of between RM250, 000 and less than RM10 million. On the other hand, a small enterprise within the agriculture, mining and quarrying, construction and services sectors, is an enterprise with of between 5 and 20 full-time employees, with an annual sales turnover of between RM200, 000 and less than RM1million. A medium enterprise in the manufacturing sector is an enterprise that possesses between 51 and 150 full-time employees, with an annual sales turnover of between RM10 million and RM25 million. Finally, a medium enterprise within agriculture, mining and quarrying, construction and services sectors sector is an enterprise that has of between 20 and 50 full-time employees, with an annual sales turnover of between RM 1 million and RM5 million.

These definitions are applied by all government ministries and agencies involved in SME development, as well as by the financial institutions. Thus, this study applies the definition of SMEs based on Malaysia SMEs definition. Table 2.6 summarises these definitions:

Table 2.6 Malaysia SMEs definition

Sector	**Manufacturing**	**Agriculture, Mining and Quarrying, Construction and Services**
	Based on full-time employees	
Micro	Less than 5 employees	Less than 5 employees
Small	Between 5 and 50 employees	Between 5 and 20 employees
Medium	Between 50 and 150 employees	Between 20 and 50 employees
	Based on annual sales turnover	
Micro	Less than RM250,000	Less than RM200,000
Small	Between RM250,000 and less than RM10 million	Between RM200,000 and less than RM1 million
Medium	Between RM10 and RM25 million	Between RM1 million and RM5 million

Source: Department of Statistics Malaysia (2011)

2.8 Cruise passenger behaviour

Often, previous studies that focus on cruise passengers will interchangeably use the term '*passenger', 'tourist', 'visitor', 'cruiser', 'traveller' and 'guest'* (see Table 2.7). This study uses the term 'passenger' as it is the term most widely used in the literature. According to McAdam, Bateman and Harris (2005) in the Dictionary of Leisure, Travel and Tourism, a passenger is defined as somebody who travels in a plane, bus, taxi, train, car and ship, but is not the driver or a member of a crew.

Table 2.7 Terms used in the literature

Term used in the studies	Counts	Cited by studies
Passengers	13	Vayá, Garcia, Murillo, Romaní, & Suriñach (2018); Ros Chaos, Pino Roca, Saurí Marchán & Sánchez-Arcilla Conejo (2018); Cantis, Ferrante, Kahani & Shoval (2016); Brida, Bukstein & Tealde (2015); Penco & Di Vaio (2014); Brida, Pulina, Riano & Aguirre (2013); Brida, Pulina, Riaño & Aguirre (2012); Jones (2011); Silvestre, Santos & Ramalho (2008); Douglas & Douglas (2004); Petrick (2004); Jaakson (2004); Teye & Leclerc (1998)
Tourists	4	Lee & Lee (2017); Sanz-Blas, Buzova, & Carvajal-Trujillo; Larsen & Wolff (2016); Juan & Chen (2012)
Visitors	3	DiPietro & Peterson (2017); Ozturk & Gogtas (2016); Andriotis & Agiomirgianakis (2010)
Cruiser	2	Hosany & Witham (2010); Kwortnik (2008)
Passengers and cruisers	2	Satta, Parola, Penco & Persico (2015); Parola, Satta, Penco & Persico (2014)
Guests	1	Teye & Paris (2011)
Traveller	1	Whyte (2017)

Source: Author

The ability of ports to provide a positive in-port experience for the passengers is vital because cruise lines are very selective and they are willing to change routes and disregard specific ports if they contribute to an unsatisfactory passenger experience (Andriotis & Agiomirgianakis, 2010). A cruise vacation indirectly relies on the multiple ports where passengers' stopover, thus unsatisfactory aspects may develop into a negative image of the cruise and this will strongly affect future return intentions of passengers.

DiPietro and Peterson (2017) assert that investigations of the cruise tourists' behaviour and factors that stimulate their behaviour are vital to help cruise tourism destinations stay competitive in this era of the accessible global market of cruise destinations. The sustainable competitiveness and strategic resilience of tourism destinations are more and more dependent on the (impalpable) destination resources and abilities that are significance, distinctive, and nurtured from within, regardless of the significance of natural, fiscal, social, and physical assets and attractions for the development and growth of cruise tourism destinations (Peterson, 2007).

As claimed by Hung (2018), the study of tourists in the context of cruise tourism is rather lacking, while the existing studies have concentrated on the Western hemisphere with the deficiency of understanding of the new markets and operations at other destinations.

2.8.1 Motivation

The motivations of cruise visitors are unlike those with land-based visitor motivations. Teye and Paris' (2011) argument is that the experiences of cruise visitors can be thought of as a 'sampling experience'. This means that if it gives a positive experience, it may attract the visitor to the destination for a repeat visit. Their findings also suggest that the ports that have better developed cruise terminals benefit by drawing more cruise visitors to spend time in the port areas.

Contemporary theories in the social sciences have explained motivation and what motivates behaviour. DiPietro and Peterson (2017) outline three contemporary theories that often rely on cognitive and behavioural models such as the very famous theory of motivation (Maslow, 1970), the theory of reasoned action (Fishbein & Ajzen, 1975), and the theory of planned behaviour (Ajzen, 1991). These models suggest that people's perceptions, attitudes, and "satisficing" behaviours are the best forecasters of consumer intentions and human behaviour.

Andriotis and Agiomirgianakis (2010) discovered that the exploration dimension is the most important motivational factor for cruise visitors in the Mediterranean Sea of Heraklion, Crete. They are highly motivated by the desire to explore the historical and cultural aspects of the destination as a means to enriching themselves. This is in contrast to studies on the Caribbean Sea, such as that by Teye and Paris (2011), who reported the five fundamental dimensions of cruise passengers' motivations as being convenience/ship based, exploration, escape and relaxation, social and climate. On the other hand, Jones (2011) found that personal and Internet-based information sources are most significant for North American cruise tourists and that their desire to cruise is mainly based on the need for stimulus-avoidance. Interestingly, the study also reveals that motivations are affected and varied with cruise experience, but not cruise itinerary in terms of the length.

These certain dimensions of motivational theories may apply to a cruise vacation. However, some studies (Kwortnik, 2008; Weaver, 2005) emphasise that cruises have a number of exclusive attributes such as: the ship itself is a destination; all-inclusive package of the cruises; cruises offer multiple destinations; and passengers have the choice not leave the ship. All these make them distinctively different from land destinations.

On the whole, studies on tourism motivation conceptualize and operationalise this dimension as the interaction between "push" and "pull" dimension and subfactors. Crompton (1979) explains the push factor of motivation as the internal influence and psychological desire to want to go on vacation. Conversely, pull factors are often the physical attributes of a destination that can potentially attract or pull potential visitors to the location. Pull factors contradict the push factors, as the pull factors refer to the supply side of a destination features, which include the destination image; tourism infrastructure; physical and cultural attractions, tourism brand association; and at the present time, it also includes tourism safety, security, and sustainability (DiPietro & Peterson, 2017; Teye & Paris, 2011; Peterson, 2007).

Ultimately, this study aims to understand the pull factors of the destination attributes of Penang, Malaysia that have the potential to attract cruise passengers. By adapting the findings of Andriotis and Agiomirgianakis (2010), the destination attributes that will be investigated are: newness and novelty of a place; different cultures and heritage; variety of nature and scenery; pleasant climate; historical place/site to visit; museum/gallery to visit; low travel cost; safety and security; local crafts and handiworks; shopping; exciting activities; nightlife; walking distance from port to city/town; attractions nearby port; and facilities at the port. In addition, this study also will explore and measure the importance of sources of information in providing information about Penang, Malaysia.

2.8.2 Mobility

Despite the number of studies on cruise passengers' behaviour, only a few look at cruise passengers' spatial behaviour at a destination (Cantis, Ferrante, Kahani & Shoval, 2014). Policymakers, local authorities and local tourism could benefit significantly from improving knowledge and understanding the complex nature of cruise passengers' behaviour at shore destinations.

According to Jaakson (2004), as tourism shops and other retail outlets are concentrated around the area of cruise port terminals, thus cruise passengers remain concentrated in a very restricted area of the destination. Jaakson's findings demonstrated that cruise passengers are willing to walk less than 200 metres from the beachfront promenade and avoid the rest of the town. However, it is not always so. Andriotis and Agiomirgianakis (2010) claim that cruise passengers prefer to walk around the city instead of participating in a tour or hire a taxi and that because of a limited time at the shore, cruise passengers' activities tend to be restricted to sightseeing and shopping.

Contrary to Jaakson (2004)'s findings, a recent study by Cantis et al. (2016) found different behavioural patterns of cruise passengers in the destination. The findings reveal that cruise passengers' movements varied in distance from 0.5 kilometres to about 58 kilometres; however, the average maximum distance was approximately three kilometres. This study uses a combined survey instrument of questionnaires and the use of emerging GPS tracking technology system. All passengers surveyed were provided with a GPS data logger device aimed at recording information on space-time behaviour during their visit to the destination.

According to Ros Chaos et al. (2018), a passenger's decision to use one transport mode over another depends on several factors such as whether he or she is travelling alone or with family, income level, and age. Undoubtedly, many studies have emphasised passengers' behaviour; however, few studies have specifically looked at passengers' choice of transportation and consequently, this is not a well-explained phenomenon (Cantis et al., 2016; Ros Chaos et al., 2018).

In addition, understanding the mobility of cruise passengers is crucial because it is associated with disembarkation, which is often worse when more than two cruise ships are disembarking passengers at the same time. Therefore, estimating the traffic generated by a particular cruise ship is quite difficult because the traffic depends on many factors, such as the cruise operation type, arrival time, and cruise line (Ros Chaos et al., 2018).

2.8.3 Purchase behaviour

Parola, Satta, Penco and Persico (2014, 2015) convey that the longer cruise passengers spend at the shore destination during their cruise, the more money they will spend at the shore. This finding was verified by Penco and Di Vaio (2014), who proved that cruise passengers spent an average of five to six hours exploring the shore city and the results showed that 'time affected overall spending behaviour' of cruise passengers. The average time spent by cruise passengers at the shore is normally five to six hours (Penco & Di Vaio, 2014) or typically will be less than eight hours, which is much shorter duration than land-based visitors (Larsen, Wolff, Marnburg & Ogaard, 2013).

Even so, Larsen et al. (2013) discovered that per hour spending of cruise passengers is the same as other tourists, thus it is merely the length of stay at the destination that restricts cruise passengers' decisions to purchase at local outlets. This might explain the reason cruise tourists spend relatively less money than all other groups of tourists. Vaya et al. (2017) argue that a longer time available at the shore destination does allow the cruise passengers to spend more money because there is difference in expenditure between overnight and day visitors on cruises. Their findings show that cruise passengers who also stayed overnight made a daily expenditure per person of £178.22 (€200), holiday tourists averaged £139.37 (€ 156.4) daily, and the average daily expenditure of a "day visitor" cruise passenger visiting the city without spending a night was £47.67 (€53.3).

However, this difference in spending proves the importance of Barcelona as a home port rather than a port of call (Vaya et al., 2017). This is because cruise passengers boarding and/or disembarking have supplementary expenditure (referring to the cruise passenger in transit) in terms of the pre and post-cruise phase: transportation, catering, accommodation and consumption of complementary offers. Vaya et al.'s study also refers to the total direct expenditure of cruise passengers' amounting to £281.41M (€315.8M). The distribution of spending by cruise passengers in Catalonia is as follows; accommodation (33.3%), food and beverage (24.4%), transport (15.5%) and excursions (11.4%). The cruise crew members visiting the city made an average spending of €25 with 50% on shopping, 40% on restaurants and bars, and 10% on transport.

Lee and Lee's (2017) estimation of cruise passengers' expenditure in Korea provides a useful framework for analysing cruise passengers' shopping behaviour. Their study explored the pattern of the distribution of the shore excursion expenditure by respondents' nationality and hypothesizes that nationality could have an influence on shore excursion expenditure. The proportion of the shore excursion expenditure by category is similar for all the respondents; however, Chinese and Japanese respondents spent over £157.7 (USD 200) which is more than North America and Oceania respondents with the average passenger spending less than that on shore excursions. In addition, their finding demonstrates that cruise visitors that visited Korea for the first time spent more money on shopping compared with those revisiting the country. It seems that revisiting passengers' preference is for on-board activities than for shopping in the excursion program.

Given the above, the argument on whether cruise passengers will have a higher expenditure at the shore destination if they are provided with more opportunities is still an on-going debate. A study by Larsen and Wolff (2016) demonstrates that cruise tourists do not spend more money on ordinary weekdays as compared to Sundays and holidays although shopping opportunities are much better on ordinary weekdays. This might be because cruise passengers' expenditure is not influenced by the number of shops open but instead the short time that they have at the destination is the limitation (Parola et al., 2014; Larsen et al., 2013). Furthermore, other factors such as the all-inclusive program by cruises (Penco & Di Vaio, 2014), and unlimited entertainment without tickets or cover charges (Teye & Leclerc, 1998) make the cruise passengers reluctant to spend their money and even their time at the shore destination.

2.8.4 Satisfaction and return intentions

A plethora of studies in tourism have generally found that a satisfying trip experience influences intentions to return to a destination (Andriotis & Agiomirgianakis, 2010; Baker & Crompton, 2000; Ozturk & Gogtas, 2016; Pritchard & Howard, 1997). However, DiPietro and Peterson (2017) emphasise the lack of empirical studies on the real destination experience, satisfaction and intentions to return and recommend. Cruise visitors' expectations and perceptions need to be better understood because visitors' perceptions appear to play an important role in determining a visitor's satisfaction.

According to Petrick (2004), quality is the best forecaster for intent to revisit for those who were visiting the destination for the first time, although perceived value is the best aspect of intent to revisit and satisfaction with the vacation. Service quality is based on a perception, for example, of how a tourist rates excellence in service, whereas satisfaction is a feeling, a frame of mind that arises when the service received meets or exceeds expectations (Lopez-Toro, Diaz-Munoz, & Perez-Moreno, 2010). Tourist satisfaction is defined as a collection of tourists' attitudes about specific aspects in the vacationing experience (DiPietro & Peterson, 2017) and thus it is the outcome of a comparison between actual experience and expectation of a destination (McDowall & Ma, 2010).

One of the famous scales that is most generally used to measure quality of service in the tourism industry is the SERVQUAL scale by Parasuraman, Zeithhaml and Berry (1988), whereby factors are used to evaluate satisfaction and the quality perceived by the customer. Lopez-Toro et al. (2010) explain that the quality of a service is largely a measure of how the delivery of a service regulates to the customer's expectations; therefore the key concept here is perceived quality. However, it is vital to differentiate the cruise passengers' satisfaction on-board and shore destination.

Juan and Chen (2012) found that the main influences on the overall satisfaction of Taiwanese cruise passengers on-board a cruise ship were price, weather conditions, and on-board service. For each single destination service, their study revealed that the highest satisfaction was on-shore tours, followed by activities and entertainment, food and beverages, service facilities, and then leisure facilities. Hosany and Witham (2010) applied multiple regressions in creating the mediating impact of satisfaction with the vacation on intent to recommend a cruise trip to measure the direct impact of cruise passengers' experiences on their intent to recommend. Their finding shows that the previous number of trips does not have a significant effect on visitors' overall cruise travel experiences.

Andriotis and Agiomirgianakis (2010) discovered that visitors who are satisfied and enjoy themselves better than expected are more likely to return to the same destination and recommend it to others. Their finding shows that Heraklion, Crete, as a port of call that has delivered a highly satisfying cruise experience, as well as among the main aspects of cruise passengers' satisfaction are the attributes of the product and services offered were found to be most important. In addition to this, the tour pace was found to be significant to the satisfaction of cruise passengers, with most of the respondents wishing for more time to spend at shore. They also conclude that a high level of satisfaction with the Heraklion cruise experience had a positive impact on the intention to revisit the same port of the island as a whole on a land-based vacation or to recommend the destination to their friends and relatives.

The study by Silvestre, Santos and Ramalho (2008) found that value for money is an important predictor of behavioural intentions. In addition to that, the satisfaction levels of cruise passengers, attractions in the city and perceptions of hospitality, safety, services and cleanliness of the environment affect the cruise passengers' intention to revisit and recommend the shore destination. Bigovic (2012) claims that destination attributes such as attractions, amenities accessibility, services, ancillary, available packages, activities, acceptance, and cleanliness influenced the perceived quality of a destination's offerings, which positively links to tourists' intentions to return, recommend, retell and recall.

A comparative summary of destination attributions by Ozturk and Gogtas (2016) revealed that satisfaction with prices, safety, transportation, shopping and attraction seem to be most significant. They emphasise the significance of differentiating between destination attributes and determine a dimension that contributes greatly to the overall satisfaction of cruise visitors to Oauhu, Hawaii which would be of interest to local tourists, the policy makers, the authorities, the destination attributes in maintaining satisfaction of the cruise passengers. The findings also reconfirm the influence of overall satisfaction on cruise passengers' declared intent to revisit and recommend. Even so, they emphasize that the distance affects declared intent to revisit.

Cruise passengers rate more developed destinations higher in their perceived quality, and correspondingly cruise passengers spend more money on these ports and travel further from the port area (Teye & Paris, 2011). This is in line with the study by Eusebio and Vieira (2013) that claims it is vital for destinations to become more developed as a means to staying competitive because evaluation of destination attributes is the most influential aspect in defining overall satisfaction, assuming it directly and/or indirectly significantly impacts on all variables. Consequently, overall satisfaction is a direct determinant of the likelihood of future visits, and as an indirect determinant of the likelihood of recommendation, as well as a mediator of the effects of evaluation of destinations' attributes. Thus, it is very important for a destination to optimize its resources to allow for the most memorable experience possible as a way to satisfy cruise visitors' needs and wants (DiPietro & Peterson, 2017).

Another factor that may contribute to the intent to revisit is the limitation of time at the shore. Cruise passengers calling at a city, since the length of their visit is limited (for a few hours), are likely to determine to make a more extended visit in the future if the visit is enjoyable (Penco & Di Vaio, 2014; Satta, Parola, Penco & Persico, 2015). However, according to Larsen and Wolff (2016), most of the visitors who have been to Norway before as cruise visitors return as cruise visitors again not as land-based visitors, and it is the same for land-based visitors.

Based on the above discussion of past studies on cruise passengers, this shows that in the attempt to investigate the impact of cruise tourism development on the shore destination particularly on tourism-related businesses, it is vital to examine the cruise passengers' perceptions and behaviours.

2.9 Conceptual framework

This literature chapter has reviewed and discussed the cruise tourism development and its impacts particularly to the cruise destination and businesses at the location. The chapter also had discussed with regard to the destination stakeholders and tourism-related businesses and how they are engaged in the cruise industry. In addition, the chapter also identified the topic of cruise passengers' behaviour. It is an important subject in evaluating the cruise tourism impact. Cruise tourism involves and is governed by many players and multiple levels, internationally and locally, and therefore the relationship between the players is indeed complex as highlighted by Gui and Russo (2011) (see Figure 2.6). This study focuses on three different players; destination stakeholders, tourism-related businesses, and cruise passengers, that have different functions and influence in cruise tourism.

As explained in Chapter 1, this study aims to critically evaluate the perceptions of cruise tourism and its impact on tourism-related businesses at a cruise destination. The study intends to gauge a holistic picture of the cruise tourism industry in a case study location by combining methods to examine the perspectives of different yet related stakeholders in the cruise tourism industry.

- Destination stakeholders' role and support influence on cruise tourism development

  In order to achieve the aim, first, the study will explore the perceptions of destination stakeholders concerning cruise tourism development. Stakeholders have a legitimate interest in cruise infrastructure development (London & Lohmann, 2014). Understanding perceptions on cruise tourism development, the support provided by the stakeholders, and factors that contribute to the development at the destination is vital in describing the condition of cruise tourism at a destination.

- Destination stakeholders influence on cruise passengers

  Besides, the destination stakeholders' role is also influencing the cruise passengers' behaviour because the stakeholders have control and power over the cruise activity at the port destination. Referring to the Table 2.5 that presents the categories of stakeholders (London & Lohmann, 2014), this study investigates the perceptions of the portside stakeholder, and shoreside stakeholders represented by the state tourism bureau and the federal tourism organisation, who are involved with the cruise passengers. Investigating the perceptions of destination stakeholders will indirectly help to reveal their actions towards cruise passengers in the attempt to support cruise tourism development.

- Cruise tourism development influence on cruise tourism impact
  Next, the study explores the impact of cruise tourism, in particular to economic and destination impact. The study obtains the perceptions of cruise tourism impacts in general and specifically on the tourism-related businesses at the destination. To accomplish the second objective, the study will directly gain the perspectives of tourism-related businesses concerning cruise tourism development and its impacts and also uncover how tourism activity is associated with such businesses.

- Cruise tourism development influence on cruise passengers' behaviour
  Measuring the cruise passengers' behaviour at cruise destinations is vital because it is also contributing to the cruise tourism impact at the destination. The third objective of the study will be a focus on cruise passengers' behaviour. By examining the motivation, and in particular, the pull factors of motivation, which is the destination attributes, this will provide evidence about the prime attractions at the destination that motivate the cruise passengers to spend time on shore and to stay at the cruise destination instead. The investigation into the experience, satisfaction and return intention of cruise passengers is crucial as it is widely explored in the past research and will provide a clear picture of how cruise passengers perceive and value the destination. The findings of motivation, satisfaction and return intention will provide information on how the cruise tourism development at the destination influences cruise passengers' behaviour.

- Cruise passengers' behaviour influence on cruise tourism impacts and businesses
  Other than that, investigating the mobility and activities of cruise passengers at the shore also provides information about the facts of what exactly

passengers do with their time when they are at the shore. The study on purchase behaviour will reveal and explain the pattern of cruise passengers' spending. These findings will provide facts about the kind of businesses that they deal with at the shore. In addition, the study also explores the businesses' perception about cruise passengers' behaviour and how it may influence and impacting their businesses.

Finally, the study evaluates the perceptions of cruise tourism and its impact to assess the influence on tourism-related businesses. By understanding the perceptions on cruise tourism impacts, this study will provide valuable insights and ideas to optimise cruise tourism development, control the unpleasant impacts, and to maximise local destination potentials to create a more enticing offering to cruise passengers that will help benefit the local tourism-related businesses at the cruise destination. Figure 2.7 displays the conceptual framework of the study.

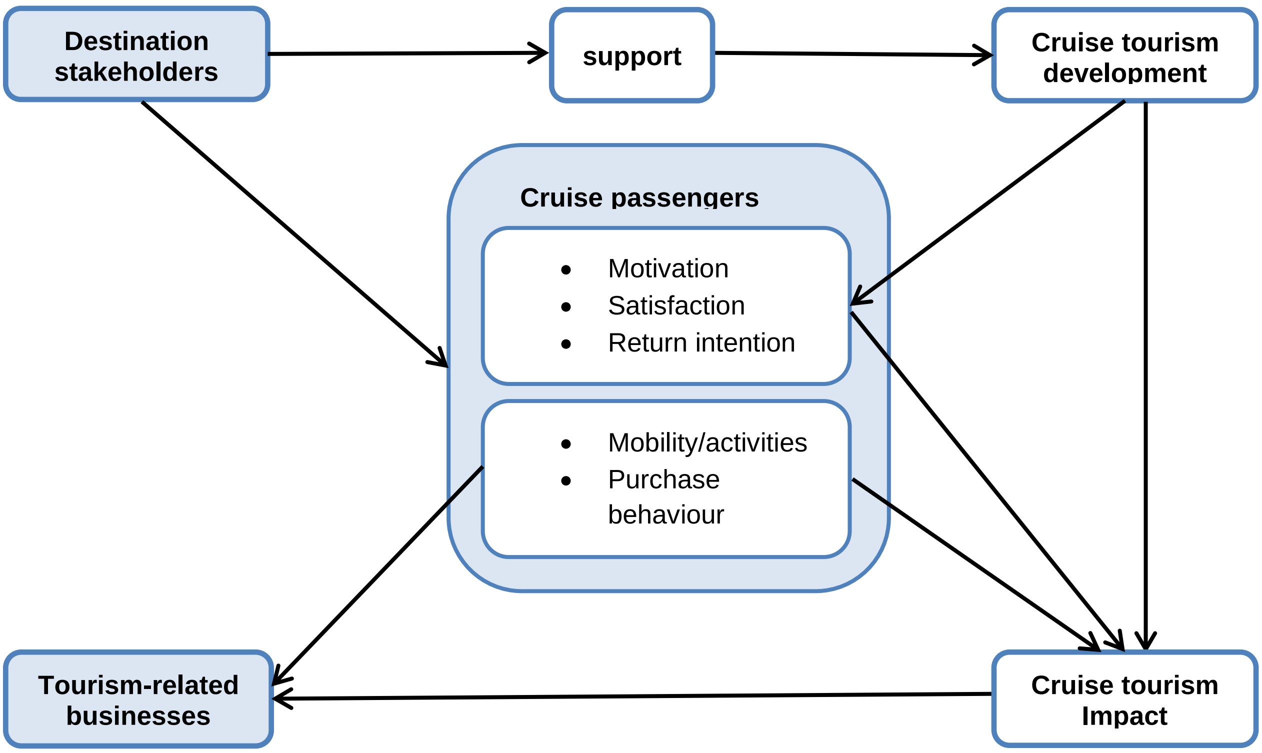


Figure 2.7 Conceptual framework of the study

Source: Author

The following chapter presents and discusses the methodological aspects adopted for the study.

CHAPTER 3: METHODOLOGY

3.1 Introduction

In the last chapter, the literature underpinning this study was explored. The thesis now turns to an explanation and justification of the methods adopted to address the aim and objectives of this study. As stated in Chapter 1, the research aim is:

To critically evaluate the perceptions of cruise tourism and its impact on tourism-related businesses at a cruise destination of Penang, Malaysia.

Table 3.1 shows the objectives, respondents and methods that were used in the data collection. More detail will be presented throughout this chapter.

Table 3.1 Information of objectives, respondents and methods of the study

Objectives	Methods	Respondents
1. To investigate the cruise tourism development in Penang, Malaysia from the perspectives of cruise destination stakeholders	Qualitative: • Semi-structured interviews • Reports & documents review	Stakeholders: • Penang Port • Tourism Malaysia Penang • Penang Global Tourism
2. To analyse the impact of cruise tourism from the perspectives of tourism-related businesses	Qualitative: • Semi-structured interviews	Tourism-related businesses
3. To examine cruise passengers' behaviour at the cruise destination of Penang, Malaysia	Quantitative: • Survey questionnaire	Cruise passengers

Source: Author

The chapter begins with an overview of the research design including the nature of the research paradigm underpinning this study. The next part of the chapter elaborates on the design of research instruments, which comprises the development of a survey questionnaire and semi-structured interview question schedule. Clarification of validity and reliability of the research, and sampling methods will be explained in the next part. Then, the chapter then report on the process of fieldwork and data collection with data analysis strategies being outlined. Finally, the chapter will clarify the ethical issues raised during the research and note some limitations of the method.

3.2 Research philosophies

A research philosophy is an assumption or belief about the way in which data on a phenomenon should be collected, analysed and used. A research paradigm is a set of essential prospects and beliefs as to how the world is perceived, which then functions as a thinking framework that leads the behaviour of the researcher (Jonker & Pennink, 2010). Research philosophies are distinguished by three key philosophical dimensions: ontology, epistemology and axiology. Epistemology concerns what constitutes acceptable knowledge in the field, ontology is the view of how one perceives a reality, while axiology is a branch of philosophy that studies judgments about the role of values (Saunders, Lewis & Thornhill, 2012:130-132,666). There are four major research philosophies in a social science study: pragmatism, positivism, realism and interpretivism, as outlined in Table 3.2.

Table 3.2 Comparison of research philosophies

	PRAGMATISM	POSITIVISM	REALISM	INTERPRETIVISM
ONTOLOGY	External, multiple, view chosen the best enable answering of research question.	External, objective and independent of social actors.	Is objective. Exists independently of human thought and belief or knowledge of their existence (realist) but is interpreted through social conditioning (critical realist).	Socially constructed, subjective, may change, multiple

EPISTEMOLOGY	Either or both observable phenomena and subjective meanings can provide acceptable knowledge dependent upon the research question. Focus on practical applied research, integrating different perspectives to help interpret the data.	Only observable phenomena can provide credible data, facts. Focus on causality and law-like generalisations, reducing phenomena to simplest elements.	Observable phenomena provide credible data, facts. Insufficient data means inaccuracies in sensations (direct realism). Alternatively, phenomena create sensations which are open to misinterpretation (critical realism). Focus on explaining within a context or contexts.	Subjective meanings and social phenomena. Focus upon the details of situation, a reality behind these details, subjective meanings motivating actions.
AXIOLOGY	Values play a large role in interpreting results, the researcher adopting both objective and subjective points of view.	Research is undertaken in a value-free way, the researcher is independent of the data and maintains an objective stance.	Research is value laden; the researcher is biased by world views, cultural experiences and upbringing. These will impact on the research.	Research is value bound, the researcher is part of what is being researched, cannot be separated and so will be subjective.
TYPICAL METHODS	Mixed or multiple method designs, quantitative and qualitative.	Highly structured, large samples, measurement, quantitative, but can use qualitative.	Methods chosen must fit the subject matter, quantitative or qualitative.	Small samples, in-depth investigations, qualitative.

Source: Saunders et al. (2012:140)

Based on the research philosophies comparison, this study adopted pragmatism given its flexibility in integrating different perspectives to help address the research topic. The pragmatism philosophy emerged in the early twentieth century, stimulated by the philosophers Charles Pierce, William James and John Dewey. Pragmatists see the limited adoption of one philosophical view as unhelpful and suggest that allowing choice of whichever view or combination of views will benefit their research (Tashakkori & Teddlie, 2010). Therefore, the pragmatism view merges facts and values, objectivism and subjectivism, precise and rigorous knowledge and different contextualised experiences by acknowledging the theories, hypotheses, ideas, concepts and research findings in terms of the roles they play as instruments of thought and action, and in terms of their practical outcomes in specific contexts (Saunders et al., 2016).

In the pragmatism philosophy, values play a significant role in interpreting results, the researcher adopting both objective and subjective points of view (Saunders et al., 2012). Pragmatists value reality as practical effects of ideas, while knowledge enables actions to be performed successfully. Pragmatism as a worldview arises out of actions, situations, and consequences rather than antecedent conditions (Creswell, 2014). Pragmatists agree that research always occurs on social, historical, political, and other contexts, thus, mix methods studies may include a postmodern turn, a theoretical lens that is reflective of social justice and political aims (Creswell, 2014). Pragmatists begin research with a problem, with a purpose to provide practical explanations. Pragmatism philosophers believe that the nature of the research question, the research context and significance provide the impetus to determine the most suitable methodological choice (Nastasi, Hitchcock & Brown, 2010). The combination of quantitative and qualitative research, and the degree to which this may occur, has led to the existence of diverse mixed methods research (Creswell & Clark, 2011; Nastasi et al., 2010).

At a basic level, there are two categories of research method: qualitative and quantitative methods. Qualitative research is an approach for exploring and understanding the meaning individuals or groups attribute to a problem (social or human), whereby the research process includes emerging questions and procedures. Data is often collected in the participant's setting, data analysis is inductively developed from particular to general themes and then the data will be interpreted by researcher (Creswell, 2014:4). Constructivist, advocacy and participatory knowledge of philosophical assumption uses qualitative methods.

Notwithstanding, quantitative research is often used for testing objective theories by examining the relationship among variables, measuring variables using instruments, testing theory deductively, and analysing data using statistical procedure (Creswell, 2014:4). Positivist knowledge claims to be in quantitative research. In short, qualitative research collects non-numerical data or data that have not been quantified, whereas quantitative research collects numerical data or data that have been or can be quantified (Saunders et al., 2012:768-9).

However, instead of using one method or a mono method, using both qualitative and quantitative methods has become very popular especially in studies that aim to explore and create a better understanding of an issue. Table 3.3 outlines and compares qualitative, quantitative, multi- and mixed-method approaches.

Table 3.3 Qualitative, quantitative and multi/mixed method approaches

	Qualitative	**Quantitative**	**Multi/mixed methods**
Philosophical assumption	Constructivist/ Advocacy/ Participatory knowledge claims	Positivist knowledge claims	Pragmatic knowledge claims
Strategies of inquiry	Grounded theory, phenomenology, case study, narrative, ethnography	Surveys, experiments	Sequential, concurrent, or transformative
Methods	Open-ended questions, emerging approaches, text or image data	Closed-ended questions, predetermined approaches, numerical data types	Both open- and closed- ended questions, both emerging and predetermined approaches, and both quantitative and qualitative data and analysis
Practices of research as the researcher	• Places him or herself • Accumulate participant meanings • Emphases on a single phenomenon or concept • Includes personal values into the study • Investigates the context or setting of participants • Validates the accuracy of findings • Generates interpretations of the data	• Verifies or tests theories or explanations • Classifies variables to study • Correlates variables in questions or hypotheses • Employs standards of validity and reliability • Observes and measures information numerically • Uses unbiased approaches • Uses statistical procedures	• Collects both quantitative and qualitative data • Develops a rationale for mixing • Merges the data at different stages of inquiry • Presents visual pictures of the procedures in the study • Uses the practices of both qualitative and quantitative research

	• Creates an agenda for change and reform • Collaborates with the participants		

Source: Creswell (2014:18)

The use of multi-methods has become common in many tourism studies because it gives the opportunity to overcome disadvantages and maximise the advantages of a mono method study. Table 3.4 lists the advantages and disadvantages of each qualitative and quantitative research method.

Table 3.4 Advantages and disadvantages of qualitative and quantitative research methods

	Qualitative	**Quantitative**
Advantages	• Provides detailed perspectives of a few people • Captures the voices of participants • Allows participants' experiences to be understood in context • Is based on the view of participants, not the researcher • Appeals to people's enjoyment and stories	• Draws conclusion for substantial number of people • Analyses data efficiently • Investigates relationships within data • Examines probable causes and effects • Controls bias • Appeals to people's preference for numbers
Disadvantages	• Has limited generalizability • Provides only soft data (not hard, e.g. number) • Studies few people • Is highly subjective • Minimises use of researcher's expertise due to reliance on participants	• Impersonal, dry • Does not record the words of participants • Provides limited understanding of the context of participants • Is largely researcher driven

Source: Adapted from Creswell (2015:5)

Finn (2000:11) claims that using both qualitative and quantitative research methods is beneficial for the following reasons:

- Either quantitative research supports qualitative research, or qualitative research helps to support quantitative research. For example, findings from qualitative research could be used to create the research questions to be addressed by quantitative research.

- Quantitative research can explore large-scale macro structures while qualitative research can focus on small-scale micro features of the study, allowing a comprehensive range of issues to be addressed by the study.
- At different points in the study, a quantitative method might be more appropriate than a qualitative method or vice versa.

Previous literature reveals that some empirical studies on tourism have analysed the industry's impact on local community development; however, it rarely utilises multi-methods in the community (MacNeill & Wozniak, 2018). Medina-Munoz, Medina-Munoz and Gutierrez-Perez (2016) argue specifically for local-level impact studies, gathering of primary data via diverse methods and they state that the use of multi-dimensional measures of development is vital.

Ideally, a case study research should apply a multiple case study design including multi-sites to be studied and using multiple methods to allow comparison of the collected data and obtain a comprehensive understanding (Wahyuni, 2012). Consequently, Wahyuni (2012) argues that case study research should be performed through a two-stage case study with the use of both qualitative and quantitative data collected from multiple sources.

Studies specifically on cruise tourism have been less comprehensive than general tourism studies because limited studies have included a variety of audiences. Molina-Azorin and Font (2016) suggest an approach combining qualitative and quantitative research to provide diverse data that can speak to different audiences, lessen researcher bias in interpretation and enable a more balanced view of data. In addition, MacNeill and Wozniak (2018) emphasise the need for methodological innovation in clarifying the sustainable development impacts of tourism and particularly, cruise tourism.

Considering the strengths and advantages of using multi-methods, this was considered the best approach for the study to address the research aim and objectives, therefore the most suitable research paradigm is that of pragmatism. The reasoning behind this is that multi-methods could add significant value to this study considering that the research objectives demanded different methods for different respondents. The data collection for this multi-method study was gathered from more than one source of perceptions through different techniques. The qualitative data provided an understanding of the study from the perspective of destination stakeholders and tourism-related businesses, whilst the quantitative data and statistical results explain the views of cruise passengers. The combination of the two methods as alleged by Sale et al. (2002) leads to a deeper interpretation of a phenomenon and unifies knowledge that cannot be analysed separately using qualitative and quantitative methods. Besides, the principle of triangulation in the design of combined methods creates greater value for this study, minimising bias effects of each data type (Creswell, 2014). Another justification for the selected method was found through the literature review analysis, which has shown many of the cruise passengers studies were conducted through a quantitative survey questionnaire, while studies on cruise destination stakeholders were conducted using qualitative interviews (see Table 3.5).

Table 3.5 Previous studies and methods used

Studies on cruise passengers	Method	Studies on stakeholders	Method
DiPietro & Peterson (2017); Whyte (2017) Cantis, Ferrante, Kahani & Shoval (2016); Larsen & Wolff (2016); Ozturk & Gogtas (2016); Brida, Bukstein & Tealde (2015); Brida, Pulina, Riano & Aguirre (2013); Jones (2011); Andriotis & Agiomirgianakis (2010); Douglas & Douglas (2004).	Survey	MacNeill & Wozniak (2018); Pino & Peluso (2018); Dawson, Johnston & Stewart (2017); van Bets, Lamers & van Tatenhove (2016).	Interview

Source: Author

In this study, the qualitative design of semi-structured interviews with stakeholders and tourism-related business owners was used to explore their perspectives on the development of cruise tourism and its impacts on tourism-related businesses. The semi-structured interview is the most common method used in qualitative research, where the researcher develops an interview guide, or aide-memoire that contains a list of topics or themes to address in the interview (Botterill & Platenkamp, 2012:120).

Additionally, the quantitative data of survey questionnaire on cruise passengers' behaviour examined passengers' motivation and information sources, their mobility and activities, purchase behaviour, satisfaction and return intention to Penang. A survey collects data in a standardised way from a sample of respondents enabling the data to be codified and analysed (Botterill & Platenkamp, 2012:170). Figure 3.1 summarises the design of the research process.

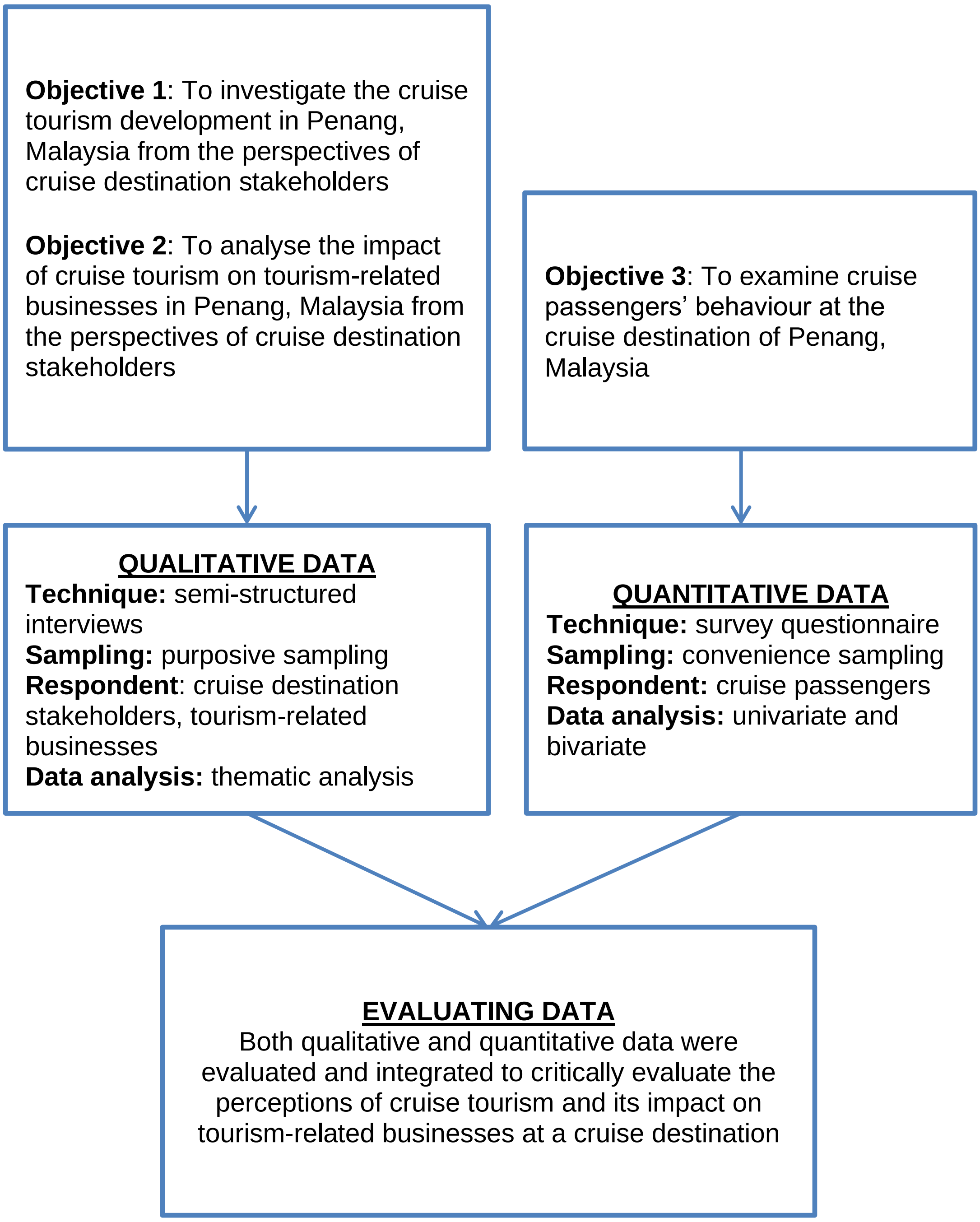


Figure 3.1 The design of the research process

Source: Author

3.3 Designing research instruments

As explained previously, this study adopted a multi-method approach using both qualitative and quantitative methods. Semi-structured interviews represented the qualitative approach while a survey questionnaire represented the quantitative approach. In this section, the development of the survey questionnaire and interview questions will be explained.

3.3.1 Semi-structured interview design

The idea behind qualitative research is to purposefully select participants or sites (or documents or visual material) that will best help the researcher understand the problem and the research question (Creswell, 2014). It must be acknowledged that the method used for the data collection was by semi-structured interview, which can be used to examine, analyse and interpret behaviours or phenomena (Creswell, 2015; Bryman, 2016). For this study, the interview questions were established based on the literature review focussing on two important aspects to be explored namely; to investigate the perceptions about cruise tourism development and cruise tourism impacts. In addition, some questions were created to test about the intention of cruise passengers to return (Penco & Di Vaio, 2014; Satta et al., 2015), the competition between cruise company and local businesses for passengers' expenditure (McKee & Mamoozadeh, 1994; McKee, 1988; Penco & Di Vaio, 2014; Seidl et al., 2006).

Interviews are generally open-ended questions that are few in number and intended to elicit views and opinions from the respondents (Creswell, 2014). As for this study, the implementation of semi-structured interviews enables the selected respondents to elaborate their opinions and ideas in detail, whilst allowing the interviews to be executed in a structured fashion. Two sets of semi-structured interview questions were established to obtain data from two different groups of respondents. The first set of semi-structured interview questions was developed to obtain a perspective from organisational destination stakeholders whereas the second set of interview questions was designed for tourism-related businesses in Penang. Both interview questions began with an interview consent letter, which introduced the university, the project's title, sponsor, researcher information and consent agreement letter. More details on the consent letter are explained in Section 3.8, and in Appendix 1 and 2.

Semi-structured Interview Questions Set 1 (see Appendix 1)

This interview question set was designed to be answered by the organisational destination stakeholders. The semi-structured interview was intended to achieve Objective 1 of the study: (1) to investigate the cruise tourism development in Penang, Malaysia from the perspectives of cruise destination stakeholders.

There are three important authority stakeholders that play a vital role in the cruise tourism industry and which were selected for interviews in Penang, Malaysia are Penang Port, Tourism Malaysia Penang, and Penang Global Tourism. Penang Port represents the cruise terminal handler, Penang Global Tourism represents the state tourism bureau, and the Tourism Malaysia Penang Office is a government body under the preview of the Ministry of Tourism and Culture. Each of the organisations was found to have different responsibilities in the cruise tourism industry in Penang. The interview questions set comprises three parts that started with Part One: Personal Background, followed by Part Two: Organisation Background and lastly Part Three: Perception of Cruise Tourism (see Table 3.6).

Table 3.6 Contents of semi-structured interview questions: Set 1

Parts	Contents
Part 1: Personal Background	Demographic questions with open-ended and category questions; name of organisation (Question 1), their position in the organisation (Question 2), gender (Question 3), race (Question 4), age (Question 5) and education level (Question 6).
Part 2: Organisation Background	Question 1 required the interviewee to describe the role of the organisation. This question was expected to gain information about the functions of the organisation. Question 2 asked how long the organisation had been in operation. The researcher expected to gain some information about the background establishment of the organisation.
Part 3: Perception on Cruise Tourism	This part was developed to gain a perception of the stakeholders regarding the cruise tourism industry. Question 1 asked interviewees' about their opinion of cruise tourism development in Penang. Question 2 asked interviewees how they thought cruise tourism would impact on the tourism industry. Question 3: interviewees were asked how tourism would impact particularly on Penang as a stopover port

	destination. For Question 3, the researcher was expecting to obtain responses as a whole that would cover the economic impacts, social impacts and environmental impacts. The researcher listed a few examples of economic, social and environment impacts in her remarks in the interview session. Question 4 asked interviewees for their opinion on whether cruise tourism could encourage passengers to visit Penang for a longer stay in the future (adapted from Andriotis & Agiomirgianakis, 2010; Penco & Di Vaio, 2014; Satta et al., 2015). Question 5 began with a statement *"nowadays most of the cruise ships provide all-inclusive facilities and entertainment on the ship itself"*. This statement was then followed by a question that asked for interviewees' perceptions about the impact of this and if it creates direct competition for the local businesses, (adapted from McKee & Mamoozadeh, 1994; McKee, 1988; Penco & Di Vaio, 2014; Seidl et al., 2006). Question 6: interviewees were asked for their opinions regarding the government support and effort towards cruise tourism development. The final question (Question 7) set asked how the interviewees saw Penang cruise tourism in the future.

Semi-structured Interview Questions Set 2 (see Appendix 2)

This interview set was designed for tourism-related business owners and intended to achieve Objective 2. The interview set contained five parts: Part 1 Personal Background; Part 2 Business Background; Parts 3, 4 and 5 were about Perception of Cruise Tourism, Perception of Cruise Passengers and Perception of Cruise Line (see Table 3.7).

Table 3.7 Contents of semi-structured interview questions: Set 2

Parts	**Contents**
Part 1: Personal Background	Question 1 required interviewees to indicate the type of business. Options of tourism-related businesses given were tour operator, transportation, food and beverage, museum or gallery, craft and souvenir shop or other. Question 2 asked whether the interviewee was an owner or manager. The rest of the questions in this part were demographic questions; gender (Question 3), race (Question 4), age (Question 5) and education level (Question 6).
Part 2: Business Background	This part concerned the business background. Question 1 of this part asked interviewees to explain their type of business. Question 2 queried how long the business had been in operation and Question 3 asked if the business was a member of any organisation, association or cooperative.
Part 3: Perception of Cruise Tourism	This part sought to obtain the perception of tourism-related businesses in Penang about cruise tourism. Five vital questions were examined in this part starting with a question that asked for their perception on cruise tourism development in Penang (Question 1), followed by questions of their perception on cruise tourism impacts on the tourism industry (Question 2) in Penang as a stopover port destination (Question 3) and lastly on their business (Question 4). Question 5 asked interviewees if they thought cruise tourism could encourage passengers to visit Penang for longer visits in the future. Question 6 started with a statement *"nowadays most of the cruise ships provide all-inclusive facilities and entertainment on the ship itself"*, and then asked a question that examined the perception of interviewees about the impact of this and if it created direct competition for the local businesses (adapted from McKee & Mamoozadeh, 1994; McKee, 1988; Penco & Di Vaio, 2014; Seidl et al., 2006).

