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"Destination Sabah" (Malaysia) : The public and private stakeholders' perspectives on branding

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"DESTINATION SABAH" (MALAYSIA): THE PUBLIC AND PRIVATE STAKEHOLDERS' PERSPECTIVES ON BRANDING

This thesis is presented in partial fulfilment of the award of an Honours Degree

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ABSTRACT

The development of a destination brand for Sabah has been dominated by numerous reports that emphasise the need to develop global awareness of Sabah, but the objectives set to achieve this goal are often idealistic in nature and offer no real solution to problems identified. The challenge, here, is to unify key messages into a consistent, clear and realistic brand and to ensure content in promotional tools accentuates the activities, experiences and key benefits of visiting “Destination Sabah”. This study will begin to address these challenges by undertaking the processes that underpin destination branding through comparison to a relational network devised by Hankinson (2004).

The public and private sector agencies inform this study, and were chosen because they significantly influence both the political and economic environments of the destination; they also have a large impact on the tourism industry at the global, national and local level. This study focuses on the public and private sectors’ as stakeholders of the tourism industry, and as part of a relational network.

To inform this study, information of a qualitative nature was considered the most appropriate for understanding the “consumer relationships” identified by Hankinson. In consideration of the need to build on an initial idea, and effectively gather information and opinions on building a strong destination brand, an inductive approach and exploratory research design was used to uncover the purpose of this study (Jennings, 2001).

The results, which are study specific, of interviews conducted with 37 public and private sector representatives’ of Sabah’s tourism industry, emphasised the alignment and misalignment in perceptions conveyed. This led to a range of opinions on how to best brand the tourism product, and gave insight into the challenges faced by key stakeholders in their effort to create a unified branding vision for “Destination Sabah”.

Overall, there is a good understanding of branding theory in Sabah, however, branding is poorly applied in practice. There is no clear future brand and, at the same time, considerable potential for breaking brand promise and causing customer dissatisfaction.
The gaps identified between an ideal branding scenario (Hankinson’s model) and “Destination Sabah” specifically were; conflict in identifying a preferred target market (Ecotourism versus Nature-based tourism), lack of integrated destination management (pollution and development in conflict with a Nature-based product), lack of community involvement and controlling, rather than, an involving style of management from the top.

It is recommended that “Destination Sabah” re-assess its direction against its tourism resources, to identify those assets which appeal to clearly defined, well researched, target markets. Furthermore, that key tourism industry stakeholders should help develop and nurture community tourism education in order to achieve a sustainable tourism industry. All stakeholder meetings should be adequately facilitated to manage responsibility and ensure that each stakeholder group is represented. Finally, “Destination Sabah” has to be well-managed (not controlled) and all efforts must be tied in with professional marketing expertise based on extensive market research.
DECLARATION

I certify that this thesis does not, to the best of my knowledge and belief:

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CHAPTER ONE
INTRODUCTION

1.1 Background to the Study

Destination branding is a marketing tool used to build a destination’s identity and differentiate it from other tourism destinations so that it will, ideally, be chosen by potential tourists (Hanlan & Kelly, 2005; Cai, 2002; Morgan, Pritchard & Piggott, 2002). The branding of destinations is a recent phenomenon, despite an upsurge in academic writing on this topic in the last ten years; the concept is still misunderstood by practitioners (Blain, Levy & Ritchie, 2005). Destination Marketing Organisations (DMOs), which often hold jurisdiction over a destination and frequently take the form of a visitor bureau or tourism board, have aptly or sometimes narrowly applied the characteristics of destination branding, depending on their understanding (Blain, et al. 2005). In many respects this presents an untapped opportunity because building a compelling destination brand is challenging, but with a clearer understanding of practitioner’s perspectives on branding and, some destination branding education, there is an opportunity for destinations to rise from obscurity into celebrity (Morgan, Pritchard & Pride, 2004).

As destination branding has grown into an inherent component of today’s global tourism industry, the expertise of its designers has become a key issue. Given that destination branding is not yet a fully grasped subject; DMOs who have roughly applied the fundamentals of destination branding to their respective localities have done so with minimal consideration of local stakeholders’. The opinions and perceptions of local stakeholders’ are critical to effective destination branding (Blain, Levy & Ritchie, 2005). As destination marketing is increasingly competitive, the need to balance the sustainability of local resources and stakeholders’ visions become more critical (Buhalis, 2000). Coordinated stakeholder relationships, including linkage between relevant public and private entities, should act as a catalyst for effective delivery of the branded message that differentiates the destinations tourism assets (Buhalis, 2000).
An increase in holiday choices has required that destinations promote their competitive advantages to differentiate themselves and become more attractive (Konecnik, 2004). Specifically, smaller destinations have had to outsmart the competition rather than outspend them (Anholt, 1999). This is particularly important for developing countries that rely on the tourism dollar to support their population’s wellbeing. Strategic branding is key to this and requires research to realise stakeholders’ visions and establish the future unified direction for competitive destination marketing and management (Buhalis, 2000).

This said, destinations have often been poorly managed, leading to underdeveloped branding identities in the global tourism context (Morgan, Pritchard & Piggott, 2002). Such poor marketing strategies have often lacked community support and failed to avoid public and private sector conflicts (Prideaux & Cooper, 2002). Withdrawal of just one key stakeholder from a tourism industry can mean the eventual demise of that local industry (Sheehan & Ritchie, 2005); this highlights the need for coordination and integration in tourism destination branding.

Many studies have recognised the need for destination branding to act as a catalyst for coordinating and integrating management of destinations’ compelling attractions (Go & Govers, 2000; Uysal, Chen & Williams, 2000), minimising substitutability (Blain, Levy & Ritchie, 2005; Morgan, Pritchard & Piggott, 2002), uniquely positioning a destination (Morgan, et al. 2002), recognising potential demand (Buhalis, 2000), and learning about tourist motivation (Buhalis, 2000). Uysal, Chen and Williams (2000) also identified an opportunity to integrate supporting infrastructure and tourism related products through cross marketing initiatives that recognise the need to adapt experiences, products and services to fit in with the target market.

In order to understand these complexities of destination branding, it is important to examine branding in a real world scenario; therefore Sabah’s tourism industry has been selected to illustrate the challenges of branding a destination. The perceptions of key public and private stakeholders will be taken into consideration because, as indicated earlier, the stakeholder relationship with strategic branding of destinations can create the competitive advantage.

Justine Nagorski

“Destination Sabah” (Malaysia)
1.2 Sabah Study Site

The island of Borneo includes Malaysia (Sabah and Sarawak), Bandar Seri Begawan (Brunei) as a sovereign country and Indonesia. Sabah is the second largest state of Malaysia (73,620 Km2) and occupies the northern half of the island of Borneo (see figure 1.1) (Lian & Leen, 2001).

Prior to the 1970s, tourism was not seen as an important economic contributor in Malaysia, and tourism was treated as low priority. As other destinations' around Malaysia capitalised on tourism, investments into Malaysian tourism related infrastructure grew (Department of Wildlife and National Park Malaysia, n.d.). Similarly, Sabah’s tourism development is growing as the state government recognises tourism’s ability to diversify the states economy and support government economic initiatives. Sabah’s economy, until recently, was heavily dependent on forestry and logging. As the repercussions of this surface (erosion of natural area resources), the government is shifting to favour tourism related services as a “green” option but also because of the current undeveloped potential of Sabah as a tourist destination (Lian & Leen, 2001).

Up until 1986, tourism in Sabah was small-scale and based on visitors attracted to its undisturbed and protected areas. Including, Mount Kinabalu the highest mountain in South East Asia, Tunku Abdul Rahman Park, and Sepilok Orang-utan Rehabilitation Centre (Lian & Leen, 2001). Now, Sabah is considered one of the best nature tourism sites in Malaysia due to its biodiversity and numerous endemic species (Lian & Leen, 2001; Daud, 2000; Department of Wildlife and National Park Malaysia, n.d.).

Sabah has rapidly increased its tourism services to meet with predicted demand, with the number of hotel rooms rising from 975 to 4,000 between the years 1995 and 2000 (Lian & Leen, 2001). Sabah tourism has been resilient as it recovered from the economic downturn experienced due to SARS and political unrest globally. For example, tourist arrivals reached two million in 2006, a 14.4 per cent increase over arrivals in 2005. Generating a tourism receipt of RM 2.875 billion (Sabah Tourism
This said, Sabah has a comparatively small share of the Malaysian tourism market compared to Peninsula Malaysia (Lian & Leen, 2001).

The main purpose for visiting Sabah, highlighted in the “Tourists Requirements and Satisfaction Survey 2005”, was for a holiday. The majority of arrivals are Nature-based attraction seekers (44.63 per cent), with Ecotourism equivalent to 15.59 per cent. Most of the visitors are from Asia (50.15 per cent), Europe (34.93 per cent), North America (9.04 per cent), Oceania (5.44 per cent) and Africa (0.22 per cent) (Universiti Malaysia Sabah, 2006). Distance decay is a feature here, with the number of visitors declining as distance from Sabah increases. A majority of tourists are first time visitors (69.34 per cent), are aged between 18 to 29 (35 per cent), and stay for 1 to 5 days (43.8 per cent) (Universiti Malaysia Sabah, 2006).

Given that tourists visit Sabah for its natural attractions, the Sabah Tourism Masterplan 1996, highlighted the need to develop tourism in Sabah around its natural areas in “Kota Kinabalu, Kinabalu Park, Northern Circuits, West Coast Circuits, Sandakan and Kinabatangan Region, Lahad Datu Region and Tawau/Semporna Region” (Lian & Leen, 2001, p.26). Specifically, the Mount Kinabalu region as a core attraction not only for Sabah but the whole of Asia. With Sabah’s diverse attractions including, 200 species of mammals, 500 species of birds, the Orang Utan, the Rafflesia (parasitic flowering plants), rare Orchids and the Pitcher plant, it makes sense that Sabah use these competitive advantages to promote itself as a world class Nature-based tourism destination. Also, the plan reviewed the need for better positioning and branding of Sabah within the global tourism industry.