	The last question observed the interviewees' perception about government support and effort towards cruise tourism development.
Part 4: Perception of Cruise Passengers	This part explored interviewees' perceptions of cruise passengers. Question 1 of this part asked about the percentage of their customers who are cruise passengers. Question 2 asked them to identify how many cruise passengers reach their businesses in a week. Questions 3 and 4 examined the main nationality of their cruise passenger customers and the main category group of people. Question 5 asked interviewees if the cruise passenger spending increased the business profit, and then question 6 asked how much a cruise passenger spent on the business (adapted from Larsen et al., 2013; Lee & Lee, 2017; Penco & Di Vaio, 2014; Vaya et al. (2017). Question 7 required interviewee to compare between the cruise passengers and other types of tourist as to who brought more profit to the business. The final question (8) asked if the interviewee and people on their business would offer help to cruise passengers who need information about local culture or directions.
Part 5: Perception of Cruise Lines	This part was developed to analyse interviewees' perception of cruise liners. Because not every tourism-related business has a direct connection with a cruise liner, this part began with a question that asked if the business had a business relationship with cruise liner (Question 1). If yes, seven sub-questions were asked. However, if the business did not have any business relationship with the cruise liner, the interviewee was asked what prevented them from starting a business relationship with a cruise liner and if they intended to start a business relationship with a cruise liner, or indirectly through other businesses in the future. The last two questions in this part asked interviewees if they thought it was important to form a business relationship with the cruise liner (Question 2) and with other businesses in the same field (Question 3).

3.3.2 Survey questionnaire design

The questionnaire comprised six sections: visit information, motivation and information sources, mobility and activities, purchase behaviour, satisfaction and return intention, and demographic information. The questionnaire began with an introduction to the survey, which outlined the topic and purpose of the research. Participants were informed that all their answers and personal information would be kept confidential and would only be used for the project. As shown in Appendix 3, the questionnaire was a combination of open-ended questions, dichotomous questions, category questions, rating questions and demographics (see Table 3.8).

Table 3.8 Contents of survey questionnaires

Sections	Contents
Section 1: Visit Information	Questions about each participant's visit information to Penang. Question 1, 2 and 3 were the open-ended questions concerning the name of the cruise ship and company, the location their cruise embarked and the number of days of cruising. Question 4 asked participants if it was their first visit to Malaysia. However, if they had been to Malaysia, they needed to indicate how many times they had visited Malaysia. The next Question 5 was in the same format as Question 4 but asked about Penang. If it was not their first time in Penang, they needed to indicate the number of times they had visited Penang. Question 6 inquired about the total hours they had stayed in Penang. Question 7 asked about the number of people travelling with them during the visit. Question 8 in this section asked who were their travel companions for the trip.
Section 2: Motivation and Information Sources	This section contains rating questions type that required participants to rate using 5-point Likert scale answers. The Likert scaling began with 1 for *very unimportant*, 2 for *unimportant*, 3 for *moderately important*, 4 for *important*, and 5 for *very important*. Question 1 was designed to measure how important the attributes of Penang influenced their decision to choose a cruise vacation. 15 attributes were provided in the question: newness and novelty of a place; different cultures and heritage; variety of nature and scenery; pleasant climate; historical place/site to visit; museum/gallery to visit; low travel cost; safety and security; local crafts and handiworks; shopping; exciting activities; nightlife; walking distance from port to city/town; attractions in nearby port and facilities at the port. The attributions were adapted from Andriotis & Agiomirgianakanis (2010) based on reliability of the attributions that have been proven to have significant results in cruise passenger motivation. Question 2 measured how important the sources were in providing the information about attractions to visit in Penang (adapted from Jones, 2011). Ten sources of information were listed: cruise line's website and information, travel agent's website, blog reviews, google maps, tour guide information, port information, magazines, maps, family and friends, local people.
Section 3: Mobility and Activities	Five questions in this section were designed to obtain further information about participants 'mobility and activities while in Penang, (adapted from Cantis et al., 2016; Ros Chaos et al.,

	2018). Question 1 asked how the participants travelled around Penang. Each participant selected based on the category choice of answers given: bus tours, walking tour with a local guide, independently or they can provide their own answer if other than the options provided. Question 2 asked where they purchased their excursion. The choice of answers were cruise line, travel agent before starting cruising or when at the shore, independently, or did not purchase any excursion. Question 3 required participants to provide information about the places that they visited. Some popular places in Penang were listed as options and blank space were provided if participants wanted to add the names of other places. Lastly, Questions 4 and 5 of the section were open-ended questions that asked about the first and last place that they visited during the trip.
Section 4: Purchase Behaviour	This section was designed to find out about the purchasing behaviour of the participants (adapted from Larsen et al., 2013; Lee & Lee, 2017; Penco & Di Vaio, 2014; Vaya et al. (2017). The first question of the section asked if participants purchased any of the following 10 items in the list: organised tour; food and beverages; museum/ site/ gallery ticket; taxi/ ground transportation; local crafts and souvenirs; watches and jewellery; clothing; perfumes and cosmetics; telephone and internet; entertainment/ clubs/ casino. The items were adapted from a report published by Business Research & Economic Advisors (2015) that listed and categorised cruise passengers spending. The participant ticked (/) in the column of YES or NO for each of the items listed in the table. Question 2 of the section was the category question that inquired about the total amount that each participant spent during their stopover in Penang. Question 3 asked for more details about what the participants had purchased. This open-ended question requested participants to provide information about three items with the highest estimated amount that they had spent.
Section 5: Satisfaction and Return Intention	Question 1 asked overall how satisfied the participants were with their visit to Penang; were they very dissatisfied, dissatisfied, neither, satisfied or very satisfied. Questions 2 and 3 required participants to rate Penang compared to other stopover destinations, and Swettenham Pier Cruise Terminal compared to other ports. The rating scale given was: *very poor, poor, similar*, *better* or *excellent*. Questions were adapted from Andriotis & Agiomirgianakis, 2010; Baker & Crompton, 2000; Ozturk & Gogtas, 2016; Pritchard & Howard, 1997. For Questions 4 and 5 in the section, participants had to rate using 5-point Likert scale answers. Question 4 asked what participants liked about Penang based on 10 attributes: nature and scenery, weather, local culture and heritage,

	local people, local cuisines, museums and galleries, shopping, nightlife, walking distance from port to town and guided tour. The attributions were developed based on characteristics of George Town, Penang. This question aimed to explore the most likeable characteristics of the city by the cruise passengers. Participants needed to rate those attributes of Penang based on scale: 1 for *strongly dislike*, 2 for *dislike*, 3 for *moderately like*, 4 for *like* and 5 for *strongly like*. Question 5 asked about the service quality provided by the following staff and people in Penang: port employees, information booth personnel, tour operators, food and beverage employees, retail store employees, museum/gallery/temple employees, taxi drivers, locals and community. A previous study by DiPietro & Peterson (2017) measured the service quality to explore and discover the perception of cruise passengers of the cruise port destination related to the quality of the cruise port and service providers in the area. Creating a positive atmosphere and great experience is crucial to encourage repeat visitors to a destination. For this question, participants were asked to rate the service quality using a 5-point Likert scale: 1 for *very poor*, 2 for *poor*, 3 for *moderate*, 4 for *good*, 5 for *excellent*. The next questions in this section were dichotomous questions of Yes and No that asked if participants would consider visiting Penang again for a longer stay in the future (Question 6), would participants recommend Penang to others (Question 7), would they consider visiting Malaysia again for a longer stay in the future (Question 8), and would they recommend Malaysia to others (Question 9). In addition, participants were required to give an explanation for every NO answer.
Section 6: Information about you	Participants were asked to provide their personal information such as gender, age group, nationality, highest education and occupation. At the very end of the questionnaire, participants were thanked for their time and attention for answering the questionnaire.

3.3.3 Scales of measurement

The survey questionnaire compromises different types of questions that come with different scales of measurement. As mentioned in the above section, the questionnaire is the combination of open-ended questions, dichotomous questions, category questions, rating questions and demographic questions. In the past, statisticians have categorised the level of measurement in surveys into four categories beginning with nominal, ordinal, interval, and ratio scale (Allen & Seaman, 2007). However, for this study, only nominal, ordinal and interval scales were applied in the questionnaire.

A nominal scale is the lowest level of measurement signifying categories without numerical significance (Allen & Seaman, 2007). The easiest way to understand nominal scales is that they are applied for labelling variables without any quantitative value. Nominal scales were widely used in Section 1 (Questions 4, 5 and 8), Section 3 (Questions 1, 2 and 3), Section 4 (Questions 1 and 2), Section 5 (Questions 6, 7, 8 and 9), and Section 6 (Questions 1, 2 and 4).

On the other hand, ordinal scales are different from the nominal scales. An ordinal scale is an ordering or ranking of responses; however, the difference between each response is impossible to be measured (Allen & Seaman, 2007). In ordinal scales, it is the order of the responses that is significant, unlike the nominal scales that disregard the order of the responses. Ordinal scales were applied in Section 2 (Questions 1 and 2) and Section 5 (Questions 1, 2, 3, 4 and 5).

In this study, the questions with ordinal scale measurement applied a five-point Likert scaling. A Likert-style rating, which commonly can be a four-, five-, six- or seven- point rating scale, anticipates respondents to give opinions on how strongly they agree or disagree with a statement or a series of statements (Saunders et al., 2012). However, according to Likert (1932), five-points Likert scales were appropriate to measure the attitude and opinions of respondents about a topic of interest. The Likert scale is widely used in questionnaires that measure the level of agreement and disagreement of respondents on a particular point. It is acceptable to modify the wording of Likert scales to make sense with the statements in the question (Bradley, 2007). However, rather than develop one's own scales, it is often better to use or adapt an existing scale (Schrauf & Navarro, 2005) which have been developed since the 1930s.

The type of scale that allows measurement in the order and distance of responses is called an interval scale (Allen & Seaman, 2007). This scale was applied in the questionnaire in Section 1 (Question 3, 4 (No), 5 (No), 6, and 7). After the completion of the questionnaires, these responses were re-coded into ordinal data in order to create categorisation of answers.

3.4 Validity and reliability

Validity is the extent to which data collection methods precisely measure what they anticipate measuring and the extent to which research findings are really about what they claim to be about (Saunders, Lewis & Thornhill, 2012: 684). Validity refers to '*a term describing a measure that accurately reflects the concept it is intended to measure'*, whereas reliability implies to *'a matter of whether a particular technique, applied repeatedly to the same object, yields the same result each time'* (Babbie, 2012;191). Reliability is the extent to which data collection techniques and analytical procedures would produce consistent findings if they were repeated on another occasion or replicated by other researchers (Saunders, Lewis & Thornhill, 2012: 192). Sekaran (2003) state that reliability is a suggestion of the stability and consistency with which the tool measures the concept and helps to assess the goodness of a measure.

As for quantitative research, the study implemented the content validity and face validity by conducting a pilot study on cruise passengers to verify and rectify the constructs and questionnaire items prior to performing the actual fieldwork. Another step to ensure reliability in quantitative data involved performing a reliability test using Cronbach's Alpha test. This statistical test is typically used to measure the consistency of responses to a set of questions that are combined as a scale to measure a particular concept (Saunders et al., 2016: 451). The test consists of an alpha coefficient with a value between 0 and 1, in which values of 0.7 or above indicate that the questions combined in the scale are measuring the same thing. Rating questions in the questionnaire were tested with Cronbach's Alpha and the results indicated good values as presented in Table the 3.9.

Table 3.9 Reliability test for survey questionnaire

Questions	**Cronbach's Alpha**
Section 2: Motivation and Information Sources (Question 1)	0.868
Section 2 Motivation and Information Sources (Question 2)	0.888
Section 5: Satisfaction and Return Intention (Question 4)	0.841
Section 5: Satisfaction and Return Intention (Question 5)	0.885

Source: Author

Validity implies *trustworthiness, authenticity* and *credibility* (Creswell & Miller, 2000). In a qualitative study, the instrumental role of the researcher is to try to understand the participants' construction of knowledge associated to the research area (Killion & Fisher, 2018), hence the relationships and communications between researcher and participants influence the understandings, interpretations and explanations of the knowledge (Charmaz, 2003). Consequently, it is crucial to consider the potential impact of the researcher on the collection and analysis of empirical materials, also to include it as a part of the research record (Neil, 2006).

According to Sword (1999), no research is free from biases, assumptions, and personality of the researcher. Especially in qualitative data, ***researcher bias*** is rather challenging to avoid because the researcher's interpretation of the findings is shaped by their background, culture, history and socioeconomic origin. For the results of the investigation to be trustworthy and reliable, the self-awareness, situatedness and positionality of the investigator is typically more overt and disclosed to respondents (Killion & Fisher, 2018). At all points of the investigation, reflexive practices help to raise axiology concerns and remind the position of the investigator within the research setting. Reflexivity has been described as '*the researcher's critique of their influence on the research process and is recognition of, and accounting for, power and trust relationships between researcher and participants*' (Hall & Callery, 2001: 258). During the interview sessions, the researcher practised self-reflexive in order to become conscious of her responses to interviews, believes, emotions and trigger. In addition, reflexivity helps to warn of unconscious editing due to own sensitivities during the data analysis and reporting of the data.

Other than that, ***participant bias*** may occur during the collection of qualitative and quantitative data. Social desirability bias was described as a tendency to respond in a way that presents ourselves in a socially acceptable way, for which we expect some level of approval (Edwards, 1957). This type of response bias will either indicates overreporting positive issues or underreporting negative issues, is one of the most studied forms of response bias in social science (Fisher & Katz, 2000). Participant bias can be found towards social desirability in ethics research, which calls for a more sophisticated method and triangulation of findings (Auger & Devinney, 2007; Carrington, Neville, & Whitwell, 2010). Therefore, this study uses combined methods and triangulation of the findings between different types of respondents in the attempt to minimise the bias.

3.5 Sampling

For certain research questions, it is possible to collect data from the whole population if it is a practical size, although a census does not definitely provide more useful results than collecting data from a sample (Saunders, Lewis & Thornhill, 2012; 260). However, for most cases, it is impossible to collect data from the entire population especially in tourism research that involves thousands of tourists or tourism service providers. Therefore, a sampling technique provides a credible alternative to a census when it would be impracticable to survey the entire population, having costs and budget limitations, and time constraints (Saunders, Lewis & Thornhill, 2012; 260). A sample represents a group in a given population (Ryan, 1995).

According to many researchers, for example, Sekaran (2003), Saunders, Lewis and Thornhill (2012) and Creswell (2013), sampling techniques are divided into two main categories, which are (1) probability or representative sampling, and (2) non-probability sampling. Probability sampling is used in the case where the element in the population is known or the chances of being selected as a sample is equal. On the other hand, non-probability sampling is adopted when the element in the population is unknown and it is impossible to predetermine the chance of being selected as a sample. Table 3.10 below lists the categories of probability and non- probability sampling.

Table 3.10 Categories of probability and non-probability sampling

Probability Sampling	Non-probability Sampling
• **Simple random sampling** (or random sampling) encompasses selecting the sample at random from a sampling frame. • **Systematic random sampling** (or systematic sampling) includes selecting the sample at regular intervals from a sampling frame. • **Stratified random sampling** is an adjustment of random sampling which divides the population into two or more relevant and significant strata based on one or a number of attributes. • **Cluster sampling** (or one-stage cluster sampling) is almost the same as stratified random sampling but the population needs to be divided into discrete groups prior to sampling. • **Multi-stage sampling** (or multi-stage cluster sampling) is the development of cluster sampling.	• **Quota sampling** is completely non-random and often used for structured interviews as a part of a survey strategy. • **Purposive sampling** (or judging sampling) is when judgement is needed to select cases that will best answer the research questions and objectives. • **Snowball sampling** (or volunteer sampling) is the first of two techniques that look at where participants volunteered to be part of the research rather than being chosen. • **Convenience sampling** (or haphazard sampling) occurs when sample cases are selected without any obvious principles of organisation in relation to the research question.

Source: Adopted from Saunders et al. (2012)

Considering the time constraints for the fieldwork (three months as a condition of the scholarship sponsor), an intense programme of fieldwork was designed to collect as much varied data as possible in the limited time.

For this study, **purposive sampling** was adopted as the sampling technique for the qualitative research of semi-structured interviews. As explained in Table 3.10, purposive sampling requires judgement to select cases that will be the most accurate to meet the research objective. Heterogeneous or maximum variation sampling is a type of purposive sampling that requires judgement to choose participants with adequately diverse characteristics to provide the maximum variation possible in the data collected (Saunders et al., 2012; 287). Furthermore, this sampling allows the collection of data to describe and explain the key themes that can be observed. Patton (2002) proposes identifying diverse characteristics (sample selection criteria) before selecting a sample is to assure maximum variation within a sample.

For purposive sampling, the process involved identifying and selecting certain individuals or groups that are particularly knowledgeable and expert about or experienced with a phenomenon of interest (Creswell & Clark, 2011). For this study, tourism-related businesses in Penang were the population for the semi-structured interviews. Criteria for selecting the respondents were as follows: tourism-related businesses involved directly or indirectly with cruise tourism. The tourism-related businesses had to deal with the cruise liner or cruise passengers. Five categories of tourism-related businesses that were involved with cruise tourism were identified as follows: transport operators, crafts and shops, food and beverage, tour operators, museums and galleries. For the organisational stakeholders, criteria for selecting the respondents were as follows: an organisation that had an influence in managing or dealing with the cruise tourism in Penang.

Convenience sampling was applied to collect quantitative data through a survey questionnaire from the population of cruise passengers that stopped over at Swettenham Pier Cruise Terminal, Penang. Convenience sampling technique was employed to determine the targeted population by which the respondents have to meet the predetermined criteria with the aim to justify the research objectives (Guest, Bunce, & Johnson 2006) also the ability to provide reliable answers to the research questions. Convenience sampling selected cases haphazardly at the most convenient time and place to obtain the sample (Saunders et al., 2012; 291).

This study referred to the number of cruise passengers of an international transit cruise arrived at the seaport reported by Penang Port (2017) (see Table 4.7) as the population number. Thus, the sample size was 383, based on the 95% confidence level and permitted confidence interval at 5%. Nonetheless, it was important to note that the number of cruise passengers arrived was varied depending on the day and size of the cruise ship. There were days where cruise ship with about 3000 passengers and crews (according to the interview with Penang Port informant discussed in Chapter 5), and there were days with less than 1000 passengers, also some days without cruise arrival. However, data on the number of cruise passengers that arrived at the port for each day was not obtainable. Only the cruise arrival schedules (see Appendix 4) were provided by the Penang Port upon request, and therefore the survey activities were conducted following the schedule. As for this fieldwork, the targeted population was the domestic and international cruise passengers who were experiencing on-site attractions and activities in Penang excluding people who stay on board, were willing to volunteer to give their perceptions of Penang as a stopover destination, and were available at a certain time and were easy to reach.

3.6 Data collection

3.6.1 Pilot survey

Pilot research is a phase that provides a trial run in the development of the questionnaire. It involves checking if respondents understand the question in the same way, identifying ambiguous questions, testing the techniques of collecting the data and scrutinising the invitation techniques to see whether they reach the respondents and others (Naoum, 2004). In addition, the pilot survey also provides data to establish an estimate of the reliability of the questionnaire (Black, 1999).

In this study, the pilot research was conducted to increase validity and reliability of the questionnaire. It was conducted in two stages. In the first stage, as the pre-pilot, questionnaires were distributed to Malaysian that were familiar with Penang and some respondents that had cruising experience. Respondents were required to particularly focus on the design, length and format of the questionnaire, and also to answer based on past experience of visiting Penang. Feedback received from the respondents was useful in improving the questionnaires in the aspects of visual layout, grammar and vocabulary.

For the second stage, the questionnaires were tested on the targeted population of the cruise passengers at the cruise terminal. Testing the questionnaires on the actual respondents helped to give a real picture of their understanding of the questions. Table 3.11 shows the outline of the pilot research.

Table 3.11 Outline of the pilot research

	Date	Place	Respondents	Sample Size
Pre-Pilot Research 1	1 to 3 Aug 2017	University of Exeter, United Kingdom	Malaysian people that were familiar with Penang; some of them had cruising experience.	8
Pilot Research 2	14, 16, 17 and 24 Oct 2017	Penang Port, Penang, Malaysia	Cruise passengers	30

Source: Author

Based on the pilot test, the following issues were identified, and changes were made for the final version of the questionnaire (Appendix 3).

- Respondents spent 10 minutes on average

  The time taken by respondents to answer all the questions was satisfactory. This shows that the length of the questionnaires was appropriate and the respondents did not have much difficulty understanding the questions.

- Some respondents were confused about the question in Section 1, Question 2 (see Appendix 3)

  The question asked about the location of the first embarkment. Some respondents answered 'Penang', which was incorrect. The respondents should have been informed about the location of the cruise terminal departure. However, this is not a big issue as the researcher could identify the correct information based on the cruise itinerary for the date, also by identifying other respondents who were on the same cruise ship.

- Respondents skipped several questions

  Some respondents skipped Questions 4 and Question 5 in Section 3 which asked about the first and last places that they had visited. Other than that there was Question 3 in Section 4, which asked the respondents to list the three highest price items that they bought and the estimated costs for each of these. These questions were open-ended questions that required respondents to think thoroughly and write the answer. These questions were different from other questions that only required respondents to mark the answer without having to write their own words. No changes in these questions were made on the final version of questionnaires because these questions were entirely up to the respondent to answer or not.

3.6.2 Fieldwork

The fieldwork, including all data collection, took place over two months between 11 September 2017 and 14 November 2017. The scholarship gained from the government sponsor, Malaysia Ministry of Education imposed the regulation that researchers can be in Malaysia for data collection for no more than three months. This impacted on the scale of data collection that could be undertaken.

Semi-structured interviews

The respondents for the semi-structured interviews were tourism-related businesses owners, and the stakeholders, which were Penang Port, Penang Global Tourism and Tourism Malaysia Penang.

Objectives 1 as mentioned in Table 3.1, requires interviews to be undertaken with the cruise destination stakeholders. For the first attempt to approach the respondents for the interviews, a phone call was made to their office to introduce the project and make contact with regard to participation in the research. The purpose of the study was explained, along with an outline of the interview questions and the ethical standards for the research. Once they agreed to participate, an E-mail with a letter to gain consent for the interviews and setting out the interview questions was sent for their agreement. In this way, the interviewees had the chance to look at the questions before deciding whether to participate or decline. Interview sessions were then scheduled, and interviewees were required to read and sign the consent letter before the interview started. The average length for interviews was about 50 minutes. The respondents also shared valuable information and data in soft and hard copies. The data given was used for background purposes to set the case study in context and for cross-reference during data analysis. Table 3.12 below lists the information about the interview sessions and data shared by each stakeholder.

Table 3.12 Information about interview sessions with stakeholders and data sharing

Authority stakeholders	Dates	Interview duration (minutes)	Data and Information	Soft and hard copy
Tourism Malaysia Penang	25 September 2017	-	1. Penang Tourist Arrival 2015- June 2017	Soft copy by email.
	26 September 2017	66.07	1. Fastfacts Industry Performance and Trends Connectivity May edition 2017 report	Soft copy by a USB drive.
			2. Travel & Tour Enhancement Course Malaysia Tourism Transformation Plan (MTTP) Report	Soft copy by a USB drive. PDF slides
			3. Industry Performance Report (January to March 2017)	Printed copies of PDF slides.
			4. Information and statistics of tourists' arrivals, transportation arrival by seaport and airport 2017.	Printed copies of PDF slides.
Penang Global Tourism	2 November 2017	41.47	1. Brochure for cruise passengers, George Town by Day and Night.	Printed brochure.
			2. PENANG handbook.	A book.
			3. Snapshot of Cruise Tourism in Malaysia 2016	By email.
			4. Cruise call achievement by ports 2016 until 2017 (until 2017).	By email.
Penang Port	27 September 2017	-	1. Statistics of cruise arrival at Penang Port for 2012 to August 2017	Soft copy by email.
	17 October 2017	-	2. Cruise arrival at Penang Port for 2017 and 2018	Soft copy by email.
	11 November 2017	51.59	3. The Economic Contribution of Cruise Tourism to the North Asian Region 2015	Printed copies of PDF slides.

Source: Author

The second category of stakeholders comprised participants representing tourism-related businesses. The technique of purposive sampling was used to select the respondents. Tourism-related businesses were categorised into five categories: transport operators, crafts and shops, food and beverage, tour operator, museums and galleries. Three tourism-related businesses for each of the business categories were selected representing its business category for the interviews. However, for the two modern museums, both Museum 1 and Museum 2 were owned by the same person. The total number of interviews conducted was 14 interviews. The businesses were selected based on the proximity of the businesses to the cruise terminal and reachability of the businesses by the cruise passengers. Interviews were conducted in English, or Malay or both languages, depending on the wish of the respondents and their capability in language. Table 3.13 presents the information of the interview sessions.

Table 3.13 Information about the interview sessions with tourism-related businesses owners

	Business types	Location	Interview duration (minute)	Date
1.	Souvenir Shop 1	Armenian Street, George Town	10.00	19 October 2017
2.	Souvenir Shop 2	Cannon Street, George Town	15.00	19 October 2017
3.	Retail Shop	Swettenham Pier Cruise Terminal	21.08	14 October 2017
4.	Transportation rental (bicycle, motorcycle)	Armenian Street, George Town	14.50	30 September 2017
5.	Taxi service	Swettenham Pier Cruise Terminal	39.95	6 November 2017
6.	Transportation rental (van)	Swettenham Pier Cruise Terminal	31.60	7 November 2017
7.	Tour operator 1	Rangoon Street, George Town	43.07	21 September 2017
8.	Tour operator 2	Lorong Selamat, George Town	42.34	21 September 2017
9.	Tour operator 3	Tanjung Tokong	24.22	16 October 2017
10.	Modern museum 1	Weld Quay, George Town	38.13	21 September 2017
11.	Modern Museum 2	Kimberly Street, George Town	35.20	21 September 2017
12.	Heritage site visit (museum 3)	Cannon Square, George Town	56.92	14 October 2017
13.	Restaurant 1	Beach Street, George Town	21.59	6 October 2017
14.	Restaurant 2	Beach Street, George Town	31.52	8 November 2017
15.	Food and beverage shop	Swettenham Pier Cruise Terminal	32.08	14 November 2017

Source: Author

Survey

The third objective of the study was addressed by undertaking a questionnaire survey of cruise passengers. At the research design stage, cruise arrival schedules and permission to conduct a survey with cruise passengers in the port area from Penang Port were requested. However, it took almost a month to receive the permission from the Port. While waiting for the permission, surveys were carried out outside the port area; however, it was very difficult to get respondents to answer the survey. Without the information about the cruise arrival schedules, it was difficult to know the right times to wait for the cruise passengers.

However, once the cruise arrival schedules and permission to enter the port area were received, the survey within the port area was undertaken from 24 October 2017 until 14 November 2017. Having the advantage of using the customer service counter to wait for the respondents as permitted by the port, eight sessions of data collection at the port were undertaken within four weeks with the help of an enumerator team. The enumerator team consisted of two or three people working at a time.

Besides undertaking survey activities at the Port, four travel agencies were contacted to request their help in distributing the questionnaires to their tour participant. However, only one travel agency was willing to help. The reason for this attempt was to increase the number of participants considering the limited time available for fieldwork and also to reach the tour participants. During the data collection, it was found that cruise passengers who joined a tour group were quite challenging to be reached during the survey because sometimes the tour bus would send the passengers at a different entrance due to the closing gate time. Other than that, a taxi association that operated within the port had also helped to distribute the questionnaires to their customers. Overall, 185 completed questionnaires were returned.

3.7 Discussion of the methods of analysis

3.7.1 Qualitative analysis

For the qualitative research of the study, all voice recordings of the semi-structured interviews were transcribed into Microsoft Word for further analysis. The qualitative data that were transcribed were coded manually and analysed using thematic analysis. The main process in the analysis of qualitative social research data is coding, which to classifying or categorising individual pieces of data (Babbie, 2012). Thematic analysis helps to identify patterns or themes within qualitative data. This study followed the six-phase guide in the thematic analysis steps by Braun and Clarke (2006) that is widely used in the social sciences. The following steps explain the process of analysing the qualitative data:

Step 1: Become familiar with the data

Each interview transcript was read and reviewed several times to allow for familiarity with the data, including an identification of the core concepts and making notes to guide the next stage of the analysis process. The notes were also considered as the reflection on the researcher's own beliefs, challenges, and feelings due to her positionality. For example, Question 1 in Part 3 of both semi-structured interview questions sets (see Appendix 1 and 2) asked *What do you think of cruise tourism development in Penang*? The notes that were extracted were:

Most of the businesses think that cruise tourism in Penang is developing.

Step 2: Generate initial codes

This stage involved organising data in a systematic way by a coding method. Bradley (2007) explains that coding is a procedure to break complex descriptions or statements into simpler meanings and a code, usually a number, will be assigned. Data were coded based on relevance to the research question theme instead of coding all the interview transcripts. Appendix 7 provides the Example 1 of the thematic analysis that shows the step in generating initial codes by identifying ideas, words or phrases that related to perceptions of cruise tourism development, and government support, from the destination stakeholders.

Step 3: Search for themes

The next step involved examining the codes and arranging them to fit into certain themes. Themes were characterised by significance (Maguire and Delahunt, 2017). Appendix 8 provides the Example 2 of the thematic analysis that shows the step in examining the codes and arranging and reviewing them to fit into themes.

Step 4: Review themes

After all the data had been gathered and fitted into relevant themes, these themes were then reviewed for modification. Themes that were irrelevant to the research questions and without supporting data were removed so that only data that was associated with the study were preserved.

Step 5: Define themes

The refinement of the themes was the last step in organising the data in themes. This step involved identifying and defined the essence of each theme.

Step 6: Write-up

Data that were methodically coded and themed were then discussed in the data findings and analysis. Findings of the qualitative data will be explained further in Chapter 5 and Chapter 6.

3.7.2 Quantitative analysis

The purpose of the quantitative data was to address Objective 3 of the study which was to examine cruise passengers' behaviour at the shore of Penang, Malaysia. For the survey questionnaire, the quantitative data was managed and analysed using IBM SPSS 16 software. First, each questionnaire was checked thoroughly to confirm all questions were completed with accurate and appropriate answers. Then each questionnaire was edited and coded into the software using a fixed choice of answers. For example, in the coding for open-ended questions in Section 1 Question 1 (name of cruise ship), all answers were screened and then coded in order (1: Star Cruise Libra, 2: Mariner of the Seas Royal Caribbean, 3: Sea Princess, *et cetera*). Other open-ended questions that elicited number answers, for example, in Section 1 (Question 3 (days of cruising), 4 (how many times visited Malaysia), 5 (how many times visited Penang), 6 (how many hours did you stay in Penang today), and 7 (how many people are traveling with you)), all the answers were first coded accordingly and then the responses were re-coded into a group of answers. Many dichotomous questions of *Yes* or *No*, such as in Section 1 (Question 4 and 5), Section 4 (question 1) and Section 5 (Question 6, 7, 8 and 9) were coded as 1: Yes, 2: No. For rating questions in Section 2 (Questions 1 and 2) and Section 5 (Questions 1, 2, 3, 4 and 5), answers were coded in increasing order as 1:1, 2:2, 3:3, 4:4 and 5:5.

After all the data had been coded, data cleaning was run to identify any data error or missing value. Statistical analysis including univariate and bivariate analysis was used to analyse the data. Univariate analysis involves analyse single-variables (Hair et al., 2010), while bivariate analysis tests two variable for their relationship (Field, 2009). The descriptive analysis seeks to describe or define a subject, typically by generating a profile of a group of problems, people, or events, through a collection of data and the tabulation of the frequencies on research variables of their interaction (Cooper & Schindler, 2008). For this study, data of demographic, characteristics of visit information, mobility, purchase behaviour, intention to return and intention to recommend of cruise passengers were analysed using frequency distribution and percentage scores. In addition, maps were created from data that was extracted from mobility results to pinpoint the locations visited by the cruise passengers. For rating questions that applied for cruise passengers' motivation and information sources, data were analysed using the calculation of mean score and comparison of the mean score.

Besides the descriptive analysis, Chi-squared test and a difference of means test were used to find the key relationships and associations in the data. The Chi-square test explores the probability that the observed association between two variables happened by chance (Bryman & Cramer, 2001). This test was used to identify the association between hours spent by cruise passengers at the shore of Penang and the total amount of money spent, the association between cruise passengers' satisfaction of the trip and intention to return and recommend. Additionally, a cross-tabulation analysis was conducted to compare behaviour of two categories of cruise passengers; (1) tour participant and (2) non-tour participant, in terms of the demographic and visit characteristics, source of information, mobility and purchasing behaviour. Cross-tabulation is a technique for comparing data from two or more categorical variables (Cooper & Schindler, 2008).

3.8 Ethical Issues in the Research

The main purpose of research ethics is to ensure rigorous conduct of trustworthy scientific research. Researchers need to expect the ethical questions that may occur during the investigation process, notably when research involves collecting data from people, about people (Punch, 2005). Ethical issues may occur in such issues as personal disclosure, authenticity, and credibility of the research report; the position of the researcher in cross-cultural contexts; and questions of personal privacy over forms of Internet data collection (Israel & Hay, 2006). Researchers necessary to protect their research participants; build trust with them; encourage the integrity of research; guard against misconduct and impropriety; and cope with new, challenging problem (Israel & Hay, 2006).

Ethical issues need to be addressed prior to data collection included data management and the requirement to recognise the responsible manner and safe environment for the researcher. This is established on the UK laws and Exeter University's policies in safeguarding the safety, rights, dignity, confidentiality and anonymity of the participants. As for the current study, it employed the *Code of Good Practice in the Conduct of Research* as a guideline provided by The Business School and set up by the University of Exeter. Concern was also given regarding the safety of the researcher during the fieldwork as the research conducted in Malaysia. Although the location and research environment were familiar to the researcher, however the researcher had to do the travel risk analysis as a precautionary action and made sure emergency contacts were provided. The researcher followed the University of Exeter risks assessment before the ethics application. All the potential risks and the strategies to overcome the risks were all listed before risk assessment form was verified and approved by the university ethics committee.

3.8.1 Participant consent

There were two types of research participants for the study. Firstly, the interviewees for semi-structured interviews and secondly, the survey questionnaire participants. For the interviews, it was ensured that interviewees were well-aware of the purpose and format of the interviews and how the data would be used and that they participated voluntarily. Qualitative approach is believed potentially leading to some social risks to the participants in the data collection process (Patton, 1990), such risks connected to the participant's feelings and emotions for instance anxiety, discomfort and distress which may happen when the participant voices his/her opinions during the interview was executed. Therefore, at the very beginning of the interviews, the introduction of the project was explained together with the consent letter was given. The consent letter to participants (see Appendix 1 and 2) confirmed the following:

- Interviews are confidential and non-attributable

- Interviews will be audio taped with permission.
- All information will be kept confidential, and pseudonyms will be used in order to protect the anonymity of research participants.
- Data will be stored in password-protected files and will be used for academic research purposes only.
- Participation in this research is entirely voluntary.

In addition, the researcher interacts in Malay or English language, whichever that make the participants feel comfortable and happy, as well as ensuring the use of simple vocabulary, in the attempt to minimise the participants' discomfort. Besides, participants were informed that they may withdraw at all any time during the interview. Participants were also assured they could contact the researcher or her university's supervisors at their emails as provided should they have any concerns or queries. At the end of the letter, spaces for participants to give their signature and contact information were provided.

For the questionnaire survey, convenience sampling was used to approach participants. Cruise passengers were approached haphazardly by the researcher and enumerator team, who at first introduced the survey and then asked if they would be able to participate in the survey. If they agreed and were willing to participate, they were given a self-completing questionnaire to complete in the researcher's presence. As explained in the previous Section 3.3.2, the survey questionnaire clearly stated the project title, purpose and researcher information. Participants were assured that all information given would remain confidential and would only be used for the project. This survey only permitted people aged 18 and above to participate.

3.8.2 Data management consideration

The University of Exeter records management procedures governing the storage and use of data collected for this study. Data was stored in password protected files and used for academic purposes only. All of the data collected (papers, soft documents, audio records) from the participants of this study was kept securely and will only be used for the purposes of the completion of the doctoral thesis, and associated conference presentations and journal publication. With regard to the consent form, the anonymity and strict confidentiality of the participants are assured. Thus, the researcher is responsible for the security of the data and not disclosing it either orally or in writing, accidentally or otherwise to any unauthorised third party.

At the end of the project, the analysed data will be kept securely for the purpose of journal publication. The time limit for this purpose is set for six years. All of the raw data such as questionnaires, soft documents and audio tapes will not be held indefinitely and will be destroyed immediately. Accordingly, all of the raw data recorded in the papers will be shredded, and electronic records should be deleted.

The subsequent chapter will introduce and elaborate further about the location of the case study, Penang, Malaysia.

3.9 Limitation of the data collection methods

The primary drawback of the data collection methods was the time constrain on fieldwork which has impacted the data collection process and the number of respondents. The fieldwork and intensive data collection process in Malaysia had to be implemented within three months, which was restricted by the scholarship sponsor as outlined earlier.

For qualitative data collection, the issue was to find suitable and willing participants in tourism-related businesses to interview. This research developed selective criteria for interviews: tourism-related businesses involved directly or indirectly with cruise tourism, or the tourism-related businesses had to deal with the cruise liners or cruise passengers. Certain businesses declined to participate in the interview for the reason they are not involved with cruise tourism and could not comment on that. Besides, it was not possible to set up interviews before travelling to Malaysia because researcher needs to personally approach them to get contact details and request for an appointment with the manager, owner or representative of the businesses. In addition, the study was limited by the reluctance of some stakeholders to become involved in the interview. This was hampered to some degree by the time constraints placed on the overall fieldwork.

With regard to the quantitative data collection, there were three main limitations. First, the research team had to wait for quite some time to get approval from the cruise terminal authority before the data collection of questionnaire distribution could proceed within the cruise port area; thus it delayed the survey and reduced the data collection period. This study managed to execute eight survey sessions within four weeks after the permission to enter the cruise terminal was granted. Within the limited period of data collection, the survey was also affected by the cruise arrival schedules (see Appendix 4) because there were some days without cruise arriving at the port.

More importantly, the limited time of cruise passengers at the cruise destination resulted in low participation. The cruise passengers usually returned to the cruise terminal close to the end of the shore trip. Because the survey data collection was undertaken at the cruise terminal, occasionally passengers declined to participate as they were rushing to get on board. In addition, the cruise passengers who joined a tour group usually had different entrances due to the closing gate times, which could not be reached by the enumerator team. Therefore, one of the ways to overcome the limitation and increase the number of respondents was by getting help from a travel agency and taxi association to help distribute the questionnaire to their cruise passenger customers. Nonetheless, even though the number of respondents was only 185 which was lower than the targeted sample size 383, however it could be considered appropriate because it followed the ‘rule of thumb’ by Roscoe (1975), affirmed that the sample size larger than 30 and smaller than 500 are appropriate for most of the research.

CHAPTER 4 CASE STUDY: PENANG AND SWETTENHAM PIER CRUISE TERMINAL

4.1 Introduction

Prior to the discussion of the findings and data analysis, this chapter will introduce the case study. The chapter will provide the background and context of the case study location and will discuss the significance of Penang as a cruise tourism port, and the reason for its selection for this thesis. The chapter commences with a review of the tourism industry in Malaysia and current trends. The following section will explain the cruise tourism industry and its importance in Malaysian tourism industry policy. Next, the characteristics of Penang and its capital city, George Town, are explored. The chapter outlines the significance of Penang as a tourism destination in general, and particularly, as a cruise tourism destination.

4.2 Tourism industry in Malaysia

Since the 1980s, the government has given serious attention to the Malaysian tourism industry for the reason that Malaysia was overly dependent on the primary and secondary sectors after it attained its independence in 1957 (Puah, Jong, Ayob & Ismail, 2018). Thus, the Ministry of Culture and Tourism was established in 1987 to diversify the economic risk by highlighting the comparative advantage of the tourism industry. Later on, the Ministry of Culture and Tourism was transformed into the Ministry of Tourism and Culture (MOTAC) in 2013 with the purpose of promoting Malaysia as a top-of-mind tourist destination.

The number of international tourist arrivals in Malaysia continued to grow consistently from 2007 until 2014, from 20.97 million arrivals to 27.33 million arrivals. However, the number of international tourist arrivals was inconsistent from 2015 to 2018 (see Table 4.1). The number dropped in 2015 (25.72 million arrivals), but then showed an increase in 2016 (26.76 million arrivals) before declining again in 2017 (25.95 million arrivals) and 2018 (25.83 million arrivals). Regardless of the inconsistent trend of international tourist arrivals, however, the revenue of total receipts showed significant increases from 2007 to 2018, from MYR 53.4 billion to MYR 84.1 billion.

Table 4.1 Tourist arrivals and revenue receipts in Malaysia

Year	Total tourist arrivals (million)	Receipts (MYR)
2018	25.83	84.1
2017	25.95	82.1
2016	25.76	82.1
2015	25.72	69.1
2014	27.72	72.9
2013	25.72	65.4
2012	25.03	60.6
2011	24.71	58.3
2010	24.71	56.5
2009	23.65	53.4
2008	22.05	49.6
2007	20.97	53.4

Source: Tourism Malaysia (2019)

The World Travel and Tourism Council (WTTC) in their *Travel and Tourism: Economic Impact 2014 Malaysia Report* confirmed that the total contribution of travel and tourism to Malaysia's gross domestic product (GDP) in 2013 was MYR 158.2 billion, 16.1% of GDP. However, the 2015 Report noted that the total contribution of travel and tourism to Malaysia's GDP dropped to 14.9% in 2014. In 2015, a drop to 9.8% was recorded. Tourism Malaysia reported that the reason was due to two air incidents, the MH17 and MH370, which happened in 2014. Nonetheless, the tourism industry displayed signs of recovery in 2016 when the total contribution to GDP generated by travel and tourism increased to 13.7% at $40 billion or MYR 171 billion (WTTC, 2017). It is reported that the travel and tourism's total GDP impact was greater than other sectors such as banking, automotive manufacturing, chemicals manufacturing, construction and financial services sectors in 2016. Other than that, travel and tourism contributed a total of 1.7 million direct, indirect and induced jobs in 2016 (WTTC, 2017). The contribution was larger than other sectors except retail and agriculture sectors.

Despite the drop in the number of tourist arrivals by 3% in 2017, Malaysia ranked in second place in the list of international tourist arrivals for South-East Asia, with 25.9 million visitors (World Tourism Organization UNWTO, 2018). According to Tourism Malaysia (2018) most international tourists were from Singapore (12,441,713 tourist arrivals), Indonesia (2,796,570), China (2,281,666), Thailand (1,836,522), Brunei Darussalam (1,660,506), India (552,739), South Korea (484,528), Japan (392,777), the Philippines (370,559), and the United Kingdom (358,818). China market tourists exceeded the target with an increase of 7.45% to 2.28 million arrivals, while the growth of flight frequency by Malaysia's local low-cost airline, *AirAsia X*, made Kuala Lumpur and also Kota Kinabalu choice destinations for the Koreans. Other than that, wars in the Middle East such as those in Syria, Yemen and Qatar affected the Middle East markets and Malaysia's tourism performance, especially after Malaysia Airlines discontinued its routes to Dubai and Kuwait in 2016 (Tourism Malaysia, 2018).

Notwithstanding, Tourism Malaysia (2018) believes that tourism performance will improve over time based on some supporting reasons:

(1) The increase in the number of visa applications from India and China and forward flight bookings; also the improved visa facilities in both countries encourage more tourists to visit Malaysia.

(2) Better connectivity from various key markets would also boost travel to Malaysia.

(3) Tourism Malaysia pronounced its partnership with Condor Air to launch a thrice-weekly Frankfurt-Kuala Lumpur route, which commenced on 5 November 2018 offering 960 weekly seats, during the Internationale Tourismus-Börse (ITB) Berlin.

(4) The Tourism Malaysia Integrated Promotional Plan 2018-2020 has also been framed and executed to approach existing challenges and improve Malaysia's tourism performance.

(5) The Visit Malaysia 2020 campaign in several markets aiming 36 million tourists arrival and RM168 billion in tourist receipts by 2020, is also anticipated to revive Malaysia's position as a choice holiday destination.

4.3 Cruise Industry in Malaysia

One of the important sectors in the Malaysian tourism industry is cruise tourism. Douglas and Douglas (1999) report about cruise ship visits in the 1970s in their study of the history of tourism in Sarawak, one of the states of East Malaysia. However, Singh (1999) asserts that cruising in the South East Asian region began in early 1980, when a German-built ship, the *Princess Mahsuri*, presented a series of 14-day cruises to Malaysia, Thailand and Indonesia (Singh, 1999). The ship had to cease its operation after it failed to entice locals and foreigners. The *Rasa Sayang*, a ship with similar itinerary on-board also failed when the ship was destroyed in a fire at Port Klang, Malaysia. Other than the small domestic operators, cruising in the region since then has been characterised by seasonal cruising, and around-the-world extended cruises, operated by North American Cruise Line as part of their Far East itinerary where most of them were the ultra-luxury category cruise lines such as Cunard, Silversea Cruises, Radisson Seven Seas, Star Clipper, and Seabourn Cruise line (Singh, 1999). The emergence of a rising new middle class of affluent travellers in the early 1990s radically changed the fortunes of the cruise industry worldwide.

According to Singh (1999), the attraction of Southeast Asia lies in the diversity of its exotic cultures and destinations, year-round warm weather and proximity to neighbouring countries. These are advantages for Malaysia in the cruise tourism industry as acknowledged in the brochure of Malaysia: A Preferred Cruise Destination by Tourism Malaysia, the Ministry of Tourism and Culture Malaysia (2016, p.3):

> *Malaysia is one of the region's most attractive cruise destinations and is on most round-the-world cruise routes. Some of the world's best cruise ships operate in Malaysian waters and offer an excellent combination of recreational facilities, entertainment, gourmet meals and exotic destinations. Malaysian ports are fully-equipped with extensive and state-of-the-art facilities, offering convenient berthing spots for cruise ships from all over the world. So sit back, relax and let one of several cruise line operators take you to various enchanting destinations along the Malaysian coastline.*

Tourism Malaysia has been supportive of promoting cruise events. One of the ways it does this is by working closely with all players such as non-government organisations (NGO), state tourism, shore excursion agents and port authorities. Tourism Malaysia builds visibility and marketing chances for actors where they partake in international exhibitions such as Cruise Shipping Miami, Florida, Cruise Global Tourism Conference & Exhibition, Langkawi, and Seatrade Cruise Asia, Busan Korea. Besides these exhibitions, Tourism Malaysia highlights destinations by organising events at cruise ports. For example, the welcoming reception at Swettenham Pier Cruise Terminal, Penang, Boustead Cruise Center, Port Klang and at Langkawi Star Cruise Terminal. Table 4.2 and Figure 4.1 show the ten cruise ports in Malaysia.

Table 4.2 Details of cruise ports in Malaysia

No.	Port Name	Port Location	Distance from Pier to nearest town/ City Centre
1.	Swettenham Pier Cruise Terminal	George Town, Penang	1km
2.	Boustead Cruise Centre	Port Klang, Selangor	13 km to Port Klang 20km to Klang
3.	Langkawi Star Cruise Jetty	Langkawi Island, Kedah	5 km to Cenang 22 km to Kuah
4.	Melaka Marina	Melaka City, Melaka	1km
5.	Kuching Port	Kuching, Sarawak	8km
6.	Kota Kinabalu Port	Kota Kinabalu, Sabah	1km
7.	Bintulu Port	Bintulu, Sarawak	10km
8.	Kuantan Port	Kuantan, Pahang	28km
9.	Redang Port	Redang Island, Terengganu	150m
10.	Tioman Port	Tioman Island, Pahang	50m

Source: Adapted from the brochure of Malaysia: A Preferred Cruise Destination (Tourism Malaysia, 2016)

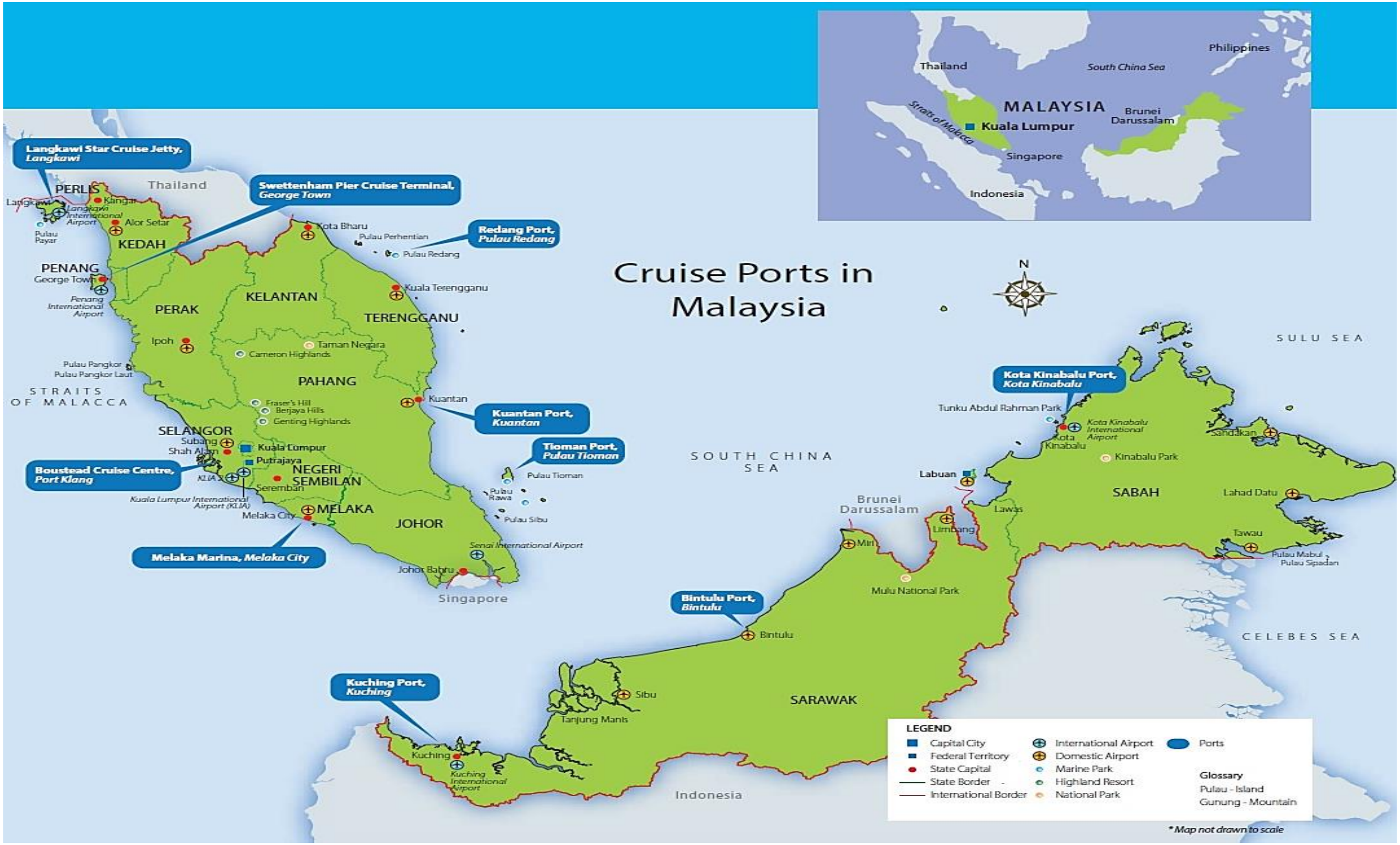


Figure 4.1 Location of the ten main cruise ports in Malaysia
Source: The brochure of Malaysia: A Preferred Cruise Destination (Tourism Malaysia, 2016)

The number of cruise ships berthing at the country's port has increased over the last few years, especially at the main ports in Penang, Port Klang, Langkawi, Melaka, Kuching and Kota Kinabalu. In 2014, 356 international cruise ships with 352,322 passengers arrived at the six ports, a number equivalent to 7.29% of total tourist arrivals in Malaysia for the year (Tourism Malaysia, 2015). Interestingly, the Civil Service Delivery Unit (2017) reported in the 2017 Annual Report of the National Transformation Programme (NTP) that the progression of international cruise tourism in Malaysia has been a constant driver in the tourism industry with a record of 471 international cruise calls at Malaysian ports bringing in 924,885 passengers at the primary ports, contributing to the total number of 599 cruise arrivals, which includes local cruise ships for the prior year. Thus, the cruise sector has been primed for growth with several new developments that will increase the rate of arrivals and improve Malaysia as a cruise destination (Civil Service Delivery Unit [CSDU], 2017).

One of the significant actions taken by the government is emphasising cruise tourism as one of the key factors for the tourism industry in the National Key Economic Areas (NKEA) with the purpose of increasing the number of tourists to Malaysia. The key factor is under its sixth Entry Point Projects (EPP), developing cruise tourism 'Creating a Straits Riviera Cruise Playground'. The EPP was an attempt to maximise the growth in the international cruise tourist market developing at 14% annually in the past ten years, and this EPP is expecting the development of a Straits Riviera, including the six primary ports and other secondary ports (Tourism Malaysia, 2015). Table 4.3 shows the 12 Entry Point Projects (EPP) for the tourism industry with some changes in the projects seen between the reports in 2014 and 2017.

Table 4.3 The 12 entry point projects (EPP) for Malaysia's tourism industry

Entry Point Projects		
	2014	**2017**
EPP #1	Positioning Malaysia as a duty-free shopping destination for tourist goods	Positioning Malaysia as a vibrant shopping destination
EPP #2	Designating Bukit Bintang-Kuala Lumpur City Centre as a vibrant shopping precinct	Designating Kuala Lumpur City Centre-Bukit Bintang as a vibrant shopping precinct
EPP #3	Establishing Premium Outlets in Malaysia	
EPP #4	Establishing the Malaysia Mega Biodiversity Hub (MMBH)	Establishing Malaysia as a mega biodiversity hub (MMBH)
EPP #5	Developing integrated resorts	
EPP #6	Developing cruise tourism	Developing cruise tourism
EPP #7	Targeting more international events	Positioning Malaysia as a vibrant events and entertainment destination
EPP #8	Establishing Dedicated Entertainment Zones (DEZ)	
EPP #9	Developing local expertise and better regulation of the spa industry	Establishing Malaysia as a leading business tourism destination
	Golf tourism	
EPP #10	Establishing Malaysia as a leading business tourism destination	
EPP #11	Enhancing connectivity to priority medium-haul markets	Enhance air connectivity to Malaysia from priority markets
EPP #12	Improving rates, mix and quality of hotels	

Source: Shariffuddin (2019) adapted from CSDU (2017); Performance Management and Delivery Unit [PEMANDU] (2015)

The key performance indicator (KPI) for the EPP#6 that was set for cruise tourism in 2014 is the number of international cruise calls at six terminals. However, the KPI measurement in 2017 is the number of international cruise calls at Malaysian ports, and the number of cruise passengers at primary ports. As shown in Table 4.4, the cruise tourism industry had exceeded the KPI in the different years.

Table 4.4 The key performance indicators for EEP#6 developing cruise tourism

	Year	**KPI**	**Target (FY)**	**Actual (YTD)**
EPP#6 Developing Cruise Tourism	NTP 2014	Number of international cruise calls at six terminals (Port Klang, Penang, Langkawi, Melaka, Kota Kinabalu, Kuching)	340	356
	NTP 2017	Number of international cruise calls at Malaysian ports	405	471
		Number of cruise passengers at primary ports	577,500	924,885

Source: Adapted from CSDU (2017); PEMANDU (2015)

The annual report of the National Transformation Programme (2017) also highlighted the cruise industry's key players that will shape the cruise industry in the country as follows (CSDU, 2017):

(1) The TUI Group

The TUI Group designated Langkawi as a homeport in 2018. The "TUI Discovery" will be home-porting in Langkawi starting December 2018 to work in the winter season market. Eight sailings were scheduled with 1,800 passengers on board for each sailing. The route includes Langkawi, Melaka, Port Klang, Koh Samui (Thailand), Laem Chabang (Thailand), Singapore, Phu My (Vietnam) and Sihanoukville (Cambodia).

(2) The Star Cruises

The Star Cruises broadened its offering with several homeports and fly-cruise routes to supply the demand from Southeast Asian tourists along with those outside the region. More option provides more flexibility to accommodate cruise routes and itineraries that fit the needs of different consumers. Furthermore, Port Klang has been recognised as a Star Cruise homeport, and so passengers have greater ease to fly in and out of Kuala Lumpur.

(3) The Royal Caribbean Cruises

The Royal Caribbean Cruises has proposed collaborating with the Penang Port Council to expand the Swettenham Port Cruise Terminal to accommodate larger and more cruise ships. The proposed expansion includes the lengthening of the pier from the current 400 metres to 688 metres. In addition, the extension will allow the docking of two mega cruise liners at once, with each carrying up to 4,900 passengers from the current pier capacity of a maximum of 3,000 passengers each. Other than that, the expansion proposes to allocate more space for tour buses to transport cruise passengers, as well as better accessibility for senior citizens and the physically challenged.

A previous study about the strengths, weaknesses, opportunities and threats (SWOT) analysis on cruise tourism in Malaysia was conducted by Chong (2014). Chong asserts that the strengths of the industry include strong support from the government to upgrade ports' infrastructure, the strategic location of Malaysia located within South-East Asia with over 25,000 islands in the area, which gives an advantage of nature strength, the recognition of world-class awards of Statements of Compliance under the International Ship and Port Facility Security (ISPS) Code 2002 (Genting Group, 2014; UC Cruises, 2014) for the Star Cruises Terminal in Port Klang and Jetty Terminal on Langkawi Island Malaysia, and the recognition of world-class service standards of hospitality in the cruise industry of Asia Pacific (UC Cruises, 2014) to the local cruise operators, Star Cruises. Furthermore, Tourism Malaysia (2017) also highlighted that the strengths of the cruise tourism industry are the affordable currency exchange rates, warm weather, modern infrastructure and facilities of local cruise terminals, friendly local people, a politically stable government, and many tourist attractions that are easily reachable from the ports, making Malaysia the ideal stopover for cruise line operators (see Table 4.2). Several of the prime cruise terminals such as Langkawi, Penang, Port Klang and Melaka are located close to local attractions that include either a big-city atmosphere or ecotourism attractions, beaches, authentic culture and exotic cuisine (Tourism Malaysia, 2017).

Tourism Malaysia (2017) states that Malaysian ports are equipped with extensive and advanced facilities that contribute to the convenient berthing spots for international cruise ships and all of these were results of the government's recognition of tourism as a key economic area for the country's growth, when cruise tourism was named as one of 12 focus areas (see Table 4.3) for development over the next eight years. In addition, the Malaysia Cruise Council (MCC), a single governing body for all the major ports in Malaysia, has been established as one of the initiatives to support the cruise tourism industry. The MCC involves the Ministry of Tourism and Culture, the Ministry of Transport, and various representatives from the public and private sectors.

The weaknesses identified by Chong (2014) include oligopolistic competition and negative perceptions of Malaysian Muslims about gambling-oriented cruises rather than more general holiday making. The opportunities of cruise tourism can be seen in the increase in spending in travel and cruising, the exemption in the Malaysia Cabotage Policy to all international cruises to draw more cruises to stopover in more than one port in the country, the geographic location of

Malaysia, which is free from severe natural disasters, and the strong assistance and concerns from the government to develop the industry. However, the main threats of the cruise tourism industry to develop well in Malaysia are piracy and safety issues (Chong, 2014). The cruise industry has the chance to develop and be sustainable in Malaysia; however, careful planning for cruise tourism development and measurement of the impacts is necessary for improvement. This attempt needs excellent cooperation between all the stakeholders, including the government, port authorities, cruise operators and local community to carefully plan for the development.

4.4 George Town, Penang as a cruise destination

Penang consist of two parts called Penang Island and Seberang Perai, which are attached to the Northwest coast of Peninsular Malaysia. Penang is one of Malaysia’s top tourist destinations, after Kuala Lumpur and Pahang, and the state has received over 90.14 million visitors between 1990 and 2013, with an annual average of 3.92 million visitors (Omar et al., 2015). Penang has been well known mainly due to its capital city called George Town, located within the island part. Due to its compact size and content a large population, George Town is one of the densest cities in the country.

4.4.1 George Town, Penang, a UNESCO Heritage Site

In July 2008, George Town was ascribed in the UNESCO World Heritage List of cities and sites of great cultural value to the global community (The Socio-Economic & Environmental Research Institute, 2009). George Town was ascribed alongside the Straits town of Melaka, which has recorded over 500 years of trade and cultural exchanges between the East and the West. The World Heritage Sites in Malaysia have an essential role in enticing tourists to Malaysia as the statistics of arrivals to the World Heritage sites in 2017 were recorded as being 19 million visitors, exceeding its target of 16.5 million (CSDU, 2017).

According to the UNESCO World Heritage Centre, both Melaka and George Town were ascribed as Heritage Sites for the following criteria (UNESCO, 2008):

> Criterion (ii): Melaka and George Town represent exceptional examples of multi-cultural trading towns in East and Southeast Asia, forged from the mercantile and exchanges of Malay, Chinese, and Indian cultures and

three successive European colonial powers for almost 500 years, each with its imprints on the architecture and urban form, technology and monumental art. Both towns show different stages of development and the successive changes over a long span of time and are thus complementary.

Criterion (iii): Melaka and George Town are living testimony to the multi-cultural heritage and tradition of Asia, and European colonial influences. This multi-cultural tangible and intangible heritage is expressed in the great variety of religious buildings of different faiths, ethnic quarters, the many languages, worship and religious festivals, dances, costumes, art and music, food, and daily life.

Criterion (iv): Melaka and George Town reflect a mixture of influences which have created a unique architecture, culture and townscape without parallel anywhere in East and South Asia. In particular, they demonstrate an exceptional range of shophouses and townhouses. These buildings show many different types and stages of development of the building type, some originating in the Dutch or Portuguese periods.

Furthermore, Malaysia continues to receive international acknowledgement in the tourism industry, with Penang being named one of the 17 must-visit destinations in 2017 by CNN. The city of George Town was also ranked 4th in the Lonely Planet's top 10 cities to visit in 2016 and other recognition has been given (see Figure 4.2).

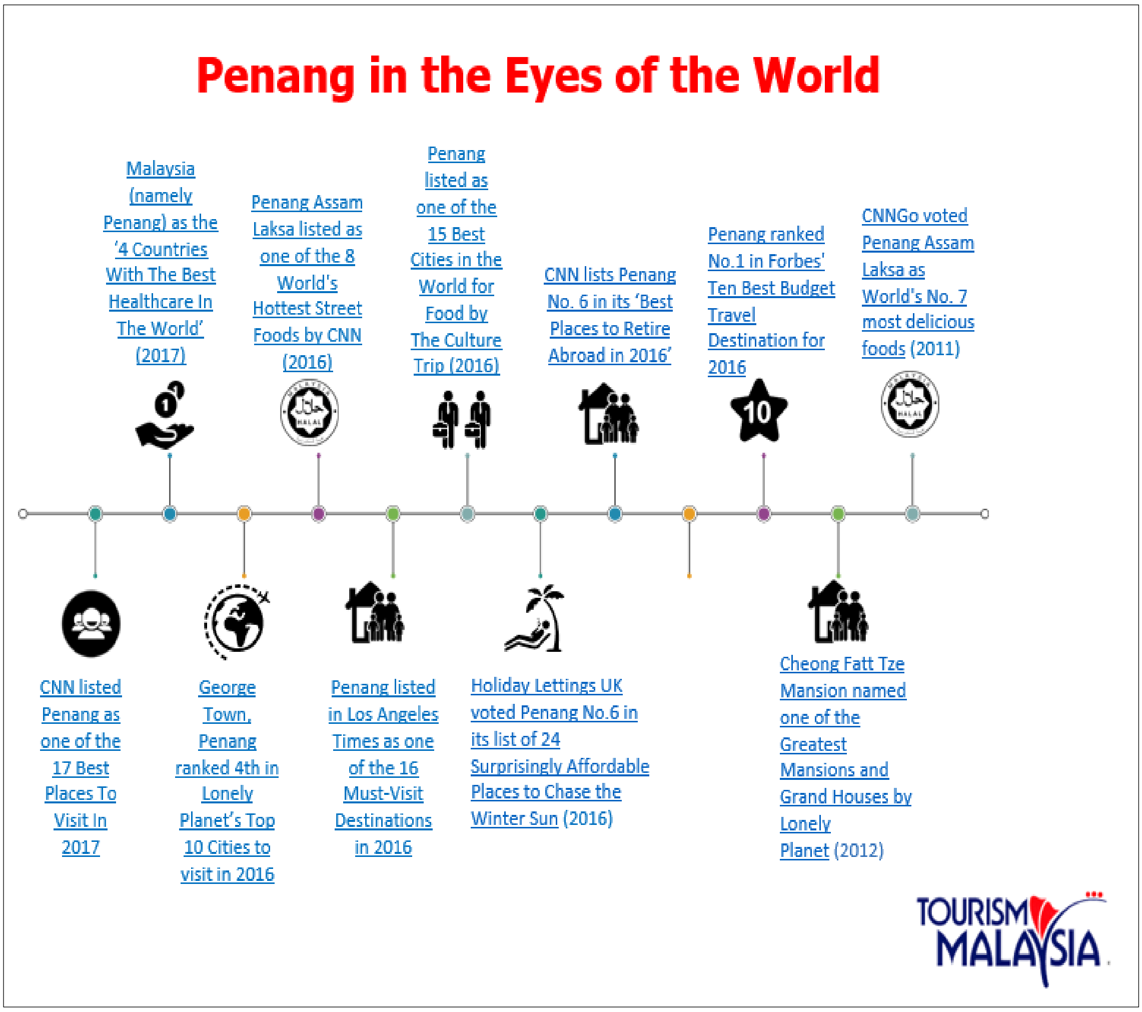


Figure 4.2 Penang's achievement in the tourism industry
Source: Tourism Malaysia Penang, 2017. Collected during author's fieldwork

4.4.2 The importance of Swettenham Pier Cruise Terminal, George Town, Penang

Back in the 1960s, Penang Port and Port Klang were the departure points for international travel among the Malay Muslims to Mecca for pilgrimage (Salim & Mohamed, 2018). At that time, ships were the only transportation mode for such purposes. Commercial air travel to Mecca was introduced 20 years later. Today Swettenham Pier Cruise Terminal at the Penang Port is one of the ten primary cruise ports in Malaysia. Penang is more than just a destination for international cruises vessels but also acts as a catalyst in the development of the local and international tourism industry. Figure 4.3 shows the photos of the cruise terminal while Table 4.5 displays the descriptions of the cruise terminal.

1. The front view of Swettenham Pier Cruise Terminal. The photo shows a crowd of passengers upon cruise arrival.

2. The view of Swettenham Pier Cruise Terminal from on top of a cruise. This shows the proximity of the terminal to George Town city.

3. The photo shows two types of cruises berthing at the terminal.

Figure 4.3 Photos of Swettenham Pier Cruise Terminal, George Town, Penang.
Source: Author's fieldwork

Table 4.5 The description of the cruise terminal

Description	
Basic information	
Port name	Swettenham Pier Cruise Terminal (SPCT)
Port location	George Town, Penang, Malaysia
GPS coordinates	5.418689,100.345665
Technical information	
No. of berths	4 / Displacement is 100,000 tonnes
Berth lengths	North outer - 220 m South outer - 190 m North inner - 180 m South inner - 140 m (Solid deck)
Maximum draft	10.5 m
Tidal variation	2.9 m
Tugs available	Yes
Guaranteed berthing for cruise ships	Yes, subject to prior booking
Cargo Ships at Dock	No
Terminal facilities	
Terminal building	Yes
Meet & greet facilities	Purpose-built arrival/departure halls Passenger link bridges Check-in counters Immigration and customs offices Round-the-clock terminal security
Covered walkway	Yes
Wi-Fi	No
Tourist info. centre	Yes
Souvenir shops	Yes
Foreign exchange	Yes
Transport	
Distance from pier to nearest town centre	1 km, located in George Town itself
Walking distance to town	Yes
Shuttle buses required to access the town	No
Distance from ship to bus pick-up point	200 m
Availability of taxis at pier	Yes
Name of nearest airport	Penang International Airport
Distance to airport	20 km
Approximate travelling time to the airport (without traffic)	40 min

Source: The brochure of Malaysia: A Preferred Cruise Destination (Tourism Malaysia, 2016)

The cruise terminal is one of the favoured stop-over ports of the world's largest cruise vessels. Based on the data received during the fieldwork, the number of tourist arrivals at the seaport of Penang, Malaysia increased from the year 2015 to June 2017 (see Table 4.6), and the number of international transit cruise arrival from the year 2012 until August 2017 (see Table 4.7). The cruise port has been in competition with Port Klang, Selangor, to be the number one cruise port in the country. As recorded by CLIA (2017), the Swettenham Pier Cruise Terminal was in the Top Ten Cruise Ports in Asia with a total of 207 cruise calls in 2017 (see Figure 4.4). This made the cruise terminal in George Town the number one leading cruise port in Malaysia in 2017.

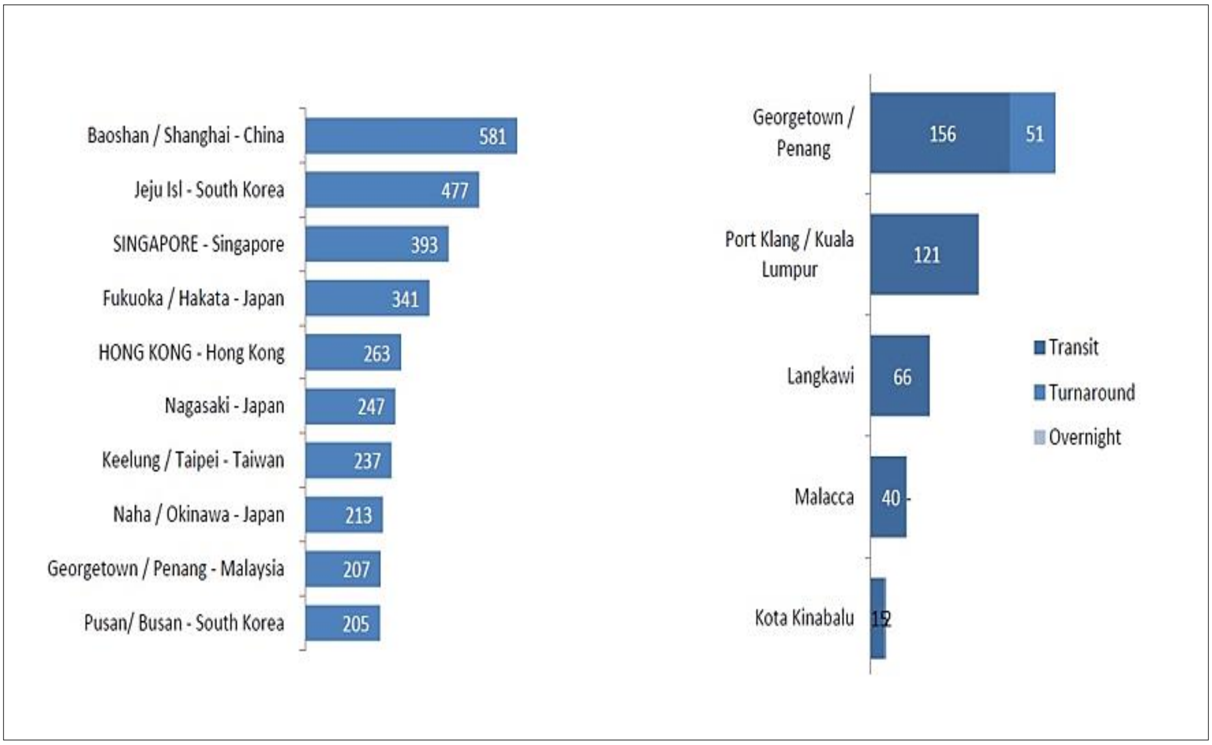


Figure 4.4 The rank of top cruise ports in Asia 2017 (left) and top cruise ports in Malaysia (right)

Source: Adapted from CLIA (2017)

Table 4.6 The number of tourist arrivals at the seaport of Penang

	Number of tourist arrivals at the seaport of Penang		
Country of Residence	**2015**	**2016**	**2017 (January until June)**
Singapore	31,788	34,693	33,632
India	21,037	30,222	29,025
German	18,386	24,833	22,606
Australia	7,439	5,590	9,140
Indonesia	7,715	7,979	8,574
United Kingdom	8,691	7,480	5,038
China	5,608	2,665	4,448
USA	5,374	6,067	4,312
South Korea	1,706	1,466	2,845
Philippines	2,101	2,103	2,698
Japan	2,281	2,688	2,546
Non-Commonwealth Countries	1,630	3,211	2,476
Thailand	1,156	1,375	1,743
West Europe	1,292	1,443	1,426
Canada	2,364	1,965	1,218
East Europe	396	705	899
New Zealand	382	440	864
Hong Kong S.A.R	1,832	1,594	788
Russia	509	607	669
Commonwealth Countries	686	1,504	574
Brunei	30	56	564
Latin America	396	512	547
Taiwan	766	528	515
Belgium, Luxembourg, Holland	450	442	410
Norway, Sweden, Denmark, Finland	791	399	288
Hong Kong C.I	82	139	191
Sri Lanka	244	229	187
France	229	950	187
Pakistan	78	181	156
Bangladesh	91	350	83
Middle East	272	482	81
Total	**125,802**	**142,898**	**138,730**
Malaysia	28,050	11,995	25,284
Grand Total	**153,852**	**154,893**	**164,014**

Source: Tourism Malaysia Penang (2017). Collected during author’s fieldwork

Table 4. 7 The number international transit cruise arrivals at the seaports of Penang

	2012	**2013**	**2014**	**2015**	**2016**	**2017 (January until August)**
Number of vessel	85	77	85	121	136	101
Number of cruise passengers	124,110	122,886	110,715	187,494	213,581	181,373

Source: Penang Port (2017). Collected during author's fieldwork

Nonetheless, the number of calls to Swettenham Pier Cruise Terminal dropped in 2018. The cruise terminal was ranked in 15th place of the Top Cruise Ports in Asia with 137 cruise calls (see Figure 4.5). This placed Swettenham in second place after Port Klang as the top cruise port in Malaysia. However, not only was a drop recorded at George Town's cruise terminal, but it happened to other major cruise ports in Asia such as China, Singapore, Hong Kong, Japan and South Korea. The slowdown was associated with a mix of regulatory issues, and some decreases in ship deployment in East Asia as the demand for those ships was strong elsewhere in the world (CLIA, 2018b).

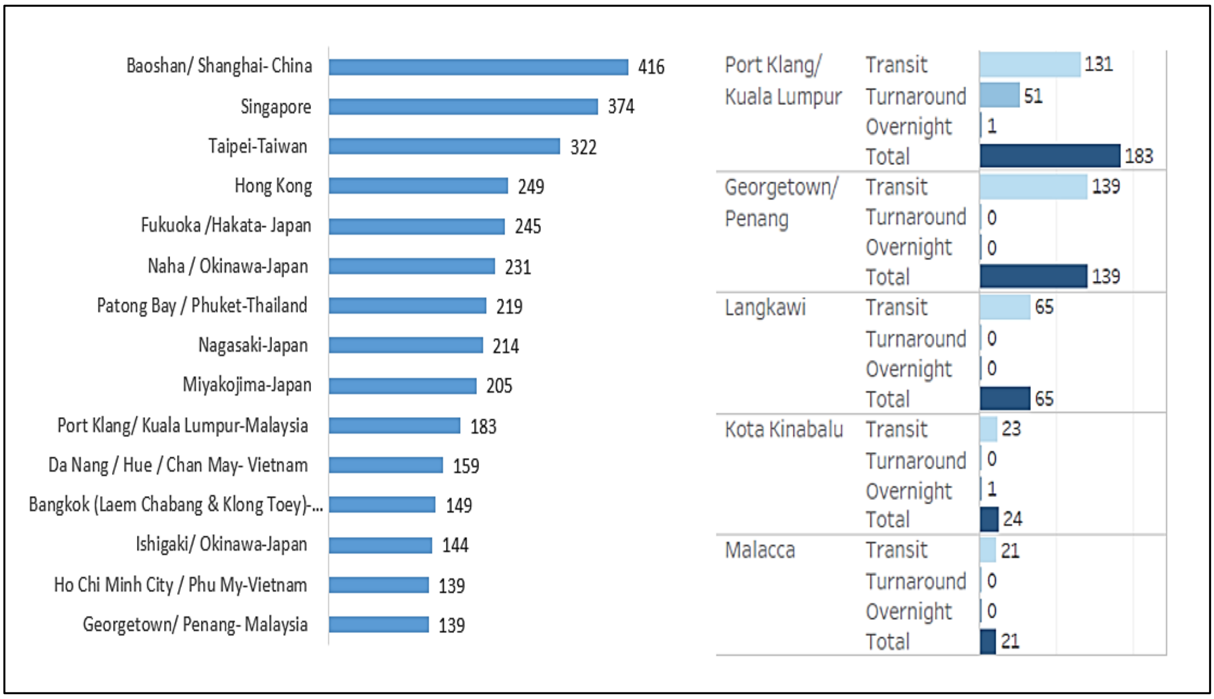


Figure 4.5 The rank of top cruise ports in Asia 2018 (left) and top cruise ports in Malaysia (right)

Source: Adapted from CLIA (2018b)

Looking at the advantages of Penang as one of the major tourist destinations in Malaysia with the cruise terminal within the city of a UNESCO heritage site, it somehow reflects that Penang has the potential to excel as a destination for the cruise industry to emerge. However, further investigation of the destination is necessary. Although the Tourism Malaysia has shown strong support towards developing cruise tourism, they nevertheless need to consider and evaluate long-term or short-term issues that may occur due to the development process. For instance, the development of the cruise industry implies the need for investment in terminals for more and larger vessel arrival (Seidl et al., 2006). However, they must evaluate if the investment in cruise port expansion will be worth the cost and the possibility that construction activities may influence the visit experience of cruise passengers at a time. Besides, new terminals do not guarantee continued cruise business (Munro & Gill, 2006) because the cruise operator may divert their itinerary to other destinations even during the expansion process.

In addition, as for the case of cruise tourism in George Town, Penang, it is also important to assess the environmental and social impact of cruise tourism. Especially with the location of the cruise port located within relatively small and compact size of the George Town city. Among those that need to be considered such as the issue of overcrowding or people population, and traffic congestion in the city area. It is vital to assess all this because according to Motta (2014), congestion may cause a crowding effect on residents living in the centre of cities and this may hassle both residents and visitors. Although, the development of cruise port has the potential to build city waterfront areas (Kotval & Mullin, 2011) that may be benefitting a tourist destination, however, given the location of the cruise port is in a compact city area, as well as with the world heritage site status, therefore tourism development planning must evaluate many things to preserve its status.

Other than that, although the cruise industry has the potential to generate economic benefits in a port state (Brida & Aguirre, 2008), however to what extent does cruise tourism activities impacting the local economy that will include the tourism-related businesses in the area or does it only will be benefitting the port. Therefore, this study has focused to investigate on the cruise tourism and its impact on the tourism-related businesses in the case study area, and the findings will be discussed in the following chapters.

CHAPTER 5: THE PERCEIVED IMPACT OF CRUISE TOURISM IN PENANG: DESTINATION STAKEHOLDERS' PERSPECTIVES

5.1 Introduction

This chapter is the first of the three results chapters. These three chapters present the findings and analysis in accordance with the three objectives of the study. This chapter aims to address Objective 1: To investigate cruise tourism development in Penang, Malaysia from the perspectives of cruise destination stakeholders. Exploring the perceptions of destination stakeholders is crucial in understanding how they position cruise tourism and how important the industry is to the destination. In order to address the objective, thematic analysis was used to analyse the qualitative data gained from semi-structured interviews with local stakeholders related to the cruise tourism industry in Penang.

The chapter begins with the organisational background, followed by the perception of cruise tourism in George Town, Penang. The chapter then describes the government efforts and initiatives to support the cruise tourism industry, and the perception of the impact of cruise tourism by the stakeholders. The next section will outline the uniqueness of George Town, Penang and its Swettenham Pier Cruise Terminal as a cruise destination. Finally, the chapter discusses the perception of the future of cruise tourism in George Town, Penang from the stakeholders' perspectives.

5.2 Background of organisations and informants

Cruise tourism in destinations involves the participation of many stakeholders at different levels who have an interest in or are impacted by the activity. London and Lohmann (2014) separated stakeholders into four main categories: cruise line stakeholders, portside stakeholders, gatekeeper stakeholders, and shoreside stakeholders. According to Pallis et al. (2014), it is crucial to identify what encompasses a cluster in a cruise port and to what extent main actors engage, coordinate and cooperate, and to what extent they are integrated.

For this study, three significant stakeholders in the cruise tourism industry in Penang have been selected to get their perception about the industry. As outlined in Chapter 3, the criteria for selecting the respondent is that the organisation must have influence in managing or dealing with the cruise tourism in Penang. This section presents the organisation background, which begins with the informants' demographic details, followed by information about organisations and their roles.

The first selected organisation for interview was the Penang Port, which involved two important individuals in the organisation. The informants requested the interview to be conducted involving them both because each person represents two different departments, thus more information could be shared according to their knowledge within their control. Informant 1 was someone with a position from the Corporate Communication Department, while Informant 2 was from the Operation Department. The position of the informants remains confidential to maintain anonymity. The second organisation was Penang Global Tourism, which was represented by an officer from the Marketing Department. The third organisation was the Tourism Malaysia Penang Office. The interview involved an officer from Tourism Malaysia East Coast as the informant. Table 5.1 displays the organisations' and informants' demographic details.

Table 5.1 The organisations' and informants' demographic details

Organisation	**Informant**	**Department**	**Gender**	**Race**	**Age**	**Education**
Penang Port	Informant 1	Corporate Communication	Male	Malay	26-35	Degree
Penang Port	Informant 2	Operation	Male	Malay	26-35	Degree
Penang Global Tourism	Informant 3	Marketing	Female	Chinese	26-35	Degree
Tourism Malaysia Penang	Informant 4	Tourism Malaysia, East Coast	Male	Malay	46-55	Degree

Source: Author's fieldwork

Organisation 1: Penang Port

Penang Port is a private entity operator that is in charge of handling and maintaining all seven terminals in Penang in both areas of the mainland and the island. It not only acts as the operator, but the Informant 1 also added that they are the statutory body, *'Penang Port still exists as a statutory body of government under the Ministry of Transport Malaysia'.*

Penang Port was corporatised in 1994 and then ten years later it was privatised. This is as explained by the informant 1: '*in 1994, we were corporatised under the Ministry of Finance Malaysia for ten years. On 9th January 2014, we were privatised under the terminal seaport company. Before 1994, all operations were handled by the Penang Port Commission (PPC)*'. Informant 1 also emphasised that Penang Port is only the operator, not the owner: '*Penang Port handles and maintains all ports in Penang, while PPC (Penang Port Commission) more or less like the landowner*'.

Currently, there are seven terminals in Penang; five terminals are at Butterworth (mainland part), and another two terminals are at George Town (island part). The terminals at Butterworth handle all types of cargo, while the terminals at George Town are for daily ferry operation and cruise terminals. With regards to the cruise industry, Penang Port plays a big part in promoting Swettenham Pier Cruise Terminal. However, the success of the promotion activities were reinforced by the other organisations as well. Informant 2 explained:

> *Penang Port is the operator. We publish to the world that we have cruise terminals. But in order to attract people to the port or Penang in general, we need help from Tourism Malaysia and PGT (Penang Global Tourism) for promotion.* [Informant 2, Penang Port]

As described further by Informant 2, *'basically we work hand in hand with the Malaysian government. If there are any conferences and exhibitions, we will cooperate with PGT (Penang Global Tourism), Tourism Malaysia and PPC (Penang Port Commission,) who is the owner of the terminals'*. Some exhibitions and international conferences mentioned by Informant 2 were the Sea Trade Cruise Asia Pacific, Langkawi International Maritimes and Aerospace (LIMA), Asia Cruise Conference and World Sea Trade.

Undoubtedly, for most cities in the world, the port plays a role as a gateway to a region. According to Yoshitani (2018), considering the importance of the role, most ports are public entities that operate to benefit different types of stakeholders. Interestingly, that does not apply to the port in Penang because Penang Port is a private entity; however, it is a legal body of government under the Ministry of Transport Malaysia.

Organisation 2: Penang Global Tourism

Penang Global Tourism is the new state tourism bureau that deals with crucial tourism players within and outside Penang. Begun in 2008, the organisation is a subsidiary under Penang Development Corporation and fully funded by the state government. According to Informant 3, the organisation has three segments, marketing, communication and tourism services. The informant added that *'for marketing, we will be covering collaborations to do road shows with airlines, cruises, while those on the communication will be doing all the advertisements, advertorial. The tourism services will be the tourist information centre, as well as for the local events'.*

Informant 3 from the Penang Global Tourism (PGT) mentioned that the organisation works with different parties from the cruise tourism industry in the city. For example, PGT plays an important role in assisting Penang Port in marketing materials to promote Penang as a cruise destination and Swettenham Pier Cruise Terminal as a port of call. In addition, PGT works closely with travel agencies, local businesses, as well as cruise liners discussing which tour packages and new attractions in Penang to promote. As explained by Informant 3, *'so we have to talk to the agency, travel agents as well as the cruise liners under the package department to showcase what is new in Penang. Otherwise you will be having the same tour package'*. Besides focusing on the tour packages for the cruise passengers, one of the initiatives developed from the collaboration has been the introduction of vouchers called e-coupons for cruise free-independent-travellers. Further details of the brochures initiative will be discussed in section 5.4.

Organisation 3: Tourism Malaysia

The Malaysia Tourism Promotion Board, best known as Tourism Malaysia, is a government body under the Ministry of Tourism and Culture. Tourism Malaysia's informant explained about the history of Tourism Malaysia, which was formed in 1959; however, at that time, it was known as the Tourism Department within the Ministry of International Trade and Industry. The name was changed to Tourist Development Corporation (TDC) Malaysia in 1972. In 1987, TDC transformed to the name of Malaysia Tourism Promotion Board and was moved into the newly established Ministry of Culture Arts and Tourism.

Informant 4 emphasized the importance of the objectives of the organisation. The four objectives of Tourism Malaysia are: (1) increasing foreign tourist arrivals; (2) extending the average length of stay of tourists and increasing per capita expenditure; (3) stimulating the growth of domestic tourism and encouraging planned holiday culture; and (4) increasing the market share of international meetings, incentives, conventions and exhibitions (MICE) segment.

Tourism Malaysia is supported by 13 state offices which promote interchange among states. As given as an example by the informant 4, '*Sabah office promotes Sabah to Penang, while Penang office promotes Penang to Sabah'.* Tourism Malaysia is also supported by 43 overseas offices that promote Malaysia at the international level. As such, the state offices focus on promoting states, while the overseas offices promote Malaysia as a country. The overseas offices play an important role to collaborate and work together with the local industry players in promoting Malaysia. As stated by Informant 4, *'these offices' role is to promote working together with the local industry players such as the travel agencies in the US or in other countries'.* In addition, Informant 4 highlighted the collaboration of Tourism Malaysia with neighbouring countries for travel packages:

> *Our packages basically tailor-made and catered, as long as you (tourist) want to go to Malaysia. We don't sell only Malaysia, but sometimes under the spirit of Asia, we also sell a package tour to three destinations of different countries. So for example, the package costs RM9999 for one week trip for two days in Malaysia, two days in Thailand, and two days in Singapore. It is saleable in terms of a marketing perspective. As much as we want to promote Malaysia as a whole, sometimes we have to join with other nations.* [Informant 4, Tourism Malaysia Penang]

Based on the overview of the stakeholders, the findings revealed the interrelationship and collaborative working between the organisations. Each organisation has different roles to play and will have an impact on the cruise tourism industry in Penang. Penang Port acts as the cruise terminal handler and also as the statutory body, while Penang Global Tourism is in charge of handling marketing and promoting George Town, Penang as a cruise tourism destination. On the other hand, Tourism Malaysia state office is at a federal level, and functions to unite and regulate state tourism promotion in Malaysia, and then to promote it at the domestic and international levels. Each of the organisations depends on each other to ensure the development of the cruise tourism industry in Penang.

5.3 Perception of cruise tourism development

As explained by Informant 2 from Penang Port, most of the regular cruises have to go to Singapore where the homeport is located and begin the cruise from there before going to Penang. A regular ship is defined as a ship that berths at Penang's cruise terminal at least once a week. However, some cruises such as Costa start the journey from Penang and then stop at other ports. Penang's cruise terminal also receives the world tour ships such as Queen Mary, Queen Mary II, Queen Elizabeth and Queen Victoria.

As mentioned in Chapter 1, the cruise tourism industry has demonstrated continuous growth over the decades. The development of the cruise industry could be seen by the cruise lines investing in modern and greater vessels and setting up them on both existing and emerging markets (Pallis et al., 2014). This section explores the perception of stakeholders regarding the cruise tourism development in Penang.

Overall, this study found that stakeholders have a positive perception of cruise tourism development in Penang. Informant 1 from Penang Port informed that the existence of the cruise terminal was to promote tourism in Penang. As a result, it has successfully increased the number of visitors to Penang, particularly the cruise passengers.

When this terminal was first built, the purpose of it was to encourage more tourism to Penang in terms of the cruise tourism industry. Most ships are tourist ships. That includes our daily cruises to Langkawi. [Informant 1, Penang Port]

Since 2010, consistently every year we will be receiving 1 million passengers, based on the data that we have. A very good improvement. Even though the terminal is small. This shows that there is demand for the terminal itself. [Informant 1, Penang Port]

Focus also has been given to the incremental growth in the total number of international cruise arrivals at the terminal from year 2012 until mid of 2017 (see Table 4.7 in Chapter 4). Moreover, in the past when cruise tourism had just started in Penang, there was only one specific cruise line that stopped and embarked at the terminal, which was the Star Cruise. However, the terminal now receives other cruise liners such as Costa Cruises, Star Cruises, Royal Caribbean Cruise Line (RCCL) and Princess Cruises. The terminal operator also believed that the number of international transit cruise calls will keep increasing. Informant 2 from the Penang Port said that:

Nowadays, the Malacca Strait route is considered as the Golden Strait route (Golden Triangle Strait of Malacca) because most of the cruise liners use this route as the only one that leads to the ports such as the port at Singapore, Port Klang, Melaka, Lumut, Penang, Langkawi and Phuket. In the peak season like right now, which is at the end of the year, cruises that are coming are Costa, Star Cruises, Royal Caribbean Cruise Line (RCCL) and Princess. Also, the number of passengers has never dropped. Three or four years ago only the Genting Group under the Superstar cruises took this route. But about one to two years ago, the majority of the cruise liners started placing their cruises here in the Malacca Strait. [Informant 2, Penang Port]

It (Swettenham Pier Cruise Terminal) used to be monopolised by only the Star Cruise; no other cruise entering this terminal. However, other cruise

> *liners began to stop at Penang Port around two to three years ago.* [Informant 2, Penang Port]

> *We are predicting to have a 2% increment in the number of transit international cruise calls. This prediction is based on the market trend.* [Informant 2, Penang Port]

On the other hand, Informant 3 from Penang Global Tourism also commented about cruise tourism development in Penang, saying *'it is getting better'*. This was supported by data in Table 4.7 (in Chapter 4) that shows the increases in the number of vessels and passengers arriving at the cruise terminal from 2012 to 2017. Port Klang used to be the leading port in Malaysia; however, since 2017, Penang's cruise terminal has received more cruise calls compared to Klang's terminal. As stated by Informant 3, *'Penang actually beats Port Klang'* (see Figure 4.4 in Chapter 4). Not only that, but Swettenham Pier Cruise Terminal was in the top ten cruise ports in Asia in 2017. Informant 3 added that *'Penang is in second place after Busan South Korea Cruise Port'*, which is confirmed by data from CLIA (2017).

In addition, the informant from Penang Global Tourism also believed that the cruise tourism industry in Penang will be even better after the terminal expansion: *'After the upgrading (of the terminal) is done, then the terminal can berth more vessels. I think it will be even better'.* In 2017, Royal Caribbean Cruise Line had signed a joint venture with Penang Port to expand Swettenham Pier Cruise Terminal. As Informant 3 informed, *'Royal Caribbean Cruise Line has agreed to invest in upgrading the terminal. The planning is for the improvement to lengthen the berth to 698 metres'.* Informant 2 from Penang Port also shared about their planning with the Royal Caribbean in expanding the cruise terminal in order to get the largest vessel, Oasis class, to berth at the terminal.

The recent development of the cruise tourism industry in Penang is demonstrated in the statistics data shared by Tourism Malaysia Penang, with the number of tourist arrivals at the seaport of Penang increasing from year 2015 to 2017 (see Table 4.6 in Chapter 4). Moreover, the informant from Tourism Malaysia Penang linked the development of the cruise tourism industry to the strategic location of Malaysia, stating that:

> *Cruise tourism needs coastal areas. We are blessed that Malaysia is surrounded by the sea. We are blessed we have all the resources, and especially on the west coast, as it is very safe, blocked by the very huge Sumatera Island. Compared to the Philippines, even though they have more islands, we (Malaysia) are blessed with protected areas like our Straits of Malacca. Realising that, for about the last two years, we have aggressively embarked on cruise tourism.* [Informant 4, Tourism Malaysia Penang]

Based on the perceptions and evidence shared by the informants, it can be said that the cruise tourism industry in Penang is growing given that the number of cruises and passenger arrivals at the Swettenham Pier Cruise Terminal has increased gradually every year. The cruise terminal will be expanding with the joint venture of the Royal Caribbean Cruise Line. In many cases, for destination management to decide whether to pursue development as a cruise destination can be triggered by two main reasons: (1) a destination strategy to engage in cruise tourism; or (2) a cruise line approaching the destination (London & Lohmann, 2014). As for the case of Penang, both reasons were applicable. The findings revealed that the cruise-related stakeholders deliberated the positioning of George Town, Penang as a cruise destination, while an international cruise line had showed interest to invest in the cruise terminal.

According to Gui and Russo (2011), a cruise port/city experiences a life cycle comprising different stages of development, in a similar way to tourist destinations (Butler, 2006). The stages are: exploration (low number of visitors, lack of access and facilities), development (increase in the number of people discovering the destination, enhanced attractions and destination amenities), stagnation/maturity (visitor growth close to carrying capacity), and lastly declining or rejuvenation through technology advances, infrastructure enhancements or new marketing strategies.

The findings revealed that George Town as a cruise destination is experiencing the stage of growth, where the number of cruise vessels and passenger arrivals is increasing. In addition, a big project of terminal expansion that was in the making signified the lifecycle stage of the cruise destination.

5.4 Government support for cruise tourism

According to London and Lohmann (2014), there is little exposure on how cruise destination stakeholders assert power in the expectation of and reaction to the cruise lines' power, also the interaction of those stakeholders within the destination, as well as on how the assertion of that power could influence those stakeholders in the event of attracting and accommodating cruise ships. This study intends to investigate how the stakeholders regulate power and control in supporting cruise tourism development. This section explores stakeholders' initiatives and efforts in developing cruise tourism, involving a different level of cruise destination stakeholders in Penang.

Integrative collaboration

The results of the interviews pointed out that the government body, which includes the state and federal levels, strongly practice integrated collaboration to support the cruise tourism development in Penang. Coordination between cruise ports, cruise lines, and between other agents and stakeholders' building partnerships is a part of the plan to increase the marketing potential for cruising to specific destinations (Pallis et al., 2014). As discussed in section 5.2.2, the function of Penang Port is to promote Swettenham Pier Cruise Terminal to the world, which necessitates active collaboration with other government parties. Among the ways of promotion is participation in international conferences and exhibitions. Other than that, Penang Global Tourism also mentioned how they actively collaborate with local private and public parties, stakeholders such as Tourism Malaysia, the Ministry of Transport, and the Malaysia Cruise Council. Informant 3 from Penang Global Tourism said that:

> *'We as the state government, we set up a committee, a cruise committee which comprises our ExCo of Tourism, the port, police, and relevant*

parties. We have meetings regularly, so if there is an issue, we will work on it together.' [Informant 3, Penang Global Tourism]

Equally important, Penang Global Tourism, as the state marketing bureau, emphasised the collaboration with cruise liners, and with South East Asian countries led by the Singapore Tourism Board to promote Asia's port of call destinations. Informant 3 from Penang Global Tourism added:

> *We will work with Tourism Malaysia and also the cruise liners to promote destinations because cruise tourism will involve other destinations, such as Singapore, Malaysia, Thailand, Vietnam.* [Informant 3, Penang Global Tourism]

Penang Global Tourism also runs marketing and promotions for cruise tourism in overseas countries, and this usually involves the help of Tourism Malaysia. This is in line with the explanation by Informant 4 from Tourism Malaysia Penang on how they are functioning to promote Malaysia as a whole with the support of overseas branch offices and the collaboration of Tourism Malaysia with neighbouring countries such as Singapore, Thailand, Indonesia for travel packages. As mentioned by Informant 4, 'w*e don't sell only Malaysia, but sometimes under the spirit of Asia, we also sell a package tour to three destinations of different countries'.* This is also highlighted by PEMANDU (2015) in the report of Economic Transformation Programme 2014 that initiatives to support the cruise tourism include collaborating with local agencies to promote cruise packages between Singapore, Malaysia and Phuket, familiarisation trips for cruise lines, media and agents.