As a result of this review, many plans were conceived, namely “Sabah Malaysian Borneo untamed from top to bottom”, the “Tourists Requirements and Satisfaction Survey 2005”, and various Sabah Tourism Board committee meetings outlined the need for comparative analysis, a proposal to source visitors, and reports on how to develop a multitude of niche markets. All of these reports address the problems faced by Sabah’s tourism industry, yet none offer a well supported, strategic solution, to the problems they identified.
Figure 1.1: Map of Sabah, North Borneo, Malaysia
Currently branding efforts build Sabah as the “tourism centre of ASEAN”, the reason being that geographically it is located at the heart of the Association of Southeast Asian Nations (ASEAN) (Lian & Leen, 2001). To coordinate these efforts the Malaysian government has doubled its tourism allocation money, from RM5.36 million to RM11.1 million, with contributions expected to grow in the future (Lian & Leen, 2001). Additionally Sabah has moved it’s positioning from a “value for money” destination into a “nature adventure” positioning strategy (Lian & Leen, 2001).

In 2001, Sabah Tourism Promotion Corporation focused on promoting Sabah as the “Malaysian Borneo Premier Nature Adventure Holiday Destination”. Sabah was also promoted as a destination for “nature-sports” enthusiasts, and for the Meetings, Incentives, Courses and Exhibitions (M.I.C.E) market (Lian & Leen, 2001). These positioning strategies evoked ten different branding images for Sabah, mainly concentrating on the M.I.C.E market, snorkelling, golfing, nature, wildlife and culture (Lian & Leen, 2001). Regardless of these ideas, today Sabah is promoted as “Sabah - Malaysian Borneo” along with the slogan “Eco Treasures from Mountain High to Ocean Deep”, which focuses on its Malaysian identity and “eco” rather than “nature-based” tourism.

1.3 Significance of the Study

Research into destination branding has determined several key characteristics. Including destination branding as a perceptual identity (Echtner & Ritchie cited in Blain, Levy & Ritchie, 2005, p.330), a communicator (Gnoth, 2002; Kotler & Gertner, 2002), a relationship builder (Sirgy & Su, 2000), and value enhancer (Westwood cited in Hankinson, 2004, p.114). Despite the different approaches taken to explain destination branding, empirical studies are still required to further test the theory and determine the issues in order to resolve the problems associated with the real world complexities.

The identification of stakeholders’ and internal factors that can influence the branding of destinations’, in particular, has been overlooked. Several approaches to the management of these stakeholders have been argued, with research also focusing on the
balance of power between stakeholders, and making plans in the context of the tourism system (Sheehan & Ritchie, 2005; Morgan, Pritchard & Pride, 2004; Cai, 2002; Gunn, 2002; Jamal & Getz, 1995). Nevertheless, the perspectives of stakeholders in destination branding have largely been ignored in the tourism literature.

In the case of Sabah’s tourism industry, research has been dominated by numerous reports on different aspects of the industry; they are for the most part too vague to provide information of significance. Most reports emphasise the need to develop Sabah’s global awareness, but, the objectives set to achieve this goal are often idealistic in nature and, again, serve no real significance or offer solutions to problems identified. The challenge is to unify key messages into a consistent, clear and realistic brand, and to ensure content in promotional tools accentuates the activities, experiences and key benefits of visiting the region.

Therefore, despite the research carried out by Sabah Tourism Board, the Universiti of Malaysia (Sabah), and various non-governmental organisations on the planning and development of Sabah tourism, there is a noticeable lack of research specifically addressing the public and private sectors’ contribution as key stakeholders. While public and private sector agencies significantly influence both the political and economic environments of a destination, they also have a large impact on the tourism industry at the global, national and local level. The public and private stakeholders understanding of, and commitment to, a destination brand can make it or break it.

This study will therefore identify the perceptions of public and private stakeholders so that they can be incorporated effectively into planning, development and management of destination branding. As stakeholder perspectives are the foundations for a strong brand, this study should contribute to best practice branding for “Destination Sabah”. Furthermore, it will enhance knowledge of the “relational network” for Sabah’s tourism industry, and may provide a model for other tourism destinations. This study will identify the understanding of branding, future visions and impediments identified by the public and private stakeholders, and will answer the question: “What are the perceptions of the public and private tourism stakeholders on branding ‘Destination Sabah’?”

Justine Nagorski  “Destination Sabah” (Malaysia)
While there is a wide range of literature on branding, and its application to goods and services, this literature review is limited to a destination branding context. Consequently, the literature is discussed under several headings which are: The fundamentals of destination branding; destination brand building; and the role of the destination in destination branding. Additionally, a summary of the literature is discussed to highlight significant aspects and gaps.

2.1 The Fundamentals of Destination Branding

A brand is the creation of an organisational identity that, for the most part exists, in the minds of the consumer and assists them to make purchase decisions. The idea of branding evolved out of the industrial revolution, when manufacturers used the branding concept to differentiate products (Slater cited in Morgan, Pritchard & Pride, 2004, p. 226). This activity labelled branding as an identifier, where the consumer received promise of quality and value through purchase. Brands have now been infused into everyday life, from charities to government, in an attempt to distinctively differentiate from competitors (Slater cited in Morgan, et al. 2004, p.226).

Certain values encompassed within the brand should reflect an organisation’s true value. In turn, this builds shareholder value, that is, rapport with customers (Nandan, 2005). Measurement of successful brand application can be achieved through the analysis of an organisation’s sustained competitive advantage over time. According to Nandan (2005), this is the consumer’s acceptance and consumption of an organisation’s brand/product, even in times of significant adversity and competition. Brand building, although difficult, is now considered a key to successful product marketing (Slater cited in Morgan, Pritchard & Pride, 2004, p. 227). Today, it is considered that all products, services and even people are capable of becoming a brand that sells (Clifton & Maughan cited in Morgan, et al. 2004, p.227).
The application of branding to destinations is, comparatively, a recent phenomenon that has been narrowly defined and documented in the academic literature (Blain, Levy & Ritchie, 2005). This said, today in the tourism industry, branding is regarded as a potentially powerful marketing tool. It is considered to be the glue that holds all tourism marketing functions together because it potentially provides competitive advantage to those destinations faced by constant product parity, competition and substitutability (Hanlan & Kelly, 2005; Cai, 2002; Morgan, Pritchard & Piggott, 2002).

Groundbreakers in academic study in this field include Blain, Levy and Ritchie (2005), who have looked at destination branding from both a theoretical and empirical perspective through insight into the views of leading academics and practitioners. Blain, Levy and Ritchie’s (2005) investigation into the conceptual and theoretical formulation of destination branding resulted in the following definition:

"Destination branding is the set of marketing activities that (1) support the creation of a name, symbol, logo, word mark or other graphic that readily identifies and differentiates a destination; that (2) consistently convey the expectation of a memorable travel experience that is uniquely associated with the destination; that (3) serve to consolidate and reinforce the emotional connection between the visitor and the destination; and that (4) reduce consumer search costs and perceived risk. Collectively, these activities serve to create a destination image that positively influences consumer destination choice" (p. 337).

This definition, in part was based on Hankinson who, in 2004, developed a conceptual framework which directly relates to destination branding (Blain, Levy & Ritchie, 2005). This framework focuses on brands as relational networks in which destination branding executes four fundamental functions (see figure 2.1) including brands as: 1) communicators, 2) perceptual identities, 3) value enhancers, and 4) relationships.
In summary, this framework incorporates three elements: 1) classical branding theory, which focuses on the concept of the product brand; 2) relational exchange paradigm, where value is created through intrinsic and complex relationships with a variety of organisations; and 3) network paradigm, where the brand is regarded as a relationship approach through use of network marketing. These three elements in the past have been looked at individually, upon which theories on destination branding have been developed but, here, it is believed that these three elements are not separate from each other, instead they are integrated and intrinsically linked (Hankinson, 2004).

In Hankinson’s model, there are four types of brand relationships being, consumer relationships, primary service relationships, brand infrastructure relationships, and media relationships (Blain, Levy & Ritchie, 2005). These relationships are fluid as brand relationships are achieved and extended through interaction between the network
of key stakeholders (Hankinson, 2004). Initially, “consumer relationships” takes into consideration host communities, local organisations and prospective tourists; the relationship that exists here is deemed as the ultimate objective, without appropriate consideration unresolvable conflict potentially emerges. Secondly, “primary service relationships” are developed with the stakeholders who service the brand (hoteliers, and retailers), to negate this relationship means the eventual erosion of the core brand over-time or more vexing, lack of establishment in the first place. Thirdly, “brand infrastructure relationships”, which comprises of access, facilities and brandscape (built environment), has the ability to impinge upon visitor experiences, and will be improved or worsened by the aesthetical appeal of the destinations built environment. Finally, “media relationships” where a consistent identity of a destinations place attributes has to be promoted to be in full support of a successful brand.

It is proposed that this holistic approach towards destination branding become the basis for this study and Hankinson’s model will be presented, in an adapted form, as this study’s conceptual framework (see the methodology chapter 3, section 3.2).