In addition, Informant 3 from Penang Global Tourism also accentuated the collaboration with travel agencies for selling cruises packages particularly for a new cruise that will call at Swettenham Pier Cruise Terminal. Informant 3 explained that *'especially when there is a new cruise coming to Penang like the Dream Cruise, we will more aggressively promote that and we will work together with travel agencies that are majoring in selling cruises (packages). So we will help them to do more publicity promotion'.*

24-hour pass for cruise passengers

Interestingly, the Malaysian government introduced a 24-hour pass for cruise passengers to make it convenient for passengers as well as to reduce the time spent on passport checking. Delay in the documentation clearance affecting cruise passengers' pleasure and shortening the time that passengers have to admire the great scene, food, entertainment in inland (Jeevan et al., 2018). Therefore, the government have been working to improve hassle-free cruise tourism experience at Malaysia's port (PEMANDU, 2015). According to Gui and Russo (2011), cruise companies are very much concerned with quality and security issues for passengers at the port, which includes a wide range of port infrastructure and services, such as port entry features, customs and immigration handling. At Swettenham Pier Cruise Terminal, Informant 2 from Penang Port emphasised that regulations to speed up the immigration process had encouraged the growth of the cruise tourism industry:

> *'The law in Malaysia has stated that passengers will not need to go through immigration upon landing at the port. But passengers will be given a 24-hour pass. This matter emerged when Phuket made a policy that every passenger must go through immigration and have their passport checked. Imagine if there were 4000 passengers, it would be a problem… so the Malaysian government came up with a special 24-hour pass within a 20km radius from the port. This rule has helped the industry as it is helping to ease the flow of passengers.* [Informant 2, Penang Port]

Welcoming reception

Additionally, Penang Port added that the Malaysian government also shows appreciation to cruise passengers by providing a welcoming reception, especially on arrival of large international vessels. This acts as a highlight at the Swettenham Pier Cruise Terminal because not all ports of call provide such a welcome. As described by Informant 2 from Penang Port:

> *Under PGT (Penang Global Tourism), they will hold welcoming receptions where there will be some events. With regards to that, when we attended conferences, the cruise liners told us that they were impressed as we are*

willing to spend that amount of money on the welcoming reception. Not many ports in the world would do that kind of celebration. [Informant 2, Penang Port]

The idea of providing a welcoming reception was instigated by the state government and operationalised by Penang Global Tourism. Informant 2 from Penang Global Tourism specified that a welcoming reception is provided for big cruises that carry more than 2000 passengers. The welcoming reception includes traditional music and dance performances to promote local culture to cruise passengers. In addition, sometimes under certain circumstances, Penang Global Tourism will establish a food corner to introduce local fruits and foods to the cruise passengers as a part of the welcoming reception. Informant 2 added, *'this is how we show our support to the cruises and to welcome the passengers. So far they are quite happy with that'.*

E-coupon and voucher

According to Informant 3, Penang Global Tourism has introduced an e-coupon scheme, which acts as a platform for hotels, place of attractions, restaurants or food places to give discounts to all visitors, including the cruise passengers. However, because cruise passengers have limited or no access to the internet while at the shore of Penang, the state marketing board offers printed vouchers and brochures of the location of businesses that participate in the discount deal. This also helps the group of free independent travellers (FIT) as they travel within Penang on their own without a tour guide. Thus, using this coupon helps them to choose places to visit. The Penang Global Tourism informant explained the details of the voucher as follows:

> *We have implemented this e-coupon since I think early this year, so, we get all the vendors to participate like free `Ais Kacang' when you spend this you will get 15 percent discount on this tour, so you just need to click on it and the download and then you will get the discount. That's it.* [Informant 3, Penang Global Tourism]

> *We agreed that for cruise passengers that do not have access to the internet, to cope with that we will not only provide the vouchers but also brochure listings with the address of places. Then they can redeem them by showing their cruise passenger card to be entitled to the discounts. This is like a privilege for the cruise passengers.* [Informant 3, Penang Global Tourism]

Brochure and map tour

Penang Global Tourism also provides a travel brochure with a George Town map tour exclusively for cruise passengers, in particular, to guide the free independent traveller (FIT). This brochure contains suggested places and attractions to visit, activities to do during the day and night, and recommends places to eat. According to the Penang Global Tourism's informant:

> *This is the example that we specifically design for the cruise passengers because we received comments from the cruise liners, saying that they need something that can indicate them on what to do, where to go… this map will give an indication of what to do in the morning and night, also a recommendation of where to eat.* [Informant 3, Penang Global Tourism]

The brochure contains a map of George Town city that marks the location of the cruise terminal *'You Are Here'* and shows the location of attractions within the city (see Appendix 5). The map also shows the directions and stops of the free shuttle bus, Central Area Transit (CAT), which the State Government initiated. The CAT free shuttle bus moves around within George Town UNESCO Heritage Site city. Chapter 7 will be looking further on the movement of cruise passengers.

On the whole, the results of the interviews showed that the stakeholders play several roles and are also integrated with each other as well as with other public and private parties. As emphasised by Shone et al. (2016), participation of public and private sector in tourism planning is vital in assuring optimal tourism outcomes for destination areas. The findings revealed that cruise-related authority stakeholders in George Town had made generous efforts in supporting the cruise industry in the state.

5.5 Perceptions about the impact of cruise tourism development

Like any other type of land-based tourism activity, cruise tourism is not exceptional in having an impact on a destination. However, the difference is that cruise tourists spend a limited time in a port of call cruise destination. Research in the past has shown that studies have identified the economic, environmental and social impacts of cruise tourism activity in a variety of different contexts (Del Chiappa, & Abbate, 2016; Lamers et al., 2015; MacNeill & Wozniak, 2018; van Bets et al., 2016) as detailed in Chapter 2. This section will elaborate and discuss the perceived impact of cruise tourism from the destination stakeholders' perspectives.

Swettenham Pier Cruise Terminal recognised by cruise liners

According to Pallis et al. (2014), cruise lines are dynamically involved in the development, management and operation of cruise ports. One of the apparent impacts of cruise tourism development in Penang is that the Swettenham Pier Cruise Terminal became more recognised by cruise liners as the demand to call at the port increased. As described by Penang Port in section 5.3, the number of cruise arrivals and calls at Swettenham Pier Cruise Terminal increased gradually, and new cruise liners were expecting to arrive at the port. Informant 2, from Penang Port, declared that '*the demand of cruises to stop at Penang is increasing'.* Informant 3 from Penang Global Tourism also pointed out positive responses from cruise liners such as those from Costa and Royal Caribbean: *'so far the response is quite good. So that is why a few cruise liners like Costa and RCCL (Royal Caribbean Cruise Line) have increased their sailings into Penang'.*

Bringing more visitors to Penang

With the increasing number of cruise arrivals, this indirectly brings more visitors to Penang. Cruises have the capability to bring more visitors compared to other types of transportation such as by air. As mentioned by Informant 3, Penang Global Tourism:

> *I think it (impact) is favorable. Because imagine one cruise carrying 3000 passengers, while one air flight will probably have 130 passengers. Thus,*

in terms of the number of passengers, cruises bring a huge amount of passengers. [Informant 3, Penang Global Tourism]

The terminal is just right in the UNESCO zone, so during the cruise season, in the street area you can see many passengers taking brochures and roaming around. There will be more people at the café areas and places of attraction around here. [Informant 3, Penang Global Tourism]

Improvement of commercial infrastructure

Commercial infrastructure has improved in order to accommodate the number of passengers arriving in Penang. The informant from Penang Global Tourism associated the arrival of cruise passengers with more public amenities being provided, as they had requested. This was also supported by the Penang Port informant, who stated that the improvement of the area around the cruise terminal was due to the development of the tourism industry:

We do meet them (cruise liners) regularly where they are based in Singapore and then we get feedback from them. One of the comments that they gave us is that cruise passengers need more directions or signage because passengers did not know what to do and where to go. They want to know 'can we cross the road?'. Since then, we have made all these signs so at least during the cruise season, they (cruise passengers) will know what to do. Also, they asked for zebra crossings so that once they are out (from the cruise terminal area) they can crossover to the opposite side. For this, we are getting local council approval. [Informant 3, Penang Global Tourism]

The number of cruise passengers is increasing; we need to give them a good experience. Previously we did not have all this signage, but because of feedback from them, that is why we improved. [Informant 3, Penang Global Tourism]

The area around here (terminal) has improved mainly due to the tourism industry. It does not matter whether the support is given by the government *(federal) or state, as many locations in George Town have been built to attract tourists; for example, the mural art paintings on the wall which are all around the city.* [Informant 1, Penang Port]

Additionally, the arrival of large cruise ships into the port requires a large amount of capital investment in port infrastructure and ongoing maintenance (Brida & Aguirre, 2008). Previous studies have claimed that cruise activity acts as a strong catalyst that accommodates the increasing investment in port facilities (Bel & Fageda, 2008; Vaya et al., 2017).

Emergence of tourism-related businesses

The arrival of cruises and passengers in Penang has opened an opportunity for local people to take advantage by involving tourism-related businesses. According to the informant from Penang Port, cruise tourism has encouraged the emergence of tourism-related businesses, particularly in George Town. One of the businesses that has flourished is the museum sector. To date, there are about 27 modern museums available in George Town city, most of which are privately owned. Informant 1 from Penang Port talked about how museums had flourished with the arrival of cruise passengers:

Previously, Penang only had museums such as the national museum, but now we have many such as the Ghost Museum, the 3D Museum and the Food Museum. This is one of the impacts of having cruise passengers coming here. These places are very simple to visit, not requiring you to be in that place for a very long time unlike a theatre or something which will take up much of the passengers' limited time. [Informant 1, Penang Port]

Other than that, the handicraft industry has flourished around here. For example, along the way of Lebuh Acheh, there are many Penang handicrafts, like key chains, woodcraft souvenirs; these can be found all around the George Town area. So indirectly, this helps in allowing the people in the area to earn more income. [Informant 1, Penang Port]

Besides the museum business, Informant 1 added that the souvenir and handicrafts industry had also flourished especially in the tourist area. Tourism Malaysia's representative, Informant 4, also commented about this, saying that he believed that local people are becoming more entrepreneurial because of the influence of cruise tourism. Thus, this is somehow suggesting that cruise tourism has impacted the local economy. Previous studies, such as that by Vaya et al. (2017), claim that cruise activity acts as a strong catalyst in revitalizing existing businesses and creating new activities and businesses at destination ports (Vaya et al., 2017; Bel & Fageda, 2008).

Congestion

One of the common impacts of cruise tourism is the congestion in the city and this is no exception for George Town. According to Klein (2011), the influx of large visitor numbers at a certain time of a day affects the local community's ability to accept and deal with the passengers. This issue was clearly recognised by the stakeholders, Penang Port and Penang Global Tourism, who admitted cruise tourism had caused traffic congestion, particularly during the peak cruise season. During the peak season, sometimes more than two cruise vessels arrive at a time and cause cruise vessels to overlap as there are only two terminals available for the cruises to dock. In these circumstances, Penang Port explained that shuttle boats were used to pick up passengers from the cruises that had stopped in the middle of the sea.

With regard to congestion at the shore, the Penang Port authority informant explained that one of the main factors that contributed to the traffic congestion was the lack of bus parking outside the cruise terminal. Thus, the buses will simply stop anywhere near to the port to wait for the cruise passengers, while at the same time there are many other taxis and trishaws lining up around the area as well. Informant 2 from Penang Port also stated that, typically, the capacity for a cruise that included the passengers and crews was about 3000 pax. Some cruises, such as the Queen Mary, normally requires 40 to 50 buses. Occasionally, ground handlers face the problem of not having enough buses to cater for the cruise passengers so they need to rent buses from neighbouring states like Perak and Kedah.

Nonetheless, the view of Penang Global Tourism and Penang Port is that traffic congestion in George Town is still at a manageable level. As for within the port area, Penang Port has its own Port Police to handle the traffic, while the area outside the cruise terminal involves other parties. The stakeholders (Penang Port), together with the Cruise Council, and state and also federal level organisations have a monthly meeting to discuss current issues with cruise tourism activities in Malaysia's ports. Informant 1 said that *'we co-operate with the State (authority) to handle the traffic as preparation to welcome passengers from cruises*'. Further, Informant 2 said that Penang Port recommends that the State prevent any activities being held near the cruise terminal during peak cruise arrival times.

> *We have Port Police to handle traffic within the port area. Usually, there is no issue. Sometimes we call for RELA (Malaysia Volunteer Corps Department) to help or we have policemen in this area to smooth the flow of traffic. Or during the time the ships come to the port we suggest that no activities are held.* [Informant 2, Penang Port]

Encouraging passengers to return to Penang

Previous studies have shown that cruise tourism can encourage passengers to return to the cruise destination for a longer visit in the future, with the condition that the trip must be enjoyable (Penco & Di Vaio, 2014; Satta et al., 2015). This is admitted by informants from Penang Port and Penang Global Tourism, who mentioned how cruise tourism helps to encourage passengers of returning to Penang. Informant 3 from Penang Global Tourism pointed out that cruise tourism acts as a teaser for the cruise passengers to revisit Penang for a longer stay in the future.

According to Informant 1 from Penang Port, the location of the terminal is an important factor that encourages passengers to return to Penang. In contrast to other ports in Malaysia, Swettenham Pier Cruise Terminal has the advantage of being a location within the centre of the city (see Table 4.2). As stated by Informant 1:

I would say this location itself acts as an attractor of tourists. Penang Port only provides the best of services and facilities for ships to dock here. [Informant 1, Penang Port]

In this world, there are only a few terminals located in the heart of the city. In Malaysia, this is the only one. [Informant 1, Penang Port]

Cruise passengers' spending behaviour

Cruise passengers' spending on business activities at a destination has the potential to generate local economy benefits (Brida & Aguirre, 2008; Dwyer & Forsyth, 1998), although many questions exist about the extent of the economic impact generated from passengers. Pertaining to the issue, Informant 3 from Penang Global Tourism commented that they would not label cruise passengers if they did not purchase anything because what matters was cruise tourism acting as a teaser and publicity for Penang. The informant emphasised that the objective was to ensure visitors enjoy their visit to Penang. One further issue is that considering a large number of cruise passengers arrive all at a time, for instance, 3000 passengers, there will be a higher chance of expenditure. Informant 3 explained that:

> *In terms of 3000 passengers, if 10 percent of them purchase things, it is already 300 people. So already it is almost equal to one flight, so we do not mind. We welcomed everyone. So, we just want them to explore Penang, to see Penang, to feel and to know how good this city is so that if you like it you can revisit again. 3 hours, 4 hours in the city is not enough. Once they love it, they will actually come back again, they will fly back again.* [Informant 3, Penang Global Tourism]

> *So, this is like a teaser. We will not be labelling them if their spending is less or more. Even if you do not spend, and just come here to enjoy, we are more than happy, because everyone will be posting on social media. It's all word-of-mouth so, we cannot label them as spending less, or more.*

We just want everyone to enjoy the city. [Informant 3, Penang Global Tourism]

Other than that, another reason that may inhibit passengers from spending at the cruise destination is that almost everything, from food to entertainment, is provided on the ship by the cruise liner (Teye & Leclerc, 1998). Penco and Di Vaio (2014) believe this causes competition between local businesses and the all-inclusive packages of cruise liners. Nonetheless, in this case, Informant 3 from Penang Global Tourism stressed the role of George Town, Penang as a gourmet city and passengers cannot get authentic local food on the ship. Even the Culture Trip, an online global travel reviewer listed George Town, Penang as one of the 15 best cities in the world for food in 2016 (The Culture Trip, 2016). This is also agreed by Informant 4 from Tourism Malaysia, who added that passengers would be eager to get off the ship to try local food and particularly due to the lower price of food and drink offered in Penang. Furthermore, George Town was ranked in first place in Forbes' Ten Best Budget Travel Destinations for 2016 (Forbes, 2016). Therefore, it is believed that George Town has the capability of attracting cruise passengers to disembark and spend some time in the city and potentially spend some money in the local economy. Thus, one fundamental aspect of the success of a cruise destination perhaps lies in its unique appeal to cruise visitors.

5.6 Uniqueness of Penang and its Swettenham Pier Cruise Terminal

This section explores the perception of the stakeholders with regards to the uniqueness of George Town, Penang as a cruise destination and also their opinion on Swettenham Pier Cruise Terminal.

5.6.1 The uniqueness of George Town, Penang as a cruise destination

Penang Island is located alongside the coast within the Malacca Strait Route, also known as the Golden Triangle Strait of Malacca. This has given an advantage for Penang's coastal development as the main route by cruise liners as the location of the port coastal alongside to other Malaysia's port such as Port Klang, Melaka Marina and Langkawi (see Figure 4.1 in Chapter 4). As explained in Section 5.3, Informant 4 from Tourism Malaysia commented about the strategic location of Malaysia's coastal area. Penang Port's informants also agreed with the location of Penang within the primary cruising route.

As outlined in Chapter 4, George Town, Penang has been awarded UNESCO Heritage Site status for its unique architectural and cultural townscape, and the city is among the most famous and most visited budget destinations in Malaysia (Forbes, 2016). Informant 1 from Penang Port added that one of the reasons why Penang is popular is local food:

> *…Penang is well known as the heaven of food. Hence, that is the reason why lots of passengers love to come to Penang. In addition, the location itself is very strategic.* [Informant 1, Penang Port]

Other than that, Penang Global Tourism's representative said there were plenty of transport options available to accommodate cruise passengers such as bus tours provided in the excursion package, or free independent travellers can choose a more flexible hop-on-hop-off bus, or bicycle and motorcycle rentals, or a trishaw ride. Otherwise, cruise passengers can use a free shuttle bus, the Central Area Transit (CAT) bus, within the city, which is provided by the state government.

In addition, local people in Penang have the advantage of language capability, particularly in English. Furthermore, because of the demographics of Penang's local people, with the majority being Malaysian Chinese, they have the ability to speak Chinese languages such as Mandarin and Hokkien. This was indicated by the Tourism Malaysia's representative:

> *'Our trishaw riders can speak English very well. Right now, with the influx of China people coming, and the advantage of Chinese people on Penang speaking Hokkien…'* [Informant 4, Tourism Malaysia Penang]

5.6.2 The uniqueness of Swettenham Pier Cruise Terminal

The Swettenham Pier Cruise Terminal is situated in the heart of George Town city, unlike any other cruise terminals in Malaysia. For example, the Boustead Cruise Center at Port Klang Terminal is 13 kilometres away from Kuala Lumpur city. Informant 3 from Penang Global Tourism said that very often, when their representatives at the terminal were asked questions from cruise passengers, such as *“How do I get to George Town?”,* they will humbly reply *“You are in George Town already”.* This was elaborated on by Informant 1 from Penang Port:

> *So this cruise terminal has its own strength. As a state itself, George Town is a UNESCO heritage city. Apart from that, the cruise terminal is located in the heart of the city. Therefore, whenever the passengers came down from the ship, they can easily have access to the city and can get to any amenities available. They will have many transportation options, whether they want to go around the city by trishaw, bus, taxi or even walking. Simply it makes it easy for the passengers.* [Informant 1, Penang Port]

Penang’s cruise terminal can attract passengers to spend time onshore because the cruise terminal's strategic location saves passengers’ time to spend on ground mobility. As Andriotis and Agiomirgianakis (2010) state, cruise passengers prefer to walk around the city instead of participating in a tour or hire a taxi. In addition, the passengers have another mode of transportation available where they can still travel within the city for free. There is a Central Area Transit (CAT) free shuttle bus stopping point very near to the cruise terminal, as mentioned by Informant 3 from Penang Global Tourism.

Informant 1 from Penang Port also stated that their ports are not well organised as the terminals are scattered and not located in one place. As stated above, Penang Port handles seven terminals in Penang, with five at Butterworth (mainland part -handling cargos), and another two at George Town (island part - handling passengers). This has become a weakness for Penang Port, particularly in terms of operation and management as stated by Informant 1: *‘from the operation perspective, it is a bit of a disadvantage because our headquarter office is at George Town while operations are at Butterworth’.* As estimated on Google Maps, the headquarter office in George Town is about 25 kilometres to the cargo terminal in Butterworth. However, the disadvantage has become an advantage for the cruise terminal because it prevents cruise traffic congestion at the terminal:

> *That is one disadvantage that we have. Still the advantage or the uniqueness of it is that we do not face any cruise congestion due to the separate location of terminals.* [Informant 1, Penang Port]

5.7 Future of the cruise tourism industry

Informant 3 from Penang Global Tourism asserted that the cruise industry is booming and associated the establishment of the Cruise Council as part of the effort to bring the cruise tourism industry to the next level. This demonstrates just how much the government is conscious of the significance of the industry. Penang Port as the cruise terminal operator also is anticipated to welcome the biggest vessel of Oasis class to Penang. Informant 2 added that for now, only Singapore port can receive this vessel with their advanced terminal facilities. Informant 2 explained that:

> *Penang Port is under consideration to be expanded to be able to receive Oasis class. However, because the South East Asian countries are lacking in cruise terminal facilities, it limits us from receiving these kind of ships. I do not know what will happen in the future but I think Johor (a state in the south of Peninsular Malaysia) is planning to make a cruise terminal in Iskandar Putri Harbour. We are hoping that when there are a few more ports able to receive this class of vessel, then we will be able to boost the number of passengers.* [Informant 2, Penang Port]

Other than that, Informant 2 further added that Malaysia as a Muslim country has the advantage of attracting tourists from the Middle East that prefer to go to South East Asia. However, due to the concern of getting Halal food on the cruise, it somehow becomes a constraint. Nonetheless, the informant spoke of the Costa Victoria cruise that had received a Halal certificate from Malaysia's Minister of Tourism and Culture in 2017. The issue in getting the Halal certificate is that the award is given to the address specified and also not every restaurant in the ship is capable of serving all Halal food. Therefore, Halal status is given to the restaurants instead of the whole ship. The informant also added that as far as he was concerned, only Costa has the Halal certificate due to them providing Islamic cruises, while Star Cruise Libra has had its Halal certificate revoked as the company stopped their operation in Penang and moved to Hong Kong.

Penang Port's informant also talked about the disposition to make the Swettenham Pier Cruise Terminal as a homeport, and this was demanded by some cruise liners. However, the primary constraint to transforming the terminal to a homeport is the limited direct flights to Penang International Airport. In the past, Star Cruise Libra was the only cruise liner that had a homeport in Penang before the company moved its operation to Hong Kong. Informant 2 talked about the discussion between Penang Port and a large European tour operator, which also involved the state government. The proposal was to bring tourists from Germany, flying directly to Penang via the company's airline, and then start a cruise ship from the Swettenham Pier Cruise Terminal. However, this plan requires great cooperation from various parties, especially Penang International Airport. Indeed, at the moment, Penang International is relatively small with limited facilities compared with Kuala Lumpur International Airport, which is the leading international airport in Malaysia.

In addition, the constraint that makes Penang a cruise homeport is the lack of accommodation, with hotels in Penang often fully booked even on weekdays. George Town, Penang, is among the most visited cities in Malaysia. As a homeport city, it will need to increase the accommodation capacity because passenger visitors typically need to stay at least one night in a hotel in the city before cruising. This issue was raised by Informant 2 from Penang Port as follows:

> *Because Penang lacks direct flights, trying to make this terminal as the hub or homeport for the vessel is difficult. Another drawback is that Penang lacks hotels. We attended a meeting with Penang Global Tourism, and we found out that hotels are fully booked for almost every day.* [Informant 2, Penang Port]

Another different perspective regarding the future of the cruise tourism industry by Tourism Malaysia's representative was that the government is working on efforts to promote Malaysia as a hub for yachting and cruising. The informant also emphasised the tagline of *'Malaysia as the Caribbean of the East'*. Although the tagline focuses more on the yachting industry, the development of yachting alongside the cruise industry will empower marine tourism in Malaysia.

In summary, the perception of cruise destination stakeholders in Penang shows the positive impact of cruise tourism and that they are working very hard to promote the industry. They have been taking many steps and initiatives towards the cruise tourism industry development, especially in the expansion of the cruise terminal to accommodate more cruise vessels and passengers. However, one factor that might inhibit the capability of the terminal to expand is the space capacity outside the cruise terminal area. If the situation does not change, it will be more difficult to have more visitors. This will probably cause more congestion if there is no room for the tour buses and other vehicles to park while waiting for the cruise passengers. The second issue relates to the ambition to be a homeport. It is common for a developing terminal to aim to be a homeport for cruises. However, according to Munro and Gill (2006), new terminals do not guarantee continued cruise business. They give an example of what happened in 2002 when Vancouver lost more than a quarter of its cruise business to Seattle after terminal expansion. Another case in 2004, in St John, New Brunswick, was the near completion of a US$ 12 million cruise terminal project. It was discovered that it would have one-third fewer visitors in 2005 because the ship Voyager of the Seas was being diverted from Canada to Bermuda.

Nonetheless, expansion of the terminal is still necessary to align with the growth of the cruise industry and to attract more cruise liners. It is hoped that by becoming a homeport for more cruises, this will further have a more positive impact, particularly on the local economy. According to Munro and Gill (2006), given the importance of passengers spending in determining economic impact, a key strategy for southern regions is to extend pre- and post-cruise stays and also to develop tourist products that encourage higher levels of expenditure. Therefore, by being a cruise homeport, it is hoped to encourage pre- and post-cruise stays of the cruise passengers in George Town, Penang, as well as to gain more benefit from their expenditure.

5.8 Implications of the chapter

Overall, the results of the study explain the cruise destination stakeholders in Penang, the roles played by each of them, and their opinions on the cruise industry. What can be concluded is that cruise destination stakeholders believed that the cruise industry is developing. This can be demonstrated through the increase in the number of cruises and passenger arrivals over the years, and how the Swettenham Pier Cruise Terminal has become a major cruise terminal in Malaysia. In addition, more cruise liners are keen to make the Swettenham Pier Cruise Terminal as their port of call, as well as the Royal Caribbean Cruise Line, has also seen opportunities of the cruise terminal where they are keen to invest in expanding the cruise terminal and its facilities.

The study also found that the authority stakeholders had shown great support towards the cruise industry through several actions. These include: the active integrative collaboration between every player in the tourism field whether in the public or private sectors; introducing the 24-hour pass to facilitate passengers' movement; providing a welcoming reception to demonstrate appreciation of the cruise liner and passengers; and providing vouchers and brochures for passengers to help them enjoy their visit to the city.

In addition, the chapter discussed the perceived impact of cruise tourism from the stakeholders' perspectives. The findings reveal that the cruise activity caused Swettenham Pier Cruise Terminal to be more established for cruise liners, bringing more visitors to Penang and encouraging passengers to revisit. In addition, it has also improved the commercial infrastructure around the terminal area. Cruise tourism activity is believed to have impacted the local economy through the emergence of tourism-related businesses and the spending of cruise passengers in the local economy. In addition, the impact of cruise tourism has also involved unavoidable congestion due to the location of the cruise terminal and the capacity of George Town, Penang.

The interviews identified the uniqueness of Penang and its Swettenham Pier Cruise Terminal from the stakeholders' point of view. Among the unique attributes of George Town were: the strategic location within the main route of cruise liners, its status as a UNESCO world heritage site, having plenty of modes of transportation to offer to the passengers, and local capability in languages. On the other hand, the cruise terminal has the advantage in terms of location in the heart of the city that facilitates passengers to spend time on-shore. The segregation of location between the cruise and cargo terminals had prevented congestion between cruise vessels and cargo ships. Lastly, the cruise destination stakeholders expected the cruise tourism in Penang would develop even more in the future with the transformation to a homeport for more cruise liners.

Having looked at the perceptions of those in local government and port authority positions, several questions about the impact of cruise tourism on local businesses were raised. The next chapter discusses the perceived impact of cruise tourism development from the tourism-related businesses perspectives.

CHAPTER 6: THE PERCEIVED IMPACT OF CRUISE TOURISM IN PENANG: TOURISM-RELATED BUSINESSES' PERSPECTIVES

6.1 Introduction

The previous chapter focused on the perspective of cruise destination stakeholders that provided one side of the story of cruise tourism in Penang, whereas this chapter focuses on the perspectives of tourism-related businesses. The chapter aims to address Objective 2: to analyse the impact of cruise tourism from the perspectives of tourism-related businesses. Qualitative data from semi-structured interviews with tourism-related businesses was obtained to explore perceptions on the following; the development of cruise tourism, the impacts of cruise tourism on businesses and the wider local economy of Penang, perceptions of cruise tourists and cruise liners. Data was analysed through thematic analysis. In this chapter, data of the coding established from the interview statement of every interviewee were presented in the tables and then further themes of the findings will be discussed.

The chapter begins with the background of the tourism-related businesses, which includes the characteristics of the interviewees and businesses. The chapter then discusses the perception of cruise tourism development in Penang and the government's support of the cruise tourism industry. The next section presents the perceptions of tourism-related businesses in relation to the impacts of cruise tourism on the destination and specifically on the businesses, and their opinions regarding the cruise passengers as customers. Finally, the results reveal the tourism-related businesses' perceptions of the cruise liners and how they were involved with the cruise liners.

6.2 Business Background

This section presents the business background of the tourism-related businesses, which involves the demographic details of the interviewees and information about the businesses.

During the data collection from September 2017 until November 2017, a total of 14 interviews with tourism-related businesses were undertaken. These interviews involved five categories of businesses, including: souvenir and gift shops; food and beverage businesses; museums and galleries; transport operators; and tour operators. These selected businesses were involved with cruise tourism through dealing with the cruise liners or cruise passengers. Table 6.1 below profiles the characteristics of the interviewees.

Table 6.1 The characteristics of the interviewees

Interviewee	Position	Gender	Race	Age	Education
Shop 1	Manager	Male	Indian	26-35	Bachelor
Shop 2	Shop assistant	Male	Chinese	18-25	High school
Shop 3	Owner	Male	Chinese	26-35	High school
F&B 1	Manager	Male	Malay	26-35	Diploma
F&B 2	General Manager	Male	Chinese	46-55	bachelor
F&B 3	Manager	Male	Malay	46-55	Diploma
Museum 1 & Museum 2	Owner	Male	Chinese	36-45	PhD
Museum 3	Manager	Male	Chinese	66 & above	Diploma
Transport 1	Group Manager	Male	Indian	26-35	High school
Transport 2	Secretary	Male	Malay	46-55	Diploma
Transport 3	Manager	Male	Malay	46-55	Diploma
Tour 1	Travel consultant	Female	Chinese	26-35	Diploma
Tour 2	Manager	Male	Chinese	26-35	Diploma
Tour 3	Manager	Male	Chinese	26-35	Bachelor

Source: author’s fieldwork

The majority of the interviewees were owners or in a managerial position such as the Group Manager (Transport 1), general manager (F&B 2), owner (Shop 2; Museum 1; Museum 2). However, some were in other roles such as secretary (Transport 2) or shop assistant (Shop 2), or travel consultant (Tour 1). The reason is that during the interview sessions, only these people were available at the premises, and they were willing to be interviewed. Nevertheless, they had good knowledge of the businesses and thus, their answers were considered valid for all the interview questions. Most of the interviewees were Malaysian Chinese in ethnicity. Other than that, most of the respondents were in the age group of 26 to 35 years old and had a higher education of Diploma. Museum 1 and Museum 2 were represented by the same interviewee, who was the owner of both museums. Although the position, gender, ethnic race, age, and education level were not significant factors for the interview selection, it is interesting to review the diverse demographics of the interviewees that contributed to the variety of perspectives on cruise tourism.

6.2.2 Information about business background

Table 6.2 The tourism-related businesses' background information

Interviewee	Business type	Business size	Years of operation	Distance to the cruise port
Shop 1	Retail shop	Small business	5 years	At the port
Shop 2	Souvenir shop	Micro business	2 years	1.2 km
Shop 3	Souvenir shop	Micro business	3 years	1.2 km
F&B 1	Food & beverage shop	Micro business	2 years	At the port
F&B 2	Restaurant	Franchise business	6 years	300 m
F&B 3	Restaurant	Small business	7 years	900 m
Museum 1	Modern museum	Small business	4 years	350 m
Museum 2	Modern museum	Small business	2 years	1.7 km
Museum 3	Cultural museum	Small business	15 years	1.3 km
Transport 1	Transportation service	Small business	10 years	At the port
Transport 2	Transportation service	Association business	8 years	At the port
Transport 3	Transportation service	Micro business	3 years	1.2 km
Tour 1	Tour operator	Unidentified	10 years	2.9 km
Tour 2	Tour operator	Unidentified	16 years	6.5 km
Tour 3	Tour operator	Unidentified	38 years	2.9 km
*distance from Swettenham Cruise Terminal to business' location estimated by Google Maps				

Source: author's fieldwork

Table 6.2 presents information about the businesses' backgrounds. The number of years the businesses were in operation varied from two to thirty-eight years. The retail and souvenir shops had been in operation for two to five years while the food and beverage businesses had operated for two to seven years. The modern museums had been operating for two to four years, while the cultural heritage museum was 15 years old. The transportation businesses had been in operation for three to ten years. Interestingly, the tour operator businesses had been in operation for from 10 to 38 years.

For the souvenir and shop business category, business premises that are near to the port and in the centre of tourist attractions were selected. The centre of tourist attraction is popular for a walking tour as well as reachable for the cruise passengers to walk from the cruise terminal. Shop 2 and Shop 3 were within 1.2 kilometres from the Swettenham Cruise Terminal and sell products such as Penang bags and t-shirts, Penang fridge magnets and accessories, handmade souvenirs, as well as other casual goods, for instance bags, t-shirts and hats. On the other hand, when the retail shop (Shop 1), which was located at the cruise terminal was interviewed and asked to explain their type of business briefly, the respondent mentioned specifically that their target customers were cruise passengers, and in particular, the cruise crews.

For the food and beverage business category, one served bakery products and hot drinks within the port building. The other two were restaurants located between 300 and 900 meters from the Swettenham Cruise Terminal building (F&B 2; F&B 3). For the museum business category, Museum 1 and Museum 2 were the modern museums, as Museum 1 explained that *'The type of business that we are doing right now is a museum or a tourist attraction where we are more like a gallery type museum. A modern art museum'.* Although both Museum 1 and Museum 2 are now under the same management since the owner purchased the premises about four years ago, both museums have a different concept. Penang has many museums, which are predominantly modern museum category. These museums are usually built and created with a unique concept to attract tourists, for instance, a food museum, 3D art museum, ghost museum, toy museum, camera museum, the technology utilised museum and exhibition museum. These two (Museum 1 and 2) modern museums are different from Museum 3. Museum 3 may look like a place of worship in term of the architectural building design, however the interviewee emphasised that '*It is a cultural* *museum. It is not a temple; it is cultural. For instance, when Chinese people talk about Confucius. It is not a religion; it is a philosophy'* [Museum 3].

Moving on to the next business category, Transport 1 was a transportation service with premises in the cruise terminal that provides vehicles such as vans, coaches and limousines. The business also provides tour guides for the customers. Transport 2, on the other hand, is a taxi association with a kiosk located within the cruise terminal. The interviewee believed in the importance of their role in engaging with the cruise passengers: *'Our business is more on customer service, plus we will engage with customers and arrange tour packages for them during their transit in Penang… in brief, we are doing the tour transportation; we give them tours plus customer service'* [Transport 2]. Transport 3 is a transportation rental provider that offers bicycles and motorcycles for rent to the tourists. The business is located about 1.2 km from the cruise terminal.

For the tour operators, Tour 1 is an operator that handles inbound and outbound travel plans, and deals with the cruise passengers for shore packages and excursions. Tour 2 is an inbound operator that handles or arranges tourists that come into Malaysia, including a private tour for cruise passengers in Penang. On the other hand, Tour 3 is involved in the inbound and outbound travel plans. The interviewee explained that *'We are a travel agency that provides inbound and outbound travel plans. Inbound as in the group that comes to Malaysia from overseas. We also handle the local market as well. Outbound as in we will plan a tour for local people to bring them overseas'.* The interviewee also clarified their involvement in the cruise tourism industry*, saying that 'We are also the ground handler for the Star Cruise in Penang, Port Klang and Melaka. That means when those guests who purchase the tour packages on the ship reach the port then we will arrange the ground tour for them'* [Tour 3].

The National SME Development Council (NSDC), which is the highest policy-making authority on SME development in Malaysia, defines SMEs in terms of firm size and annual turnover, depending on its sector. For businesses in the service sector, micro enterprises are those with five or less full-time employees and a sales turnover of less than RM200,000. Small enterprises are those with more than five and 20 full-time employees, with an annual sales turnover of between

RM200,000 and less than RM1million. Medium-sized enterprises have 20-50 full-time employees, with an annual sales turnover of between RM 1 million and RM5 million. For this study, the classification of the business size was according to the number of full-time employees because no information on annual sales turnover was collected during the interview as it was not relatable to this study. The findings revealed that most of the businesses were micro (Shop 2; Shop 3; F&B 1; Transport 3), and small businesses (Shop 1; F&B 3; Museum 1; Museum 2; Museum 3; Transport 1). Other than that, F&B 2 was a franchise business, whereas Transport 2 was an association business. The business size for the tour operator businesses was unidentified because the tour operator businesses were branch offices and information about the number of full-time employees was not collected during the fieldwork. Figure 6.1 presents the location of the tourism-related businesses in the research with the estimated distance from the Swettenham Pier Cruise Terminal.

Figure 6.1 The distance of the location of tourism-related businesses from Swettenham Pier Cruise Terminal
Source: author's fieldwork. **distance from Swettenham Cruise Terminal to business' location estimated by Google Maps*

6.3 Perceptions of cruise tourism development

This section examines the interviewees' perceptions of cruise tourism development in Penang, Malaysia, as well as government support of the cruise tourism industry.

6.3.1 Perception of cruise tourism development in Penang, Malaysia

Table 6.3 Interviewees' perceptions of cruise tourism development in Penang, Malaysia

Interviewee	Perception of cruise tourism development
Shop 1	Seasonality issue of cruise arrival.
Shop 2	It is getting better from year to year.
Shop 3	There is an improvement in the development of cruise tourism here.
F&B 1	It is okay.
F&B 2	Very positive.
F&B 3	It is good.
Museum 1 & Museum 2	The number of cruise arrivals and cruise passengers is increasing; the cruise port is expanding; the industry is growing.
Museum 3	It is developing.
Transport 1	It is very good; Penang has plenty of attractions to offer such as heritage, Penang Hill, many museums, authentic local foods.
Transport 2	It is very good; Penang Port and state government work hard to increase the number of cruise arrivals; expand collaboration with international; Penang is the main attraction in Malaysia; authentic local foods.
Transport 3	It is doing well.
Tour 1	Local demand for cruise vacation is increasing; more international cruise arrivals.
Tour 2	It is good; collaboration with the international cruises to expand the port.
Tour 3	it is growing; more international cruise arrivals.

Source: author's fieldwork

Table 6.3 presents the perceptions of tourism-related businesses regarding cruise tourism development. The codes developed from the interview statements of every interviewee were shown in the table. When respondents were asked to describe what they think of the cruise tourism development in Penang, predominantly positive response was received. However, some of the respondents only gave short comments with regard to the question. The positive reactions mentioned *'cruise tourism development in Penang is getting better from year to year'* [Shop 2], *'it is growing'* [Museum 1 and 2; Tour 3], *'It is developing'* [Museum 3], *'It is okay'* [F&B 1], *'It is good'* [F&B 3; Tour 2], *'It is very good'* [Transport 1; Transport 2], and *'very positive'* [F&B 2].

The result of cruise terminal development

Some interviewees associated the cruise tourism development with the Penang port development: *'It is developing because our Penang Port has developed. The international cruises are coming now although they are not fully utilised; there are certain days no cruises come in. But at least Penang is well known. However, there is still room for improvement'* [Museum 3].

The increase in the number of cruises and passenger arrivals

The development of the cruise tourism industry in Penang could be illustrated in the increases in the number of cruise arrivals at the cruise port, as well as the number of cruise passengers in George Town, Penang. This was well expressed by several interviewees that commented:

> *We can see the frequency of all the cruises, based on the cruises that stopped here (at the port); they are becoming more frequent. Almost every day, we will have at least one cruise arriving here. Sometimes bigger cruises are coming in. We can see the people that are coming are increasing from year to year…and what we heard this year was that the cruise port would be upgrading as well, so they (port) will have bigger cruises coming in. So from what I can see, there is an increasing rate and not a decreasing. The industry is growing* [Museum 1 and 2].

> *Cruise tourism in Penang is growing, like right now we have a lot of those ships that are coming to Penang. Some of them are Star Cruise, Royal Caribbean, Princess Cruises, Crystal and soon at the end of the year, there will be another one called the Dream Cruise. So Penang is quite a well-known port for the cruises to come to* [Tour 3].

In addition, some interviewees mentioned the increase in the demand for the local cruise tourism market: *'I think nowadays since I have already worked for five years, many customers are looking for cruises'* [Tour 1]. Another interviewee supported this, saying that although the cruise experience is luxurious, local people have shown great interest in the industry: *'Though the cruise experience* *is expensive, surprisingly it is affordable, even for local people. Nowadays, I found it affordable for locals to travel by cruise and they are willing to pay for such an experience. For example, when Star Cruise Libra embarks from Penang, the number of tourists accelerates to 2000-3000 people per day before they change itinerary to depart from Port Klang. This shows that the locals are interested and there is a potential for development in cruise tourism'* [F&B 1].

Integrative collaboration between the public and private sectors

Furthermore, one of the tour operator businesses talked about the collaboration between the major international cruise company, Royal Caribbean, with the Penang Port. *'I think it is good. We are very happy to hear that Royal Caribbean is willing to expand the port. That is a very good thing because they foresee that Penang is a good destination for cruises'* [Tour 2].

The findings of Chapter 5 show how the perceptions of the interviewees seem to corroborate, the fact that the development of cruise tourism was the result of the intensive collaboration between Penang Port and the state government in promoting Penang as a cruise tourism destination. As described by Transport 2:

> *I would say it is very good as Penang now has many cruises coming in. Penang port and the state government are really working very hard to increase the number of cruises coming in. Compared to those days, Penang Port is doing very well now with the new environment, which is good to attract more cruises to Penang. Now Penang has many China groups coming in. We have extensive collaboration with China, which means we have more contact with them, for example, our Prime Minister went to China and promoted Penang.* [Transport 2]

The uniqueness of Penang as a cruise destination

Interestingly, transportation businesses at the Swettenham Cruise Terminal had a lot to say regarding cruise tourism development. They expressed several reasons for the cruise tourism's development in Penang such as Penang having plenty of attractions to offer to the cruise passengers especially in the heritage centre of George Town, Penang Hill, the availability of many museums, and the authenticity of local foods. This was well described by Transport 1 and Transport 2:

> *At the moment it is very good. Because we have so much heritage, and people from the cruises want to visit heritage attractions. So heritage is the number one and second is Penang Hill. Even before we tell them about it, they have already decided to go to Penang Hill. Penang Hill is the best in Penang. Next, we have many museums such as Upside Down, Phantamania, Gold museum and more…other than that, the fact is that Penang is well-known as a food paradise in the world. I heard about it from the internet. Most Singaporeans come to Penang because of the food tours involving dishes like Char Kuey Teow (noodles), Malay food like Nasi Padang (rice), Indian food like rice on banana leaves. On top of that, the food's price in Penang is not too high. This is from our customers' feedback. Customers are happy to get our Penang food* [Transport 1].

> *Many people love to come to Penang, and it is the main attraction in Malaysia. They love Penang's authenticity, especially the foods like cendol, Char Kuey Teow, and the Chinese, they love the duck soup. These are the famous Penang foods* [Transport 2].

Seasonality of the cruise tourism industry

On the other hand, Shop 1, which was located at the cruise terminal, expressed concern about the issue of the seasonality of cruise arrivals. Because they depend on the cruise passengers, particularly the cruise crews, as their target customers, the seasonality of the cruise arrivals hits their monthly sales: *'As far as I am concerned, most cruise ships will arrive in January, February, March, and April. From May until July, there will be no cruise ships coming in. So that does affect our business. That proves how important the cruise industry is to us. It is so apparent because I can really see during the months of cruise ships' absence, we do suffer in terms of making sales'* [Shop 1].

6.3.2 Government support of the cruise tourism industry

Behind the development of the cruise tourism industry, certainly, the government plays an important role to encourage the industry because they control of which sector of the economy to be emphasised. Chapter 4 had discussed how Tourism Malaysia has been supportive of promoting cruise events. Therefore, this section reveals the businesses' perceptions of the support given by the government to cruise tourism at Penang, Malaysia (see Table 6.4).

Table 6.4 Interviewees' perceptions of government support for cruise tourism

Interviewee	Perception of the support given by the government to the cruise tourism
Shop 1	Not sure; Penang Port should provide more convenient facilities; not enough space for cruises to dock.
Shop 2	Okay, not so familiar.
Shop 3	Do not know.
F&B 1	Government are responsible for promoting cruise tourism at an international level; positive effort to introduce Penang and its attractions.
F&B 2	Do not know; the government knows the importance of the cruise industry; it built proper facilities for cruise to dock.
F&B 3	Should reduce the charge at the port to attract more cruises.
Museum 1 & Museum 2	Penang Global Tourism (PGT) has shown good effort to promote tourism; good cooperation between Penang Port, state and federal government; good cooperation between the government bodies.
Museum 3	So far so good.
Transport 1	Very good; Penang Global Tourism (PGT) is very good.
Transport 2	Very good; Penang Port and state government work hard to increase the number of cruise arrivals.
Transport 3	Penang state played excellent roles.
Tour 1	Needs improvement.
Tour 2	The government did a good job; their promotion is all very interesting.
Tour 3	Government is supportive; good cooperation between government bodies; efficient dealing with traffic congestion.

Source: author's fieldwork

The interviews generally indicated that businesses perceived that the government was supportive of the development of cruise tourism in Penang. The majority of respondents stated that the government had played a functional role for their part (F&B 1; Museum 1; Museum 2; Museum 3; Transport 1; Transport 2; Transport 3; Tour 2; Tour 3). However, some of the respondents were found unaware of what the government had done to support to the development of cruise tourism.

Role in the promotion of Penang as a cruise destination

According to Tour 2, the government had played a significant role in promoting Penang until it became one of the famous destinations in South East Asia, and this had encouraged the cruise liners to focus on Penang. F&B 1 added that the responsibility of the government to promote cruise tourism at the international level and their efforts to introduce Penang and its attractions had increased incoming foreigner visitors. Furthermore, Museum 1, 2 and Transport 1 also asserted that Penang Global Tourism as a state tourism board had played their roles in promoting Penang. For example, Museum 1 and 2 informed that Penang Global Tourism has been involving local tourism-related businesses by requesting for advertisement and marketing materials from businesses to be included in the tourism brochures.

Cooperation between different levels of government parties

Some respondents (Museum 1; Museum 2; Transport 2; Tour 3) talked about their perceptions of the cooperation and teamwork between different levels of government bodies, such as the Penang Global Tourism, Penang Port and state and federal government that have encouraged the growth of the industry. As mentioned by Museum 1, '*One good thing about Penang is that the state government, the Penang Port, the federal government, they are actually working together very well'*; Museum 2 also said '*Both Tourism Malaysia (federal) and Penang Global Tourism (state), they work very closely, support each other for events, promoting Penang or something. This is for the tourism industry and of course, includes cruises'.* This is also supported by Transport 2, who said, *'Penang port and the state government are working very hard to increase the number of cruise arrivals.'*

Suggestion for improvements in support and effort

On the other hand, one of the respondents suggested that the government should improve their support and effort (Tour 1). Some of the businesses (Shop 1; F&B 2) responded that the government should have improved by providing better facilities and more spaces for cruises to dock at the port; hence, this will encourage more cruises to come. F&B 3 also added that the government should reduce the charge at the port to attract more cruises to stop at the Swettenham Cruise Terminal.

6.4 Perceptions of cruise tourism impact

The previous sections explored and discussed the perceptions in the context of cruise tourism development and government roles in this development. In this section, the primary objective of the interview is presented. Interviewees were asked about their perceptions concerning cruise tourism impact in general context and to describe the impact on their businesses.

6.4.1 Perceptions of cruise tourism impact on the destination

Table 6.5 Interviewees' perceptions of cruise tourism impacts on the destination

Interviewee	Perceptions of cruise tourism impact on the destination
Shop 1	Local businesses benefit from the cruise arrivals; cruise ships bring in more tourists than other means of transport such as flights.
Shop 2	Not so much impact; depends on the location; cruise passengers' walking-by area impacted more.
Shop 3	Not so much impact; cruises not always arrive; cruise passengers did not exchange currency.
F&B 1	Positive impact; brings profit to the local businesses; creates job opportunity; crafts and souvenirs industry expanded; increases business opportunity; promotes local culture and Penang.
F&B 2	Brings profit to Penang; thousands of passengers have an impact on local businesses; this creates more small businesses; more small retail outlets, local arts and crafts; difficult to identify between cruise and non-cruise passengers.
F&B 3	Brings more tourists, more spending occurs; good for local economy.
Museum 1 & Museum 2	There are impacts but not as many as we think; brings many tourists; limited time; brings profit to the local economy; job opportunities; spending occurs; passengers contracted with agencies; introduces Penang; promotes places of attraction in Penang.
Museum 3	Spending occurs; profits local businesses; increases business opportunity; more new museums; passengers depend on tour guides.
Transport 1	Contributes to the development of the local economy.
Transport 2	Spending occurs.
Transport 3	Good for local economy.
Tour 1	Increase in local products' sales is good.
Tour 2	Gives profit to businesses such as taxis, travel agencies, place of attractions; develops opportunity for a business relationship between businesses and cruise companies; traffic congestion.
Tour 3	Helps Penang's economy; spending occurs; more cruises means more tourists arrive; helps tourism in Penang; traffic congestion but manageable by the authorities.

Source: author's fieldwork

Good for the local economy

The majority of the businesses believed that cruise tourism development impacted the destination, mainly on how it benefited the local economy (F&B 2; F&B 3; Museum 1; Museum 2; Transport 1; Transport 3; Tour 3). In accordance with the statement by Museum 1 and 2, '*In terms of the economy, yes, because it will bring foreign currency into Malaysia, Penang. Plus tourism is the number one industry in Penang, and especially cruises are one of them'.* This is supported by Tour 3: *'Of course, it will help Penang's economy as well because when they come out (from the cruise) they have to buy things, for example, souvenirs'.* Also, F&B 2 answered, '*It brings profit to Penang. Thousands of passengers coming through have an impact on the local businesses'*.

Brings more tourists into Penang and the occurrence of expenditure

The interviewees also thought that cruise tourism brought more tourists into Penang (Shop 1; F&B 2; F&B 3, Museum 1 and 2; Museum 3; Tour 3). Shop 1 claimed that *'Cruise ships will definitely bring in more tourists than other means of transport such as flights*'. One of the interviewees believed that although cruise passengers had a limited time in Penang, because a large number of cruise passengers arrive all at once, more spending will occur. F&B 3 justified that '*Since it brings more tourists, then more spending occurs. Even though they were here only for one day, they will still spend (money). So for Malaysia, Malaysia tourism, local economy, it is good*'. This is also supported by other interviewees (Museum 1 and 2; Museum 3; Transport 2; Tour 3) with a general consensus that one of the impacts of cruise tourism was passengers' expenditure on-shore.

Benefits the local businesses

Apparently, the cruise passengers' expenditure corroborates the view that local businesses benefited from the cruise arrivals (Shop 1; F&B 1; F&B 2; F&B 3; Tour 1; Tour 2; Museum 3). F&B 1 stated *'It has a positive impact on the profit of local businesses…within the limited amount of time, they (cruise passengers) will go shopping and perhaps try the Penang specialty foods'.* Others also believed that cruise tourism impact helped to increase Penang's product sales and local businesses to make a profit out of it*: 'The sales all increase'* [Tour 1]; *'People that make a profit like taxis, travel agencies, places of attraction… as well as local* *hawkers or restaurants, even the convenience stores like 7-Eleven will make money out of it'* [Tour 2].

The emergence of new businesses

Besides benefiting the existing businesses, some participants believed that the development of cruise tourism also opened up new opportunities, especially for smaller business [F&B 1; F&B 2; Museum 3]: *'I can see that the crafts and souvenirs industry is expanding rapidly… this has encouraged an increase in business opportunities for locals'* [F&B 1]; *'I think it has definitely created more small businesses… a lot of souvenir shops and small retail outlets; local arts and crafts have flourished'* [F&B 2]. Furthermore, Museum 3 added that many new museums were created as a result of the growth of the industry: *'There are a lot of new museums; all these are making money'* [Museum 3]. This could be referred to the growth of the number of modern museums in Penang. In Chapter 5, Informant 1 commented that cruise tourism has opened an opportunity for local people to take advantage by involving in tourism-related businesses.

Develops a business relationship with the cruise line

In addition, the growth of the cruise tourism industry has encouraged local business, specifically in George Town, to utilise the opportunity of being in the centre of a growing tourism destination. Some businesses, such as tourist attractions like museums, have taken the opportunity to develop a business relationship with the cruise liners. Tour 2 supports this, saying that *'Those small museums, they look for cruise bookings'*. The business relationship with cruise liners will be discussed further in Section 6.5.

Creates job opportunities

Not only does cruise tourism create opportunities for business, but it is also believed to increase employment prospects for local people. This is supported by the following statements: *'Because there are many people who are freelance tour guides, freelance drivers. So the tourism industry has opened a lot of job opportunities for people here. Even the trishaw cyclists makes a profit from this'* [Museum 1 and 2]; also *'There is a positive impact in terms of creating job* *opportunities for locals, and I have known some Malaysians who work with Star Cruise Superstar Libra as crew*' [F&B 1].

Promotes Penang

Moreover, cruise tourism is also one of the best ways to introduce Penang to the world. Some of the businesses believed that the arrival of cruises with thousands of passengers is an opportunity to promote Penang, and predominantly, George Town. When the interviewees were questioned about the impact of cruise tourism, F&B 1 also mentioned '*promoting our culture and Penang to the world',* while Museum 1 and 2 said *'introducing Penang'*, and Tour 3 said *'in that sense, it will help tourism in Penang'*.

Difficulty in identifying cruise passengers

However, the major problem in determining the cruise tourism impact was the difficulty in distinguishing between cruise tourists and ordinary tourists. This was emphasised by F&B 2, who specified, '*whether it was a cruise or non-cruise passenger, it is quite difficult for us to identify. We may get a group of 30 from a coach…but we do not really know if they are from the cruise or not. Or sometimes when we get to speak to five or six passengers who had just walked in, they told us they were from cruise'*.

Not all businesses are impacted by the cruise tourism

Another argument pointed out by the interviewees was that cruise tourism does not have so much impact on local businesses (Shop 2; Shop 3). One of the reasons is due to the location of the businesses. Shop 2 explained that *'I do not think there is much impact of cruise tourism on the tourism industry. It depends on the location of the businesses; certain locations are affected so much by the cruises because many cruise passengers walk by the area, while some areas are not affected at all'*.

For Shop 3, the interviewee thought the impact of cruise tourism was limited because the arrival of cruise ships was infrequent and sometimes the passengers do not purchase anything in Penang. Shop 3 added, *'sometimes they did not exchange money for Ringgit Malaysia currency because they are just here for a* *while. Not all cruise passengers buy something from here; most of the time they are just passing by and window shopping*'.

Passengers contracted with a tour guide

In addition, due to the limited time that the cruise passengers have at the shore, passengers also depend on the tour operator or transportation service, such as taxis, to guide and take them on a specific tour and to a certain place. Hence, this determines the businesses that will be reached by the cruise passengers. Museum 1 and 2 mentioned that, '*Some passengers also contracted or bought certain tickets, or who already have an itinerary with certain agencies… Another type of cruise traveller is a free-traveller. When they come out of the cruise, a taxi driver will wait for them. They will ask the taxi driver where to go'* [Museum 1 and 2]. This is also supported by Museum 3*, who said, 'It depends on the guide'*, as tourist guides were commissioned by particular attractions to bring cruise passengers to their businesses.

Traffic congestion

Although the arrival of cruise ship in bringing many tourists to the city seems to be a good thing, the uncontrolled crowds can cause traffic congestion. Tour 2 addressed the issue by claiming the area outside the cruise terminal is quite narrow, and is also the exit for cruise passengers: *'The place is small for any pickup or send-off. It is a two-way road, but it should be one way. Hopefully, after the expansion, they will make it one way'* [Tour 2]. He added that even if the road outside the terminal is improved, traffic congestion is still unavoidable: *'Let's say there are 20 or 30 coaches arriving on the same day to pick up that one tour cruise, then there will be 20 coaches parking outside, that is quite a lot. Also, we have taxis, private bookings, private cars or vans, everybody is parking there waiting for cruise passengers. It is quite hectic in terms of infrastructure'* [Tour 2].

The traffic congestion affects not only the area of Swettenham Cruise Terminal, but also the roads in George Town city since the terminal is located within the city area, and because the city itself is small and concentrated. One interviewee recounted an incident of traffic congestion in the past; however, he claimed that

Penang Port and the state government had acted wisely in overcoming the problem. This was explained by Tour 3 as follows:

> *Every time big cruise ships arrive in Penang, they (the municipal) will hold a meeting with all the officers who are related such as the traffic police, RELA (Malaysia Volunteer Corps Department) and the local Penang tourism board. The government is supporting cruise tourism. Whenever there is a big cruise, they know it could cause traffic congestion. They always hold a meeting in advance to solve the problem so that the traffic problems and any illegal parking by other people are solved. Therefore the government takes cruise tourism very seriously. In a good way, they are supporting it and helping tourism agencies in making sure the operation runs smoothly* [Tour 3].

Summary of tourism-related businesses' perceptions of cruise tourism impacts is presented in Table 6.6. The findings reveal that most of the businesses perceived the impact of cruise tourism, especially the food and beverage, museums and tour operator businesses. The reason for this may be due to these businesses impacted by the cruise industry. Further discussion on the cruise tourism impact on business will be discussed in the next session.

Table 6.6 The summary of the perceptions of cruise tourism impacts

Interviewee	Brings more tourists	Spending occurs	Good for the local economy	Benefits local business	The emergence of new business	Creates job opportunities	Promotes Penang	Develops a business relationship with the cruise line
Shop 1	√			√				
Shop 2								
Shop 3								
F&B 1				√	√	√	√	
F&B 2	√		√	√	√			
F&B 3	√	√	√	√				
Museum 1 & Museum 2	√	√	√			√	√	
Museum 3	√	√		√	√			
Transport 1			√					
Transport 2		√						
Transport 3			√					
Tour 1				√				
Tour 2				√				√
Tour 3	√	√	√				√	

Interviewee	Difficulty to identify cruise passengers	Traffic congestion	Passengers contracted with a tour guide	Not all businesses impacted
Shop 1				
Shop 2				√
Shop 3				√
F&B 1				
F&B 2	√			
F&B 3				

Museum 1 & Museum 2			√	
Museum 3			√	
Transport 1				
Transport 2				
Transport 3				
Tour 1				
Tour 2		√		
Tour 3		√		

Source: author's fieldwork

6.4.2 Cruise tourism impact on passengers' return intention

This section discusses the impact of cruise tourism on passengers' intention to return to Penang for an extended visit in the future. Previous studies have discussed how a satisfying trip experience influences the intention to return to a cruise destination (Andriotis & Agiomirgianakis, 2010; Baker & Crompton, 2000; Ozturk & Gogtas, 2016; Pritchard & Howard, 1997). Furthermore, the limited time and short length of visit to a destination are likely to determine whether cruise passengers make a more extended visit in the future, if the visit was enjoyable (Penco & Di Vaio, 2014; Satta, Parola, Penco & Persico, 2015). As for this study, the majority of the interviewees agreed that the cruise tourism industry encourages passengers to return to Penang in the future. They expressed several reasons for this.

Penang has many attractions to offer

Most of the businesses believed that Penang has many attractions that can stimulate the passengers' intentions to return. F&B 2 stated *'As a destination, Penang has a lot to offer. There is a lot to see in Penang, lots to eat'*. Tour 3 said, *'Perhaps they like the food and the experience of being here'*. Transport 1 shared some feedback from the returning cruise passengers, who identified several key attractions of Penang such as the food, local people, places, and the culture, such as the languages used in Penang: *They said Penang's foods and people are very nice. Also, they love to visit and see the attractions in Penang. Also in Penang, they experience the people speaking different languages* [Transport 1].

Passengers are from neighbouring countries

Other than that, some businesses identified that most of the cruises arrived from Singapore, hence there were many Singaporean visitors. In addition to this, Table 4.6 (in Chapter 4) validates that the cruise passengers are predominantly from Singapore. Shop 1 said that *'The cruise ships normally come from Singapore, the main hub for South East Asia'*. According to F&B 1, it is possible for passengers from neighbouring countries to revisit Penang: *'I found it is possible to attract those who are near to our region such as Singapore for a longer visit'* [F&B 1]. In addition, the cruise passengers are typically Asian, and particularly from the South East region. Museum 3 also said that cruise passengers were mostly

Asian. Tour 2 added, *'…especially for people who are not too far like Singapore, and Asian countries. I mean it is not very far to come back to Penang'*.

Cruise tourism as a preview

Some interviewees [Museum 1; Museum 2; Tour 2] added that cruise tourism acts as a preview of Penang to the passengers. In addition, the limitation of time to spend onshore might encourage the passengers to return to Penang for a more extended visit. Museum 1 said *'Because when the cruise passengers come here, it was just a preview for them. Definitely, they do not have the time to go to many places, try more local foods. Normally there will be returning customers'*.

Penang offers low price of goods

Other than that, the lower price of goods in Penang also attracts passengers, particularly Singaporeans, to revisit for shopping. As stated by Shop 1, *'I think the main reason cruise passengers come to Penang is to shop around because it is cheap here, this is particularly for Singaporeans'*. Interestingly, some businesses [Tour 3; Transport 1] said that they had returning cruise customers. Tour 3 stated, *'We noticed quite a lot of regular customers coming back'.* Transport 1 too claimed to have returning customers: *'One of our customers has already visited Penang seven times. They joined the cruise and kept on coming back to Penang'*.

6.4.3 Perception of the impact of cruise tourism on businesses

In contrast to the previous sections on tourism impacts and the passengers' return intentions, this section discusses the perceptions of cruise tourism impact specifically on their businesses.

Table 6.7 shows the responses by the interviewees regarding the impact of cruise tourism on their businesses. Only five businesses stated that they depended on the arrival of the cruises; which is Tour 3 and the businesses that were mainly located at the Swettenham Cruise Terminal, Shop 1, F&B 1, Transport 1, Transport 2. Cruise passengers are predominantly their target customers (see Figure 6.1 for the map of the location of the businesses).

Table 6.7 Interviewees' perceptions of cruise tourism impacts on the business

Interviewee	Perceptions of cruise tourism impacts on the business
Shop 1	Depends on the cruises for customers, particularly the cruise's crews
Shop 2	Sometimes passengers buy souvenirs from the shop
Shop 3	Not much; sometimes passengers buy souvenirs from the shop
F&B 1	Although the cruise arrival is seasonal, it helps increase customers; usual per day only 3-4 people but with the cruise arrival, it can be up to 60 people daily.
F&B 2	Difficult to identify cruise passengers
F&B 3	Business affected by cruise tourism but only the cruise crews as the customer; the number of the customers is halved for now.
Museum 1 & Museum 2	Not so much; contracted with travel agencies
Museum 3	Yes but very low; passengers prefer to go somewhere else
Transport 1	The premises are at the port, predominantly to cater for cruise passengers; have a business relationship with cruise liners
Transport 2	The premises at the port are predominantly to cater for cruise passengers; acts as a small ambassador who is the first to approach the passengers; representative of Penang Port's image
Transport 3	Not much, if only passengers would use their service
Tour 1	Not much
Tour 2	Not much; only do a private tour for passengers
Tour 3	Positive impact on the business, no negative impact; have a business relationship with a cruise liner

Source: author's fieldwork

For Shop 1, the business depends on the cruise arrivals; their target customers are cruise crews instead of the passengers. Shop 1 explained that *'If there is no cruise ship coming, our business cannot make a profit and might have to cease its operation'*, while for F&B 1, although the cruise arrival is seasonal, it helps to increase the number of their customers. Meanwhile, for the transportation business, Transport 1 and Transport 2 predominantly cater to cruise passengers wanting a tour of Penang. Transport 1 explained that *'For the cruise, it is such a gamble whether we get the customers or not. Unless we receive bookings in advance*'. Transport 1 also mentioned the competitiveness between transportation services at the port and how this can affect their ability to secure customers. For Transport 2, the cruise industry is vital to their business, and they play a significant role for the cruise passengers. Transport 2 professed that *'We are a small ambassador as we are the ones who approach the passengers first; therefore we are playing an important role in taking care of the image of Penang and also the Penang Port'*. Hence, according to them, it is essential to ensure that the cruise passengers are satisfied with their service. In the same way, Tour 3 said that cruise tourism has a positive impact on their business. They also have a business relationship with a cruise liner, Star Cruise which has five arrivals in a week. Thus, it explained the dependence of the business (Tour 3) on cruise tourism activity in the area.

For most of the souvenir shop businesses (Shop 2; Shop 3), it appears that cruise tourism influences the businesses through the purchase transaction of the cruise passengers in the shops. However, the shops claimed that the passengers rarely went to their shops, and this is probably due to the location of the shops being less reachable for the cruise passengers. Both shops are located about one kilometre from the cruise terminal. Nevertheless, F&B 3 argued that although their location is close to the port, the number of cruise crews visiting their restaurant was fewer than half. F&B 3 clarified based on his observation, *'No cruise passengers came here. Only the cruise crews. Cruise passengers normally have been taken by the travel agents. If there were, maybe not more than 1% of independent travellers will walk to get to this place… however, now the number of crews coming here is less than half'.* F&B 3 explained that this could be due to the ease of getting transportation services such as Uber and Grab Car so the cruise passengers and crews prefer to use those services to travel to a more distant location such as the shopping malls.

In addition, the owner of Museum 1 and 2 stated that although one of his museums is close to the port, which is less than 500m from the cruise terminal, cruise passengers rarely visit the museum (see Figure 6.1): *'So far, not many cruise travellers have come here. This is mainly because of their limited time. Even though our museum is right in front of the port, they will not walk. So what they do is take a taxi. Therefore it depends on the taxi drivers to promote places or attraction to go'* [Museum 1 & Museum 2].

Likewise, Museum 3 claimed that the number of cruise passengers visiting the museum was declining because the passengers were diverted to other options. He explained, *'I told you that there were ten buses before. However, now the thing has changed. They do not come here and prefer the shopping tour and others. They go to Balik Pulau to visit the tropical fruits plantation, get durians (a local fruit) there and those things (fruits). Also, then they went for a shopping tour at the malls such as Paragon and Gurney Plaza'.* Museum 3 also added that the adjustments in the marketing promotion by tour agents caused the drop in the number of passengers visiting the museum. *'Before that, we used to have at least four buses coming, but now (after the new contract) sometimes one bus or no bus, just a van only with less than 20 people'* [Museum 3].

On the other hand, as for Tour 2, the business only provides a private tour for cruise passengers. Therefore they rarely receive other cruise customers, such as those who turn up on the day. Tour 2 claimed that cruise passengers prefer to follow packages sold on the cruise as it is more convenient for them to purchase. Chapter 7 will present further on the purchasing of packages by the cruise passengers. In the next section, more details with regards to the cruise passengers as the businesses' customers will be discussed.

6.4.4 Perceptions of cruise passengers as customers

This section explores the tourism-related businesses' perceptions of cruise passengers as customers. This includes the country of origin and type of passenger, and the estimated spending by cruise passengers at the businesses. Table 6.8 presents the interviewees' responses regarding cruise passengers as their customers.

Table 6.8 Interviewees' perceptions of cruise passengers and estimated spending

Interviewee	Perception of cruise passengers	Country of origin	Category	Estimated spending
Shop 1	*'As a business, our main customers are the crews.'*	Filipina, China, Vietnam, Indian and Nepal	Cruise crews	£18-£37 (RM100-RM200) /person
Shop 2	*'Maybe around 20 people a week'*	China	Family, group of adults	£2-£4 (RM10-RM20) /person
Shop 3	*'Maybe around 20%-30% of the total customers'*	China, Taiwan	Family	£9-£18 (RM50-RM100) /person
F&B 1	3-4 customers daily on a regular day. In peak season, up to 60 daily include daily ferry passengers.	Local Malaysian, Arabic	-	£6-£8 (Rm30-RM40) /person

F&B 2	*'It is difficult to identify. There is nothing to show.'*	-	-	-
F&B 3	Cruise crews	Filipina, Indonesia, China	Cruise crews	£6++ (RM30++) / person
Museum 1	Not many cruise customers	China	Group of adults	£9 (RM50)/ person
Museum 2	Not many cruise customers	India	Group of adults	£8 (RM40)/ person
Museum 3	4 to 5 coaches a week	Europe, China, India	Group of adults	£2 (RM10)/ person
Transport 1	5 to 6 vans per day	Varies, depending on the day	Family	£27-£72 (RM150-RM400)/ tour package
Transport 2	10-20% of total packs on board	Varies depending on the ship. If Star Cruise Gemini ship, the majority are from India, if Costa Victoria many are from Germany and Mauritius.	Mostly couples	£9 (RM50) / hour for a taxi tour package
Transport 3	Not many cruise customers	-	-	£2-£6 (RM10-RM 30) / person
Tour 1	Not many cruise customer	-	Family	£27 (RM150) / person
Tour 2	Provide private tour, so infrequent, at least 2 or 3 bookings in a month	Europe (Switzerland, German, Scandinavian), American		£27 (RM150) / person
Tour 3	30% to 40% of total packs on board (Star Cruise)	Mostly Indian, next Singaporean, then Malaysian, followed by Australian and American	A mixture of retirees, couples, and family. Mostly family.	£18++ (RM100++) / person

Source: author's fieldwork

*currency exchange rate 1 GBP= 5.5649 MYR, based on the average exchange rate from September 2017 to November 2017, from https://www.poundsterlinglive.com/best-exchange-rates/best-british-pound-to-malaysian-ringgit-history-2017. The calculation was round up to the closest number without a decimal point for the purpose of estimation and convenience of writing the numbers.

First of all, it must be acknowledged that some of the interviewees considered they received a small number of cruise passengers at their businesses (Museum 1; Museum 2; Transport 3; Tour 1). However, despite this, they were still able to give their perception about the cruise passengers. To clarify, F&B 2 emphasised the difficulty of differentiating between a regular tourist and a cruise passenger, which made it harder to comment about the cruise passenger as a customer. In contrast, Shop 1 and F&B 3 specified that their customers from cruises were mainly the cruise crews.

With regards to the perceptions about cruise passengers as customers, Shop 2 estimated that they received roughly around 20 cruise passengers weekly, Shop 3 estimated that around 20% of their customers were cruise passengers, while F&B 1 with premises at the port estimated three to four cruise passengers on a daily basis and up to 60 people including daily ferry passengers during the peak season. Museum 3 claimed they received four to five coaches of cruise passengers weekly, while Transport 1, who operated at the port, believed they have about five to six vans daily. Transport 2, who also operated at the port, claimed that 10% to 20% of total packs on a cruise would normally be their customers. However, for tour businesses, such as Tour 2, who provides private tours for cruise passengers, admitted that reservations for the tour was infrequent, and that the business received only two or three reservations per month. Tour 3, who has a business relationship with Star Cruise, declared that usually 30 to 40% from the entire Star Cruise would be their customers.

The study also found that based on the answers given, the majority of the interviewees identified that the cruise passengers were predominantly from the family category (Shop 2; Shop 2; Transport 1; Tour 1; Tour 3), followed by group of adults (Shop 2; Museum 1; Museum 2; Museum 3), couples (Transport 2; Tour 3) and also cruise crews (Shop 1; F&B 3). On the other hand, some interviewees (F&B 1; F&B 2; Transport 3; Tour 2) could not identify the category of the cruise passengers due to difficulty to distinguish between cruise passengers and regular tourists.

Other than that, the study revealed that the majority of the interviewees identified that their customers from cruise passengers were mostly from China (Shop 2; Shop 3; Museum 1; Museum 3), and India (Museum 2; Museum 3; Transport 2; Tour 3). However, the information that Chinese people are from China, and Indian people are from India was not always correct as in some countries such as

Malaysia and Singapore, the Chinese and Indian people are among the primary ethnic groups in those countries. Besides, according to Tourism Malaysia (2018), most of the international tourists were from Singapore with the highest number of 12.4 million tourists, followed by Indonesia and China with 2 million of tourists for each country.

Nevertheless, in a different case for Tour 2 and Tour 3, who received direct reservations from the cruise passengers, which would give a more accurate answer. Tour 3, who has a business relationship with cruise liners, claimed that the passengers were mostly Indian, next Singaporean, then Malaysian, followed by Australian and American. As for Tour 2, they received reservations for private bookings from cruise customers mainly from Europe (Switzerland, Germany, Scandinavian countries) and America. For Shop 1 and F&B 3, however, they claimed that the cruise customers were crew, and they were mostly from the Philippines, China, Vietnam, Indonesia, India and Nepal. Nonetheless, it must be admitted that the nationality of cruise passengers was affected by the type of cruise liner and the location of embarkment.

Overall, based on the answers according to the business categories, the average estimated amount of spending by cruise passengers at shop businesses was varied. Cruise crews spent on average £18 to £37 (RM 100 to RM 200) at the retail shop, Shop 1: *'They will come here to buy chips and drinks and some other goods that they need to use on the ship like toiletries and groceries'* [Shop 1]. For souvenir shops, on the other hand, cruise passengers spent around £2 to £4 (RM10 to RM20) at Shop 2, and a much higher amount of £9 to £18 (RM50 to RM100) at Shop 3. For food and beverage providers or restaurants, F&B 1 and F&B 3 stated that the average amount of spending was about £6 to £8 (RM30 to RM40). The owner of Museum 1 and Museum 2 claimed that cruise passengers spent about £8 to £9 (RM40 to RM50) at the museums, and this estimation included the price of the entry ticket as well as the purchased souvenirs and food on the premises.

On the other hand, Museum 3 only counted the charge of £2 (RM10) per person for the entrance fee for the estimation spending. As for the two transportation services at the port, Transport 1 claimed that the average charge was £27 to £72

(RM 150 to RM 400) per tour package, while Transport 2 charged £9 (RM50) per hour of a taxi tour package. Transport 3, who claimed to have a small number of cruise passengers as customers, charged about £2 to £6 (RM10 to RM30) for bicycle and motorcycle rental. For tour operator businesses, however, Tour 1 and Tour 2 said the average spending was £27 (RM150) per person while Tour 3 said the average was around £18 (£100). The findings of the study show that the average estimated spending by cruise passengers at every business is different although it is in the same category of business.

6.5 Perceptions of cruise liners

One of the key theme of the study is to explore the tourism-related businesses' perceptions of the competition with cruise liners for cruise passenger expenditure, and further investigates business relationships with cruise liners.

6.5.1 Perception of the competition with cruise liners

The advancement of cruise liners with all-inclusive packages increases the ability of the cruise industry to maximize the time and money passengers spend on board and minimize their time in the port (McKee, 1988; McKee & Mamoozadeh, 1994; Seidl et al., 2006). To explore this issue, the interviewees were asked for their opinion regarding the impact of all-inclusive facilities and entertainment onboard and whether it creates competition with the local businesses for cruise passenger expenditure (see Table 6.9).

Table 6.9 Interviewees' perceptions of cruise liners

Interviewee	Perception of the competition with cruise liners for passenger expenditure	Business relationship with cruise liners
Shop 1	Target customers are the crews; lower price in Penang	No
Shop 2	Passengers still want to buy souvenirs from Penang and try local food	No
Shop 3	No competition; cruise sells differently and expensive; Penang souvenirs are authentic; passengers still want to buy something	No
F&B 1	Passengers still want to try local foods	No
F&B 2	Passengers want to experience something locally; they will buy local products such as biscuits, souvenirs; they come to eat (local food)	No
F&B 3	Crews will try local foods; lower price in Penang	No

Museum 1 & Museum 2	Not a problem; cruise has no museum on board; less option of products available on board; passengers want to eat local food	Yes, indirectly
Museum 3	Penang is always for food and a tourist spot; cheaper	Yes, indirectly
Transport 1	Not a problem; Penang is famous for food; Singaporeans buy Tau Sar Piah (a popular Chinese food) as souvenirs; other famous foods such as Nasi Kandar, white coffee	Yes, directly
Transport 2	Passengers want to buy souvenirs from Penang;	No
Transport 3	-	No
Tour 1	No worries; Penang is already famous for food; passengers here for food; sightseeing; history	Yes, directly
Tour 2	No conflict with the facilities on the cruise; passengers want to try something new, go to new places, try local food	Yes, indirectly
Tour 3	Passengers want to experience local delicacies and food; passengers come to Penang for food and sightseeing tour	Yes, directly

Source: author's fieldwork

Almost all the respondents believed that the advantage of cruises providing all-inclusive packages did not affect tourism-related businesses at a cruise destination. They believed passengers would purchase or spend money on local businesses such as Penang's souvenirs or food products (Shop 2; Shop 3; F&B 1; F&B 2; F&B 3; Museum 1; Museum 2; Museum 3; Transport 1; Transport 2; Tour 1; Tour 2; Tour 3).

Furthermore, some respondents (Shop 2; F&B 1; F&B 2; F&B 3; Museum 1; Museum 2; Tour 2; Tour 3) advocated that although cruise liners provide an all-in package, passengers want to experience something locally, and notably this includes the food and souvenirs. This issue will be further explored in the Chapter 7 regarding the purchase behaviour of passengers. Another reason raised by Shop 1, F&B 3 and Museum 3 was that Penang offers lower-priced goods. Conversely, Shop 3 and Museum 1 and Museum 2 highlighted the different types of goods and expensive prices offered onboard.

> *I don't see any problem because a cruise does not have any museums on board. It will not relate to my business. Even in terms of products, a cruise ship does have a tax-free zone, but I do not see many products onboard. Very very few, so I don't see any competition*. [Museum 1 and Museum 2]

Interestingly, food was the most frequently mentioned product by the respondents (Shop 2; F&B 1; F&B 2; F&B 3; Museum 1, Museum 2; Museum 3; Transport 1; Tour 1; Tour 2; Tour 3). Some of the respondents even believed that tourists came to Penang especially to try the local food. According to Transport 1, *'Penang is famous for food'*; Museum 3 claimed '*Penang is always for food and a tourist spot'*; and then Tour 1 supported this with *'Cruise passengers will come here for foods, sightseeing, and history'.* Tour 2 shared their experience with cruise passengers saying that there was always a demand for lunch or dining slots in the private tour itinerary. The interviewee added that their cruise customers had never refused to dine for the reason they already had food provided onboard. Other than food, Transport 2 shared that often cruise passengers particularly requested to bring them to a place to get souvenirs: *'I want to get something from Penang'.*

Therefore, the findings seem to suggest that despite the all-inclusive packages offered onboard, cruise passengers were found to spend money on local tourism-related businesses in Penang.

6.5.2 Business relationships with the cruise liners

The study reveals that seven of the fifteen tourism-related businesses have business relationships with the cruise liner, directly or indirectly (see Table 6.9). All three museums have a business deal with a cruise liner through a travel agency as the intermediary. As for Museum 1 and Museum 2, the business relationship with a travel agency was accomplished by offering a special price rate: *'We sell them at discounted price tickets in bulk'* [Museum 1]. In addition, Museum 1 added that promotion onboard was richly supported by the efforts of Penang Global Tourism. The state tourism board requests brochures and video advertisements from all the attractions in Penang, to be compiled and taken to the cruise operator for promotion on board. Other than that, for a passenger who does not want to join any itineraries for excursion and prefers to be a free-traveller, they will receive discount coupons for attractions. For Museum 3, the business relationship with the travel agency functioned through a commission offer. Transport 1 claimed to have a business relationship with Star Cruise Superstar Gemini and AIDA Cruises (from Germany).

Tour 1, who sells cruise packages to local people and handles ground tours for inbound cruise passengers, has business relationships with other travel agencies to generate custom. Furthermore, Tour 2, who provides a private tour for passengers, said that there was a business deal with other travel agents from overseas: *'Travel agents sell cruise packages, and that will include our ground tour'*. In contrast, Tour 3 has a direct relationship with Star Cruise and other travel agents from overseas. Tour 3 explained two ways of making reservations: first, a cruise passenger can make an advanced booking through their local agent who sells the cruise package, while second, a passenger can purchase the tour ticket on board from the cruise liner.

Tour 2 identified several barriers to forming a direct business relationship with the cruise liner. The first problems is providing a number of personnel to handle cruise passengers who come in bulk for a shore excursion: '*So you will need all the tour guides, vehicles and people to handle them*'. A further barrier is the issue of cost in dealing with a cruise liner: *'When a cruise liner sells their cruise excursion, they also want to make money'*. In addition, the barrier is Penang as a destination, in terms of opening times of attractions, which are occasionally limited to accommodate passengers' timing. Besides, the small size of George Town city sometimes traps the coaches that bring passengers in road congestion and that will reduce the quality time for passengers to spend in Penang. Tour 2 added that all of these problems need thorough consideration by tour agents before approaching cruise liners*: 'The cruise company will always look into this when they choose their tour agent'.*

Tour 3, who was an appointed tour agent by a cruise liner, added that an obstacle to forming a business relationship with a cruise liner is the reputation of the tour company, and that cruise lines are very selective when choosing a ground handler for their passengers. Tour 3 said, *'They would like to know the reputation and image of the tour agency. It has to be a good company, that has handled tours for many years'.*

6.6 Implications of the chapter

The interviews found that there was a consensus among tourism-related businesses that cruise tourism in Penang is developing. The development of the cruise tourism industry in Penang was described in the context of the increases in the number of cruises and passengers arriving at Swettenham Cruise Terminal, Georgetown. This is in line with the data by CLIA (2019) that shows the number of global ocean cruise passengers increased consistently between 2009 and 2017. The cruise terminal was also listed in the top 10 Cruise Ports by Total Calls in Asia (CLIA, 2017). Moreover, the interviewees also associated the development of the industry with the development of Penang Port, which includes the cruise terminal. The development of the cruise industry will be accompanied with the need for investment in terminals for larger ships arriving in greater numbers (Seidl et al., 2006; Vaya et al., 2017).

Interestingly, not only has the number of cruise arrivals increased but the interviewees also believed that the demand for a cruise experience in the local market is also arising despite the expensive cost. In addition, the development of the cruise industry is influenced by the active efforts of the government to promote the industry locally and globally. The results suggest that the government, which includes the municipal, local and federal bodies, was very supportive of the industry. In addition, the intense effort of promotion to introduce to Penang to the world has made it a popular tourist destination that then encourages more cruise liners to add Penang to their itinerary as a stopover destination.

The interviews then discussed the impact of cruise tourism. It is believed that the development of cruise tourism has benefitted the local economy. The respondents believed cruise tourism has brought more tourists into Penang, and the large number of passengers' arrivals has contributed to their spending, despite the short time the passengers have in Penang. Therefore, the expenditure by the passengers will bring profit to the local businesses. More interestingly, the findings of the interview results also demonstrate that the expenditure was not merely by the passengers, but also by the crews. As mentioned in the previous literature (Brida & Aguirre, 2008; Dwyer & Forsyth, 1998), the cruise industry has the potential to generate economic benefit by the spending of cruise passengers and also crews. Dowling (2011) asserted that the growth in the number of cruise lines visiting Australian ports, the passenger's capacities of the ships are equivalent, also the number of cruise passengers visiting Australia and their expenditure while in the country are also equivalent.

The results also reveal that the development of the cruise tourism industry in Penang has encouraged the existence of new local businesses. Some of the interviewees supported this, saying that many small businesses such as retail outlets, souvenirs and art shops, and modern museums have flourished. This is evident in the number of modern museums in Penang, which is more than 20 museums. Previous studies have claimed that cruise activity acts as a strong catalyst that revitalizes existing businesses and creates new activities of businesses at the port destination (Vaya et al., 2017; Bel & Fageda, 2008).

Other than that, cruise tourism is also a way to introduce Penang to the world. The interviewees believed that the cruises, with thousands of passengers, acted as a preview, and gave a chance to promote Penang, and mainly George Town. This preview will then encourage the return intention of the cruise passengers. The findings discovered that the tourism-related businesses strongly believed the cruise tourism can encourage passengers to return to Penang for a more extended visit in the future. Some businesses claimed to have returning cruise passengers who revisit Penang and use their services again.

One interesting finding from the study is that the proximity of the location of the cruise terminal to the business does not guarantee that a business will be impacted by the cruise tourism, but it is influenced by the aspects such as where tour guides lead the passengers, tourism-related businesses highlighted in the marketing brochures and leaflets, and also the ease of getting public and private transport to commute within the destination.

With regards to the perception of cruise passengers as customers, some of the respondents claimed that they have infrequent cruise customers. The difficulty in identifying and distinguishing between a regular tourist and a cruise passenger was the reason raised by the respondents. Other than that, the study revealed that the businesses professed that the all-inclusive packages provided by cruise lines do not give them competition as cruise passengers want to try something locally so they often purchase something from local businesses in George Town such as food, souvenirs or services.

CHAPTER 7: THE CRUISE PASSENGERS' BEHAVIOUR AT THE CRUISE DESTINATION OF PENANG, MALAYSIA

7.1 Introduction

The two previous chapters were established for the analysis of perspectives of cruise tourism and its impact from the destination stakeholders and tourism-related businesses. This chapter discusses the third objective of the study to examine cruise passengers' behaviour at the cruise destination of Penang, Malaysia, through an exploration of results from a questionnaire survey. This chapter examines cruise passengers' behaviour through the dimensions of motivation, mobility and activities, purchase behaviour, satisfaction, return and recommendation intention with a view to investigating the perception of cruise passengers about Penang as a cruise stop-over destination. This investigation is crucial in a way to help elucidate the impact of passengers to Penang, particularly the tourism-related businesses.

This chapter is divided into two parts. The first part profiles the general findings of the cruise passengers' behaviour. The second part of the chapter compares the two categories of cruise passengers, which are the tour and non-tour participants. For the first part of the chapter, the section begins with an examination of the characteristics of cruise tourists and their visits to the destination. Data were analysed using a univariate analysis of frequency distribution and percentage scores. In the next section, cruise passengers' motivation based on destination attributes of Penang and also the information sources were analysed using the calculation of mean score and comparison of mean score based on five-point Likert scale questions. Mobility, purchase behaviour, intention to return and intention to recommend of cruise passengers were analysed through frequency distribution and percentage scores. From the mobility results, maps were established to locate and show the locations visited by the cruise passengers. The total amount of money spent by the cruise passengers in Penang, and their satisfaction levels were analysed through calculation and comparison of the mean score. Bivariate analysis using Chi-squared tests was used to explore the association between hours spent by cruise passengers at the shore of Penang and the total amount of money spent at the shore, and the association between cruise passengers' satisfaction of the trip and intention to return and recommend.

The second part of the chapter compares the two type of cruise passengers: (1) the tour and, (2) non-tour participants using cross-tabulation analysis. The comparison is in the context of the behaviours of the cruise passengers at the shore of Penang.

7.2 Profiling cruise passengers' behaviours

7.2.1 Characteristics of the cruise passengers

Based on the 185 questionnaires answered (see Table 7.1), the gender split revealed that there were slightly more male respondents (53.5%) than female respondents (46.5%). Comparing with previous studies on cruise passengers, this result is different to that of Andriotis and Agiomirgianakis' (2010) findings, where the generalisation about the gender split male/female of cruise visitors at Heraklion, Crete was 42/55. Research in Honolulu, Hawaii by Ozturk and Gogtas (2016) also showed a gender split of 46/55 (male/female). More than one-third of the total respondents were aged between 35 and 54 years old (36.8%), followed by the age group of 55 and above (33%), and below 35 years old (30.3%). The result of age distribution is almost similar to Andriotis and Agiomirgianakis' (2010) findings, where the highest age group was between 36 and 55 (37.4%), followed by 56 and above (34.8%), and below 35 (27.7%). However, this finding is inconsistent with Ozturk and Gogtas's (2016), where there were more cruise passengers aged 60 years old and above (42%), followed by the age group of 40 to 59 (29%), 39 and below (29%).

Other than that, the results indicate that 74.1% of the respondents were employed, 14.1% were retired, while 11.9% were homemakers, unemployed and students. This is somehow related to Andriotis and Agiomirgianakis' (2010) findings, where more than 55.1% of their respondents were employed, 32.1% were retired and the rest were homemakers, unemployed and students. This study also shows similar results to Whyte's (2017), where the respondents were mainly employed respondents (71%), followed by retired (17%) and not employed (12%). In addition, over half of the respondents had higher education including a Bachelor's degree (42.2%), and postgraduate and beyond (19.4%), while those with Diplomas account for 22.2%, and high school graduates 16.2%. This result is in line with the findings of previous studies (Andriotis & Agiomirgianakis, 2010; Brida et al., 2013; Ozturk & Gogtas, 2016; Whyte, 2017) that showed the domination of the higher education level of cruise passengers.

The profile shows the dominance of employed middle-aged adults with higher education levels; however, seniors and retired passengers contributed to a significant proportion of passengers. Nonetheless, the results reject Marti's (1999) claim that cruise passengers predominantly consist of older retired persons. The difference in the findings may have occurred due to the changes and development of the cruise industry. After decades, more cruise packages are becoming available in the market and this increases the chances for more people from different age levels to join a cruise. Weaver and Duval (2008) associate the democratization of cruise travel was part of a much broader democratization of consumption and the rise of modern market economies of where cruise holidays becoming affordable to a large proportion of the population within Western countries. In addition to this, CLIA (2019) highlight that Generation Z is forecast to become the largest consumer generation by the year 2020 because this generation values experiences and travelling over material items. The advantage of cruising that brings passengers to multiple destinations give unique experiences and is attracting this new category of cruisers.

In the context of nationality, over half of the respondents were Asian, with Indians representing 21.6%, followed by Singaporean (14.6%), Malaysian (8.1%), and other Asians (15.1%). The rest of the respondents were Australian (17.3%), European (10.3%), British (6.5%), and from other parts of the world (6.5%). The nationality of cruise visitors is varied across studies at different locations, considering the travel distance and the availability of packages offered by the cruise companies.

Table 7.1 Demographic details of cruise passengers

Description	Criteria	Frequency (N=185)	Percentage (%)
Gender	Male	99	53.5
	Female	86	46.5
Age group	34 years and less	56	30.3
	35-54 years old	68	36.8
	55 and above	61	33.0
Occupation	Employed	137	74.1
	Retired	26	14.1
	Homemaker	8	4.3
	Unemployed	9	4.9
	Students	5	2.7
Education level	High school	27	14.6
	Diploma	42	22.7
	Bachelor	80	43.2
	Postgraduate and beyond	36	19.4
Nationality	Indian	40	21.6
	Australian	32	17.3
	Other Asians	28	15.1
	Singaporean	27	14.6
	European	19	10.3
	Malaysian	15	8.1
	British	12	6.5
	Others	12	6.5

Source: author's fieldwork

7.2.2 Characteristics of visit information of cruise passengers

Table 7.2 displays the characteristics of visit information of cruise passengers. Most of the respondents boarded Mariner of the Seas Royal Caribbean (41.1%), followed by Sea Princess (16.8%), Star Cruise Gemini (15.1%), Star Cruise Libra (13.5%), Costa Victoria (11.9%) and Star Clipper (1.6%). The result indicates that a greater number of cruise passengers boarded Mariner of the Seas Royal Caribbean because the cruise ship frequently docks at Swettenham Pier Cruise Terminal twice a week. This can be verified by the cruise arrival schedule provided by the Penang Port (see Appendix 4). The size of the cruise Mariner of the Seas Royal Caribbean also plays an important role. According to the interview with the Penang Port (see Chapter 5), the cruise ship usually brings about 3000 cruise passengers at a time to the cruise terminal. Meanwhile, over 64% of the respondents embarked from Singapore, while the rest embarked from Phuket (15.1%), Port Klang (8.6%), Brisbane (1.6%) and Langkawi (0.5%). On the other hand, 9.2% of the respondents seemed confused in giving the false answer of Penang instead of the location of their cruise embarkation. As informed by informant 2 from Penang Port, most of the regular cruises begin cruising from

Singapore where the homeport is located before going to Penang (refer to Chapter 5). Singapore Cruise Centre is well known for its cruise terminal facilities and acts as a major cruise terminal in Asia (Cruise Lines International Association, 2017). Most of the cruises arrive from Singapore because many cruise companies are based and have their homeport in Singapore.

In terms of cruising length, the majority of the respondents cruised for five days or less (71.4%), while the rest cruised longer between 11 and 20 days (22.2%), 6 and 10 days (4.3%), and some of them travelled for more than 20 days (2.2%). The results also indicate that the mean average amount of time spent at the shore of Penang was 4.98 hours, with a mode of 4 hours. More than half of the respondents spent four to six hours (56.22%) at the shore, 22.2% spent less than four hours, while 21.08% spent more than seven hours with the maximum of twelve hours. This result supports previous findings (Penco & Di Vaio, 2014) that claimed the average time spent of cruise passengers at the shore is typically five to six hours.

The average travel companion was 2.82 people, while the mode was 1 person. Half of the respondents travelled with one or two people (56.8%), while others travelled with three to four people (25.4%), five to six people (9.2%), more than six people (4.9%) and some of them travelled alone (3.8%). Most of the respondents travelled with a spouse/ partner (39.5%), followed by family/ relatives (31.4%), friends (16.2%), business associates (7.6%), others (3.2%), and without a companion (2.2%). The results follow the findings of Andriotis and Agiomirgianakis (2010), which showed nearly half of the cruise passengers travelled with a partner (47.1%), followed by family (24.8%), friends (21.6%) and others (6.1).

Table 7.2 Visit characteristics of cruise passengers

Description	Criteria	Frequency (N=185)	Percentage (%)
Name of cruise ships	Mariner of the Seas Royal Caribbean	76	41.1
	Sea Princess	31	16.8
	Star Cruise Gemini	28	15.1
	Star Cruise Libra	25	13.5
	Costa Victoria	22	11.9
	Star Clipper	3	1.6
Location of embarkation	Singapore	120	64.9
	Phuket	28	15.1
	Penang	17	9.2
	Port Klang	16	8.6
	Brisbane	3	1.6
	Langkawi	1	0.5
Days of overall cruising	5 days and below	132	71.4
	6 to 10 days	8	4.3
	11 to 20 days	41	22.2
	More than 20 days	4	2.2
Hours spent in Penang	3 hours and less	42	22.70
	4 to 6 hours	104	56.22
Mean= 4.98	7 to 9 hours	36	19.46
Mode= 4	10 to 12 hours	3	1.62
Number of travel companion	Alone	7	3.8
	1 to 2 people	105	56.8
Mean= 2.82	3 to 4 people	47	25.4
Mode= 1	5 to 6 people	17	9.2
	More than 6 people	9	4.9
Travel companion	Spouse/ Partner	73	39.5
	Family/ relatives	58	31.4
	Friends	30	16.2
	Business associate (s)	14	7.6
	Others	6	3.2
	Travelling alone	4	2.2

Source: author's fieldwork

The results show that about 55.1% of the respondents had been to Malaysia before (see Table 7.3). 24.3% of them had visited Malaysia for five times or less, others had visited Malaysia six to ten times (8.6%), more than ten times (14.1%), while the rest had never been to Malaysia before (44.9%) and 8.6% were Malaysian. Surprisingly, one-quarter of the respondents had visited Penang before (36.8%). Almost 25% of the overall population had visited Penang five times or less, 11.9 % had visited more than five times, while 63% were the first-timers to Penang.

Table 7.3 Visit information of cruise passengers

Description	Criteria	Frequency (N=185)	Percentage (%)
First visit to Malaysia	Yes	83	44.9
	No	102	55.1
Times visiting Malaysia	Never	83	44.9
	5 times and less	45	24.3
	6 to 10 times	16	8.6
	more than 10	26	14.1
	Malaysian	15	8.1
First visit to Penang	Yes	117	63.2
	No	68	36.8
Times visiting Penang	Never	117	63.2
	5 times and less	46	24.9
	6 to 10 times	9	4.9
	more than 10	13	7.0

Source: author's fieldwork

7.2.3 Motivation and information sources

Table 7.4 depicts the respondents' motivation to travel to Penang based on destination attributes. Respondents were asked how important 15 attributes of Penang were in influencing their decision to choose a cruise vacation. Based on the 15 attributes, the results document the following: safety and security acquired the highest score (mean= 4.18, SD= 0.882), followed by walking distance from port to city/town (mean= 3.85, SD= 0.964), different cultures and heritage (mean= 3.82, SD= 0.955), new and novelty of a place (mean= 3.81, SD= 0.924), variety of nature and scenery (mean= 3.75, SD= 0.836), historical place/site to visit (mean= 3.74, SD= 1.016), attraction nearby port (mean=3.74, SD= 0.891), low travel cost (mean= 3.69, SD= 0.919), facilities at the port (mean= 3.54, SD= 0.891), local crafts and handiwork (mean= 3.5, SD= 0.968).