2.2 Destination Brand Building

The creation of a successful brand requires the destination to see themselves as others do and to accept that, this is more important than how a destination sees itself (Anholt cited in Morgan, Plitchard & Pride, 2004, p.31). It also requires confidence, creativity, flair and objectivity, especially if the goal is to become a well known established destination (Anholt cited in Morgan, et al. 2004, p.31). Therefore the achievement of a successful destination brand is complex as, destinations already possess their unique assets and resources but, at times, these attributes can be hazy, dependent on certain situations, poorly managed, or hold no real significance for the prospective tourist (Gnoth, 2002). To decide what attributes best accentuate a destination is a complex task, and therefore the tourism asset should act as a catalyst for, creating personality, image construction, positioning, identity, differentiation, and overall brand building (Prentice, 2004).
The identification of a core brand requires an assessment of what is realistic, competitive and most compelling about the destination (Anholt cited in Clifton & Simmons, 2004, p.213). This vision then needs to be adhered to and strategically communicated. Although this is considered a highly complex task, a destination has to establish the core values of its tourism asset, these must be “durable, relevant, communicable and hold saliency for potential tourists” (Morgan, Pritchard & Piggott, 2002, p.344). This activity should also take into consideration how important the destinations assets are to the tourist, and how they stack up against competition. From this a brand personality can be extracted. This being critical for success, as personality has to interact with the prospective tourist in a way that provides emotional relationships and ties in with the actual experiences available (Morgan, Pritchard & Pride, 2004). The brand pyramid (see figure 2.2) helps a destination to determine the tourists’ needs and wants and how these are benefited by the destinations experiences; this in turn captures the spirit of the brand (Morgan, et al. 2004, p. 71).

![Brand Pyramid](image)

Figure 2.2: Brand Pyramid
Source: (Morgan, Pritchard & Pride, 2004, p.71)
To understand these destination branding characteristics, as is required for this study, the definition provided by Blain, Levy and Ritchie (2005) (see literature review, page 9), as well as, Hankinson’s (2004) “Relational Network Brand” model will inform the initial section of the literature review, where destination branding entails the formation of: A) destination identity through differentiated attributes; B) destination image; C) exceeding brand expectations through brand reality; D) personality; E) positioning; F) values and quality; G) identifying the uniqueness of a destination’s tourism resources; and H) an emotional connection. All these elements which create a destinations intended message should be strategically delivered (Morgan, Pritchard & Piggott, 2002); also as these elements are intrinsically linked, the absence of one affects the performance of the other, this will be explained in the following sections.

A) Destination identity through differentiated attributes

A destination’s brand identity is the stakeholders’ beliefs, that is, the stakeholders’ perceptions of the tourism destinations products core strengths and appeal (Hankinson, 2004). A destination’s identity relates to destination branding as, the local destination identity must have potential to attract tourists and influence traveller destination choice (Hanlan & Kelly, 2005; Rezende-Parker, Morrison & Ismail, 2003; Morgan, Pritchard & Pride, 2004; Crockett & Wood, 1999). As the number of tourism destinations increases, the need for destinations with a unique identity becomes critical as, identity should be the building blocks for differentiating a destination from places with apparently similar tourism resources i.e. beaches.

B) Destination image

Hankinson (2004) stated that the image of a destination can be defined as the tourist’s perceived perceptions of place, meaning the tourist’s understanding of the experiences and activities available at a destination. Image is: 1) the sum of “beliefs, ideas and impressions”; 2) attitudinal components (cognitive); or 3) visual and mental impressions (Rezende-Parker, Morrison & Ismail, 2003). The desired brand image must be “believable, simple, appealing and distinctive” and accentuate the actual strengths and opportunities of a destination (Kotler & Gertner, 2002, p. 254). The importance of destination image is that, as holiday pricing becomes comparable, image has been seen
to influence visitor destination choice (Blain, Levy & Ritchie, 2005; O'Leary & Deegan, 2003).

To achieve the development of a significant brand image requires an understanding of the strengths, weaknesses, opportunities and threats that a destination possesses. This refers to the assets and drawbacks of the destination, for example, security and size of the domestic market, which contribute to a destination's ability to compete with other locations (Kotler & Gertner, 2002). Once the external and internal environment has been assessed, a desirable brand image that mimics reality can be created.

The image can be developed through positive image building, which should establish a relationship between the destination's brand and the prospective tourist through perceived potential benefits of travel to the destination (Park & Petrick, 2006; Morgan, Pritchard & Piggott, 2002). Also, the development of a creative image can include slogans or symbols, for example, Spain’s “Everything Under the Sun”, Red Square in Moscow or Big Ben in London (Kotler & Gertner, 2002, p.254). Events are also used to promote a country's image, for example, the Wimbledon Tennis Tournament in England (Kotler & Gertner, 2002). These examples are significant pull factors for these destinations because they are the attractions that tourists seek, and can inspire people to visit and revisit (Morgan, Pritchard & Piggott, 2003). Pull, and push factors are considered to be the true and strong elements of a destination, and the motivational factors upon which tourists choose destinations. Pull, referring to seeking motives, where a tourist seeks out personal and interpersonal benefits, and push, referring to escaping motives, where a tourist escapes from personal environments (Mason, 2004).

C) Exceeding brand expectations through brand reality

It has become a growing trend in destination marketing to segment the population according to what attractions, regions, seasons, customer characteristics and benefits they seek (Kotler & Gertner, 2002). Therefore a destination has to specify realistically what they possess, what they want to market and identify the target market to be promoted to.
Depending on what image is to be communicated, the destination must ensure a similarity between the marketed image and the actual destinations experience (Day, Skidmore & Koller, 2002; O'Leary & Deegan, 2003; Konecnik, 2004). Therefore, the consumption of the brand should result in purchase of the tourism product, the tourism experience and tourist satisfaction being achieved through fulfilment of the branded promise. Although promise is not always a guarantee, it still communicates an idea of experience and comfort (Blain, Levy & Ritchie, 2005). Brand promise is important because of the tourists' ability to impact on the image building process via word-of-mouth (Hanlan & Kelly, 2005). Positive word-of-mouth reinforces the brand and negative word-of-mouth undermines it, where happy customers become positive endorsements for a destination (Hanlan & Kelly, 2005; Morgan, Pritchard & Piggott, 2002).

The relationship between brand promise and a destination's actual performance is vital to tourism (Foley & Fahy, 2004). A destination that possesses and invigorating and tempting experience must also sell that experience with truth (Anholt cited in Clifton & Simmons, 2004, p.213). Ironically, consistency relating to brand image is often out of the control of DMOs, as they do not provide the product and therefore have limited management over service quality, delivery and product development (Hanlan & Kelly, 2005; Day, Skidmore & Koller, 2002). Schreuer (2000) suggested that marketing creates expectation, and that the destinations operations deliver on that promise, operation referring to all aspects of the holiday experience. Accentuating the positive and minimising the negative, therefore is not a realistic notion for brand image delivering on branded promise (Burmann & Zeplin, 2005; Morgan, Pritchard & Piggott, 2002).

D) Personality

The brand personality has been defined as "the set of human characteristics associated with a given brand" (Crockett & Wood, 1999, p.278). This being significant, as it suggests that brands can be symbolic because the tourist permeates the brand with human personality characteristics (Crockett & Wood, 1999; Aaker, 1997). Of all the
brands worldwide, the constant successful element is that they possess a clear personality (Crockett & Wood, 1999).

**E) Positioning**

The positioning of a destinations brand, as suggested by Kotler (cited in Crockett & Wood, 1999, p.278) must satisfy three characteristics: 1) the identification of a competitive advantage, 2) selection of the right competitive advantage, and 3) effectively communicating the chosen competitive position to the target market. As destination marketing evolves into a powerful marketing tool, adopted by many destinations globally, it becomes an extremely competitive environment in which to exist (Buhalis, 2000). The challenge of destination branding is to coordinate and integrate management of a destination's central and compelling attractions to pull in tourists (Go & Govers, 2000; Uysal, Chen & Williams, 2000). Ideally all tourism related products and services, (such as transport, resorts and hotels, and information), should be connected and work in symbiosis to make the tourists experience of a new environment simple. This could include cross-marketing of tourism products in an attempt to create alliances within a destination, which potentially leads to a stronger management and marketing ethic (Uysal, et al. 2000). It is about collaboration rather than competition within the destination in order to overcome external competition.

The competitive notion that exists between destinations has come at a time where tourism arrivals are significant, and this could translate into the assumption that such vast figures would provide enough demand for each destination (Faulkner, Oppermann & Fredline, 1999). However, coinciding with the growth in tourist traffic, destination supply is also increasing, and therefore more destinations are opting for tourism development as a component of economic prosperity (Faulkner, et al. 1999). With holiday choice increasing, it is a necessity that destinations adopt a competitive position to differentiate themselves.
F) **Values and quality**

The way a destination is positioned, at least in the minds of the consumer, can reduce risk and enhance ideas of quality and value ideally leading to purchase (Hankinson, 2004). Quality refers to the tourists' perception of the level of service quality experienced during the holiday. Carlzon (cited in Murphy, Pritchard & Smith, 2000, p.45) described this scenario as “the million moments of truth”, where each encounter informs the overall quality of the holiday.

Value is also important in positioning the destination to consumers; it is usually attributed to comparative pricing, loyalty, awareness and distribution (Hankinson, 2004). These elements are usually evaluated cognitively, where tourists' perceptions are drawn from personal benefits, for example, time invested in the holiday experience (Murphy, Pritchard & Smith, 2000). However, value by definition becomes complex as many different theories have been developed to explain why consumers make the choices they do. The main theory, identified by Sheth, Newman and Gross (1991) suggests five “consumption values” influencing consumer choice: 1) functional value, for example, the price of a holiday; 2) social value, where a particular destination is chosen for its social appeal; 3) emotional value, where a tourist chooses a destination because that is where their family heritage lies; 4) epistemic value, choosing an unusual type of holiday compared to the norm; and 5) conditional value, choosing to go to a museum only because of being in the vicinity. Within any given scenario a tourists choice may be driven by completely different consumption values, categorising value into five components helps to improve marketing efficiency (Sheth, *et al.* 1991).