On the other hand, other attributes such as shopping, exciting activities, museum/ gallery to visit, and nightlife demonstrated a mean score less than 3.50 with a standard deviation greater than one. The standard deviation values for all the attributes are dispersed closely between the lowest value of 0.836 (variety of nature and scenery) to the highest value of 1.210 (nightlife). The results show that the standard deviation value on average is high and close to 1. the high standard deviation value signifies that the data points tend to be distant to the mean of the set and spread out over a broader range of values. This indicates that the respondents' answers are less consistent and widely scattered from the mean.

This result is almost similar to Andriotis and Agiomirgianakis' (2010) findings that indicate the following: discovering new places; experiencing culture; visiting historical and culture; enjoying nature and scenery; safety and security and low-cost travel are among the important motivations for the cruise passengers at Heraklion, Crete. Their findings highlight that the exploration dimension is an important motivational force for cruise passengers at Mediterranean destinations, which is in contrast to Showalter's (1994) findings that show the interest of cruise visitors at Caribbean is mostly to enjoy the sun and the sea, and culture is not one of the reasons.

Whyte (2017) found that when deciding to cruise in the Caribbean destinations of North America, the onshore attributes that cruise passengers rated were acceptable standard of hygiene and cleanliness onshore (safety and comfort); beautiful scenery (visual surroundings); good weather at the time of the cruise (visual surroundings); easy accessibility to/from the cruise terminal at the start/end of the cruise (safety and comfort) and diverse scenery at the shore destination (visual surroundings). The lowest rated onshore attributes were all related to onshore activities such as the ports to be visited offering colder weather activities, having a good bar or nightclub, and offering music and performances. For this study, the cruise passengers were found to be more concerned about the aspect of safety and security of the cruise destination, followed by the ease of convenience of the walking distance between the cruise port and the city. The exploration dimension and the visual surrounding of the Penang were found to be less important for the cruise passengers.

Table 7.4 Cruise passengers' motivation based on destination attributes of Penang

Degree of importance level	Mean score rank	Attributes	Mean	Std. deviation
From (1) Very Unimportant to (5) Very Important	1	Safety and security	4.18	0.882
	2	Walking distance from port to city/town	3.85	0.964
	3	Different cultures and heritage	3.82	0.955
	4	New and novelty of a place	3.81	0.924
	5	Variety of nature and scenery	3.75	0.836
	6	Historical place/site to visit	3.74	1.016
	7	Attractions nearby port	3.74	0.891
	8	Low travel cost	3.69	0.919
	9	Facilities at the port	3.63	1.077
	10	Pleasant climate	3.54	0.891
	11	Local crafts and handiwork	3.50	0.968
	12	Shopping	3.45	1.053
	13	Exciting activities	3.45	1.031
	14	Museum/gallery to visit	3.32	1.044
	15	Nightlife	2.76	1.210

Source: author's fieldwork

From Table 7.5, cruise line websites and information are viewed as the most important information source (mean=3.81, SD= 0.974), followed by local people, tour guide information, port information, google maps, and maps. Travel agent websites, blog reviews, magazines and word of mouth from family and friends were found to be less important as a source of information for the respondents. The standard deviations for all the items show high values that are closer to 1, beginning with the lowest value of 0.974 (cruise line website and information) to the highest of 1.160 (maps). This specifies that the responses are less consistent and widely scattered from the mean. The findings show that cruise passengers relied on the cruise liner and people (local people, tour guide) to get information about George Town, Penang. This result does not follow Jones' (2011) findings, where the personal- and internet-based information sources were believed to be the most important source of information about stopover destinations for North American tourists.

Table 7.5 Cruise passengers' information sources

Degree of importance level	Mean score rank	Information source	Mean	Std. deviation
From (1) Very Unimportant to (5) Very Important	1	Cruise line's website and information	3.81	0.974
	2	Local people	3.72	1.096
	3	Tour guide information	3.69	1.118
	4	Port information	3.63	1.091
	5	Google maps	3.60	1.109
	6	Maps	3.56	1.160
	7	Travel agent's website	3.43	1.150
	8	Blog reviews	3.42	1.149
	9	Family and friends	3.37	1.145
	10	Magazines	3.08	1.073

Source: author's fieldwork

7.2.4 Mobility

In terms of mobility, 36.8% of the cruise passengers travelled independently on shore, while 21.6% took a bus tour, 21.6% hired a taxi, 8.1% had a walking tour with a local guide, 4.9% utilised the free shuttle bus in George Town, CAT (Central Area Transit), while the rest (7%) used other transportation, such as trishaw, bike or car rental, and car hiring services (Uber and GRAB). According to the Dictionary of Leisure, Travel and Tourism (2005), an independent traveller is a traveller who organises his or her own trips, without buying package holidays.

The results reveal that over half of the respondents commuted using public or private transport in Penang. This finding is in contrast with Andriotis and Agiomirgianakis' (2010) claim that cruise passengers prefer to walk around the city instead of participating in a tour or hire a taxi. This result is also different from Jaakson's (2004) findings, which showed cruise passengers were only willing to walk less than 200 metres from the beachfront promenade and avoided other parts of the town. Other than that, the results of the study also revealed that over half of the total respondents did not purchase any excursion (51.9%). The rest that purchased the excursions were from the cruise line (17.3%), travel agent before beginning cruising (5.9%), travel agent at the shore (3.2%), and other independent sources (21.6%) (see Table 7.6). this result is related to the discussion in Chapter 5, the informant had commented about the plenty of transport options available to accommodate cruise passengers is one of the advantages that Penang has as a cruise destination.

Table 7.6 Ground transportation information of cruise passengers when traveling in Penang

Description	Criteria	Frequency	Percentage (%)
Transportation in Penang	Independently	68	36.8
	Bus tour	40	21.6
	Taxi	40	21.6
	Walking tour with a local guide	15	8.1
	CAT (free shuttle bus in Georgetown)	9	4.9
	Other	13	7.0
Purchase of excursion in Penang	I did not purchase any	102	55.1
	Independent	37	20.0
	Cruise line	28	15.1
	Travel agent (before cruising)	11	5.9
	Travel agent (at the shore)	7	3.8

Source: author's fieldwork

Respondents were asked about the attractions visited while in Penang. Nine of the most famous attractions were listed in the questionnaire and also a blank space was provided for the respondents to add the name of places that were not on the list (see Appendix 3). Table 7.7 reveals the 18 most visited places of attraction.

Nearly half of the respondents visited Little India (49.7% of Yes), and other famous attractions such as Penang Hill (33% of Yes), and Fort Cornwallis (30.8% Yes). Some respondents also visited shopping malls (28.1% Yes) such as Queensbay Mall, Gurney Plaza, Gurney Paragon, First Avenue, Komtar and Prangin Mall. Other heritage places visited included Kek Lok Si Temple (27% of Yes), Pinang Peranakan Mansion (21.1% of Yes), and Leong San Tong Khoo Kongsi (20.5% of Yes). Some respondents went to the beach at Batu Ferringhi (12.4% of Yes), went to food places such as hawkers and restaurants (11.9% of Yes) and searched for murals or street art paintings all around George Town (9.3% of Yes). Correspondingly, from the data in Table 7.7, the study extracted the information of cruise passengers that travelled within the George Town World Heritage Site or further. Interestingly, 66.5% of the respondents travelled beyond the heritage site region The George Town World Heritage Site is 2.5 square kilometres in size, and the cruise terminal is within the area.

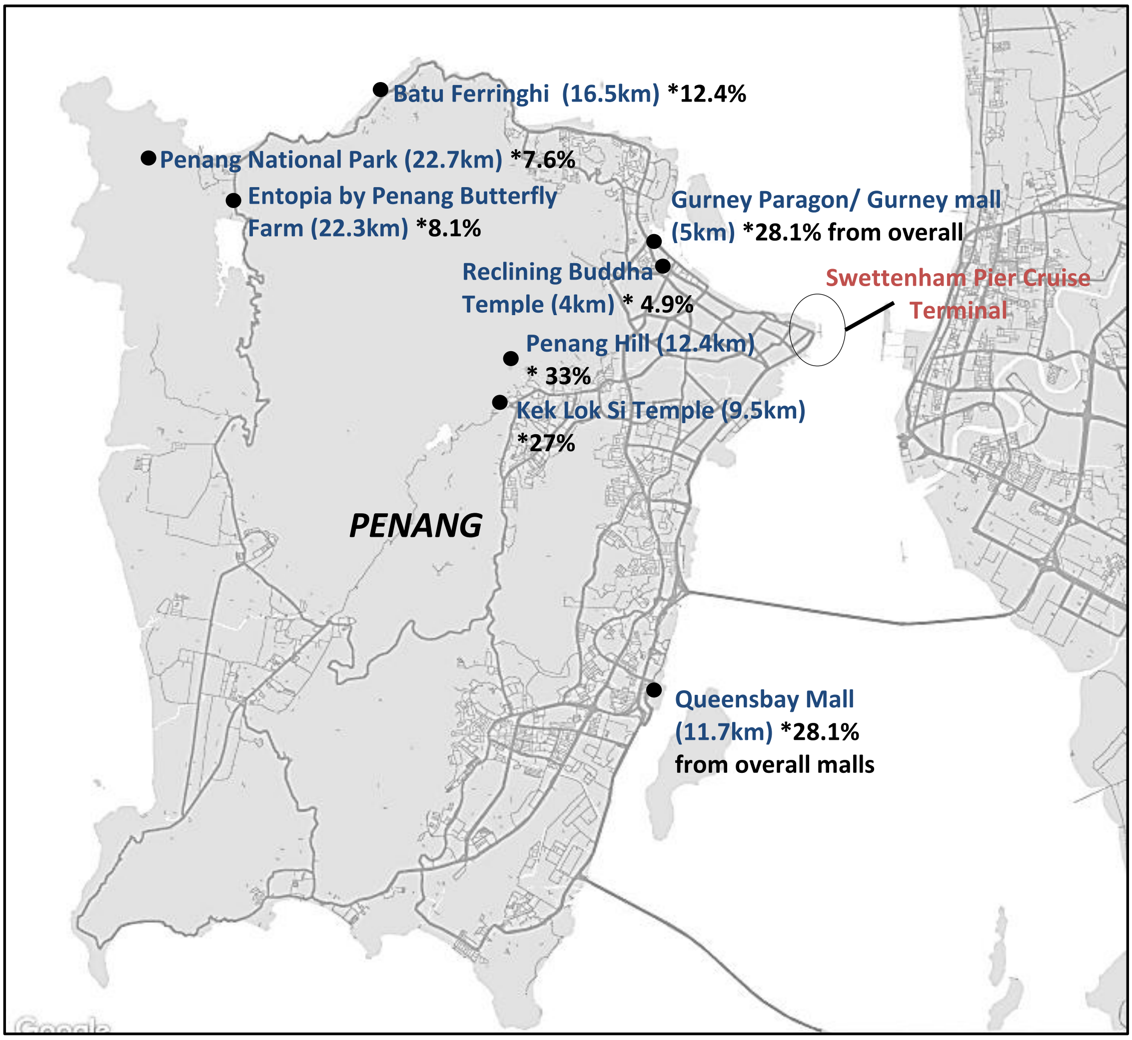
The furthest places of attraction visited by the cruise passengers were Entopia by Penang Butterfly Farm which is about 22.3 kilometres, and Penang National Park which is about 22.7 kilometres from the cruise terminal. Other places that were recorded were food market, Town Hall, museum/ gallery, Reclining Buddha Temple, the TOP Komtar, and China Town. Figure 7.1 shows a map with the estimated distance of the furthest location travelled by cruise passengers from the Swettenham Pier Cruise Terminal. The result supports the previous study by Cantis et al. (2016), which revealed the cruise passengers' movement ranged from 0.5 kilometres to about 58 kilometres. Figure 7.2 presents the location of attractions within the George Town area. However, certain attractions such as food places, food market, museum/ gallery, mural/street/art were not located in the maps because the locations are scattered within Penang.

Table 7.7 Attractions in Penang visited by cruise passengers

Rank	Attraction	Yes/ No	Frequency (N=185)	Percentage (%)	Distance from terminal (meter)*	Within WHS area
1	*Little India*	Yes	92	49.7	0.85km	Yes
		No	93	50.3		
2	*Penang Hill*	Yes	61	33.0	12.4km	No
		No	124	67.0		
3	*Fort Cornwallis*	Yes	57	30.8	0.35km	Yes
		No	128	69.2		
4	*Shopping malls*	Yes	52	28.1	2 to 12km	No
		No	133	71.9		
5	*Kek Lok Si Temple*	Yes	50	27.0	9.5km	No
		No	135	73.0		
6	*Pinang Peranakan Mansion*	Yes	39	21.1	0.6km	No
		No	146	78.9		
7	*Leong San Tong Khoo Kongsi*	Yes	38	20.5	1.4km	Yes
		No	147	79.5		
8	*Batu Ferringhi*	Yes	23	12.4	16.5km	No
		No	162	87.6		
9	*Food places*	Yes	22	11.9	Within 10km	Some
		No	163	88.1		
10	*Mural/ Street art*	Yes	17	9.2	Within 5km	Some
		No	168	90.8		
11	*Entopia by Penang Butterfly farm*	Yes	15	8.1	22.3km	No
		No	170	91.9		
12	*Penang National Park*	Yes	14	7.6	22.7km	No
		No	171	92.4		
13	*Food market*	Yes	13	7	1.7-4.4km	No
		No	172	93		
14	*Town Hall*	Yes	11	5.9	0.6km	Yes
		No	174	94.1		
15	*Museum/Gallery*	Yes	9	4.9	0.45-14.1km	Some
		No	176	95.1		
16	*Reclining Buddha Temple*	Yes	9	4.9	4km	No
		No	176	95.1		
17	*The TOP Komtar*	Yes	8	4.3	2km	No
		No	177	95.7		
18	*China Town*	Yes	6	3.2	1.5km	No
		No	179	96.8		

***distance from Swettenham Cruise Terminal to places of attraction estimated by Google Maps**

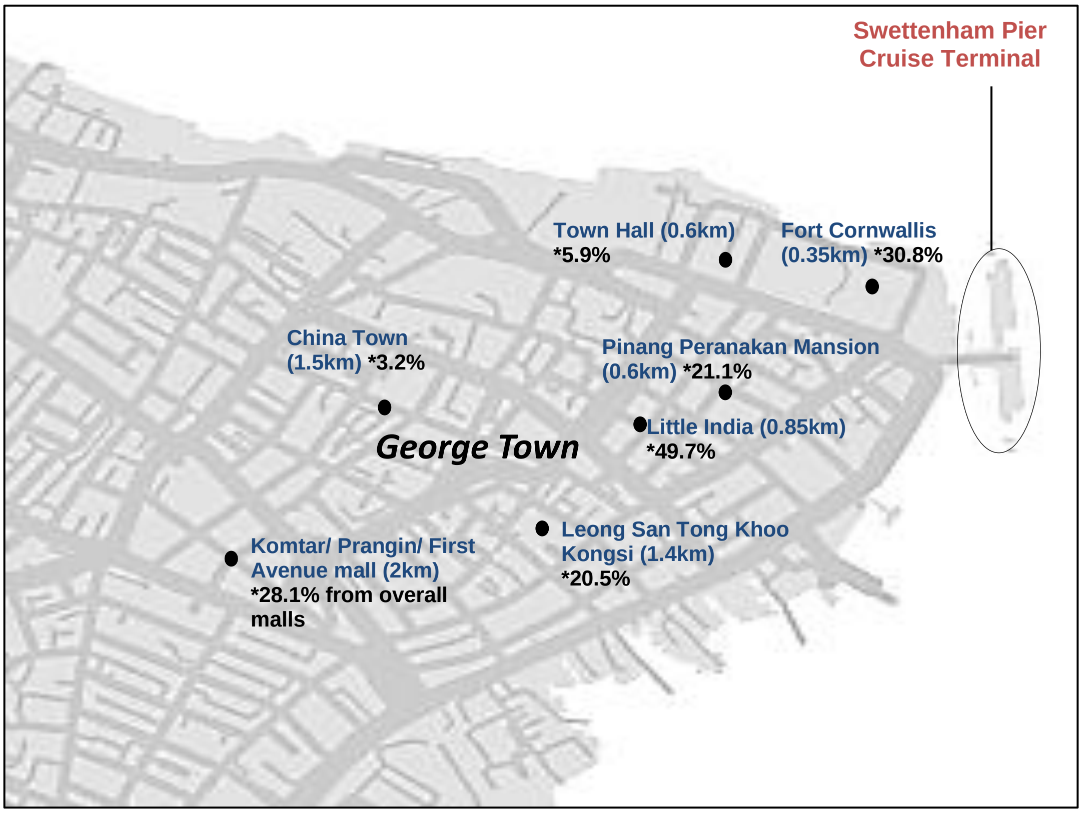
Source: author's fieldwork



**distance from Swettenham Cruise Terminal to places of attraction estimated by Google Maps*

Figure 7.1 The map shows the furthest places of attraction visited by the cruise passengers from Swettenham Pier Cruise Terminal

Source: Author's fieldwork



**distance from Swettenham Cruise Terminal to places of attraction estimated by Google Maps*

Figure 7.2 The map shows the places of attraction in George Town city visited by the cruise passengers

Source: Author's fieldwork

Furthermore, a chart (see Figure 7.3) was constructed from the information in Table 7.7 to simplify the most visited attractions, with a consideration of more than 10% from the cruise passengers visiting the location.

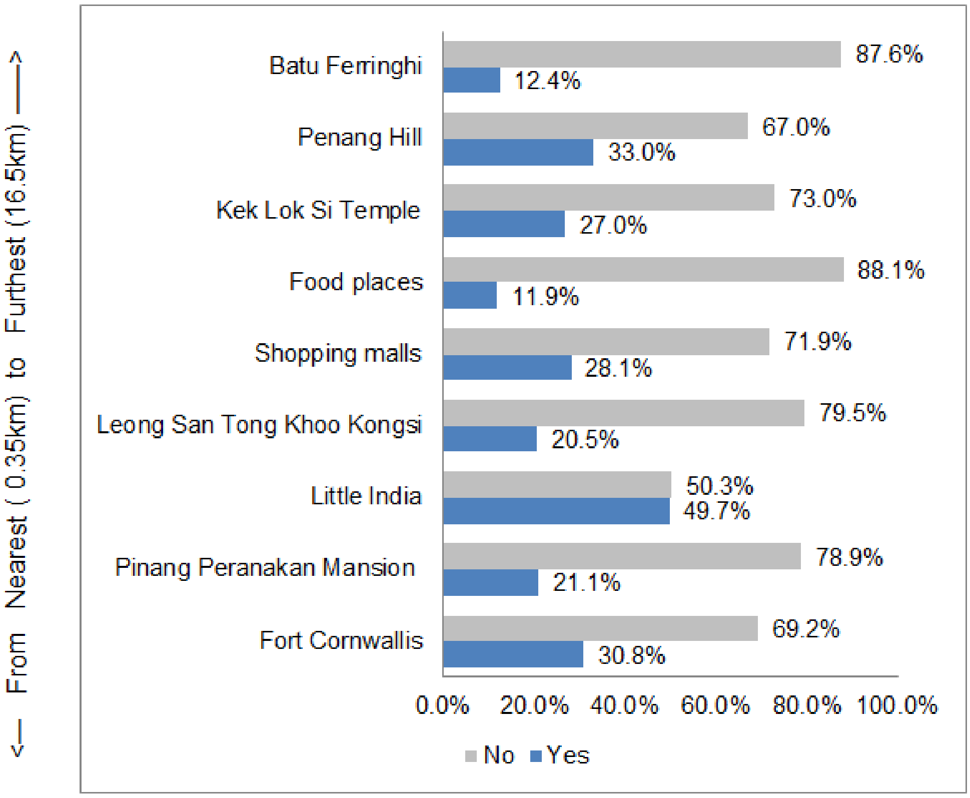


Figure 7.3 The most visited attractions by cruise passengers

Source: author's fieldwork

Based on the data on the locations visited by the cruise passengers (see Table 7.7), this study identified the number of places visited during their visit. The maximum number of places in Penang that were visited by the cruise passengers was nine, while the average (mean) was found to be 3.25. In terms of percentage (see Figure 7.4), the highest number of the respondents visited two places (21.6%), followed by three places (20.5%), four places (17.8%), one place (15.1%) five places (9.7%), six places (5.4%), seven places (4.3%) and eight places (2.2%). It was found that 2.7% of the respondents did not visit any attraction while 0.5% visited nine attractions (see Figure 7.3).

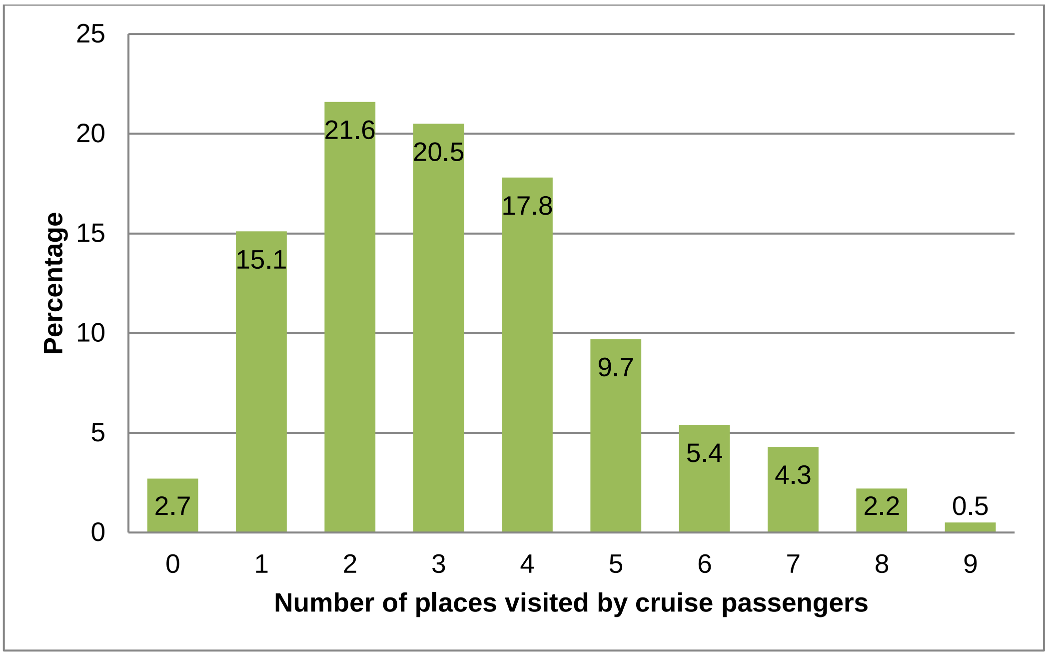


Figure 7.4 Percentage of the number of place of attractions visited by cruise passengers

Source: author's fieldwork

7.2.5 Purchasing behaviour

Respondents were asked if they had purchased any items while on-shore in George Town from ten categories of items, adapted from a report published by Business Research and Economic Advisors (2015), which categorised cruise passengers spending. The majority of the respondents purchased food and drinks during their short visit to Penang (75.1%). Other than that, respondents bought local crafts and souvenirs (45.4%), ground transportation (42.2%), and museum/ site/ gallery tickets (37.3%). Very few respondents spent money on an organised tours, clothing, perfume and cosmetics, telephone and internet, watches and jewellery, and other entertainment (see Table 7.8).

Interestingly, this finding suggests that the majority of the cruise passengers spent money on foods while travelling in Penang despite having food as part of the package price onboard. Regardless of Penco and Di Vaio's (2014) claim that cruise passengers would go back to the ship for food, this study shows otherwise. In addition to this, the results of interviews with destination stakeholders and businesses have been highlighting foods as something that cruise passengers will purchase in Penang. The report by Business Research and Economic Advisors (2015) revealed that cruise passengers in Antigua spent the most on shore excursions (55.4%), food and beverage (42.9%), clothing (42.9%) and local crafts and souvenirs (41.5%).

Table 7.8 Purchasing patterns of cruise passengers

Items	Yes/ No	Frequency (N=185)	Percent (%)	Rank
Food and beverages*	Yes	139	75.1	1st
	No	46	24.9	
Local crafts & souvenirs	Yes	84	45.4	2nd
	No	101	54.6	
Taxi/ ground transportation	Yes	78	42.2	3rd
	No	107	57.8	
Museum/ site/ gallery ticket	Yes	69	37.3	4th
	No	116	62.7	
Organised tour	Yes	53	28.6	5th
	No	132	71.4	
Clothing	Yes	53	28.6	6th
	No	132	71.4	
Perfumes & cosmetics	Yes	27	14.6	7th
	No	158	85.4	
Telephone & internet	Yes	27	14.6	8th
	No	158	85.4	
Watches & jewellery	Yes	17	9.2	9th
	No	168	90.8	
Entertainment/ clubs/ casino	Yes	9	4.9	10th
	No	176	95.1	

Source: author's fieldwork

In addition, Table 7.9 displays the amount of money spent by the respondents while they were at the shore of Penang. Nearly half of the respondents (47%) spent RM 101 to RM 500 (£ 18.15- £ 89.85), 32.2% spent more than RM 500 (£ 89.85), while 19.5% spend less than RM 100 (£ 18.71). Only 1.1% of the respondents declared that they spent nothing. These findings are different to those of Vaya et al. (2017), which found day visitors from cruise ships spent an average of £ 47.67 in Barcelona, while Andriotis and Agiomirgianakis (2010) found that more than one-third of the cruise passengers at Heraklion, Crete spent less than £ 17.61. Nonetheless, the difference in the total amount spent by cruise passengers at a cruise destination is affected by the location and its currency. As for the case of Penang, the businesses (in Chapter 5) highlighted the lower-price goods offered in Penang influence the purchasing of passengers. This is also supported by Forbes (2016) that had nominated George Town, Penang at the first place for best budget travel destinations in 2016.

To assess the relationship between hours spent and the total amount of money spent, a bivariate test of Chi-square was done. The Chi-square test indicated that there was no significant association between hours spent in Penang and the total amount of money spent, x^2 (21, *n*=185) = 31.39, *p*= 0.67, *phi* = 041 (refer to Table 7.14 and Appendix 6). This result is in line with Vaya et al.'s (2017), which argues with Penco et al.'s (2014,2015) claim that the longer cruise passengers spend at the shore, the more money they will spend. Based on the data in Table 7.9, Figure 7.5 presents the proportion of the total amount of money spent by cruise passengers on their shore visit.

Table 7.9 Total amount of money spent by cruise passengers

Money spent (Ringgit Malaysia)	Money spent (*GB Pound)	Frequency (N=185)	Percent (%)	Rank
below RM100	Below £17.97	36	19.5	2nd
RM101 to RM500	£18.15- £89.85	87	47.0	1st
RM501 to RM1,500	£90.03-£269.55	32	17.3	3rd
RM1,501 to RM2,500	£269.73-£449.24	8	4.3	5th
RM2,501 to RM3,500	£449.42- £628.94	9	4.9	4th
RM3,501 to RM4,500	£629.12-£808.64	5	2.7	7th
RM5,501 and above	£988.51 & above	6	3.2	6th
No	-	2	1.1	8th

Source: author's fieldwork
*the expenditure is converted to British pound sterling to enable reader to gauge the level of spend
*currency exchange rate 1 GBP= 5.5649 MYR, based on the average exchange rate from September 2017 until November 2017, from https://www.poundsterlinglive.com/best-exchange-rates/best-british-pound-to-malaysian-ringgit-history-2017

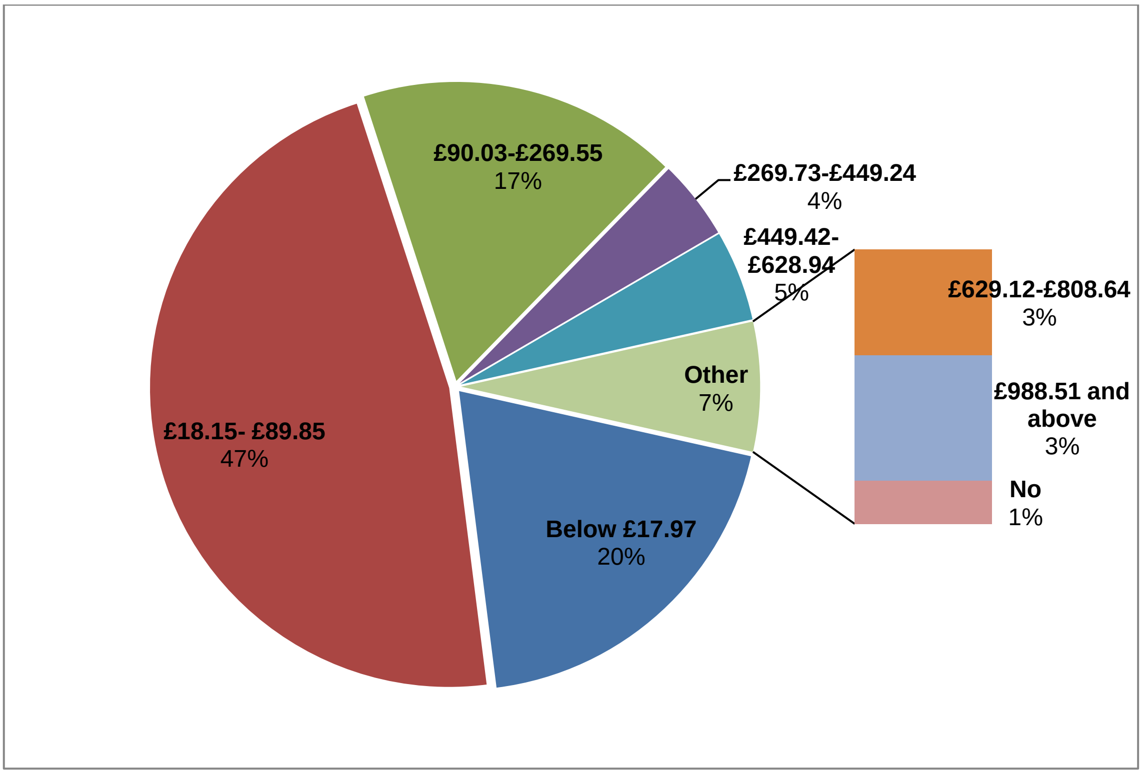


Figure 7.5 The proportion of the total amount of money (in pound sterling) spent by cruise passengers

Source: author's fieldwork

7.2.6 Satisfaction and return intention

Table 7.10 shows the satisfaction level of cruise passengers about Penang as a cruise destination. Three questions regarding satisfaction were asked to the respondents, and the results indicate the following: respondents were satisfied with the overall visit experience at the shore of George Town, Penang (mean= 4.16, SD= 0.805). Moreover, they rated Penang as better than other stopover destinations (mean= 3.85, SD= 0.786). However, in terms of the cruise terminal, respondents found that Swettenham Pier Cruise Terminal was similar to any other port terminal (mean= 3.37, SD= 0.970) (see Table 7.10). The different value of means for all the items signifies that these three items, visit experience, shore destination, and cruise port terminal, are very distinctive from each other. This result demonstrates the importance of distinguishing satisfaction questions so that respondents can answer more specifically on each of the items. The findings of the survey suggest that the cruise passengers were satisfied with their visit to Penang, and satisfied with Penang compared to other stopover destinations. However, the cruise passengers found that the Swettenham Pier Cruise Terminal was similar to other cruise ports.

Table 7.10 Satisfaction level of cruise passengers

Questions	Mean	Std. Deviation
Overall, how satisfied were you with the visit?	4.16*	0.805
How would you rate Penang compared to other stopover destinations?	3.85**	0.786
How would you rate Swettenham Pier Cruise Terminal, Penang compare to other ports?	3.37**	0.970

**Scores are based on 5-point Likert scale*
5 (very satisfied)- 4 (satisfied)- 3 (neither)- 2 (dissatisfied)- 1 (very dissatisfied)
*** Scores are based on 5-point Likert scale*
5 (excellent)- 4 (better)- 3 (similar)- 2 (very poor)- 1 (poor)

Source: author's fieldwork

Respondents were also asked to rank the destination attributes most liked (see Table 7.11). The results indicate that almost all Penang's attributes scored a high mean and standard deviation of less than 1. The results documented the following scores: local people (mean= 4.09, SD= 0.720), local culture and heritage (mean=4.06, SD= 0.681), nature and scenery (mean= 4.01, SD= 0.730), local cuisine (mean= 3.96, SD= 0.826), walking distance from port to town (mean= 3.88, SD= 0.937), shopping (3.87, SD= 0.783), museums and galleries (mean= 3.81, SD= 0.775), guided tour (mean= 3.74, SD= 0.937) and weather (mean= 3.55, SD= 0.890). The lowest mean score with a high value of standard deviation was for the nightlife (mean= 3.43, SD= 1.051).

This result is in accordance with Ozturk and Gogtas's (2016) findings, where the mean score of cruise visitors' satisfaction with the destination attributes showed a high score for all attributes. The findings reveal that the most liked attributes were the local aspects such as the people, culture and heritage, nature and scenery and local cuisine. This suggests that George Town, Penang offers unique and distinctive elements, not only in terms of the location but also the cultural aspect.

Table 7.11 Penang's attributes liked by the respondents

Degree of Likeness level	Mean score rank	Attributes	Mean	Std. Deviation
From (1) Strongly dislike to (5) Strongly Like	1	Local people	4.09	0.720
	2	Local culture and heritage	4.06	0.681
	3	Nature and scenery	4.01	0.730
	4	Local cuisines	3.96	0.826
	5	Walking distance from port to town	3.88	0.937
	6	Shopping	3.87	0.783
	7	Museums and galleries	3.81	0.775
	8	Guided tour	3.74	0.937
	9	Weather	3.55	0.890
	10	Nightlife	3.43	1.051

Source: author's fieldwork

Having explored the key destination attributes, a second theme was to assess respondent satisfaction with service quality. According to Lopez-Toro et al., (2010), satisfaction is a feeling, a frame of mind that arises when the service received meets or exceeds expectations, whereas service quality is based on a perception, of how a tourist rates excellence in service. For this study, respondents thought that service quality received from the staff and people was positive. Results document the following mean scores: food and beverage employee (mean=4.20, SD= 0.713), locals and community (mean= 4.20, SD= 0.698), port employees (mean= 4.16, SD= 0.683), museum/gallery/temple employees (mean= 4.11, SD= 0.714), information booth personnel (mean= 4.10, SD= 0.734), tour operator (mean= 4.08, SD= 0.786), retail store employees (mean= 4.08, SD= 0.722), and taxi drivers (mean= 3.99, SD= 0.888) (see Table 7.12). The standard deviation values for all items are dispersed closely between the lowest value of 0.693 (port employees) and the highest value of 0.888 (taxi drivers). The standard deviation values signify that the data points tend to be closer to the mean of the set and spread out over less than 0.9. This indicates that the respondents' answers are somewhat consistent. The high mean values and low standard deviations indicate consistently good responses from cruise passengers regarding satisfaction with service quality. Thus, these results signify that cruise passengers were satisfied with the service quality by staff and people at the shore of Penang.

Table 7.12 Cruise passengers' satisfaction with service quality

Degree of Satisfaction level	Mean score rank	Staff and people	Mean	Std. Deviation
From (1) Very Poor to (5) Excellent	1	Food and beverage employees	4.20	0.713
	2	Locals and community	4.20	0.698
	3	Port employees	4.16	0.693
	4	Museum/gallery/temple employees	4.11	0.714
	5	Information booth personnel	4.10	0.734
	6	Tour operator	4.08	0.786
	7	Retail store employees	4.08	0.722
	8	Taxi drivers	3.99	0.888

Source: author's fieldwork

In the context of the intention to return (see Table 7.13), most of the respondents would consider revisiting Penang for a more extended stay in the future (92.4%), while the rest (7.6%) did not have a return intention. In addition, 96.8% of the total respondents would recommend Penang to others. When asking about their return intention to the country, Malaysia, 94.6% of the total respondents said yes. In addition, 98.4% of the total respondents would recommend Malaysia to others. The results reveal that most respondents have positive intentions of returning and recommending Penang, as well as Malaysia. This finding supports the results from the interview with stakeholders and tourism-related businesses that indicated cruise tourism is capable of encouraging the intention to return of cruise passengers.

The finding is similar to the previous studies by Ozturk and Gogtas (2016) that showed more than 85% of the cruise passengers intended to revisit and recommend Honolulu, Hawaii to others, whereas findings by Brida et al., (2012) showed that only 46.3% of the cruise passengers intended to revisit Cartagena and 59.2% intended to recommend it to others. Prior studies have indicated that the time constraint of cruise passengers calling at a city are likely to contribute to the revisit intention in the future, but only if the trip was enjoyable (Penco & Di Vaio, 2014; Satta et al., 2015).

A Chi-square test was conducted to assess the association between satisfaction with the visit and intention to return and recommend. Results of the test (see Table 7.14 and Appendix 6) indicated no significant association between satisfaction of the visit and intention to return to Penang, x^2 (4, *n*=185) = 7.55, *p*= 0.11, *phi* = 0.20. In addition, there was no significant association between satisfaction with the visit and intention to return to Malaysia, x^2 (4, *n*=185) = 5.51, *p*= 0.24, *phi* = 0.17. This result does not fit with the previous studies that claim a satisfying trip experience influences return intention to a destination (Ozturk & Gogtas, 2016; Andriotis & Agiomirgianakis, 2010; Baker & Crompton, 2000; Pritchard & Howard, 1997). However, the Chi-square test revealed that there is a significant association between satisfaction with the visit and intention to recommend Penang to others, x^2 (4, *n*=185) = 15.29, *p*= 0.04, *phi* = 0.29. In addition, there is a significant association between satisfaction with the visit and intention to recommend Malaysia to others, x^2 (4, *n*=185) = 22.94, *p*= 0.00, *phi* = 0.35.

Table 7.13 Cruise passengers' return and recommendation intention

Questions	Yes/No	Frequency (N=185)	Percent (%)
Would you consider visiting Penang again for a longer stay in future?	yes	171	92.4
	no	14	7.6
Would you recommend Penang to others?	yes	179	96.8
	no	6	3.2
Would you consider visiting Malaysia again for a longer stay in future?	yes	175	94.6
	no	10	5.4
Would you recommend Malaysia to others?	yes	182	98.4
	no	3	1.6

Source: author's fieldwork

Table 7.14 Chi-square tests

Items	Test statistics	Pearson Chi-Square (x^2)	Asymp. Sig (2-sided) (*p* value)	Phi	df	Violation assumption
Hours spent	Total amount spent	31.39	0.07	0.41	21	68.8%
Satisfaction with the visit	Return intention to Penang	7.55	0.11	0.20	4	60.0%
Satisfaction with the visit	Return intention to Malaysia	5.51	0.24	0.17	4	60.0%
Satisfaction with the visit	Intention to recommend Penang	15.29	0.04	0.29	4	70.0%
Satisfaction with the visit	Intention to recommend Malaysia	22.94	0.00	0.35	4	70.0%

Source: author's fieldwork

7.3 Comparing tour and non- tour participants

Based on the results of the cruise passengers' behaviour in section 7.2.5, it was considered a worthwhile exercise to compare non-tour and tour participants. According to the purchasing pattern of cruise passengers (see Table 7.8), 53 (28.6%) of 185 respondents purchased an organised tour, and the remaining 132 (71.4%) respondents did not join an excursion in Penang. This section discusses the contrast between the demographic and visit characteristics, source of information, mobility and purchasing behaviour of the two categories of cruise passengers through cross-tabulation analysis.

7.3.1 Comparison of the characteristics of tour and non-tour participants

Tour and non-tour participants shared some common demographics, such as gender, occupation, and education level (see Table 7.15). From the 53 tour participants, the majority were male, employed and were educated to Bachelor degree level. The findings are similar for the 132 non-tour participants, However, in terms of age group, the majority of the tour participants were in the age group of 35 to 54 years while there were more people above 55 years old in the non-tour participants. Other than that, the results indicated that most of the tour participants were Indian, whereas there were more Australians in the non-tour participants.

Table 7.15 Demographic details of tour and non-tour participants

Descriptions		Tour (N=53)		Non-tour (N=132)		Overall (N=185)	
		Count	%	Count	%	Count	%
Gender	Male	**32**	**60.4%**	**67**	**50.8%**	99	53.5%
	Female	21	39.6%	65	49.2%	86	46.5%
	Total	53	100.0%	132	100.0%	185	100.0%
Age group	34 and less	17	32.1%	39	29.5%	56	30.3%
	35- 54	**24**	**45.3%**	44	33.3%	68	36.8%
	55 and above	12	22.6%	**49**	**37.1%**	61	33.0%
	Total	53	100.0%	132	100.0%	185	100.0%
Occupation	Employed	**46**	**86.8%**	**91**	**68.9%**	137	74.1%
	Retired	4	7.5%	22	16.7%	26	14.1%
	Housewife	2	3.8%	6	4.5%	8	4.3%
	Unemployed	0	0.0%	9	6.8%	9	4.9%
	Students	1	1.9%	4	3.0%	5	2.7%
	Total	53	100.0%	132	100.0%	185	100.0%
Education level	High school	4	7.5%	23	17.4%	27	14.6%
	Diploma	9	17.0%	33	25.0%	42	22.7%
	Bachelor	**27**	**50.9%**	**53**	**40.2%**	80	43.2%
	Master	12	22.6%	18	13.6%	30	16.2%
	Doctor of Philosophy	1	1.9%	5	3.8%	6	3.2%
	Total	53	100.0%	132	100.0%	185	100.0%
Nationality	Indian	**21**	**39.6%**	19	14.4%	40	21.6%
	Australian	8	15.1%	**24**	**18.2%**	32	17.3%
	Other Asians	8	15.1%	20	15.2%	28	15.1%
	Singaporean	7	13.2%	20	15.2%	27	14.6%
	European	2	3.8%	17	12.9%	19	10.3%
	Malaysian	2	3.8%	13	9.8%	15	8.1%
	British	2	3.8%	10	7.6%	12	6.5%
	Others	3	5.7%	9	6.8%	12	6.5%
	Total	53	100.0%	132	100.0%	185	100.0%

Source: author’s fieldwork

With regard to visit information (see Table 7.16), the tour and non-tour participants have some common characteristics. For example, most of the tour and non-tour participants embarked from Singapore, cruised for five days and below, travelled with one or two people and were in Penang for the first time. On the other hand, both tour and non-tour participants showed different characteristics in terms of the cruise ships, hours spent at the shore, and also whether they had been to Malaysia before. The results revealed that most of the tour participants boarded Star Cruise Libra and Star Cruise Gemini, whereas for non-tour participants, half of them were travelling on Mariner of the Seas. The results of the cruise ship boarded by cruise passengers may have been affected by the way of the survey distribution. As mentioned in the Chapter 3, the survey was distributed at the cruise terminal and also through the help from a travel agency to distribute the questionnaires within their tour groups where mostly from the Star Cruise ships.

The results also suggest that tour participants spent a longer time at the shore of Penang compared to non-tour participants. 43.4% of the tour participants spent seven to nine hours, while 41.5% spent four to six hours at the shore, whereas most of the non-tour participants (62.1%) spent four to six hours at the shore of Penang. This could be the case because tour participants feel more secured than non-tour to spend longer time at the shore as they were in a tour group. Other than that, it was also found that 62.1% of the non-tour participants had been to Malaysia at least five times or less, while the first-timers in Malaysia were dominant in the group of tour participants. The different of the results probably because for a first-timer in Malaysia, they are more confident to travel within Penang in a tour group rather than independently.

Table 7.16 Characteristics of visit information of tour and non-tour participants

Descriptions		Tour (N=53)		Non-tour (N=132)		Overall (N=185)	
		Count	%	Count	%	Count	%
Cruise name	Star Cruise Libra	**16**	**30.2%**	9	6.8%	25	13.5%
	Mariner of the Seas Royal Caribbean	10	18.9%	**66**	**50.0%**	76	41.1%
	Sea Princess	9	17.0%	22	16.7%	31	16.8%
	Costa Victoria	3	5.7%	19	14.4%	22	11.9%
	Star Cruise Gemini	**15**	**28.3%**	13	9.8%	28	15.1%
	Star Clipper	0	0.0%	3	2.3%	3	1.6%
	Total	53	100.0%	132	100.0%	185	100.0%
Location of embark-ment	Port Klang	10	18.9%	6	4.5%	16	8.6%
	Singapore	**19**	**35.8%**	**101**	**76.5%**	120	64.9%
	Phuket	10	18.9%	18	13.6%	28	15.1%
	Penang	14	26.4%	3	2.3%	17	9.2%
	Brisbane	0	0.0%	3	2.3%	3	1.6%
	Langkawi	0	0.0%	1	0.8%	1	0.5%
	Total	53	100.0%	132	100.0%	185	100.0%
Days of overall cruising	5 days and below	**42**	**79.2%**	**90**	**68.2%**	132	71.4%
	6 to 10 days	2	3.8%	6	4.5%	8	4.3%
	11 to 20 days	9	17.0%	32	24.2%	41	22.2%
	more than 20 days	0	0.0%	4	3.0%	4	2.2%
	Total	53	100.0%	132	100.0%	185	100.0%
How many hours did you stay in Penang today?	3 hours and less	7	13.2%	35	26.5%	42	22.7%
	4 to 6 hours	**22**	**41.5%**	**82**	**62.1%**	104	56.2%
	7 to 9 hours	**23**	**43.4%**	13	9.8%	36	19.5%
	10 to 12 hours	1	1.9%	2	1.5%	3	1.6%
	Total	53	100.0%	132	100.0%	185	100.0%
How many people are traveling with you?	Alone	1	1.9%	6	4.5%	7	3.8%
	1 to 2 people	**30**	**56.6%**	**75**	**56.8%**	105	56.8%
	3 to 4 people	13	24.5%	34	25.8%	47	25.4%
	5 to 6 people	5	9.4%	12	9.1%	17	9.2%
	More than 6 people	4	7.5%	5	3.8%	9	4.9%
	Total	53	100.0%	132	100.0%	185	100.0%
Is this your first visit to Malaysia?	Yes	**33**	**62.3%**	50	37.9%	83	44.9%
	No	20	37.7%	**82**	**62.1%**	102	55.1%
	Total	53	100.0%	132	100.0%	185	100.0%
Times visiting Malaysia	Never	**33**	**62.3%**	50	37.9%	83	44.9%
	5 times and less	14	26.4%	**31**	**23.5%**	45	24.3%
	6 to 10 times	2	3.8%	14	10.6%	16	8.6%
	More than 10	2	3.8%	24	18.2%	26	14.1%
	Malaysian	2	3.8%	13	9.8%	15	8.1%
	Total	53	100.0%	132	100.0%	185	100.0%
Is this your first visit to Penang?	Yes	**42**	**79.2%**	**75**	**56.8%**	117	63.2%
	No	11	20.8%	57	43.2%	68	36.8%
	Total	53	100.0%	132	100.0%	185	100.0%
	Never	42	79.2%	75	56.8%	117	63.2%

Times visiting Penang	5 times and less	8	15.1%	38	28.8%	46	24.9%
	6 to 10 times	2	3.8%	7	5.3%	9	4.9%
	More than 10	1	1.9%	12	9.1%	13	7.0%
	Total	53	100.0%	132	100.0%	185	100.0%

Source: Author's fieldwork

Table 7.17 depicts the comparison of the information sources used by tour and non-tour participants. The results revealed that both categories of cruise passengers had a slightly different view on which information source was most important. Tour guide information was the most important source of information for the tour participants, followed by the cruise line's website and information, port information, and the travel agent's website. For the non-tour participants, the most significant source of information was local people, followed by the cruise line's website and information, and google maps. The findings show that tour participants depended on a tour guide for information about Penang, whereas non-tour participants depended more on the local people. Nonetheless, the cruise line's website and information was a significance source for both tour and non-tour participants of cruise passengers.

Table 7.17 Important information sources for tour and non-tour participants

	Attributes	**Tour (N=53)**	**Non-Tour (N=132)**	**Overall (N=185)**
		Mean	**Mean**	**Mean**
From (1) Very Unimportant to (5) Very Important	Tour guide information	**4.04**	3.55	**3.69**
	Cruise line's website & information	**3.94**	**3.76**	**3.81**
	Port information	**3.81**	3.56	**3.63**
	Travel agent's website	**3.68**	3.33	3.43
	Local people	3.58	**3.78**	**3.72**
	Google maps	3.55	**3.62**	**3.60**
	Maps	3.53	3.58	3.56
	Blog reviews	3.45	3.40	3.42
	Family & friends	3.36	3.38	3.37
	Magazines	3.28	3.00	3.08

Source: Author's fieldwork

For the tour participants, 71.7% of the 53 cruise passengers toured by bus, 9.4% had a walking tour with a local guide and the rest toured by CAT free shuttle bus in George Town (7.5%), 1.9% took a taxi, 3.8 % used other transportation and 5.7% did a tour independently. For the non-tour participants, most travelled independently and organised their own trips. Nearly half of non-tour participants were transported independently, whereas 29.5% specified that they hired a taxi to travel within Penang.