Once core values and the essence of the brand are established, they must remain a consistent component of brand identity to ensure unified communication. From this the overall vision of the core brand can be extracted, which also should be reinforced consistently in all media that contributes to brand presence (Morgan, Pritchard & Pride, 2004).

The core values as stated must remain constant, but positioning statements can change depending on the target market. For example, Singapore Airlines promotional strategies
change but the core message of professional and exotic experiences remain constant (Morgan, Pritchard & Pride, 2004). This activity grounds the brand in strength, where competitive airlines that opt to simulate the same message would find it difficult to achieve the same level of success.

G) Identifying the uniqueness of a destination’s tourism resources

A tourism destination’s ability to create a unique selling proposition is critical to the survival of the destination and its positioning globally (Morgan, Pritchard & Pride, 2004). Ideally a unique tourism asset acts as a catalyst for achieving lifetime value, relationship building (service quality experiences), emotional connection and familiarity, ultimately leading to repeat custom (Prentice, 2004). When achieving a unique selling proposition, branding has to be considered a major tool because ‘product’ features can be mimicked by the competition (Kotler & Gertner, 2002). As distinctive or unique destinations become commonly desired by tourists as they seek diverse experiences, homogeneity can become a dire factor in brand building (Andsager & Drzewiecka, 2002). For this reason a combination of “brand name” and “brand significance” has become a competitive asset in destination marketing (Kotler & Gertner, 2002, p.249). Morgan, Pritchard and Piggott (2003) suggested a destination’s reputation is not made in a vacuum; therefore all destinations must consider how they shape up against competition.

As a result, positioning the destination requires a brand to occupy a unique niche within the marketplace, where no other brand can simulate its competitive advantage. A brand that can minimise competitiveness, or substitutability, by claiming that the destination’s attributes match the target markets needs more so than other destinations, is considered successful (Blain, Levy & Ritchie, 2005; Morgan, Pritchard & Piggott, 2002). To minimise competitiveness, and uniquely position a destination, a brand must represent a destination’s product offering, and added values experienced upon consumption of the product/experience (Morgan, et al. 2002).

In today’s competitive environment, most destinations possess luxurious resorts, superlative attractions, and claim to hold a unique competitive advantage. These claims
extend to having the friendliest people, prestigious service quality, and supporting infrastructure, but these services and facilities are no longer considered attributes of uniqueness or differentiation (Morgan, Pritchard & Piggott, 2002). When a tourist seeks a holiday in the sun, they are now presented with many alternatives, where approximately 200 other countries compete for this type of tourist dollar. For this reason, a unique identity is now a characteristic of significant importance, and the basis for survival (Morgan, et al. 2002). Where pristine beaches and comparative pricing are no longer perceived as competitive communicators, or means to position a destination, instead the emotional attachment a tourists has to the destination. From this a brand image can be created, with the image remaining true to the personality perceived by prospective tourists.

**H) An emotional connection**

The creation of an emotional link with tourists is synonymous with successful destination branding (Park & Petrick, 2006). The emotional appeal of a brand has become a topic of considerable importance, (Westwood, Morgan, Pritchard & Ineson, 1999) as a brand has a personality with the ability to form a relationship with prospective tourists. The relationship is formed through the tourist’s own self-image or the brand fitting in with certain physical, psychological and functional needs (Hankinson, 2004). Therefore, a brand needs to instil a sense of social and emotional appeal in the visitor (Morgan, Pritchard & Pride, 2004), where it has been argued that brands should have “personalities and enhance the perceived utility, desirability and quality of a product” (Morgan, et al. 2004, p.60). This is necessary because when tourists choose a holiday destination, they are making a lifestyle statement because they are buying into an emotional relationship (Urdde and Sheth et al. cited in Morgan, et al. 2004, p.60). Emotional appeal can be measured by how credible, deliverable, differentiating and resonating the experience is for the tourist (Morgan, et al. 2004).

Consumers over their lifetime come to trust certain brands, and in many instances remain loyal, and use this to make their selections. These selections communicate a lifestyle, where the choice of holiday expresses a tourist’s emotions, roles and personalities, which hold the key to developing a strong destination brand that holds a
unique association for the prospective tourist (Morgan, Pritchard & Piggott, 2002). Brands that appeal to functional elements are losing out to brands which concentrate on emotional benefits, which constitute involvement and loyalty (Westwood, Morgan, Pritchard & Ineson, 1999). Particularly because destinations are regarded as more than a place to experience a holiday, they are now style and status indicators, the World Tourism Organisation (cited in Morgan, et al. 2002) suggested that:

"The next century will mark the emergence of tourism destinations as a fashion accessory. The choice of holiday destination will help define the identity of the traveller and, in an increasingly homogenous world, set him apart from the hordes of other tourists" (p. 338)

Prosser (cited in Mason, 2004, p.14) asserts that, more than ever, destination branding will influence destination choice, as tourism becomes a “fashion industry”. Meaning the demand for a destination will be based on destination status, image and the emotion evoked, instead of the tangible benefits such as, beaches and islands. People will use their holidays to communicate messages about themselves to friends, family, work-colleagues and acquaintances (Morgan, Pritchard & Piggott, 2002) as, destinations are becoming part of a persons extended self. Emotion tied with a memorable unique experience can entice the discerning tourist (Morgan, et al. 2002).

It is necessary to take tourism assets and deliver a point of differentiation or a unique memory for the tourist, and establish how a destination possesses unique characteristics over that of a competing destination. It is essential to determine the celebrity status, that is the “wish you were here appeal” or conversational value of a destination (Morgan, Pritchard & Piggott, 2002). Successful brands are those which possess emotional appeal, high conversational value and celebrity status, meaning they evoke strong pulling factors and entice the tourist to spend their hard earned discretionary income at the destination (Morgan, Pritchard & Pride, 2004; Morgan, Pritchard & Piggott, 2002).

Conversely, a destination has to realistically identify if it has no appeal and therefore no conversational value, which means the absence of pull factors for tourists. This means a
battle for destination marketers to build emotional appeal to turn them into places of celebrity and conversational value (Morgan, Pritchard & Piggott, 2003).

2.3 The Role of the Destination in Destination Branding

As the marketing of destinations becomes competitive, the need to balance the sustainability of local resources with local stakeholder views must be realised (Buhalis, 2000). This activity aids in coordinating delivery, differentiating the destinations tourism assets and developing a sound relationship between those members from the public and private sectors (Buhalis, 2000).

The host community and tourism stakeholders

Destinations face a challenge; as they are made up of many stakeholders (Morgan, Pritchard & Piggott, 2002). Moreover, destinations are often poorly managed and possess underdeveloped branding identities in the global tourism context (Morgan, et al. 2002). Branding a tourism destination becomes inherently complex when the marketing strategy is poor, there is weak community support (due to lack of benefits received or lack of education) and the roles of public and private stakeholders conflict (Prideaux & Cooper, 2002; Williams & Lawson, 2001). Therefore, relationships that exist between brand managers, government authorities and local communities are of great importance to successful branding, as the withdrawal of one stakeholder from a tourism industry, can mean the eventual demise of the industry as a whole (Sheehan & Ritchie, 2005).

A destination is made up of operators who produce the supply of services and goods, governments, industry affiliates, residents and tourists (Page & Connell, 2006). Due to the variety of stakeholders’, satisfying expectation and achieving ideal images for place becomes a complex challenge (Page & Connell, 2006; Kotler, Bowen & Makens, 1999). Especially because each tourism product is not owned by an individual but an assortment of people, all with their own personal and professional interests (Buhalis, 2000). This said, the “go-it-alone” ideals of many parts of the tourism industry are
giving way to cooperation between stakeholder groups in tourism development (Jamal & Getz, 1995; Hall, 1999).

The cooperation of residents should be considered fundamental to destination branding; this is different from traditional branding strategies as destinations have communities to consider. Communities are made up of residents with "assets and resources" that contribute to tourism development (Jamal & Getz, 1995). This can become an issue for local authorities who have to juggle the interests of the tourists with the best interests of the local residents (Jamal & Getz, 1995).

Neglecting communities in development means that residents often do not experience the potential benefits of tourism. Residents’ needs and wants should hold precedence over tourist demands, as they are there to stay (Richardson & Long cited in Andereck & Vogt, 2000, p.27-28). If this is not the case, then residents may opt to hinder future tourism development; obviously this has no benefit for tourism or the community (Simpson, 2001). Especially as the communities are the ones who bare the full brunt, whether positive or negative of tourism development, not only economically but perhaps more importantly socially and culturally (Joseph & Kavoori, 2001).

To ensure the viability of a destination, there is a need for increased resident involvement in planning processes and the development of a branding promise that achieves social benefits (Timothy, 1999). There have been many documented instances where communities have been included in tourism development, but often it was found that education of the host community and their contribution to planning processes occurs in theory, but not always in practice (Timothy, 1999). Furthermore, McIntyre, Hetherington and Inskeep (cited in Tosun, 2000, p.616) explored Zambia and Mexico as case studies, and summated that community involvement was often manipulative, passive and pseudo in nature.

It has been argued that sincere participation of communities in the planning processes can take two forms (Timothy, 1999); firstly, residents actively taking part in decision processes, and secondly enjoying the benefits of tourism. These two forms help communities and other key stakeholders work towards a unified vision because they
encourage residents to learn (awareness building), they create a sense of empowerment and help communities to economically benefit from tourism (Timothy, 1999; Victurine, 2000; Campbell, 2001; World Tourism Organisation, 2004).

In the end, to successfully market a destination requires stakeholders’ to agree on a final vision, as Morgan, Pritchard and Piggott (2003) stated:

*The final vision statement provides both a meaningful and an operational ‘dream’ for the future of their destination – one that reflects the value of destination stakeholders while not ignoring the realities and constraints of the market place* (p. 289)

Due to the often-conflicting values, the biggest problem in branding is often internal as there is confusion over what constitutes a brand, for this reason key stakeholders’ are often unwilling to get involved due to the frustration of working in unison (Morgan, *et al.* 2003).