Half of the organised tour participants purchased an excursion in Penang from the cruise line, while the rest bought from a travel agent before starting their cruise (18.9%) or a travel agent at the shore (3.8%). However, 17% said they did not purchase any excursion, while 11.3% purchased one independently. Some possible explanations for the organised tour participants to answer that they did not purchase any excursion are: (1) the participants joined the excursion purchased by other people such as family or company; (2) they were unaware of the meaning of the word *'excursion'*; (3) they joined the free shuttle bus trip, CAT (Central Area Transit). This is different for non-tour participants, where 70.5% them did not purchase any excursion and 23.5% purchased independently, considering they might take a short excursion by transportation services such a taxi and private tour. However, 6.1% of the non-tour participants answered they had purchased an excursion from the cruise line (1.5%) and travel agents (see Table 7.18).

Table 7.18 Ground transportation information of tour and non-tour participants

Descriptions	**Tour (N=53)**		**Non-Tour (N=132)**		**Overall (N=185)**	
	Count	**%**	**Count**	**%**	**Count**	**%**
Transportation						
Bus Tour	**38**	**71.7%**	2	1.5%	40	21.6%
Walking tour with a local guide	5	9.4%	10	7.6%	15	8.1%
CAT (free shuttle bus in George Town)	4	7.5%	5	3.8%	9	4.9%
Independently	3	5.7%	**65**	**49.2%**	68	36.8%
Others	2	3.8%	11	8.3%	13	7.0%
Taxi	1	1.9%	**39**	**29.5%**	40	21.6%
Total	53	100%	132	100%	185	100%
Purchase of excursion in Penang						
Cruise line	**26**	**49.1%**	2	1.5%	28	15.1%
Travel agent (before start cruising)	10	18.9%	1	0.8%	11	5.9%
I did not purchase any	9	17.0%	**93**	**70.5%**	102	55.1%
independent	6	11.3%	31	23.5%	37	20.0%
Travel agent (at the shore)	2	3.8%	5	3.8%	7	3.8%
Total	53	100%	132	100%	185	100%

Source: author's fieldwork

With regard to the attractions visited by cruise passengers (see section 7.2.4), Table 7.19 presents a comparison of 18 places visited by tour and non-tour participants. Most of the tour participants visited Penang Hill, shopping malls, Little India, Fort Cornwallis, Pinang Peranakan Mansion and Leong San Tong Khoo Kongsi. For non-tour participants, however, the majority visited Little India, Fort Cornwallis, Kek Lok So Temple, Leong San Tong Khoo Kongsi and shopping malls. Figure 7.6 displays the comparison of the attractions visited by the tour and non-tour participants to show the difference in the distance of the movement between both categories.

Table 7.19 Attractions in Penang visited by tour and non-tour participants

Places	**Distance from terminal**		**Tour (N=53)**		**Non-Tour (N=132)**		**Overall (N=185)**	
			Count	**%**	**Count**	**%**	**Count**	**%**
Fort Cornwallis	0.35km	Yes	**16**	**30.2%**	**41**	**31.1%**	57	**30.8%**
		No	37	69.8%	91	68.9%	128	69.2%
Museum/Gallery	0.45-14.1km	Yes	1	1.9%	8	6.1%	9	4.9%
		No	52	98.1%	124	93.9%	176	95.1%
Town Hall	0.6km	Yes	7	13.2%	4	3%	11	5.9%
		No	46	86.8%	128	97%	174	94.1%
Pinang Peranakan Mansion	0.60km	Yes	15	28.3%	24	18.2%	39	21.1%
		No	38	71.7%	108	81.8%	146	78.9%
Little India	0.85km	Yes	**20**	**37.7%**	**72**	**54.5%**	92	49.7%
		No	33	62.3%	60	45.5%	93	50.3%
Leong San Tong Khoo Kongsi	1.4km	Yes	12	22.6%	26	19.7%	38	20.5%
		No	41	77.4%	106	80.3%	147	79.5%
China Town	1.5km	Yes	0	0%	6	4.5%	6	3.2%
		No	53	100%	126	95.5%	179	96.8%
Food Market	1.7-4.4km	Yes	0	0%	13	9.8%	13	7%
		No	53	100%	119	90.2%	172	93%
The TOP Komtar	2km	Yes	8	15.1%	0	0%	8	4.3%
		No	45	84.9%	132	100%	177	95.7%
Reclining Buddha Temple	4km	Yes	4	7.5%	5	3.8%	9	4.9%
		No	49	92.5%	127	96.2%	176	95.1%
Mural/ Street art	Within 5km	Yes	9	17%	8	6.1%	17	9.2%
		No	44	83%	124	93.9%	168	90.8%
Shopping malls	2 to 12km	Yes	**27**	**50.9%**	25	18.9%	52	28.1%
		No	26	49.1%	107	81.1%	133	71.9%
Food places	Within 10km	Yes	2	3.8%	20	15.2%	22	11.9%
		No	51	96.2%	112	84.8%	163	88.1%
Kek Lok Si Temple	9.5km	Yes	10	18.9%	**40**	**30.3%**	50	27%
		No	43	81.1%	92	69.7%	135	73%

Penang Hill	12.4km	Yes	**36**	**67.9%**	25	18.9%	61	33%
		No	17	32.1%	107	81.1%	124	67%
Batu Ferringhi	16.5km	Yes	9	17%	14	10.6%	23	12.4%
		No	44	83%	118	89.4%	162	87.6%
Entopia by Penang Butterfly Farm	22.3km	Yes	11	20.8%	4	3%	15	8.1%
		No	42	79.2%	128	97%	170	91.9%
Penang National Park	22.7km	Yes	6	11.3%	8	6.1%	14	7.6%
		No	47	88.7%	124	93.9%	171	92.4%

Source: author's fieldwork

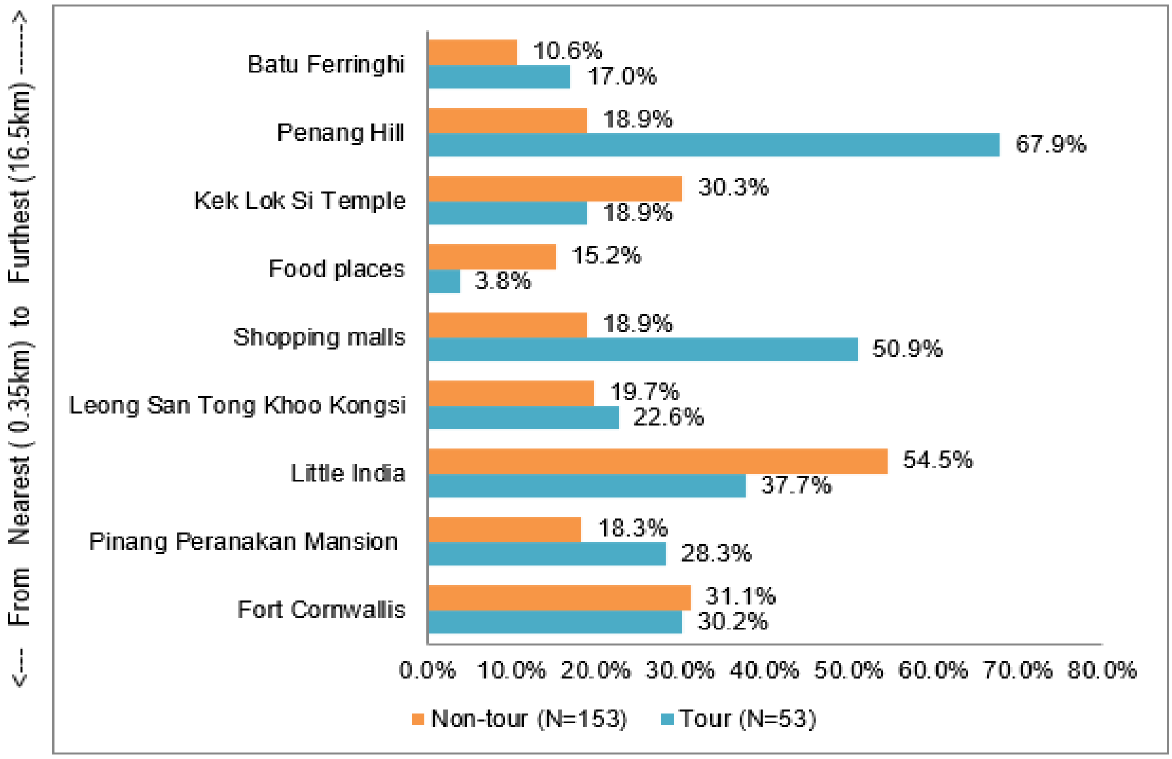


Figure 7.6 Comparison of attractions visited by tour and non-tour participants

Source: author's fieldwork

Based on the information in Table 7.19 that depicts the attractions visited by tour and non-tour participants, the movement of the passengers was extracted. It was found that most of the tour participants (84.9% from 53) travelled beyond the George Town World Heritage Site area. Unlike the non-tour participants, only 59.1% of the 132 non-tour participants moved beyond the World Heritage Site area (see Figure 7.7). This supports the findings presented in Figure 7.6, which shows the majority of tour participants travelled to a further location such as Penang Hill (located 12.4 kilometres from the cruise terminal), and shopping malls (2 to 12 kilometres from the cruise terminal). On the other hand, most movements by non-tour participants are scattered within the George Town World Heritage Site area, such as Little India and Fort Cornwallis, within one kilometre from the cruise terminal. This finding indicates that tour participants travel further to different locations more than non- tour. This is influenced by the advantage of tour participants to move and travel further with the vehicles provided in the tour package.

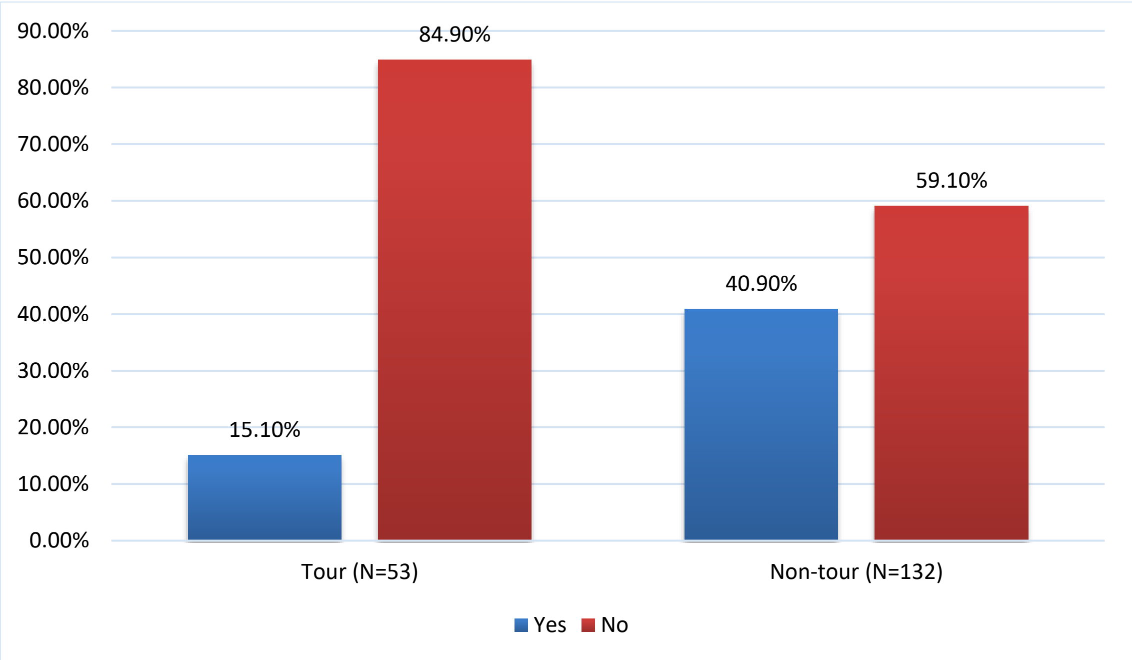


Figure 7.7 Percentage of the tour and non-tour participants travelling within the George Town World Heritage Site
Source: author's fieldwork

In terms of purchasing pattern (see Table 7.20), the findings revealed that both tour and non-tour participants spent the most on food and beverages compared to other items. For the tour participant group, most of the money was spent on food and beverages, local crafts and souvenirs, payment for museum/ site/ gallery tickets, and clothing. For non-tour participants, highest purchasing was on food and beverages, taxi/ ground transportation, local crafts and souvenirs, museum/ site/ gallery tickets. The most noticeable different pattern is in the money spent on ground transportation between tour and non-tour participants. Apparently, the non-tour participants had to spend more on the transportation for them to travel within Penang. In addition, the chart in Figure 7.8 was extracted from data in Table 7.20 to display the comparison of purchasing patterns between tour and non-tour participants.

Table 7.20 Purchasing patterns of tour and non-tour participants

Description	Tour (N=53)	Non-Tour (N=132)	Overall (N=185)
Food & beverages	**66.0%**	**78.8%**	**75.1%**
Local crafts & souvenirs	**64.2%**	37.9%	**45.4%**
Museum/ site/ gallery ticket	**54.7%**	30.3%	37.3%
Clothing	39.6%	24.2%	28.6%
Perfumes & cosmetics	20.8%	12.1%	14.6%
Watches & jewellery	15.1%	6.8%	9.2%
Entertainment/ clubs/ casino	13.2%	1.5%	4.9%
Taxi/ ground transportation	11.3%	**54.5%**	**42.2%**
Telephone & internet	11.3%	15.9%	14.6%

Source: author's fieldwork

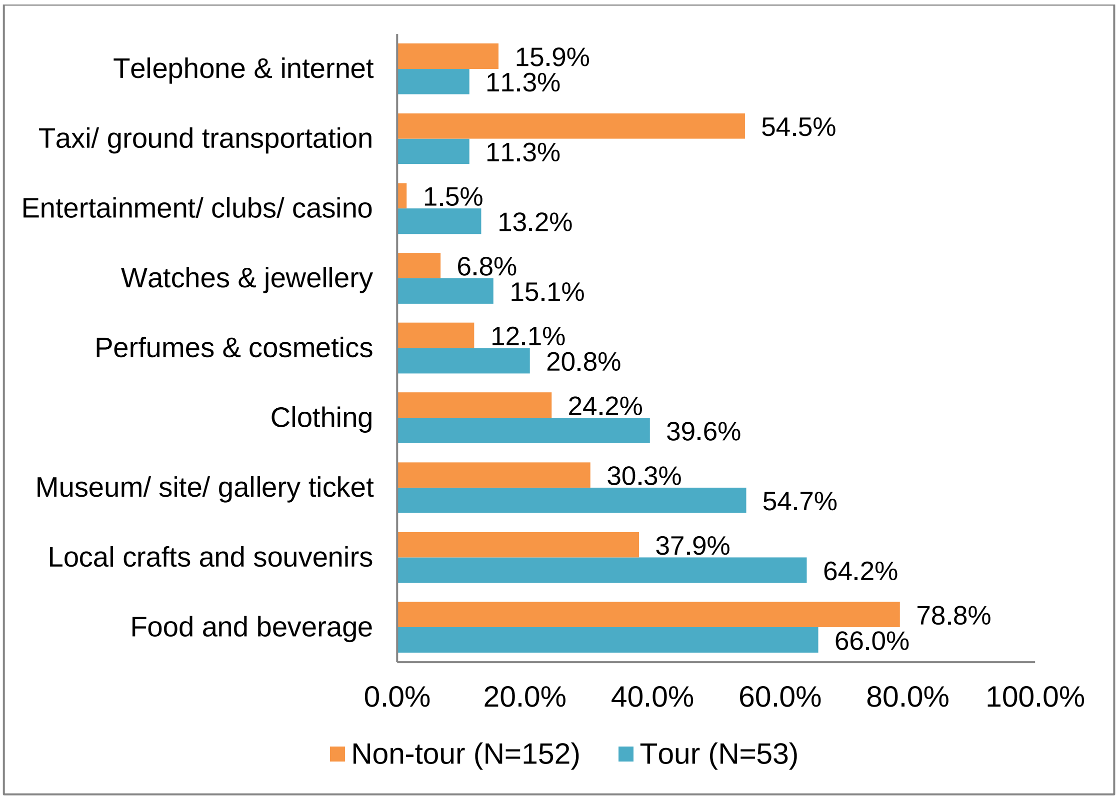


Figure 7.8 The comparison of purchasing pattern between tour and non-tour participants
Source: author's fieldwork

Furthermore, Table 7.21 presents a comparison of the amount of money spent by tour and non-tour participants. Over half of the tour participants spent money in the range of £18.15 to £89.85, and £90.03 to £269.55. The rest of the tour participants were found to spend more than £269.73 (32.1%), and only 9.4% of them spent below £17.97 in Penang. For non-tour participants, on the other hand, more than half of them spent in the range of £8.15 to £89.85, while 23.5% spent below £17.97, 21.2% spent in the range of £90.03 to £808.64, and 1.5% did not spend any money while in Penang. The comparison of the findings revealed that tour participants were the bigger spenders than non-tour participants. This is because 11.3% of 53 of the tour participants were found to spend more than £988.51, while none of the 132 non-tour participants spent more than the amount. In addition, the findings show that there were more non-tour participants who spent less than £17.97 compared to tour participants. Figure 7.9 displays the comparison of the amount of money spent by tour and non-tour participants in a chart. In summary, Table 7.22 simplifies the comparison of the tour and non-tour participants.

Table 7.21 The amount of money spent by tour and non-tour participants

Description	Tour (N=53)	Non-Tour (N=132)	Overall (N=185)
Below £17.97	9.4%	23.5%	19.5%
£18.15- £89.85	**30.2%**	**53.8%**	**47.0%**
£90.03-£269.55	**28.3%**	12.9%	17.3%
£269.73-£449.24	11.3%	1.5%	4.3%
£449.42- £628.94	5.7%	4.5%	4.9%
£629.12-£808.64	3.8%	2.3%	2.7%
£988.51 & above	11.3%	0.0%	3.2%
No	0.0%	1.5%	1.1%

Source: author's fieldwork

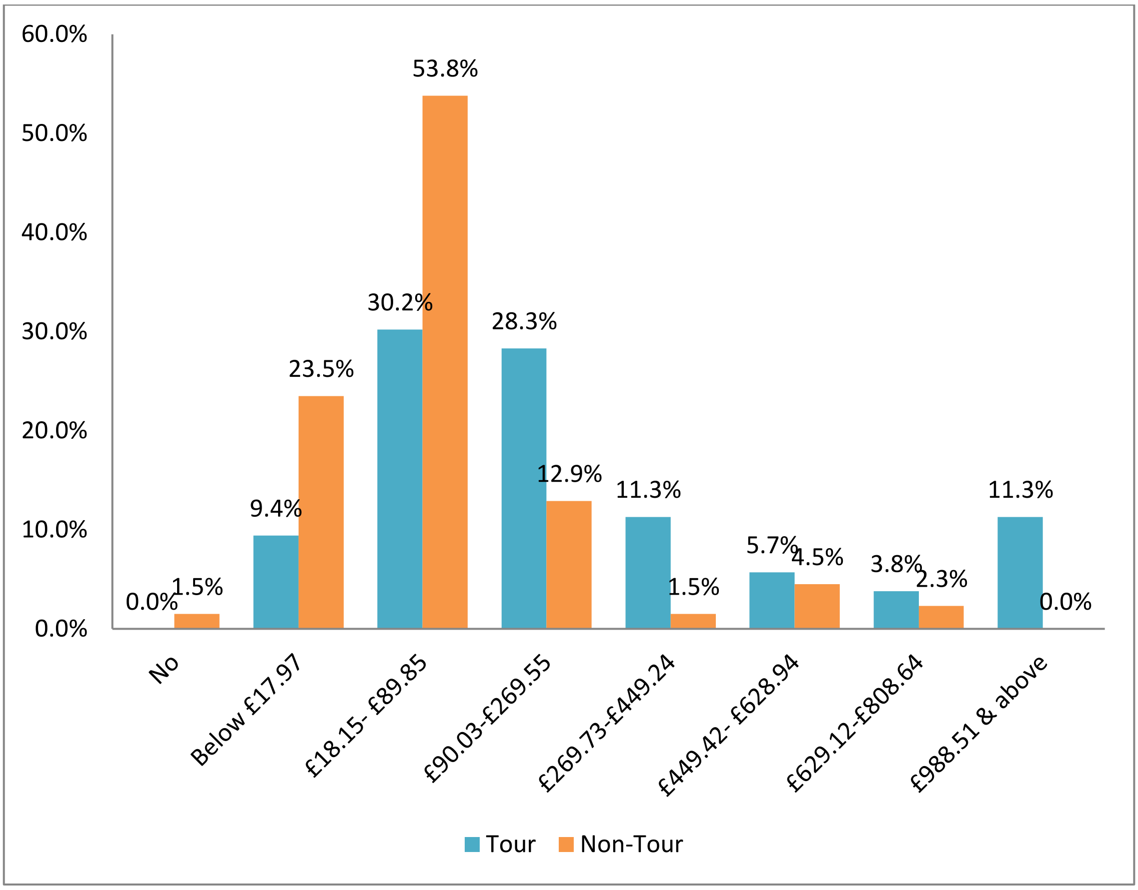


Figure 7.9 Comparison of the amount of money spent by tour and non-tour participants

Source: author's fieldwork

Table 7.22 Summary of the comparison of the tour and non-tour participants.

	Tour (N=53)	Non-tour (N=132)
Demographic		
Gender	Male	
Age	35-53	55 above
Occupation	Employed	
Education level	Bachelor	
Nationality	Indian	Australian
Visit information		
Cruise ship	Star Cruise Libra	Royal Caribbean
Port embarkation	Singapore	Singapore
Number accompanying	1 to 2 people	
Days of travel	5 days below	
First time in Malaysia	Yes	No
First time in Penang	Yes	Yes
Hours spent	4-6 hours	
Travel only within George Town Heritage Site	No	
Source of information		
From (1) Very Unimportant to (5) Very Important	1. Tour guide information	1. Local people 2. Cruise line's website and information

	2. Cruise line's website and information 3. Port information 4. Travel agent's website 5. Local people	3. Google maps 4. Maps 5. Port information
Mode of transportation	Bus tour	1. Independently 2. Taxi
Purchase of excursion	Cruise line	-
3 most visited places	1. Penang Hill (12.4km) 2. Shopping malls (2-12km) 3. Little India (0.85km)	1. Little India (0.85km) 2. Fort Cornwallis (0.35km) 3. Kek Lok Si Temple (9.5km)

Source: author's fieldwork

7.4 Implications of the chapter

The chapter had presented and discussed the results of the questionnaire survey that explored the cruise passengers' perceptions and behaviours at the shore of Penang. The first section of the chapter revealed the characteristics of cruise passengers. Majority of the cruise passengers were working adults at the age of 35 to 54 years old and had a high education of Bachelor degree. To be specific, tour and non-tour participants shared common demographic characteristics, but, the study found that most of the tour participants were in the age group of 35 to 53 years, while for non-tour participants were mostly at the age of 55 and above.

The results of visit information showed that nearly half of the respondents boarded the cruise ship of Mariner of Seas Royal Caribbean. However, tour participants were mostly from the Star Cruise Libra and Star cruise Gemini. The results also indicated that most of the cruise passengers cruised for five days or less, and they spent an average of five hours at the shore of Penang. Besides, most of the cruise passengers travelled with one or two persons with them, and their travel companion was spouse or family member. Interestingly, half of the cruise passengers have been to Malaysia, and one-quarter of the respondents have visited Penang. Nonetheless, the study documented that more than half of non-tour participants have been to Malaysia compared to tour participants who mostly have reached Malaysia for the first time.

In term of the cruise passengers' motivation to travel to Penang based on destination attributes, the results showed that the cruise passengers were found to be more concerned on the aspect of safety and security of the cruise destination, the ease of convenience of the walking distance between cruise port and the city, followed by the exploration dimension such as the different culture and heritage, new and novelty of a place. On the other hand, the study revealed that cruise passengers relied on the cruise line's website and information, also people included local people and tour guide to get information about George Town, Penang. In term of mobility, most of the cruise passengers were found to travel independently, while nearly half took a bus tour or hired a taxi. Interestingly, the results revealed that majority of the respondents travelled away from the cruise terminal by commuting public or private transport and beyond the George Town World Heritage Site. The furthest location visited was Penang Butterfly Farm which is located 22.3 kilometres from the cruise terminal. Moreover, the comparison between tour and non-tour participants indicated that majority of the tour participants visited a distant location, in contrast to most of the non-tour participants travelled within the George Town World Heritage Site area within one kilometre from the cruise terminal.

The study also revealed that more than 75% of the respondents purchased food and beverage in Penang. Other than that, local crafts and souvenirs, also ground transportation were among the category of items most purchased by the cruise passengers. It can be said that cruise passengers benefited the local tourism-related businesses in Penang through their purchasing. Other than that, nearly half of the cruise passengers spent in the range of £ 18.15 to £ 89.85, while tour participants spent higher than non-tour participants.

In the context of satisfaction, cruise passengers were satisfied with the overall visit experience and rated Penang as better than other stopover destinations. The results showed the most likeable attributes by cruise passengers are the local aspects such as the people, culture and heritage, nature and scenery and local cuisine. Not only that, the satisfaction of respondents toward the service quality by the local staff and people was also showed a high level of satisfaction. Accordingly, the study also found that mainly of the cruise passengers have positive intentions of returning and recommending Penang, as well as Malaysia.

The next final Chapter 8 will be the conclusion chapter which will discuss the key research findings, emphasise contributions of the study, outline the limitations of the study and suggest for future research improvement.

CHAPTER 8: DISCUSSION

8.1 Introduction

Chapter 5, 6 and 7 presented the findings based on the research objectives. To recap, Chapter 5 discussed the perceptions of the stakeholders based on interview data, Chapter 6 presented the perceptions of the tourism-related businesses also based on interview data, while Chapter 7 examined the cruise passengers' behaviour through a questionnaire survey. The purpose of this chapter is to evaluate and integrate the qualitative and quantitative data from the three different perspectives to realise the aim of the study to critically evaluate the perception of cruise tourism and its impact on tourism-related businesses at a cruise destination.

This chapter discussed the established themes based on the integration between the qualitative and quantitative data. This chapter provides a holistic picture of cruise tourism in Penang based on the data generated in this research from the perspectives of destination stakeholders, local businesses and cruise passengers.

8.2 The integration between the qualitative and quantitative data

Theme 1: Growth agenda

This study investigated the perceptions of cruise tourism development in Penang from the perspectives of destination stakeholders including the organisations that manage the cruise terminal, the state tourism bureau, the federal tourism organisation, and a sample of tourism-related businesses. The findings of the study have shown how cruise tourism stakeholders in Penang have displayed powerful support for cruise tourism development. The development was demonstrated by the increase in the number of cruises and passengers' arrival over the years. The statistical evidence was provided by the Penang Port and Tourism Malaysia. In addition, the annual report of the National Transformation Programme (2017) highlights that the key performance indicator which was set for cruise tourism in Malaysia was the number of international cruise calls at Malaysian ports, and the number of cruise passengers at primary ports. This is one element of an economic development agenda across the country where government highlight cruise tourism as one of the key factors for the tourism industry in the National Key Economic Areas (NKEA).

The stakeholders also stated that the development of the tourism sector could be seen in how the Swettenham Pier Cruise Terminal became a major cruise terminal in Malaysia in 2017. Furthermore, tourism-related businesses also expressed the same perception based on their experience that they believed that the development of cruise tourism was a result of the cruise terminal development. The expansion of the cruise terminal has attracted and enabled more cruises to dock and transit at the terminal.

The study revealed some of the steps taken by the regulatory body and tourism bureau to promote the cruise tourism such as introducing the 24-hour pass to facilitate passengers and reduce time-wasting on passport checking, providing a welcoming reception at the cruise terminal to express appreciation towards the cruise liner and passengers, and introducing voucher and brochures exclusively for passengers to help them enjoy their visit. Other than that, the quantitative data from the survey on cruise passengers have shown how the passengers perceive and value Penang as their stopover destination, which indirectly revealed their perceptions of the cruise tourism development in the area. The results revealed that cruise passengers were satisfied with the overall visit experience and assessed Penang as better than other stopover destinations, despite that they thought Swettenham Pier Cruise Terminal was similar to any other port terminal. Study of the cruise tourists' behaviour and understanding the factors that stimulate their behaviour are important to support cruise tourism destinations stay competitive in this era of the accessible global market of cruise destinations (DiPietro & Peterson, 2017).

Theme 2: Integration and collaboration

Another factor underlying the development of the cruise tourism sector was the integrative collaboration between the public and private sectors. The stakeholders acknowledged how they actively cooperate and collaborate with different levels of public and private sectors, locally and globally. In addition, the tourism-related businesses believed that the authorities involving both public and private sectors have a role to play and work closely to support cruise tourism in Penang. The role of the government includes promoting Penang until it becomes one of the famous tourist destinations in South East Asia, indirectly enticing cruise liners and passengers to visit George Town, Penang. As emphasised by Pallis et al. (2014), the coordination with stakeholders' building partnerships is a part of the plan to increase the marketing potential for cruising to a specific destination. In addition, Shone et al. (2016) assert that a suitable balance between both public and private stakeholders in tourism is crucial to achieving optimal tourism consequences for destination areas.

Theme 3: Business relationships with cruise liner

In addition, the findings revealed that more than half of the respondents had a business relationship with the cruise liner, directly or indirectly. Some reasons for the barrier to forming a business relationship with a cruise liner were discovered such as the cruise liners being very selective of the reputation of the local company when it comes to the business relationship, the suitability of the cruise line's timing and the opening time of the business in George Town, Penang. Also, there was an issue of the size of the place of attraction that could not accommodate the bulk of cruise passengers at a time. Nevertheless, in the relationship between the business and cruise liner, the issue arises is that it comes with a substantial mark up (Brida & Aguirre, 2008; Klein, 2003). It is difficult to determine whether the business relationship is of great benefit to the local business or not, but what is certain is that the relationship is capable of engaging the business in cruise tourism and accommodate the cruise ship and its passengers.

Theme 4: Destination attributes

Moreover, the study discovered that the most likeable attributes of visiting the destination by cruise passengers were local aspects such as the people, culture and heritage, nature and scenery, and cuisine. The results were similar to Ozturk and Gogtas's (2016) findings, where the mean score of cruise visitors satisfaction with the destination attributes were the local aspects that included people, culture and heritage, nature and scenery, and local cuisine. Besides, the stakeholders and some of the tourism-related businesses also identified several key attractions of Penang such as food, local people, places and the culture. Other than that, cruise passengers' satisfaction with service quality by the local staff and people was recorded as high. The service quality assessment involves the local community, port employees, place of attraction, employees, information booth personnel, tour operators, retail store employees, and taxi drivers. Service quality is based on the perception of how tourist rates excellence in service (Lopez-Toro et al., 2010). in short, it is found that the cruise passengers were satisfied with the service quality by staff and people. Understanding how cruise passengers rate the service provided at the shore is crucial because according to Teye and Paris (2011), cruise passengers rate more developed destinations higher in their perceived quality, and that the cruise passengers spend more money on these ports.

Other than examining the cruise passengers' satisfaction, exploring the cruise passenger's motivation to travel to Penang based on the destination attributes helped uncover the prime attractions that motivate the cruise passengers to spend time at the shore of Penang. The study revealed that destination attributes of the cruise passengers' motivation to travel to Penang were predominantly concerning the aspect of safety and security of the cruise destination, followed by the ease of convenience of the walking distance between cruise port and the city, and then the exploration dimension such as the different culture and heritage, and the new and novelty of a place. The results were almost similar to Andriotis and Agiomirgianakis's (2010), however in contrast to Showalter's (1994) findings where the main aspect for the cruise visitor's at the Caribbean was to enjoy the sun and the sea and culture is not one of the reason. This indicated that a different location might have resulted in the different motivation of cruise passengers.

Theme 5: Cruise passengers expenditure

Based on the results of the purchasing behaviour of cruise passengers, it can be concluded that the cruise passengers benefited the local tourism-related businesses in Penang through their purchasing. Although previous studies have disputed the impact of cruise passengers on the local economy because the amount of money generated in the local economy per cruise passenger is insignificant and lower than other types of tourism, the total tourism expenditure for cruises may be similar to other types of tourists (Seidl et al., 2006). However, this study can only elucidate the purchasing pattern of cruise passengers, instead of measuring the significance of the purchasing. Nonetheless, these findings confirm that cruise passengers' purchasing does impact tourism-related businesses as claimed by the stakeholders and tourism-related businesses.

Theme 6: Economy impact

The findings regarding the impact of cruise tourism revealed that it has the advantage of bringing many tourists at a time compared to other transportation modes. Nonetheless, although the large number of passengers have very limited time in Penang, the businesses and supported by the stakeholders claimed the occurrence of money spent by the passengers. As a result, the expenditure by the cruise passenger will benefit the local economy. As stated in the previous literature (Brida & Aguirre, 2008; Dwyer & Forsyth, 1998), the cruise industry has the potential to create economic benefit by the spending of cruise passengers and crews. Other than that, referring to Dowling's (2011) study, the growth in the number of cruise passengers visiting Australia and their expenditure while in the country are equivalent. However, Jayawardena (2002) argued that cruise passengers spending contributes lower than potential income for a host destination.

The stakeholders believed that cruise tourism activity had encouraged the emergence of tourism-related businesses and that the cruise passenger spending had benefited such businesses. This was supported by the tourism-related businesses, who discussed how they have profited from the cruise tourism industry and that the cruise activity in Penang has expanded the small businesses in the area. Tourism-related businesses such as the museum and gallery, food and beverage provider have flourished in the area. Existing businesses have been looking forward to networking and developing business relationships with cruise liners in order to expand their business. As supported by previous studies (Bel & Fageda, 2008; Vaya et al., 2017), cruise activity acts as a strong catalyst in revitalizing existing businesses and creating new activities of businesses at the cruise destination.

Another meaningful impact of cruise tourism is that the development of the industry has encouraged the improvement of the commercial infrastructure around the terminal area. As evidence, the Mariner of the Seas Royal Caribbean has already had an on-going joint venture of expanding the cruise terminal. The requirement for commercial infrastructure improvement is in order to accommodate the number of cruise and passengers arriving at George Town, Penang. This is in line with previous studies (Bel & Fageda, 2008; Brida & Aguirre, 2008; Vaya et al., 2017).

Theme 7: Destination impact

Besides, the cruise activity has caused Swettenham Pier Cruise Terminal to become more established and recognised by the cruise liners because the demand for the cruise terminal to be included in the itinerary has increased, as stated by the authority stakeholders. Despite that the arrival of cruise ships bringing many tourists to the city at a time is a positive impact, the interview respondents raised the issue of cruise tourism’s negative impact of the unavoidable congestion due to the location of the cruise terminal and the concentrated capacity of George Town city. According to Motta (2014), congestion issues inconvenience other visitors and local residents and may cause a crowding effect on residents living in the centre of cities.

Moreover, the tourism-related businesses believed cruise tourism and the arrival of cruises with thousands of passengers is an opportunity to promote Penang, predominantly George Town, to the world. This study also revealed that the businesses and the stakeholders believed cruise tourism encourages passengers’ return intention to Penang. One particular reason is that cruise tourism acts as a showcase for the cruise passengers to revisit Penang for a more extended stay in the future. The survey results also showed that predominantly the cruise passengers had a positive intention of returning and recommending Penang and Malaysia as a tourism destination to others. The findings also revealed that almost 40% of the passengers have been to Penang before and returned via cruise trip. Past studies revealed that a satisfying trip experience influences the intention to return to a destination (Baker & Crompton, 2000; DiPietro & Peterson 2017; Pritchard & Howard, 1997). Besides, the limited time at a stopover destination is likely to determine whether cruise passengers to return for a more extended stay in the future, however, only if the trip was enjoyable (Penco & Di Vaio, 2014; Satta et al., 2015).

Theme 8: Cruise passengers' movement

The study also found some of the tourism-related businesses depended on cruise arrivals. This was particularly the case for the businesses located within the port area and the tour operators that have business relationships with cruise liners. However, souvenir businesses claimed that not all businesses are impacted by cruise tourism because of the distance from the port. In contrast, some businesses claimed that a small number of passengers visited their premises, although they are in close proximity to the port. One of the main reasons was tour guides that divert the passengers to go to distant places in Penang. In addition, the interview results revealed that the ease of getting transportation services encouraged passengers to travel within Penang despite the distance of the location. Therefore, the cruise terminal's proximity to the business location does not necessarily mean that the business will be impacted by the cruise tourism activity.

Interestingly, the survey revealed that the majority of the cruise passengers travelled further from the cruise terminal using public or hired transportation services in Penang. These findings contrast to Jaakson's (2004) study that showed cruise passengers concentrated near the cruise terminal. The survey results are also different from Andriotis and Agiomirgianakis's (2010) study, which found that cruise passengers prefer to walk around the city instead of participating in a tour or hiring a taxi. On the other hand, the results indicated that most of the cruise passengers travelled beyond the George Town World Heritage Site, and the furthest location visited was Penang Butterfly Farm, which is located 22.3 kilometres from the cruise terminal. The maximum number of places visited by the cruise passengers was nine, while most of the cruise passengers visited two places of attractions during their stop at George Town, Penang.

The availability of public or hired transportation made it easy for the cruise passengers to move and commute within Penang. As stated by Penang Global Tourism's representative, plenty of modes of transportation options are available to accommodate cruise passengers such as joining a bus tour provided in the excursion package, or free independent travellers can choose the more flexible hop-on-hop-off bus, or rent a bicycle and bike, or try a trishaw ride, as well as having the option of the free shuttle bus within the city, the Central Area Transit (CAT) bus provided by the state government.

Theme 9: All-inclusivity as a deterrent to destination benefit

Other than that, the study has investigated the tourism-related businesses' perception of the cruise liner. Interestingly, respondents perceived their businesses were not affected by cruises that provided an all-inclusive package because cruise passengers still buy something from local businesses such as food, souvenirs or pay for services. In addition, the businesses emphasised that although a cruise liner provides on-board foods and other necessities, the cruise passengers still want to try and experience something locally whilst cruising. This was supported by the destination stakeholders who emphasised the role of George Town, Penang as a gourmet city.

Moreover, the survey findings show that more than 75% of the cruise passengers spent money on foods while travelling in Penang despite that they were served free-flow food on board. Although Penco and Di Vaio (2014) claimed that cruise passengers would go back to the ship for food rather than spend money on food at a cruise destination, this study has shown differently. Other categories of items most purchased by the cruise passengers were local crafts and souvenirs and ground transportation. Reflecting on the findings of the interviews, it seemed that cruise passengers were interested to try local food because Penang is well-known for its local cuisine. In addition, the results of the survey revealed that almost half of the cruise passengers spent money in the range of £18.15 to £89.85 on tourism-related businesses in Penang, whereas the interview findings of the tourism-related businesses' perception revealed that the average amount of spending for each of the tourism-related business categories was varied across business types.

Theme 10: Future prospects

Overall, looking at the perceptions and strong supports by the stakeholders and tourism-related businesses, not to mention the perceptions of cruise passengers who have stopped at Swettenham Pier Cruise Terminal and spent time in Penang, it can be said that cruise tourism activity in Penang has the potential to expand and develop even more. Two main reasons that encourage a destination to decide to develop as a cruise destination or not are the destination pursuing an engagement in cruise tourism; or the destination being approached by a cruise line (London & Lohmann, 2014). As for the case of George Town, Penang, the cruise destination stakeholders are committed to positioning George Town, Penang as a cruise destination; also, an international cruise company has approached with a view to investing in the cruise terminal. However, according to Munro and Gill (2006), new terminals do not guarantee continued cruise business. This would be one of the risks for a cruise destination to invest in the terminal expansion which will involve huge costs. Furthermore, the construction at the terminal will be disruptive and impacting on the experience of passengers on shore. It is vital for a port to provide a positive in-port experience for the passengers because cruise lines are selective and they are willing to change routes if the port contributes to unsatisfactory passenger experience (Andriotis & Agiomirgianakis, 2010). Another issue that might be influencing the capability of the terminal to expand is the space capacity for parking and waiting area outside the cruise terminal area. Improvement is necessary to provide ample space for parking and waiting areas especially for the tour bus, in the attempt to reduce congestion at the surrounding areas of the cruise terminal. Therefore, the cruise destination stakeholders have to be conscious of the possible risks and plan a comprehensive strategy for cruise tourism development, as well as to measure possible impacts and consequences.

Eusebio and Vieira (2013) assert that a cruise destination needs to become more developed as a means to staying competitive because it has been learned that assessment of destination attributes is the most influential aspect in defining overall satisfaction, assuming it directly and/or indirectly significantly impacts all variables. As a result, a cruise destination needs to optimise its resources and abilities to allow for the most memorable experience possible in the endeavour to satisfy cruise passengers' needs and wants, and to encourage revisit intentions to the destination. Therefore, this study suggests that integration between the destination stakeholders and tourism-related businesses plays a crucial role in enticing and accommodating cruise lines and passengers, and generating more beneficial outcomes for the destination.

CHAPTER 9: CONCLUSION

9.1 Introduction

As this thesis has shown, the global cruise tourism sector has emerged rapidly and is recognised as one of the fastest-growing segments of the tourism industry in the twenty-first century. Acknowledging the significance of the sector, previous studies have discussed its development and impact. However, most studies have focused on a specific population and few studies have explored the range of perceptions of the development and impact of cruise tourism on a destination. The use of combining qualitative and quantitative methods offer diverse data that can converse to various audiences, reduce researcher bias in interpretation and allow for a balanced view of data (Molina-Azorin & Font, 2016). As Chapter 2 showed, the evolution of research highlights a clustering of studies on cruise tourism in the Caribbean and Mediterranean, given the development, advancement and dominance of the industry in these regions. However, other parts of the world, such as Asia, in particular South East Asia, have been showing steady growth and need more attention from scholars.

The premise of this study was to address the lack of studies on the Asian cruise context. The aim was to critically evaluate the perceptions of cruise tourism and its impact on tourism-related businesses at the cruise destination of George Town, Penang, Malaysia. This chapter will discuss the key findings of the research according to the research objectives. The chapter will then outline the contributions of the study, with respect to academic knowledge and the applied context. In addition, the chapter will identify the limitations of the study. Finally, suggestions for future research are set out, along with some recommendations with a more practical focus that might be of value to the development of cruise tourism in the case study region.

9.2 Key research findings

The research was underpinned by three objectives (see Chapter 1). This section discusses the key research findings according to each of the objectives.

1. ***To investigate the cruise tourism development in Penang, Malaysia from the perspectives of cruise destination stakeholders***

Acknowledging the value of defining what activities are involved in a cluster port and how the main actors are integrated (Pallis et al., 2014), the study has investigated three destination stakeholders and their roles in the cruise tourism in Penang. The destination stakeholders that have been interviewed were the organisations that manage the cruise terminal, the state tourism bureau, and federal tourism organisation. As presented and discussed in the Chapter 5, it can be concluded that the destination stakeholders have their respective roles and have collaborated with each other in the attempt to support cruise tourism development in Penang. The integrated collaboration was not limited to them but also involved other public and private parties such as The Ministry of Transport, Malaysia Cruise Council, local businesses, and other South East Asian countries.

According to Gui and Russo (2011), cruise lines are very concerned about the quality and security issues for passengers, this involves all infrastructures and services dedicated to the passengers. The findings showed that the destination stakeholders have taken some initiatives in order to ensure the convenience for cruise passengers and as a way to support the cruise tourism industry. One of the initiatives was by providing 24-hour pass to facilitate the passengers and minimise time-wasting on passport checking. Not only for the cruise terminal in Penang, but the government have been working to improve hassle-free cruise tourism experience at Malaysia's ports for the passengers (PEMANDU, 2015). This initiative is vital because interruption in the documentation clearance affecting cruise passengers' pleasure and reducing the time for passengers to spend at the shore destination is an extremely negative factor (Jeevan et al., 2018). In addition, another step was taken by the destination stakeholders to provide a good experience to the passengers and at the same time to express appreciation towards the cruise liner involved providing a welcoming reception at the cruise terminal, and introducing an e-coupon voucher, brochures and map tour exclusively for passengers. These initiatives that facilitate to provide a positive visit experience for the cruise passengers is essential because as stated by Andriotis and Agiomirgianakis (2010), cruise lines are selective and are willing to shift routes and disregard a port that gives an unpleasant experience to the passengers.

The findings of this thesis also reveal that cruise tourism in Penang is in the stage of developing considering the increases in the number of cruise arrivals and passengers as claimed by the destination stakeholders and statistical evidence. Furthermore, the cruise terminal expansion planning in collaboration with the Mariner of the Seas Royal Caribbean highlights the lifecycle stage of the cruise destination. This stage of development happens with the growth in the number of people discovering the destination, enhanced attractions and destination amenities (Gui & Russo, 2011). The destination stakeholders have been found to support the growth of cruise tourism in partnership with the main cruise line to expand the terminal. However, the stakeholders must be mindful of the possible risks, as the new cruise terminal does not guarantee continued cruise activity at a location (Munro & Gill, 2006).

2.* To analyse the impact of cruise tourism from the perspectives of *tourism-related businesses

In order to achieve the objective, thematic analysis was used to analyse the perceptions of tourism-related businesses about the impact of cruise tourism on George Town, Penang as a cruise destination, and particularly to the businesses. Data was derived from semi-structured interviews with the businesses. The exploration of the perceived cruise tourism impact demonstrates the significance of the industry to Penang and also to the businesses.

Overall, the findings from the interviews have shown how tourism-related businesses perceived the impact of cruise tourism in a constructive way such as they believed cruise tourism has brought more tourists than other forms of transportation to Penang and how the incoming of a large number of people have increased spending that eventually will benefit the local businesses and economy. This is in line with previous studies that have been discussed on the economic impact of cruise tourism (Brida & Aguirre, 2008; Dwyer & Forsyth, 1998).

Other than that, the study discovered that tourism-related businesses perceived that cruise tourism has encouraged the emergence of new businesses and created job opportunity. Besides, the cruise tourism activity is perceived as a promotional tool for a destination that will encourage cruise passengers to return for a longer visit in the future. Despite all the optimistic impacts that were discussed, some inevitable unpleasant impacts have been discussed, such as the traffic congestion that exists during the peak season of cruises and passengers arriving at the same time due to the compact and high density of the city. Other than that, some of the businesses raised the issue of difficulty in identifying cruise passengers from regular tourists, and that in some instances, cruise passengers depended on the tour operator or transportation services, and the selective marketing brochure to guide them to a specific place. This is somehow seen as an influential factor on what and which businesses will be impacted by cruise tourism.

Other than that, the study has discovered findings of tourism-related businesses' perceptions of cruise passengers as their customers. Although some of the respondents pointed out that they received a small number of cruise passengers at their businesses, but they were able to give perceptions about the cruise passengers. Another reason inhibiting the businesses to give a perception of cruise passengers was the difficulty of differentiating between a regular tourist and a cruise passenger, which made it harder to comment about the cruise passenger as a customer. As discussed in the Chapter 6, the findings of the tourism-related businesses' perceptions revealed that their cruise customers were mostly in the family category or groups of adults, and had the nationality of Singaporean, Indian or Chinese. The average amount of spending were different for each of the tourism-related business categories as follows:

I. Tour operator: RM100 to RM150 (£19 to £29)
II. Transportation: RM50 to RM400 (£10 to £75)
III. Museum: RM10 to RM50 (£2 to £10)
IV. Food & beverage: RM30 to RM40 (£6 to £8)
V. Retail and shop: RM100 to RM200 (£19 to £38)

The study had also examined the business relationship and perception of the cruise liner and discovered that tourism-related businesses perceived their businesses were not affected by cruises that provided an all-inclusive package because cruise passengers would either be purchasing or seeking to experience something local, this is in contrast to Penco and Di Vaio (2014)'s findings.

3. To examine cruise passengers' behaviour at the cruise destination of Penang, Malaysia

This study examined the cruise passengers' behaviour at the cruise destination of Penang, Malaysia, through a questionnaire survey. The results of the questionnaire survey revealed the domination of employed middle-aged adults with a higher education level. On the other hand, the seniors and retired passengers are still contributing a significant proportion of the number of cruise passengers even though they are not the majority, as stated by Marti (1999). The variance of the results is perhaps due to the development of the cruise industry allowing for more cruise packages becoming available in the market and increasing the opportunity for more people from different age levels to get on board. Weaver and Duval (2008) highlight the democratisation of cruise travel where cruise holidays becoming affordable to a large proportion of the population.