**The physical “place” resource**

Gunn (2002) asserts that tourists seek destinations’ with beautiful scenery, pristine waters, protected fauna, undeveloped place products and aesthetical appeal. These attributes, which make up a destinations place product, are only as strong as the infrastructure and planning supporting it. Meaning, a destination bases branding strategy on its most unique attributes, these are commonly the destinations natural resources which are a central element in marketing (Gossling, 2002).

These fragile settings however have to be managed through concise planning to ensure their long term sustainability. Unfortunately for tourism, the greatest concentration of tourist traffic is mostly centralised in environmental settings that are not capable of supporting such rampant development (Weaver & Lawton, 2002). Instead, globally tourism products are being promoted for pure economic benefit and profit, with limited attention to ethics of care for nature, and environmental stressor activities, such as litter, erosion and vegetation damage, which all diminish the aesthetical appeal of a
destination (Wearing, Archer & Jackson, 2003; Gunn, 2002; Chin, Moore, Wallington & Dowling, 2000). Taken a step further, poor planning can lead to the relationships between host communities, the natural environment and tourism being in conflict (Ross & Wall, 1999).

As these impacts surface, destinations are re-thinking their economic goals in place of long-term sustainability of their tourism assets. This can be seen through the emerging importance placed on environmentally friendly tourism. This, however, is not always the answer especially in developing countries where environmentally friendly tourism is promoted with little regard for quality, minimal benefits to the local community, and poor protection of fragile ecosystems (Ross & Wall, 1999; Scheyvens, 1999). Furthermore, the absence of sustainable tourism in the development phase has arguably attributed to the depletion of natural assets over time, and therefore weakening of the tourism industry (Dwyer & Edwards, 2000).

The need for infrastructure in support of tourism is necessary, including hygiene facilities, airport and resort development. Such facilities also form part of the core brand, which offers an overall experience to the tourist. If supporting infrastructure is not at a certain level the tourists experience is lessened as brand infrastructure contributes to the servicescape (Hankinson, 2004). However, the development of such infrastructure often holds premise over the sustainable development of destinations (Dwyer & Edwards, 2000).

It has been argued that true sustainable development is unachievable but it is still necessary to consider its fundamental elements, which draw attention to the consequences of poorly managed tourism (Sharpley, 2000). The tradition in developing countries is for tourism management plans to be created but rarely enforced. Often the negative consequences of environmental impacts can be avoided if all avenues of tourism development are well planned, controlled and enforced (Gossling, 2000). Furthermore, planning and assessment of sustainable principles also contribute to adequate assessment of what tourism niche products should be encouraged at a particular destination, or alternatively forgotten all together for their inherent negative influence on the overall social and economic development at a destination (Sharpley,
It is always important to consider the physical place of the destination just as it is to consider the community in that place.

2.4 Insights from the Literature

Tourism's existence in a highly competitive and dynamic environment demands destination branding. It requires a clear brand based on reality, core benefits, personality, positioning, imagery, identity and authentic experiences (Hankinson, 2004; Crockett & Wood, 1999; O'Leary & Deegan, 2003). Destination branding has been recognised as a critical element in motivating tourists to purchase intangible products (Cai, 2002; O'Leary & Deegan, 2003). Furthermore, the successful application of branding requires extensive market research that identifies what consumers consider the true and strong elements of a destination, or simply what attracted them to the destination initially (Nickerson and Moisey, 1999; Day, Skidmore & Koller, 2002). This ideally attracts a higher spending tourist who contributes to a destinations economy, potentially resulting in a higher standard of living for residents (Park & Petrick, 2006).

From such research, decision makers or brand managers can formulate a unique positioning strategy that communicates the benefits of a destination to the diverse demographics within the target market and identifies core intangible values existing in the mind of the prospective tourist (Day, Skidmore & Koller, 2002; Hall, 1999). As a result, product positioning is important as it establishes how a product/service will satisfy a tourist's needs and wants. Positioning can also be tweaked to apply to the same product but convey different meaning (Morgan, Pritchard & Piggott, 2002).

This said, there is a noticeable grey area in the literature with destination branding only being a recent addition to the academic world; journal articles being published since the late 1990s and the first book being written in 2002 (Pike, 2005). For the most part, the literature only contains pragmatic guides existing for DMOs, therefore not taking into consideration all the possible influences of the external and internal environment (Pike, 2005). There is a need to research the successful application of destination branding in an array of different situations and settings; Sabah in Malaysia affords this opportunity.
There has been some valuable research into the roles of stakeholders' in the development of tourism locations and branding, namely, in Western Australia and New Zealand (Burmann & Zeplin, 2005; Morgan, Pritchard & Piggott, 2003; Lodge, 2002; Buhalis, 2000). However, there is minimal discussion of stakeholders in the Asian tourism context, particularly in culturally sensitive community development scenarios. As stakeholders have been identified as critical to the successful development of tourism; there is a requirement for a balance between these key stakeholders and the satisfaction of their expectations (Page & Connell, 2006; Kotler, Bowen & Makens, 1999).

The role of stakeholders in the development of destination branding according to the branding literature is to coordinate branding vision and implement with unity (Burmann & Zeplin, 2005; Morgan, Pritchard & Piggott, 2003; Lodge, 2002; Buhalis, 2000). However, gaps in the literature require further investigation into the impacts of stakeholders on branding processes and the impacts confronted in culturally sensitive settings, also to promote a culturally sensitive ethic providing a base for future community-based branding.

Of these key stakeholders, governments are considered fundamental to the success of branding strategies, and this emphasising the need for increased government involvement in planning processes and the development of a branding promise that achieves the "greatest social benefits" (Timothy, 1999, p.372). The private sector is also crucial as they create and implement the tourism product. From the literature it was therefore determined that this study should examine public and private stakeholder perspectives on destination branding in Sabah, Malaysia.
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Research Approach to Investigating Destination Branding

This study will be principally informed by Hankinson’s “Relational Network Brand” model. The use of Hankinson’s model, and the ideas uncovered in the literature review (the fundamentals of destination branding, destination brand building, and the role of the destination in destination branding) will provide a framework to study destination brand development for “Destination Sabah”.

This study will explore the foundations for brand development, rather than following through to consider further stages in the destination brand development process, it will therefore only focus on the critical stakeholder contribution of the brand encompassed in Hankinson’s “consumer relationships” (see figure 3.1).

3.2 Research Purpose, Question and Objectives

The purpose of this study is therefore to build on Hankinson’s model, and the concept of “consumer relationships”. This study will focus on the perceptions held by selected stakeholders’ on branding “Destination Sabah”, to address the key research question:

What are the perceptions of the public and private tourism stakeholders on branding “Destination Sabah”?
Non-conflicting target markets: investigate conflict in destination branding by seeking to identify if there are non-aligned target markets.

Residents and employees: interview key stakeholders who inform community perceptions on branding “Destination Sabah”.

Internal customers: interview tourism industry stakeholders from public and private sector.

Managed relationships from the top: interview stakeholders to determine government versus private perspectives to ascertain the current dynamic.

Figure 3.1: Conceptual Framework based on Hankinson’s (2004) “Relational Network Brand” Model
Source: Adapted from (Hankinson, 2004, p.115)
This study will answer the research question by meeting the following research objectives:

1. Determine public and private stakeholders’ understanding of the concept of destination branding.
2. Determine the current state of branding “Destination Sabah”.
3. Identify public and private stakeholders’ future vision for branding “Destination Sabah”.
4. Identify critical issues that currently impede the development of a brand for “Destination Sabah”.

These objectives integrate with the conceptual framework by taking into consideration sub themes including Hankinson’s (2004) “consumer relationship” points:

1. Non-conflicting target markets: investigating conflict in destination branding by seeking to identify if there are non-aligned target markets will be addressed in research objective 1, 2 and 4.
2. Residents and employees: interview key stakeholders who inform community perceptions on branding “Destination Sabah” will be addressed in research objective 3 and 4.
3. Internal customers: interviewing tourism industry stakeholders from the public and private sector will be addressed in research objective 1, 2, 3 and 4.
4. Managed relationships from the top: interviewing stakeholders to determine government versus private perspectives to ascertain the current dynamic will be addressed in research objective 2, 3 and 4.

The research objectives and sub themes will be informed by a qualitative research methodology.

3.3 Qualitative Research Paradigm

Given the purpose, objectives and framework used to inform this study, data of a qualitative nature was considered the most appropriate for understanding the “consumer...
relationships” identified by Hankinson (2004). The use of quantitative analysis would not have adequately determined or described the issues faced by public and private stakeholders in Sabah. In consideration of the need to build on an initial idea, and effectively gather information and opinions on the foundations for building a strong destination brand, an inductive approach and exploratory research design was used to uncover this (Jennings, 2001).

The inductive approach was identified as suitable due to grey areas in academic literature, where issues describing Sabah and issues that lead to the development of a strong destination brand are non-existent. Qualitative research would also allow for an in-depth understanding of behaviours and perceptions that govern stakeholder opinions. Furthermore, the Sabah tourism industry and stakeholders who contribute to its running are sizeable; therefore a more manageable site sample for the purpose of this study was required. Finally, the method allows for a smaller yet more focussed study into why and how opinions and attitudes are formed; therefore introducing, for the first time, stakeholder opinions into the branding process.

3.4 Participant Selection and Site

The population for the research project was key representatives from the public and private sectors’ of Sabah’s tourism industry. Consequently, in view of the wide geographical displacement, convenience of access, and the focus of the study, the target population was identified as public and private sector agencies located within Kota Kinabalu, the capital of Sabah, North Borneo. The factors contributing to the choice of Kota Kinabalu as the target population were: a) the centralisation of tour related business being ample in the region, b) government representatives, and various decision makers on most things tourism are situated within the location, and c) within the limits of time, this location was considered accessible to the researcher.

Non-probability sampling was used to include points of view from a broad range of public and private sector representatives from the Sabah tourism industry. As participants were either professional and/or highly experienced in their knowledge of Sabah tourism an expert sampling technique was additionally exercised to extract
informed opinions (Jennings, 2001). Also, a key informant provided introductions to key personnel, this informant being a well respected entrepreneur and member of the industry with access to top-management. This method allowing for a network affect, commonly known as Snowball sampling, allowing the researcher to approach participants that otherwise would not have been identifiable (Jennings, 2001). The proposed number of participants to be interviewed for the purpose of this study was 40, with the sample being as evenly divided among stakeholder groups as possible.

Specific participant selection was based on criteria developed, to include only appropriate members of the public and private sectors’. The criteria identified five essentials for the participant selection process, where inclusion is dependent on 1) their being in Sabah at the time of fieldwork; 2) position held; 3) how active they are within the industry; and 4) level of knowledge of the Sabah tourism industry (professional or experienced based), table 4-1 identifies that all participants met the selection criteria. This reduces bias possibly caused by the influence of key stakeholders over selection of participants (snowball affect), and promotes a representative balance between stakeholder groups, as those interviewed must meet the selection criteria.

3.5 Pilot Study

To ascertain the effectiveness of the data collection, and analytical methods chosen for the purpose of the study, prior to commencement a pilot study was conducted. A sample of four employees from a Sabah tour operator were interviewed using the interview guide, the data obtained was analysed to determine validity and appropriateness, to conclude the effectiveness of the chosen method. As interviews were performed for pilot study purposes only, and participants’ did not meet the full stated criteria, data obtained was not included in the findings of this study.

3.6 Data Collection Methods

In keeping with the inductive qualitative methodology, data was obtained through the use of in-depth semi-structured interviews. This meant that data was collected in a way
that is consistent with accepted practice in the field of tourism, where interviews were structured to give respondents a reasonable range of issues to share their perceptions. Furthermore, this type of data collection gave the researcher a degree of freedom in content, wording and order of questions (Jennings, 2001). Given the competitiveness that exists within a tourism industry, anonymity was required and therefore alternative types of data collection were impractical and unsuitable i.e. focus groups.

Use of an interview guide or “prompt list of issues” (see Appendix I) aided in achieving consistency between interviews, while still allowing for individual perspective (Jennings, 2001). The interview guide was categorised into four main areas to ensure that information obtained from participants’ remained relevant to the research question/objectives. The extent to which each topic was exhausted in the interviews was dependent on the individual participant, other topics identified during the course of the study as significant were addressed in subsequent interviews, and for this reason the topic guidelines were open to variation.

3.7 Data Analysis

Transcripts of the interviews were manually coded, after which the codes were analysed to obtain emerging themes. Emergent themes during the coding phase were further divided into sub themes. In the final stage, selective coding enabled further refinement of the thematic relationships, thus a pattern emerged where “themes, processes and relationships” were identified, and used to devise a theoretical construct (Jennings, 2001, p.199).

In view of the inductive approach, the constant comparative method of analysis was undertaken. To achieve and enhance validity and reliability, constant cross checking was exercised, upon which conclusions were drawn (Jennings, 2001). This approach also ensured that issues of importance were followed up sufficiently, and information obtained had been exhausted until no further contributions could be identified. The analysis process was initiated preceding data collection with the constant comparative method, this was completed through coding to identify emergent relationships, and constant comparison to the academic literature was made (Jennings, 2001).
3.8 Ethical Considerations

The "National Statement of Ethical Conduct in Research" involving humans, set out the guidelines to be followed for research involving the participation of human subjects at Edith Cowan University. This study required data collection through semi-structured in-depth interviews; approval was obtained from the "Faculty Ethics Subcommittee of Edith Cowan University" prior to commencement of fieldwork. In accordance with ethics, interviews commenced and recordings were made, only after the participants had read and understood the information letter (see Appendix II) and consent form (see Appendix III). Participants were given the opportunity to ask questions prior to commencement of interviews if further clarification was necessary. Participants remained anonymous through use of codes in all documentation resulting from the data collection phase.

Audio digital recordings were stored on the researcher's private computer accessed only by secure password, in keeping with the requirement of Edith Cowan University's strict guidelines.

Additionally, all interviews conducted were done so with permission and full support of the "Permanent Secretary" from the Ministry of Tourism, Culture and Environment, Sabah, North Borneo (see Appendix IV). This was obtained in accordance with Sabah Government regulation on conducting research within the state.

3.9 Anticipated and Managed Limitations

Carrying out this type of study required the management of anticipated problems. Most issues were associated with cultural exchange and conducting research in a developing country, where customs between the researcher and respondent differ. To prevent problems arising the researcher ensured that all participants were informed on the purpose of the study and the interview questions to be asked. The researcher also had to use a key informant to introduce her in order to achieve interviews in a culturally appropriate way.

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Furthermore, the uniqueness of Sabah within Malaysia potentially could result in the external influence of issues associated with Malaysia impeding upon the perceptions of Sabah's tourism industry. Therefore, to overcome this problem, it would be stressed that topics discussed are mainly in reference to Sabah, and not the larger context of Malaysia.

Finally, within the limits of time and money, the number of interviews obtained and issues with transportation were anticipated. Certain steps were taken to prevent these problems from influencing the research, such as walking to office buildings, and/or catching taxis where necessary to locations on the outskirts of the capital city.

3.10 Chapter Summary

This chapter discussed the conceptual framework, research design and implementation. The conceptual framework, adapted from Hankinson's "Relational Network Brand" model concentrates on "consumer relationships" and will inform this study. Of primary importance to the research design and implementation was the purpose of the study which dictated the use of an inductive qualitative methodology. One of the main advantages of using an inductive qualitative methodology was that it allowed for the complexities of process and change to adapt to the environment upon which research was conducted. This meant that, although a prompt list of research questions was formulated prior to data collection, the process allowed for additional information that emerged throughout the research process to be taken into consideration.

Additionally, queries that arose from the initial data collection could be pursued and validated through cross-reference to ensure absolute validity and reliability. Thus, in analysing the various transcriptions, the emergence of known and emergent themes were used to guide the theoretical explanations of this thesis. The findings obtained through the implementation of this research design are presented in the following chapter.
CHAPTER FOUR
RESULTS

This chapter provides an in-depth analysis of the perceptions of stakeholders on destination branding of Sabah to identify variations/similarities in their views. This addresses the research question and will determine how similar respondents’ visions are for “Destination Sabah” and establish important baseline data which a successful future stakeholder-driven destination brand could later be established. First the data collection process will be outlined before detailing the results of this study.

4.1 The Data Collection Process

Data collection commenced on the 21st February 2007, and was completed on the 10th March 2007, however, data collection was delayed due to Chinese New Year, a major festival and week-long public holiday in Malaysia. Prior to interviews participants were sent background information on the study (research proposal), interview questions, information letter and letter of consent. Following the provision of information participants’ were given opportunity to discuss and clarify any issues with the researcher.

In total, 37 public and private stakeholders were interviewed (only 3 less than the 40 proposed in the methodology) for between 35 minutes to 1 hour 20 minutes duration. The interviews were undertaken in English. Participants in the formal data collection process were included or excluded as a result of comparison to the selection criteria, outlined in the methodology (see section 3.4). Public and private representatives within the sample were found to fall into seven distinct categories; government employees, tour operators, NGOs, hoteliers, airlines, academics of tourism, and marketing consultant, details of the characteristics of participants are provided in Table 4-1. Data obtained were subsequently reviewed, categorised and participants’ identified by code i.e. GO (government), TO (tour operator), NG (non-government organisation), HO (hotelier), AI (airline), AC (tourism academic), MC (marketing consultant).
Table 4-1: Sample Characteristics

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<th>Participant Code</th>
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4.2 Public and Private Stakeholder Perspectives on "Destination Sabah"

The data reveals a wide variety of public and private stakeholder perspectives on the branding of "Destination Sabah". The data addresses the research objectives and identifies: 1) public and private stakeholders' understanding of the concept of destination branding; 2) current state of branding destination Sabah; 3) public and private stakeholders' future vision for branding "Destination Sabah"; and 4) critical issues that currently impede the development of a brand for "Destination Sabah".

4.2.1 The public and private stakeholders' understanding of destination branding in context

The "meaning and function of destination branding" was asked of respondents' to satisfy objective one "to determine public and private stakeholders' understanding of the concept of destination branding". It was important to identify the current level of understanding held by stakeholders in Sabah to establish baseline data. Also, to assist in the interpretation of the remaining data, as well as contribute to a potential future brand. As section 2.3 revealed in the literature, the biggest problem in branding often begins with confusion over what constitutes a brand. It is important to determine if this is the case in Sabah.

From the interviews, it will become evident that participants understand destination branding well. Respondents recognise destination branding to be a way that a tourist can identify with a destination through image creation. One tour operator explained that:

When you create an image for a destination and you create that image to generate tourism, you put up a picture of what you think will promote the most about that destination...if branding is done correctly you should be able to encapsulate the full diversity of what a destination has to offer...(TO11)
Respondents also explained that image should be distinct, strong, recognisable and promote choice. These connotations suggest that image identification is not only about generating tourism, but also about encapsulating the diversity of tourism resources and the creation of a symbol or graphic, in this case, the Orang Utan, which identifies “Destination Sabah”. This government representative perceived the image of Sabah to be tourism asset driven:

*It’s how you identify with a destination, when you talk about destination branding our branding is Malaysian Borneo and we always feature and Orang Utan because that is what people remember most…our strongest asset (GO29, 30)*

That is, image identification is the creation of images desired by the viewer (tourist), an attraction, with as sense of place, so that the tourist is attracted and encouraged to purchase the product/service. It is about promoting your best assets that is, the Orang Utan.