Although the study revealed that the nationality of the cruise passengers was mostly Indian, Australian and Asian, the nationality of cruise passengers was affected by the type of cruise liner arriving during the data collection. Furthermore, more than half of the cruise passengers embarked from Singapore, where the central cruise hub is located in South East Asia and where many cruise companies have their home port. The results also showed that the cruise length by cruise passengers was mostly for five days or less, and with an average of five hours spent at the shore of Penang. The maximum hours spent by a cruise liner at the shore was 12 hours. Additionally, most of the cruise passengers were found to travel with one or two persons, and their travel companion was either a spouse or family member. The study also revealed that half of the cruise passengers had been to Malaysia before, but only one-quarter of the respondents had visited

Penang. To specify, more than half of non-tour participants had been to Malaysia compared to tour participants, for whom this was mainly their first visit.

The study has shown the prime destination attributes of the cruise passengers' motivation to travel to Penang were concerning the aspect of safety and security, the ease of walking distance from cruise port to the city, the exploration of different culture and heritage, and the novelty of a place. The crucial point in identifying the important destination attributes for cruise passengers' motivation to travel to Penang will help to understand the criteria of the destination that have the highest point to attract for more cruise liners including George Town, Penang as their stopover destination. Other than that, the study showed that cruise passengers depend on the cruise line's website and information, as well as people, including local people and tour guide as the main information source.

Other than that, the study has discovered interesting findings with regard to the mobility of cruise passengers, where it has opposed the previous findings by Jaakson (2004) and Andriotis and Agiomirgianakis's (2010). The results of the survey have shown that majority of the respondents travelled further from the cruise terminal by bus tour, public transport or hired transportations services. As explained in the Discussion chapter, the ease of getting public or hired transportation are among the factor that helps the cruise passengers to explore and commute within Penang. The distance of location travelled by the cruise passengers was found to vary based on the category of passengers. The majority of the tour participants visited a distant location such as Penang Hill and shopping malls, whereas most of the non-tour participants travelled within the George Town World Heritage Site area within one kilometre from the cruise terminal.

Another interesting discovery of the study that challenged a previous study by Penco and Di Vaio (2014) is that majority of the cruise passengers (75%) spent their money on food despite the fact that they were served with free food on board. In addition to this, most of the cruise passengers were also found spending their money on local craft and souvenirs, and ground transportation. Reflecting on the findings of cruise passengers' purchasing behaviour, this somehow indicates the impact of the cruise tourism by which it has shown the expenditure that has occurred and the category of tourism-related businesses that they dealt with whilst in Penang. The findings are in line with previous studies (Brida & Aguirre, 2008) that have discussed how the spending of cruise passengers and crew benefit the local economy. A comparison between the categories of passengers also revealed that tour participants spent most on food and beverage, local crafts and souvenirs, and museum, site or gallery tickets, while the non-tour participants paid the most on food and beverages and ground transportation. In addition, tour participants were found to spend more money than the non-tour participants.

Finally, the study explored the cruise passengers' satisfaction specifically with their overall visit experience in Penang, and with regards to Penang as a stopover destination and the cruise terminal. Understanding the level of cruise passengers' satisfaction with their trip is crucial because a satisfying trip experience influences the intention to return to a destination (Ozturk & Gogtas, 2016; Andriotis & Agiomirgianakis, 2010; Baker & Crompton, 2000; Pritchard & Howard, 1997).

9.3 Key contributions of the study

This study contributes to the body of knowledge on cruise tourism impact by providing a holistic picture of the cruise tourism industry in a neglected case study location through the multiple perspectives of destination stakeholders, local businesses and cruise passengers. Considering the lack of research on the economic impacts of cruise tourism that include a wider port community (Seidl et al., 2006), thus, this study contributed to the gap by acknowledging and involving multiple port community instead of focussing on only one segment of respondents. Most importantly, the study provides the interactions and connections between the destination stakeholders, cruise passengers, and tourism-related businesses and how it is affecting the cruise tourism impact.

This study also contributed to the limited studies on cruise tourism research in Asia, particularly in South East Asia. Previous studies on cruise tourism have focused on America (Hung et al., 2018) despite the growth of the industry in Asia. In addition to this, the study is a stepping stone for more cruise tourism research focusing on Malaysia or South East Asia country as a case study, which has hitherto been very limited.

Furthermore, considering the lack of research on cruise passengers' mobility (Ros Chaos et al., 2018), this study contributes to this body of knowledge by identifying how cruise passengers travel and move around at the cruise destination. The findings of the study have shown that the convenience of getting hire or public transport allows the cruise passengers to travel further from the cruise terminal regardless of the limited time they have while at the shore. In relation to the mobility of the cruise passengers, this study provided different results from previous study (Andriotis & Agiomirgianakis, 2010; Jaakson, 2004). In addition, one interesting finding worth mentioning was that only 15% of the cruise passengers purchased excursion from the cruise line. This suggests that more people purchased excursions or trips directly with local guides or businesses, and this somehow can indirectly help to minimise the occurrence of substantial mark up issue (Brida & Aguirre, 2008; Klein, 2003) between the cruise line and local businesses.

Other than that, the results of the study allow for the estimation of the average expenditure of typical cruise passengers arriving, which makes it possible to forecast changes in tourist expenditure when any of the significant characteristics changes. This is in line with Brida, Bukstein and Tealde (2015). In addition, the empirical results help to provide an insight into the passengers' likelihood to spend in different categories. It is hoped that the findings of the study will be useful for the academicians and the authority stakeholders as a guideline in the effort to optimise cruise tourism development and maximise local destinations that will create a more enticing offering to cruise passengers that will help benefit local tourism-related businesses in George Town.

9.4 Limitations of the study

A key limitation in undertaking this study was the time constraint on data collection. The study had to adhere to a condition set by the scholarship sponsor, the Malaysia Ministry of Education, which restricted the time permitted to be in Malaysia to a maximum of three months to avoid financial consequences. All the fieldwork and intensive data collection process therefore had to be executed and completed within this time. The limited time to do fieldwork in Malaysia also impacted on the number of respondents obtained for the interviews and surveys as justified in the limitations of the fieldwork in Chapter 3.

Another important limitation to note is that, although the study had successfully explored the perceptions of cruise tourism and its impact on tourism-related businesses, however, the premise of the study had an exploratory focus on cruise tourism in Malaysia. This study adopted face-to-face interviews with the stakeholders and tourism-related businesses; thus, the data was based on the respondents' own thought and judgement. Qualitative research focuses on participant's perceptions and experiences, and the way they make sense of their lives (Fraenkel & Wallen, 1990; Locke et al., 1987; Merriam, 1988, as cited in Creswell, 2014), and the aim is to understand not one, but multiple realities (Lincoln & Guba, 1985, as cited in Creswell, 2014).

Other than that, another setback of the study is the effect of social desirability bias on both data findings as mentioned in the Chapter 3. As for the surveys of tourists on a destination, the respondent plays the role as a guest while the other is representative of the host, thus, based on a social desirability bias explanation, (Dahlgren & Hansen, 2015) assume that the guest is concerned with not offending the host and present his or her answers in a way that makes the interview situation a pleasant experience for both parties. As for this study, the respondents could possibly have shared and described the positive experience to be reported in the study although they were all informed in the beginning that the purpose of the research is for education purpose, thus honest and truthful answers are necessary. The bias also may affected on the qualitative data as more positive responses were shared by the respondents.

Another point to note is that the findings of the study might be affected by the position of the researcher. Qualitative research is interpretative research; the interviewer is typically involved in a sustained and intensive experience with participants (Creswell, 2014). The investigator's contribution to the research setting can be useful and positive rather than detrimental (Locke et al., 1987). The researcher's perception of tourism in Penang have been shaped by her personal experiences. I used to live in Penang from 2008 until early 2015 as I had my first and second degree in the local university. While doing Master's degree, I was actively involved in tourism research projects as I worked with the university's tourism research cluster. In addition, during my stay in Penang, I have been accustomed to the atmosphere of tourists especially in the city area, and what had caught my attention the most was to learn about the cruise tourist and to understand about the cruise tourism activities in the area. My background, thought and feelings about the situation in Penang may have an influence on how the data was interpreted, however self-reflexive helped me to stay conscious of my responses and reminded me of my position as an investigator at a research setting.

Notwithstanding, it is hoped that the measures undertaken to minimise the perceived limitations while performing this study do not adversely affect the value and contribution of this research.

9.5 Future research

This current study could be used as an initial benchmark for future studies on a cruise stopover destination. This study has emphasised cruise tourism and its impacts from the perspectives of respondents within Penang, Malaysia, one of the cruise stopover destination in South East Asia, which includes the local businesses, stakeholders and cruise passengers that stopped at the cruise terminal. The findings of the research have opened up new avenues of work that could be done and suggest a number of recommendations:

1. Future research could explore the development stage of the cruise tourism industry in a destination. This includes the stage of cruise port development. Understanding the development stage will be fundamental to identify the level of development of the cruise tourism industry prior to investigating the impact of the industry in the area.
2. To look further into the policy-making and marketing effort in an endeavour to promote cruise tourism and attract more cruise lines to choose Malaysia’s cruise terminals, in particular, as the stopover destination. This could be done by involving authority stakeholders not only in a specific region, but future research should also include the national policymakers in cruise tourism, such as the Malaysia Cruise Council, to help understand cruise tourism trend in Malaysia as a whole.
3. Other than acquiring the perceptions of impacts, future research should measure the impact of cruise tourism from economic calculations if

obtainable to provide an actual economic impact. The current study provides the perceived impact that might be limited information based on the knowledge and view of respondents. Future research may wish to measure the economic impact generated by the cruise tourism industry through evaluating the economic calculations that subtract direct leakages from the gross expenditure.

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APPENDIXES

APPENDIX 1

INTERVIEW CONSENT FORM

PROJECT	**: Perceptions of Cruise Tourism and its Impact on Tourism-Related Businesses: A Case Study in Penang, Malaysia**
SPONSOR	**: Ministry of Education Malaysia & Universiti Terengganu Malaysia**
RESEARCHER	**: Munira Binti Mhd Rashid**

Thank you for agreeing to be interviewed for this project.
In signing this form, you hereby provide written consent for your involvement in the research. I wish to confirm that:

- Interviews are confidential and non-attributable.

- Interviews will be audio taped with your permission. If you choose not to be audio taped, I will take notes instead.

- All information will be kept confidential and pseudonyms will be used in order to protect the anonymity of research participants.

- Data will be stored in password protected files and will be used for academic research purposes only.

- Participation in this research is entirely voluntary. You are free to choose not to participate. Should you choose to participate, you can withdraw at any time without consequences of any kind.

- Follow-ups may be needed for added clarification. If so, I will contact you by email/ phone to request this.

If you have concerns or queries about any aspect of this project, please email me at **mm673@exeter.ac.uk** or contact one of my supervisors at the University of Exeter:

1. Professor Gareth Shaw *G.Shaw@exeter.ac.uk*
2. Dr Joanne Connell *J.J.connell@exeter.ac.uk*

Participant's Consent

I have read this consent form and I understand what is being requested of me as a participant in this study. I freely consent to participate.

☐I give consent to be audio taped during my interview.

☐I do not give consent to be audio taped during my interview.

………………................	………………………
(Participant Signature)	*(Date)*
Name:	
Email:	
Phone No:	
……………….................	……………………….
(Researcher Signature)	*(Date)*

SEMI-STRUCTURED INTERVIEW WITH ORGANISATION
Perceptions of Cruise Tourism and its Impact on Tourism-Related Businesses:
A Case Study in Penang, Malaysia

PART I- PERSONAL BACKGROUND

1. Organisation: ________________
2. Position: ___________________
3. Gender: [ ] Male [ ] Female
4. Race:
   [ ] Malay [ ] Chinese [ ] Indian [ ] other, please state: _________________
5. Age group:
   [ ] 18- 25 [ ] 26- 35 [ ] 36- 45
   [ ] 46- 55 [ ] 56- 65 [ ] 66 and above
6. Education:
   [ ] High school
   [ ] Diploma
   [ ] Bachelor
   [ ] Master
   [ ] Doctor of Philosophy
   [ ] Other: ___________

PART II- ORGANISATION BACKGROUND

1. Can you describe the role of your organisation?
2. How long the organisation has been in the operation?

PART III- PERCEPTION ON CRUISE TOURISM

1. What do you think of cruise tourism development in Penang?
2. How do you think cruise tourism give impact to the tourism industry?
3. How would cruise tourism give impact to Penang as a stopover port destination?
   Example:
   a) Economic impacts
      - job opportunities to local people and businesses
      - public and private investment and infrastructure
   b) Social impacts
      - local standard of life
      - income of local people
      - standard of safety and security in the city
      - quality of local tourism and commercial infrastructure
      - quality of public services

- social and cultural life for local people
- improve infrastructure (roads, water pipes, etc.)
- the overcrowding of people

c) Environment impacts
- enhance environment protection
- marine environment damage and pollution

4. Do you think cruise tourism can encourage the passenger to visit Penang for longer visit in the future?
5. Nowadays most of the cruise ships provide all-inclusive facilities and entertainment on the ship itself. What do you think about the impact of this, does it create a direct competition to the local businesses?
6. What do you think regarding the government support and effort towards cruise tourism development?
7. How do you see Penang cruise tourism industry in the future?

Thank you for your time and kind attention.

APPENDIX 2

INTERVIEW CONSENT FORM

PROJECT	**: Perceptions of Cruise Tourism and its Impact on Tourism-Related Businesses: A Case Study in Penang, Malaysia**
SPONSOR	**: Ministry of Education Malaysia & Universiti Terengganu Malaysia**
RESEARCHER	**: Munira Binti Mhd Rashid**

Thank you for agreeing to be interviewed for this project.
In signing this form, you hereby provide written consent for your involvement in the research. I wish to confirm that:

- Interviews are confidential and non-attributable.

- Interviews will be audio taped with your permission. If you choose not to be audio taped, I will take notes instead.

- All information will be kept confidential and pseudonyms will be used in order to protect the anonymity of research participants.

- Data will be stored in password protected files and will be used for academic research purposes only.

- Participation in this research is entirely voluntary. You are free to choose not to participate. Should you choose to participate, you can withdraw at any time without consequences of any kind.

- Follow-ups may be needed for added clarification. If so, I will contact you by email/ phone to request this.

If you have concerns or queries about any aspect of this project, please email me at **mm673@exeter.ac.uk** or contact one of my supervisors at the University of Exeter:

1. Professor Gareth Shaw *G.Shaw@exeter.ac.uk*
2. Dr Joanne Connell *J.J.connell@exeter.ac.uk*

Participant's Consent

I have read this consent form and I understand what is being requested of me as a participant in this study. I freely consent to participate.

☐I give consent to be audio taped during my interview.

☐I do not give consent to be audio taped during my interview.

……………….............. ………………………

(Participant Signature) *(Date)*

Name:

Email:

Phone No:

……………….............. ……………………….

(Researcher Signature) *(Date*

SEMI-STRUCTURED INTERVIEW WITH BUSINESSES
Perceptions of Cruise Tourism and its Impact on Tourism-Related Businesses: A Case Study in Penang, Malaysia

PART I- PERSONAL BACKGROUND

1. Business type:
   [ ] tour operator [ ] Museum or gallery
   [ ] transport operator [ ] craft and souvenir shop
   [ ] food and beverage [ ] other, please state: ___________________

2. Position in the business:
   [ ] owner [ ] manager

3. Gender: [ ] Male [ ] Female

4. Race:
   [ ] Malay [ ] Chinese [ ] Indian [ ] other, please state: _________________

5. Age group:
   [ ] 18- 25 [ ] 26- 35 [ ] 36- 45
   [ ] 46- 55 [ ] 56- 65 [ ] 66 and above

6. Education:
   [ ] High school
   [ ] Diploma
   [ ] Bachelor
   [ ] Master
   [ ] Doctor of Philosophy
   [ ] Other: ___________

PART II- BUSINESS BACKGROUND

1. Can you briefly explain the type of your business?
2. How long has the business been in operation?
3. Are you a member of any organisation, association or cooperative?

PART III- PERCEPTION ON CRUISE TOURISM

1. What do you think of cruise tourism development in Penang?
2. How do you think cruise tourism give impact to the tourism industry?
3. How would cruise tourism give impact to Penang as a stopover port destination?
4. How would cruise tourism affect your business?
5. Do you think cruise tourism can encourage the passenger to visit Penang for longer visit in the future?

6. Nowadays most of the cruise ships provide all-inclusive facilities and entertainment on the ship itself. What do you think about the impact of this, does it create a direct competition to the local businesses?
7. What do you think regarding the government support and effort towards cruise tourism development?

PART IV- PERCEPTION ON CRUISE PASSENGER

1. Approximately what is the percentage of your customers come from the cruise passenger?
2. Can you identify, how many cruise passengers will reach your business in a week?
3. What nationality are the majority of your cruise passenger customers?
4. Would you say the majority of your cruise passenger customers are couples, families with children, group of peoples or single people?
5. Does the cruise passenger spending increase your business profit?
6. In average, how much a cruise passenger would have spent on your business?
7. Between the cruise passenger and other tourist, who bring more profit to your business?
8. Would you offer help to cruise passenger who needs information about local culture or direction?

PART V- PERCEPTION ON CRUISE LINER

1. Do you have business relationship with any cruise liner?
If you have a business relationship with cruise liner:
1.1 What is the cruise liner?
1.2 How and since when the business relationship starts?
1.3 How do you advertise your business to the cruise passengers?
1.4 Has this business relationship increased the number of cruise passenger using your business?
1.5 How would you describe the business relationship as average, good, or excellent?
1.6 Do you intend to start a new business relationship with other cruise liner?
1.7 So far, what do you think would be the barriers to form a business relationship with cruise liner?
If you do not have a business relationship with cruise liner:
1.8 What prevents you from starting a business relationship with a cruise liner?
1.9 Do you intend to start a business relationship with cruise line, or indirectly through other business?

2. Do you think it is important to form a business relationship with the cruise liner?
3. Do you think it is important to form a business relationship with other business in the same field?

Thank you for your time and kind attention! ☺

APPENDIX 3

SURVEY ON CRUISE PASSENGERS' BEHAVIOUR AT THE SHORE OF PENANG, MALAYSIA

Hello and welcome to Penang!

I hope you had fun and memorable times in Penang. My name is Munira, a Ph.D. candidate at the University of Exeter, UK. I am very pleased to learn about your impressions and perspectives regarding my country as your cruise stopover destination.

The purpose of this research is to examine the cruise passengers' behaviour during their stop at Swettenham Pier Cruise Terminal at Penang. It is anticipated that the findings of this study will be helpful to evaluate the cruise tourism industry in Malaysia.

Your time and kind attention to answer this set of questions is highly appreciated. Don't worry, all your personal information will be kept confidential and will only be used for this project.

Thank you very much for your help.

Prepared by,
Munira Binti Mhd Rashid
Doctoral Researcher
University of Exeter
Email:mm673@exeter.ac.uk

<u>SECTION I: VISIT INFORMATION</u>
The following questions are about your visit information.

1. Name of cruise ship and company: ________________
2. Location of your FIRST embarkment: ________________
3. How many days of your overall cruising in total?
   N= _____ day(s)
4. Is this your first visit to Malaysia?
   [ ] Yes. If YES, continue to Question 5
   [ ] No. How many times have you visited Malaysia? N=____ times
5. Is this your first visit to Penang?
   [ ] Yes
   [ ] No. How many times have you visited Penang? N=____ times
6. How many hours did you stay in Penang today?
   N= ____hour(s)
7. How many people are traveling with you?
   N=___ person(s)
8. Who are your travel companion for the trip?
   [ ] Spouse/ Partner   [ ] Family/ relatives
   [ ] Business Associate (s)   [ ] Friends
   [ ] Traveling alone   [ ] Others

<u>SECTION II: MOTIVATION AND INFORMATION SOURCES</u>
The following questions are about your decision making and information sources.

1. Based on the scale below, how important were the following attributes of Penang in influencing your decision to choose your cruise vacation?

Attributes	**Very Unimportant**	**Unimportant**	**Moderately Important**	**Important**	**Very Important**
New and novelty of a place	1	2	3	4	5
Different cultures and heritage	1	2	3	4	5
Variety of nature and scenery	1	2	3	4	5
Pleasant climate	1	2	3	4	5
Historical place/site to visit	1	2	3	4	5
Museum/gallery to visit	1	2	3	4	5
Low travel cost	1	2	3	4	5
Safety and security	1	2	3	4	5
Local crafts and handiworks	1	2	3	4	5
Practising shopping	1	2	3	4	5
Exciting activities	1	2	3	4	5
Nightlife	1	2	3	4	5
Walking distance from port to city/town	1	2	3	4	5
Attractions nearby port	1	2	3	4	5
Facilities at the port	1	2	3	4	5

2. Based on the scale below, how important are the following sources at providing the information about attractions to visit in Penang?

Information source	**Very Unimportant**	**Unimportant**	**Moderately Important**	**Important**	**Very Important**
Cruise line's website and information	1	2	3	4	5
Travel agent's website	1	2	3	4	5
Blog reviews	1	2	3	4	5
Google maps	1	2	3	4	5
Tour guide information	1	2	3	4	5
Port information	1	2	3	4	5
Magazines	1	2	3	4	5
Maps	1	2	3	4	5
Family & friends	1	2	3	4	5
Local people	1	2	3	4	5

SECTION III: MOBILITY AND ACTIVITIES

The following questions are about your mobility and activities in Penang.

1. How did you travel around Penang today?
   [ ] bus tour
   [ ] walking tour with a local guide
   [ ] independently
   [ ] other (please specify): _______________

2. Where did you purchase the excursion in Penang?
   [ ] cruise line
   [ ] travel agent (before start cruising)
   [ ] travel agent (at the shore)
   [ ] independent
   [ ] I did not purchase any

3. On your visit, did you go to:

Places	**Yes**	**No**
Entopia by Penang Butterfly Farm		
Penang Hill		
Penang National Park		
Pinang Peranakan Mansion		
Batu Ferringhi		
Fort Cornwallis		

Little India		
Leong San Tong Khoo Kongsi		
Kek Lok Si Temple		
Please state other places that you had visited:		
1.		
2.		
3.		

4. What is the FIRST place that you visited on this visit? : __________________
5. What is the LAST place that you visited on this visit? : __________________

SECTION IV: PURCHASE BEHAVIOUR
The following questions are about your purchase behaviour in Penang.

1. In your visit, did you purchase:

Items	**Yes**	**No**
Organised tour		
Food and beverage		
Museum/ site/ gallery ticket		
Taxi/ ground transportation		
Local crafts and souvenirs		
Watches & jewellery		
Clothing		
Perfumes & cosmetics		
Telephone & internet		
Entertainment/ clubs/ casino		
Other (please specify):________________________________		

2. Approximately, how much did you spend during your visit in Penang?
   [ ] below RM 100 [ ] RM1,501 to RM 2,500 [ ] RM 4,501 to RM 5,500
   [ ] RM 101 to RM 500 [ ] RM 2,501 to RM 3,500 [ ] RM 5,501 and above
   [ ] RM 501 to RM 1,500 [ ] RM 3,501 to RM 4,500

3. Based on what you had purchased, what is the highest cost you have to pay during your visit in Penang?

	ITEMS	ESTIMATED COST (RM)
First highest cost	: ________________________	: ________________________
Second highest cost	: ________________________	: ________________________

Third highest cost	: ______________________	: ______________________

SECTION V: SATISFACTION AND RETURN INTENTION
The following questions are about your satisfaction of the visit and return intention.

1. Overall, how satisfied were you with the visit?
   [ ] very dissatisfied [ ] dissatisfied [ ] neither [ ] satisfied
   [ ] very satisfied

2. How would you rate Penang compared to other stopover destinations?
   [ ] very poor [ ] poor [ ] similar [ ] better
   [ ] excellent
3. How would you rate Swettenham Pier Cruise Terminal, Penang compare to other ports?
   [ ] very poor [ ] poor [ ] similar [ ] better
   [ ] Excellent

4. Based on the scale below and the following statements, what do you like about Penang?

Attributes	Strongly Dislike	Dislike	Moderately Like	Like	Strongly Like
Nature and scenery	1	2	3	4	5
Weather	1	2	3	4	5
Local culture and heritage	1	2	3	4	5
Local people	1	2	3	4	5
Local cuisines	1	2	3	4	5
Museums and galleries	1	2	3	4	5
Shopping	1	2	3	4	5
Nightlife	1	2	3	4	5
Walking distance from port to town	1	2	3	4	5
Guided tour	1	2	3	4	5

5. Based on the scale below, please rate the service quality provided by the following staff and people in Penang.

Staff and people	Very poor	Poor	Moderate	Good	Excellent
Port employees	1	2	3	4	5
Information booth personnel	1	2	3	4	5
Tour operator	1	2	3	4	5

Food and beverage employees	1	2	3	4	5
Retail store employees	1	2	3	4	5
Museum/gallery/temple employees	1	2	3	4	5
Taxi drivers	1	2	3	4	5
Locals and community	1	2	3	4	5

6. Would you consider visiting Penang again for a longer stay in future?
   [ ] Yes [ ] No, please explain:

   ____

7. Would you recommend Penang to others?
   [ ] Yes [ ] No, please explain:

   ____

8. Would you consider visiting Malaysia again for a longer stay in future?
   [ ] Yes [ ] No please explain:

   ____

9. Would you recommend Malaysia to others?
   [ ] Yes [ ] No, please explain:

   ____

SECTION VI: INFORMATION ABOUT YOURSELF
The following questions are about yourself.

1. Gender: [ ] Male [ ] Female
2. Age group:
   [ ] 34 and less [ ] 35-54 [ ] 55 and above
3. Nationality: _______________
4. Highest education level completed or currently enrolled:
   [ ] High school
   [ ] Diploma
   [ ] Bachelor
   [ ] Master
   [ ] Doctor of Philosophy
   [ ] Other: ____________
5. Occupation: ________________

THANK YOU VERY MUCH FOR YOUR TIME AND KIND ATTENTION! ☺

APPENDIX 4

CRUISE ARRIVAL AT SWETTENHAM PIER CRUISE TERMINAL

SCHEDULE FOR SEPTEMBER 2017

SUN	MON	TUE	WED	THU	FRI	SAT
					1 L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	2 L.World 0830-1100 L.World 1930-2200 S.Libra 1100-2045
3 L.World 0830-1100 L.World 1930-2200 S.Libra 1000-1700	4 L.World 0730-1100 L.World 1930-2200 Superstar Gemini 1600-0000	5 L.World 0730-1100 L.World 1930-2200	6 L.World 0730-1100 L.World 1930-2200 S.Libra 1200-2045	7 L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	8 L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	9 L.World 0830-1100 L.World 1930-2200 S.Libra 1100-2045
10 L.World 0830-1100 L.World 1930-2200 S.Libra 1000-1700	11 L.World 0730-1100 L.World 1930-2200 Superstar Gemini 1600-0000	12 L.World 0730-1100 L.World 1930-2200	13 L.World 0730-1100 L.World 1930-2200 S.Libra 1200-2045	14 L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	15 L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	16 L.World 0830-1100 L.World 1930-2200 S.Libra 1100-2045
17 L.World 0830-1100 L.World 1930-2200 S.Libra 1000-1700	18 L.World 0730-1100 L.World 1930-2200 Superstar Gemini 1600-0000	19 L.World 0730-1100 L.World 1930-2200	20 L.World 0730-1100 L.World 1930-2200 S.Libra 1200-2045	21 L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	22 L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	23 L.World 0830-1100 L.World 1930-2200 S.Libra 1100-2045
24 L.World 0830-1100 L.World 1930-2200 S.Libra 1000-1700	25 L.World 0730-1100 L.World 1930-2200 Superstar Gemini 1600-0000	26 L.World 0730-1100 L.World 1930-2200	27 L.World 0730-1100 L.World 1930-2200 S.Libra 1200-2045	28 L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	29 L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	30 L.World 0830-1100 L.World 1930-2200 S.Libra 1100-2045

Source: Penang Port Sdn.Bhd (2017), collected during author's fieldwork

SCHEDULE FOR OCTOBER 2017

SUN	MON	TUE	WED	THU	FRI	SAT
1	2	3	4	5	6	7
L.World 0830-1100 L.World 1930-2200 S.Libra 1000-1700	L.World 0730-1100 L.World 1930-2200 Superstar Gemini 1600-0000 Taipan 0720-2030	L.World 0730-1100 L.World 1930-2200	L.World 0730-1100 L.World 1930-2200 S.Libra 1200-2045	L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	L.World 0830-1100 L.World 1930-2200 S.Libra 1100-2045
8	9	10	11	12	13	14
L.World 0830-1100 L.World 1930-2200 S.Libra 1000-1700	L.World 0730-1100 L.World 1930-2200 Superstar Gemini 1600-0000 Taipan 0720-2030	L.World 0730-1100 L.World 1930-2200	L.World 0730-1100 L.World 1930-2200 S.Libra 1200-2045	L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	L.World 0830-1100 L.World 1930-2200 S.Libra 1100-2045
15	16	17	18	19	20	21
L.World 0830-1100 L.World 1930-2200 S.Libra 1000-1700	Sea Princess 0900-2300 L.World 0730-1100 Superstar Gemini 1600-0000	MOTS 1500-2200 L.World 0730-1100 L.World 1930-2200	L.World 0730-1100 L.World 1930-2200 S.Libra 1200-2045	L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	L.World 0830-1100 L.World 1930-2200 S.Libra 1100-2045
22	23	24	25	26	27	28
L.World 0830-1100 L.World 1930-2200 S.Libra 1000-1700	L.World 0730-1100 L.World 1930-2200 Superstar Gemini 1600-0000	L.World 0730-1100 MOTS 1500-2200 L.World 1930-2200	L.World 0730-1100 L.World 1930-2200 S.Libra 1200-2045	L.World 0730-1100 L.World 1930-2200 S.Libra 0800-2045	C.Romantika 0800-1400 S.Libra 1400-2045 S.Libra 0730-0830 L.World 0830-1100 L.World 1930-2200	L.World 0830-1100 L.World 1930-2200 S.Libra 1100-2045
29	30	31				
L.World 0830-1100 L.World 1930-2200 S.Libra 1000-1700	L.World 0730-1100 L.World 1930-2200 Superstar Gemini 1600-0000	C.Romantika 0800-1400 MOTS 1500-2200 L.World 0730-1100 L.World 1930-2200				

Source: Penang Port Sdn.Bhd (2017), collected during author's fieldwork

SCHEDULE FOR NOVEMBER 2017

SUN	MON	TUE	WED	THU	FRI	SAT
			1 L.World 0800-1100 L.World 1930-2200 Taipan 0800-2030	2 L.World 0800-1100 L.World 1930-2200 Taipan 0800-2030	3 C.VICTORIA 0800-1400 L.World 1930-2200 L.World 0800-1100 L.World 1930-2200 Taipan 0800-2030	4 L.World 0830-1100 L.World 1930-2200 Superstar Libra 0900-1700 Taipan 0800-2030
5 L.Austral 0800-1800 L.World 1930-2200 L.World 0830-1015 Superstar Libra 1015-1645 Taipan 0800-2030	6 L.World 0800-1100 L.World 1930-2200 Superstar Gemini 1600-2300 Taipan 0800-2030	7 C.Victoria 0800-1400 MOTS 1500-2200 L.World 0800-1100 Superstar Libra 1500-2300 Taipan 0800-2030	8 L.World 0800-1100 L.World 1930-2200 Taipan 0800-2030	9 L.World 0800-1100 L.World 1930-2200 Taipan 0800-2030	10 S.Princess 0700-1800 L.World 1930-2200 C.Victoria 0800-1200 Taipan 0800-2030	11 L.World 0830-1100 MOTS 1600-2300 Superstar Libra 0900-1700 L.World 2015-2200 Taipan 0800-2030
12 L.World 0830-1100 L.World 1930-2200 Superstar Libra 1000-1645 Taipan 0800-2030	13 L.World 0800-1100 L.World 1930-2200 Superstar Gemini 1600-2300 Star Clipper 0800-1930 Taipan 0800-2030	14 C.Victoria 0800-1400 MOTS 1500-2200 L.World 0800-1100 Superstar Libra 1500-2300 Taipan 0800-2030	15 L.World 0800-1100 L.World 1930-2200 Taipan 0800-2030	16 L.World 0800-1100 L.World 1930-2200 Taipan 0800-2030	17 C.VICTORIA 0800-1400 L.World 0800-1100 L.World 1930-2200 Taipan 0800-2030	18 L.World 0830-1100 MOTS 1600-2300 Superstar Libra 0900-1700 L.World 2015-2200 Taipan 0800-2030
19 MEIN SCHIFF 0730-1800 L.World 1930-2200 L.World 0830-1015 Superstar Libra 1015-1645 Taipan 0800-2030	20 L.World 0800-1100 L.World 1930-2200 Taipan 0800-2030	21 C.Victoria 0800-1400 MOTS 1500-2200 L.World 0800-1100 Superstar Libra 1500-2300 Taipan 0800-2030	22 Genting Dream 0800-1600 L.World 0800-1100 L.World 1930-2200 Star Clipper 0800-1930 Taipan 0800-2030	23 L.World 0800-1100 L.World 1930-2200 Taipan 0800-2030	24 C.VICTORIA 0800-1400 L.World 1930-2200 L.World 0800-1100 Taipan 0800-2030	25 MEIN SCHIFF 0730-1800 L.World 1930-2200 L.World 0830-1100 MOTS 1500-2359 Superstar Libra 0900-1700 Taipan 0800-2030
26 L.World 0830-1100 L.World 1930-2200 Superstar Libra 1000-1645 Taipan 0800-2030	27 G.Dream 1700-0100(28/11) L.World 0800-1100 L.World 1930-2200 Taipan 0800-2030	28 L.World 0800-1100 MOTS 1500-2200 Superstar Libra 1500-2300 Taipan 0800-2030	29 S.Princess 0700-1830 L.World 0800-1100 L.World 1930-2200 Taipan 0800-2030	30 L.World 0800-1100 L.World 1930-2200 Taipan 0800-2030		

*Vessel expected to berth at Inner Berth kindly get approval from Penang Port Marine Deparment

Source: Penang Port Sdn.Bhd (2017), collected during author's fieldwork

APPENDIX 5

A brochure contains a map of George Town city that marks the location of the cruise terminal *'You Are Here'* and shows the location of attractions within the city.

Source: Penang Global Tourism (2017), collected during author's fieldwork

APPENDIX 6

Chi-square test 1: Association between hours spent and the total amount of money spent in Penang

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	31.388[a]	21	.067
Likelihood Ratio	34.656	21	.031
Linear-by-Linear Association	1.445	1	.229
N of Valid Cases	185		

a. 22 cells (68.8%) have expected count less than 5. The minimum expected count is .03.

Symmetric Measures

		Value	Asymptotic Standard Error[a]	Approximate T[b]	Approximate Significance
Nominal by Nominal	Phi	.412			.067
	Cramer's V	.238			.067
	Contingency Coefficient	.381			.067
Interval by Interval	Pearson's R	.089	.078	1.204	.230[c]
Ordinal by Ordinal	Spearman Correlation	.232	.070	3.222	.002[c]
N of Valid Cases		185			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

c. Based on normal approximation.

Chi-square test 2: Association between satisfaction with the visit and intention to return to Penang

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	7.545[a]	4	.110
Likelihood Ratio	5.520	4	.238
Linear-by-Linear Association	1.276	1	.259
N of Valid Cases	185		

a. 6 cells (60.0%) have expected count less than 5. The minimum expected count is .23.

Symmetric Measures

		Value	Approximate Significance
Nominal by Nominal	Phi	.202	.110
	Cramer's V	.202	.110
N of Valid Cases		185	

Chi-square test 3: Association between satisfaction with the visit and intention to return to Malaysia

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	5.509[a]	4	.239
Likelihood Ratio	3.472	4	.482
Linear-by-Linear Association	1.122	1	.289
N of Valid Cases	185		

a. 6 cells (60.0%) have expected count less than 5. The minimum expected count is .16.

Symmetric Measures

		Value	Asymptotic Standard Error[a]	Approximate T[b]	Approximate Significance
Nominal by Nominal	Phi	.173			.239
	Cramer's V	.173			.239
	Contingency Coefficient	.170			.239
Interval by Interval	Pearson's R	-.078	.077	-1.060	.291[c]
Ordinal by Ordinal	Spearman Correlation	-.083	.072	-1.128	.261[c]
N of Valid Cases		185			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

c. Based on normal approximation.

Chi-square test 4: Association between satisfaction with the visit and intention to recommend Penang to others

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	15.290[a]	4	.004
Likelihood Ratio	7.718	4	.102
Linear-by-Linear Association	4.199	1	.040
N of Valid Cases	185		

a. 7 cells (70.0%) have expected count less than 5. The minimum expected count is .10.

Symmetric Measures

		Value	Asymptotic Standard Error[a]	Approximate T[b]	Approximate Significance
Nominal by Nominal	Phi	.287			.004
	Cramer's V	.287			.004
	Contingency Coefficient	.276			.004
Interval by Interval	Pearson's R	-.151	.092	-2.067	.040[c]
Ordinal by Ordinal	Spearman Correlation	-.143	.084	-1.959	.052[c]
N of Valid Cases		185			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

c. Based on normal approximation.

Chi-square test 5: Association between satisfaction with the visit and intention to recommend Malaysia to others

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	22.937[a]	4	.000
Likelihood Ratio	8.417	4	.077
Linear-by-Linear Association	6.361	1	.012
N of Valid Cases	185		

a. 7 cells (70.0%) have expected count less than 5. The minimum expected count is .05.

Symmetric Measures

		Value	Asymptotic Standard Error[a]	Approximate T[b]	Approximate Significance
Nominal by Nominal	Phi	.352			.000
	Cramer's V	.352			.000
	Contingency Coefficient	.332			.000
Interval by Interval	Pearson's R	-.186	.091	-2.560	.011[c]
Ordinal by Ordinal	Spearman Correlation	-.167	.065	-2.295	.023[c]
N of Valid Cases		185			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

c. Based on normal approximation.

APPENDIX 7

EXAMPLE 1 OF THEMATIC ANALYSIS: The step in generating initial codes by identifying ideas, words or phrases that related to perceptions of cruise tourism development, and government support, from the destination stakeholders

Themes	Penang Global Tourism	Penang Port	Tourism Malaysia
Perception of cruise tourism development	*It's actually **getting better** and a lot of people is seeing this.* *for the port of call, for **Penang is actually beat** Port Klang for the first half of the year. I can show you… but this is for the whole Malaysia, because they do have this Malaysia Cruise Council where all the stakeholders, the ports, the agencies, they were all grouped together to have this council to have regular meetings to see what issues that need to be highlighted. So, they have this, how many passengers are already here, and this is all the ports that we have, and the cruise call so in terms of 2016, the top is still Port Klang and then when it's 2017, **Penang is actually more than the Port Klang**. They actually increased compared to the west. So, I think in terms of port of call, I think in **Asia – Penang is actually number two after Busan**.* *After the upgrading (of the terminal) is done, then the terminal can berth more vessels. I think it **will be even better.** Because right now it is very old fashion but after it is upgraded, it will be more.* *Royal Caribbean Cruise Line has agreed to invest **in upgrading the terminal**. The planning is for*	*When this terminal was first built, the purpose of it was to encourage more tourism to Penang in terms of the cruise tourism industry. Most ships are tourist ships. That includes our daily cruises to Langkawi.* *Since 2010, **consistently every year we will be receiving 1 million passengers**, based on the data that we have. **A very good improvemen**t. Even though the terminal is small. This shows that there is demand for the terminal itself.* *Nowadays, **the Malacca Strait route is considered as the Golden Strait route** (Golden Triangle Strait of Malacca) because most of the cruise liners use this route as the only one that leads to the ports such as the port at Singapore, Port Klang, Melaka, Lumut, **Penang**, Langkawi and Phuket. In the peak season like right now,*	*Cruise tourism needs coastal areas. **We are blessed that Malaysia is surrounded by the sea**. We are blessed we have all the resources, and especially on the west coast, as it is very safe, blocked by the very huge Sumatera Island. Compared to the Philippines, even though they have more islands, we (Malaysia) are blessed with protected areas like our Straits of Malacca. Realising that, for about the last two years, **we have aggressively embarked on cruise tourism**.*

	the improvement to lengthen the berth to 698 metres.	*which is at the end of the year, cruises that are coming are Costa, Star Cruises, Royal Caribbean Cruise Line (RCCL) and Princess. Also,* ***the number of passengers has never dropped.*** *Three or four years ago only the Genting Group under the Superstar cruises took this route. But about one to two years ago, the majority of the cruise liners started placing their cruises here in the Malacca Strait.* *We are predicting to have a 2%* ***increment in the number of transit international cruise calls****. This prediction is based on the market trend.*	
Perception of government support	*We as the state government,* ***we set up a committee****, a cruise committee which comprises our ExCo of Tourism, the port, police, and relevant parties. We have meetings regularly, so if there is an issue,* ***we will work on it together****. In case like the big cruise coming in, so, we will discuss how we are going to make the holding smoothly, or is there any problems, signages and things so we will discuss about that to help on. And a part of that, we also do have budgets for tourism promotions and in terms of PGT side,* ***so we will work together with Tourism Malaysia and also the cruise liner to promote on the destinations****, because for the cruise you*	*Basically, we* ***work hand in hand with the Malaysian government.*** *If there is any conference & exhibition, we will* ***co-operate*** *with the PGT, Tourism Malaysia and the PPC (Suruhanjaya Pelabuhan Pulau Pinang) who is the owner of terminals.* *The law in Malaysia has stated that passengers will not need to go through i****mmigration*** *upon landing at the port. But*	*we don't sell only Malaysia, but sometimes under the spirit of Asia, we also sell a* ***package tour*** *to three destinations of different countries*

	cannot be going there alone because it involves different countries like Singapore, Malaysia, Thailand, Vietnam so you have to come together so we still need to come together with Tourism Malaysia and they will work together. *Then we want to focus more especially when there's new cruise coming in like the new Dream Cruise coming in, so we will be more aggressively to promote on that, and* ***we will work together with travel agencies*** *that is majoring in selling cruises so we will help them to do more exposure promotion.* *Depending on the market, India market, German market, Australia market, Australia with big of the cruises. So,* ***we will work with the agencies*** *like probably the bigger one like wholesaler. So at least the Penang destinations are there so they can pick the Asian's one.* *We do* ***welcome reception*** *as well for big cruises more than 2000 passengers. We do Kompang (traditional music instrument) show, but it's only for 2000 passengers and above.... As well as we even did* ***fruit corner*** *so they can taste some durian and taste some food before they actually go out.* ***This is how we show our support to the cruises and to welcome the passengers****. So far they are quite happy with that.*	*passengers will be given a* ***24-hour pass****. This matter emerged when Phuket made a policy that every passenger must go through immigration and have their passport checked. Imagine if there were 4000 passengers, it would be a problem… so the Malaysian government came up with a* ***special 24-hour pass*** *within a 20km radius from the port. This rule has helped the industry as it is* ***helping to ease the flow of passengers****.* *Under PGT (Penang Global Tourism), they will hold* ***welcoming receptions*** *where there will be some events. With regards to that, when we attended conferences, the cruise liners told us that they were impressed as we are willing to spend that amount of money on the welcoming reception. Not many ports in the world would do that kind of celebration.*	

	We have implemented this ***e-coupon*** *since I think early this year, so, we get all the vendors to participate like free `Ais Kacang' when you spend this you will get 15 percent discount on this tour, so you just need to click on it and the download and then you will get the discount. That's it. We agreed that for cruise passengers that do not have access to the internet, to cope with that we will not only* ***provide the vouchers but also brochure listings with the address of places****. Then they can redeem them by showing their cruise passenger card to be entitled to the discounts. This is like a privilege for the cruise passengers. if* ***online coupon*** *then it's for everyone but because to entitled this you need to print the coupon, so you need to download and then to show them this page then you will be entitle the receipt, the discount.* ***This (map)*** *one is the example that we* ***specifically design for the cruise passengers*** *because we see the comments from the cruise liners, saying that they need umm… more what to do during the morning, and the night time because usually they dock here will be four hours to six hours and there will be morning and some reached around 4.00 pm and the next batch will be 11 so at 9 most of the attractions are closed. So that's why we have* ***this map*** *will which gives indication on what you can do in the morning, where you are recommended to eat and at night what you can do.* *we do develop* ***brochures*** *because some… like let say there are 3000 passengers on that cruise,*		

	probably 1000 they're taking the cruise, the trip, but another 2000 they might be coming out just for FIT to bought on their own. (FIT) Independent travellers so from there we will have to make sure they have a ***<u>good experience</u>*** *in Penang.*		

APPENDIX 8

Continued

EXAMPLE 2 OF THEMATIC ANALYSIS: The step in examining the codes and arranging and reviewing them to fit into themes.

Themes	Informants	Verbatim/ initial codes highlighted	Codes developed
Perception of cruise tourism development	**Penang Global Tourism**	*It's actually **getting better** and a lot of people is seeing this.* *for the port of call, for **Penang is actually beat** Port Klang for the first half of the year.* ***Penang is actually more than the Port Klang**. They actually increased compared to the west. So, I think in terms of port of call, I think in **Asia – Penang is actually number two after Busan**.* *After the upgrading (of the terminal) is done, then the terminal can berth more vessels. I think it **will be even better.*** *Royal Caribbean Cruise Line has agreed to invest **in upgrading the terminal**. The planning is for the improvement to lengthen the berth to 698 metres.*	• Cruise tourism is developing • Increase in the number of cruise arrival • Cruise terminal is expanding
	Penang Port	*Since 2010, **consistently every year we will be receiving 1 million passengers**, based on the data that we have. **A very good improvemen**t.* *Nowadays, **the Malacca Strait route is considered as the Golden Strait route** (Golden Triangle Strait of Malacca) because most of the cruise liners use this route as the only one that leads to the ports such as the port at Singapore, Port Klang, Melaka, Lumut, **Penang**, Langkawi and Phuket.* *Also, **the number of passengers has never dropped.***	• Increase in the number of cruise passengers' arrival • Location wise • Increase in the number of cruise arrival

		*We are predicting to have a 2% **<u>increment in the number of transit international cruise calls</u>**.*	
	Tourism Malaysia	*Cruise tourism needs coastal areas. **<u>We are blessed that Malaysia is surrounded by the sea</u>**.* *we have **<u>aggressively embarked on cruise tourism</u>**.*	• Location wise • Effort to cruise tourism development
Perception of government support	**Penang Global Tourism**	*We as the state government, **<u>we set up a committee</u>**, a cruise committee which comprises our ExCo of Tourism, the port, police, and relevant parties. We have meetings regularly, so if there is an issue, **<u>we will work on it together</u>**.* ***<u>…so we will work together with Tourism Malaysia and also the cruise liner to promote on the destinations</u>**, because for the cruise you cannot be going there alone because it involves different countries….* *and **<u>we will work together with travel agencies</u>** that is majoring in selling cruises so we will help them to do more exposure promotion.* *So, **<u>we will work with the agencies</u>** like probably the bigger one like wholesaler.* *We do **<u>welcome reception</u>** as well for big cruises more than 2000 passengers.* *As well as we even did **<u>fruit corner</u>** so they can taste some durian and taste some food before they actually go out. **<u>This is</u>***	• Integrative collaboration • Welcome reception • Fruit corner • E-coupon and voucher • Brochure • Map tour for cruise passengers

		how we show our support to the cruises and to welcome the passengers*.* *We have implemented this* ***e-coupon*** *since I think early this year.* *We agreed that for cruise passengers that do not have access to the internet, to cope with that we will not only* ***provide the vouchers but also brochure listings with the address of places****.* *if* ***online coupon*** *then it's for everyone but because to entitled this you need to print the coupon.* ***This (map)*** *one is the example that we* ***specifically design for the cruise passengers***	
	Penang Port	*we* ***work hand in hand with the Malaysian government.*** *If there is any conference & exhibition, we will* ***co-operate*** *with the PGT, Tourism Malaysia and the PPC (Suruhanjaya Pelabuhan Pulau Pinang) who is the owner of terminals.* *… so the Malaysian government came up with a* ***special 24-hour pass*** *within a 20km radius from the port. This rule has helped the industry as it is* ***helping to ease the flow of passengers****.* *Under PGT (Penang Global Tourism), they will hold* ***welcoming receptions*** *where there will be some events.*	• Integrative collaboration • 24-hour pass for cruise passengers • Welcoming reception
	Tourism Malaysia	*we* ***don't sell only Malaysia****, but sometimes under the spirit of Asia, we also sell a package tour to three destinations of different countries*	• Integrative collaboration