Some respondents explained that a destination should be a draw card, where the attractions and experiences at the destination are a “must see”; to attract people to visit and re-visit, with an hotelier stating that “It has to be something that stays in people’s minds that attract people to go (HO9)” an airline representative concurred with this idea explaining that a destination should “draw people to a country, to a particular place...to bring people here (AI25)”. This highlighting that a destination, as a draw card, should inspire celebrity value or the “wish you were” here appeal.

Participants also stated that product differentiation was an important element of destination branding, where the unique assets of Sabah are used as a point of differentiation from competitors. With one participant explaining that the success of destination branding should be measured by how a destination is perceived by the outside world, and how tourism assets as a whole shape up against the competition. Another respondent explained that successful branding is achieved by capitalising on the destinations unique selling point, this sentiment echoed by other respondents who
argued that a unique option is the best practice for marketing a destination. A tour operator explained the importance of uniqueness in a global tourism context:

Communicate and to emphasise where you’re competitive or the unique feature of the destination...the world tourism industry is very competitive and very often you have to catch the potential tourist’s attention...by key words to describe a product...to enhance the marketing of your destination (TO5)

A tourism academic emphasised the need to differentiate the tourism product as better than that of competitors:

To differentiate between the different products, the different destinations, if you brand it properly people see it differently...if I brand my product better then you, then people trust me (AC24)

These respondents emphasised the importance of achieving competitive advantage through differentiation, and doing a better job than competitors, this being important as the tourism environment becomes extremely competitive, yet incredibly homogenised.

Alternatively, participants acknowledged that destination branding requires an element of brand promise and truth. With one respondent stating that a brand should be a true reflection of the destination; another explaining that when a tourist visits the destination they are assured of particular services and they should receive what they expect. Another respondent supported this view, stating that there is no point in promoting experiences if what is being said is not absolutely credible and incapable of being delivered. These sentiments are further supported by an hotelier who used Ecotourism as an example, and stated that:

Branding is important in a sense but the destination has to make itself...its very dangerous branding as [an] eco-friendly Ecotourism destination because...there are so many expectations of what it's supposed to be and we [Sabah] can’t deliver on that (HO7, 8)
This emphasised the importance of being realistic when developing and building a brand, especially if the marketed identity and image are not grounded in truth. A tour operator reaffirms this importance, stating that “the brand must not represent something its not...it must be the truth...it must have integrity, you can con the people once but not again (TO14)”.

Other participants looked at image building even more rigorously, with one airline representative stating that Sabah’s image should be “Something that you enjoy, that you want to spread it and tell people that you like this [Sabah’s tourism product]” (AI27). Image should create conversational value, this coinciding with a tour operator’s opinion that “If you want to stand out among the crowd...you must have certain unique...characteristics...features...something that people can talk about (TO12)”. Image should be differentiated through not only a destination’s general assets but the unique attributes that encapsulate the destination.

Image creation should also possess emotional appeal as one hotelier explained “you need an emotional connection and you deliver it with an experience (HO10)”. A destination’s image should attach emotion to an experience and must reflect lifestyle choice. The choice of destination is not just a prospect for a holiday anymore; it is tied in with emotional appeal, because destinations, according to participants, now provide emotional experiences which reflect a tourist’s lifestyle preference.

4.2.2 The public and private stakeholders’ perceptions on the current state of branding “Destination Sabah”

The application of destination branding to “Destination Sabah” was asked of the respondents to competently fulfil objective two of the research, which was to “determine the current state of branding “Destination Sabah”. Firstly identification of Sabah’s tourism assets and their appeal to domestic and international markets was asked of the respondents. The question aimed to recognise those assets and experiences most sought after by tourists visiting “Destination Sabah”. Subsequently, this section revealed a discussion about the uniqueness or commonness of Sabah’s tourism asset,
and the importance of taking this into consideration for “Destination Sabah”. These both informed the comments made by participants on the current branding of “Destination Sabah”.

**Perceptions by stakeholders of target markets**

Domestic arrivals were labelled by one respondent as the most viable market for Sabah, with 60 to 70 per cent of all tourist arrivals being domestic. Domestic tourists were classified by participants as West Malaysians/Peninsular Malaysians. The reasons behind domestic visitation, as suggested by a participant, is essentially due to curiosity as, Malaysians living externally to Sabah possess limited knowledge of the destination. Another participant concurred with this, and stated that the lack of awareness encourages the domestic tourist to travel for the sole purpose of getting to know their own country. A tour operator agreed with this association, and explained that:

> Sabah has always been a bit of an enigma to them [domestic tourists], they have an idea that we live in trees...still very backward thinking, but when they come here they are very pleasantly surprised (TO3)

The idea that domestic tourists mainly visit Sabah due to curiosity was a common belief shared among participants. Generally the Malaysian domestic tourist does not explore the world outside their own place of residence, and therefore is a relatively captive market.

In contrast, a mix of participants believed that domestic tourists visit Sabah for the known attractions such as Mt Kinabalu. The domestic tourists want to experience the climb, but it is also a draw card being the biggest mountain in South East Asia. Another respondent supported that Mt Kinabalu is an intangible unique element of “Destination Sabah”, and it allows domestic tourists to benchmark the time it takes to climb the mountain.

A government representative went further by explaining that the overall attraction of Sabah is a collection of assets, as “Domestic tourists visit because of seafood, local
sight-seeing, soft adventure, nature and island attractions (GO28)”. A majority of participant’s highlighted seafood as a major draw card for the domestic tourist because elsewhere in Malaysia seafood is scarce and expensive by comparison.

Value for money for the domestic market gained a divided response; participants stating that Sabah, by comparison to other destinations, is “cheap”. The alternative perspective was that it is “inconceivable” that domestic tourists opt for Sabah over other destinations’ within close proximity, given that it costs 100RM to fly to Manila and that would not buy a day trip down the Kinabatangan River in Sukau, Sabah.

Some participants saw Sabah as a default destination for domestic tourism, and given the choice of alternative easy accessibility and in-expensive alternatives they would seek out other destinations’. One respondent argued that domestic tourism numbers are only significant as they visit for business related purposes, and these should not be confused with tourist arrivals. The marketing consultant explained that a majority of domestic tourism is experienced in Kuala Lumpur, and in fact, Sabah is only an escape from “the concrete jungles” that a majority of Malaysians inhabit:

_The domestic tourist did not exist really until Air Asia came along...there has always been a policy called national integration trying to get people to come to Sabah and Sarawak...they all go to KL not many of them come here...I think now that the state of activity and the urban stress and pressures that they have particularly in KL...and Penang it is a good place to get away from...I don’t think that the Malaysians would be to interested in nature and jungle or sitting on beaches either (MC6)_

Shifting now to participants’ consideration of international tourist arrivals (Sabah’s traditional market), participants believed the main stay attraction to be nature and everything it encompasses, and this view was shared by all participant groups. International tourists were described as those individuals located outside of Malaysia, namely: 1) Koreans; 2) Chinese; 3) Japanese; 4) Singaporeans; 5) Australians; and 6) Europeans. It was suggested, more homogenously, that international visitors are allured by the mysticism of Sabah, with one hotelier stating that:
...the mysticism of Borneo...it is perceived as a paradise a tropical paradise...quite untouched... They [International tourist] come here because of Sabah’s wonder of nature...the highest mountain in South East Asia, very nice dive sites, beautiful beaches ...many tribal cultures...peaceful places

(H07, 8)

Therefore, the unknown becomes the central reason behind visitation as “People from Europe and the UK see this place [Sabah] as far away...so to them this place becomes exotic (AI27)”explained an airline representative.

A member of the government saw this differently stating:

*International tourism goes by market to market, each market has their own needs...in general it is the nature...but some prefer the fish, some prefer the jungle and some prefer the city life (GO13)*

Koreans and Taiwanese were also identified as flying to Sabah for the sole purpose of extricating themselves form the nauseating and polluted locations they inhabit. Sabah gives an opportunity to experience “untouched” nature in close proximity to over built and developed environments available at other Asian destinations. Nature is experienced for health rather than interest; this can cause conflict because Chinese tourist arrivals, who predominately visit to explore wildlife tourism, often wonder how they are going to get Sabah’s endemic wildlife out of the trees and onto their “forks at dinner time”.

**Stakeholders’ perception of Sabah’s attractiveness to tourists**

Having identified the target markets, the participants then identified the vast array of experiences and assets on offer in “Destination Sabah”:

*Sabah has a number of superlatives in terms of world class products on land and sea, such as it is on the A-list of marine biodiversity, being part of the*
marine epicentre in the world, as part of Borneo. One of the 12 mega biodiversity centres in the world, has Mt Kinabalu, a world heritage site renowned for its outstanding flora, and exceptional wildlife...and of course diving. Sabah is also culturally diverse with a harmonious integration of multiple indigenous and non-indigenous ethnic groups living side by side with a continuing tradition of hospitality that is said to be envied by the contemporaries in other parts of Malaysia (GO28)

Respondents also specifically highlighted three different aspects of the Sabah tourism industry that they recognise as beneficial, including: 1) racial harmony and culture; 2) safety of the destination; and 3) accessibility.

Firstly, racial harmony and culture as an attraction, because Sabah is occupied by many different ethnic groups and religions, and unlike other countries Sabah’s residents appreciate different belief systems and attitudes. One tour operator explaining “we can also use the word harmony because of all our cultures and all our religions...compared to other countries we live in harmony (TO31, 32)”. Furthermore, that Sabah is a melting pot of culture, and “we [Sabah] have a good reflection of the Asian culture, Asian heritage and Asian people (TO12)”.

Secondly, safety was seen as important, especially due to the world’s current state of political unrest and religious instability. This also extends to safety from natural disasters; with one government representative stating that “Where are we? In the heart of South East Asia, below the typhoon belt, the land below the wind...we are outside the ring of fire the natural disaster zone...so we are very safe (GO26)”. Therefore Sabah is secluded from most natural disasters i.e. tsunamis, typhoons and earthquakes. Another respondent explaining that no major natural disaster has occurred in Sabah; they are blessed and protected. Furthermore a respondent emphasised the political stability with comparison to other “good” but dangerous destinations’, noting that in Sabah this is not a concern for visitors, therefore they can truly enjoy the holiday experience.
Thirdly, accessibility of Sabah’s tourism product was believed to be a key to success, with a tour operator stating the importance of close accessibility as an element of convenience:

*Sabah is not Sabah unless it is a convenient place...there is no point if it is a good brand but I can’t get to it, its too far away...Sabah being in the centre [of ASEAN] means easy access (TO1)*

Another respondent associated accessibility with Sabah’s tourism resource, emphasising that nature is so accessible it can be found along the road side, with “everything being so close and so accessible unlike other parts of the peninsula [peninsula Malaysia] where you have to drive a very long way (TO3)” as explained by a tourism operator.

**Stakeholders’ perception on uniqueness**

Uniqueness was declared as a draw card for prospective tourists. One participant arguing that Sabah’s product/experience offering is of an international standard and on its own promotes a sense of uniqueness:

*We have a lot of things that are unique like our dive spots, our mountain, our jungle, our rainforest...there are certain flora and fauna that can only be found in this part of the world and no where else...also our people, the fact that there are so many different races living together (HO7, 8)*

A marketing consultant identifying those assets which contribute to “uniqueness”:

*It’s the tropics how it ought to be...the blue sea and the palm trees...its a tropical paradise and it is Borneo, so it has a certain uniqueness about it, you have the wildlife, the sea, the mountains, the beaches, the jungle, what’s left of it, there is not much left of it (MC 6)*

Those who believed Sabah was unique were confident, one representative emphasised that Sabah’s natural environment contributed to the “beginning of the world”. Another
emphasised that the diversity of species cannot be found anywhere else in the world, that the environmental resources are unique:

_The uniqueness of Borneo...are things that are endemic only exclusively to the island of Borneo and not to be found anywhere around the world...the Orang Utan, the Proboscis Monkey, the smallest Elephant the Pygmy Elephant, the worlds biggest flower like the Rafflesia, funny looking plants like the Picture plant...and the most rare and most prized orchids (TO22)_

Furthermore, a government representative set the uniqueness of Sabah within a global context:

_We brand Sabah naturally, it is a premium nature adventure destination in the global market...I am not talking about Bali or Phuket, I am talking about the best of the best in the world...the benchmark...Sabah is truly Malaysia and of course Malaysia is truly Asia...our global ranking is world class...75 per cent of marine species known to science are here...the oldest, the most diverse forest...130 million years old...[Sabah has] natures ultimate playboy [Proboscis Monkey]...the whole continent of Africa does not have what Mt Kinabalu has...we are unique, we are exotic and we are highly diverse...tell me where in the world you can have that? (GO26)_

Participants who argued that the tourism product is not unique, emphasised that the Orang Utan is not endemic to Sabah it also exists in Sumatra, the award winning golf courses designed by golfing professionals also exist in Thailand, and the beaches, jungle and wildlife are also highlights of other world class destinations', with one hotelier stating that:

_It is preposterous that we are unique in the world...in the Asian sense [maybe] unique, but worldwide...I would be a bit careful about making such statements... everybody has a beach...everybody has dive spots, everyone has nice people...so it is very difficult to be unique in a sense...is Sabah standing out from anyone else in the world? (HO7, 8)_

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Furthermore, participants argued that if Sabah was to capitalise on the elements that are unique, the other 200+ countries in the world would have to be considered to determine where Sabah fits within the global tourism context. Certain practices would have to be implemented to maintain the unique niche that Sabah fulfills:

*Selling the destination, Sabah, I think more needs to be done country wise, what the destination has to offer...what type of planning is there to push it out to the consumers for all of them to understand? (HO23)*

Therefore, it was determined that uniqueness is not enough, as uniqueness must be managed both physically and conceptually in a destination brand.

**Destination branding as currently applied to "Destination Sabah"**

From the interviews with public sector representatives it was understood that the Sabah Tourism Board uses “Sabah - Malaysian Borneo” as the current core brand. However, this was open to speculation and scrutiny as other brands and slogans were identified by the private sector as the core brand. From the interviews five different brands were identified for Sabah, including: 1) Sabah - Malaysian Borneo; 2) Eco-treasures from Mountain High to Ocean Deep; 3) Premium Nature Adventure Destination; 4) Sabah Nature' ally; 5) The Land Below the Wind; and 6) the brand that is applied to the wider context of Malaysia - “Malaysia, Truly Asia”. Opinions on the success of each individual brand varied with different participant groups sharing views.

The majority of participants agreed that “Sabah - Malaysian Borneo” and “Eco-treasures from Mountain High to Ocean Deep” are the most commonly used brands, however, a minority agree on their successful application. Those participants who agree that the current branding efforts are successful shared diverse views on why it is a “winning formula”. One representative, in reference to “Sabah – Malaysian Borneo”, explained that the use of the word Borneo is like selling a dream. Another representative commented that there is no competition for the current brand; therefore there is no need to change it. An hotelier shared a similar view, that there is “no way we
cannot [change the brand], until we are world renowned...as the saying goes a winning formula is better than a new formula (HO23)”.

A tour operator, in reference to “Eco-treasures from mountain high to ocean deep”, explained that:

*I don’t think that we need to change the slogan, I think that it still has a lot of mileage and that is explains our USP more than anything, from Mountain High to Ocean Deep we are superlative in those areas, the question is how do we refine it for different markets...the Asian market are not so mature yet, so they are more interested in food then specialised areas, but America the more mature markets have a specific focus (TO34)*

This said, most participants believed that the current branding efforts fall short of accentuating Sabah’s tourism assets, and that drastic measure should be introduced to rectify the current situation.

One respondent stated that “Eco-treasures from Mountain High to Ocean Deep” was not much of a message for the prospective tourist, and is too much of a mouthful. That is, it leaves a lot of areas ambiguous and does cover the areas that tourists are clearly visiting for, in reference to the slogan “Eco-treasures from Mountain High to Ocean Deep” a tour operator explained:

*When people come on holiday...they will be out doing something for three days and the rest they will be solely at their pool side and solely at the beach and the islands...they are not doing what the brand is telling them to do, they are not interested in that, you ask them to climb the mountain and they laugh at you... so what we should be portraying is five star resorts and luxury...they are looking for a place to get a great sun tan, with a little bit of pepper and culture thrown in and so there is this major dilemma when it comes to that brand (TO11)*

Another tour operator agreed that the current brand focuses on some tourism assets,
with vague reference to others:

*Its about time that we have something better...because this [current brand] only...points out Mt Kinabalu and some diving spots but in between, there are still lots of other things that are quite special in Sabah that have not been focussed on or mentioned (TO5)*

Participants also explained that current branding strategies are “unintelligent”, “confusing”, and lack any real significance in both meaning and application to the Sabah tourism product. A tour operator stating that “*I don’t know what it means* [Eco-treasures from Mountain High to Ocean Deep] *...we don’t have an ocean surrounding here, it is a sea (TO21)*”. Furthermore, a tour operator declared that “*before what we had was more simple and made more sense then what we have [now] we should rephrase it (TO1)*”. This emphasises that internally “Destination Sabah” is confused about the branded message, this situation posing a major challenge for expressing the personality and identity of the brand to the external tourism environment.

The interviews also highlighted constant reference to the wider context brand “Malaysia- Truly Asia” and the current promotional strategy of Tourism Malaysia “Visit Malaysia Year 2007”. A majority of participants agreed that these strategies were wasted efforts and are essentially ineffective, with a government representative stating that:

*Malaysia cannot be truly Asia. The world will never think of Malaysia as representative of Asia. China, Japan or India maybe, I think that we are kidding ourselves in using the brand “Malaysia – Truly Asia” and hope to succeed...2007 visit Malaysia will have little impact for Sabah (GO36)*

In reference to “Visit Malaysia Year 2007”, the marketing consultant stated that:

*Oh bloody hell excuse my French, I don’t really like visit years...next year it will be visit Brunei year...or something like that (MC6)*
The use of these brands, and the various others that apply to “Destination Sabah” were seen by participants as indication that the Sabah tourism industry has limited understanding of the application of destination branding, reflected through the constant interchangeable use of slogans/brands. This confusion being noted by participants as the norm, because the last 15 to 20 years show that Sabah has failed to conceive a successful brand. One respondent attributed this scenario to having too many assets to be covered by one solitary brand. This ongoing stagnation, according to one respondent, meant that people were not even bothering to think about branding Sabah as past attempts have not succeeded. So while participants had a good grasp of what branding should be, they demonstrated that good branding had not been put into practice.

4.2.3 The public and private stakeholders’ future vision for branding “Destination Sabah”

Opinions on “how” Sabah should be branded were uncovered to satisfy objective three of the research, to “identify public and private stakeholders’ future vision for branding “Destination Sabah”. Prior results emphasised a negative attitude towards the current direction of Sabah tourism and its branding strategies, this resulting in the interview process unveiling branding ideas for “Destination Sabah”, and participants expressing what they consider the “right” way of branding the industry.

Firstly, participants explained that capitalising on diversity is an opportunity worth further consideration, with a respondent stating that diverse assets are “good” enough to attract the tourist; another respondent telling that the brand has to have the “WOW” appeal, suggesting the slogan “Only in Sabah”. A tour operator shared their thoughts on the re-branding of “Destination Sabah”:

Acknowledged the fact that we have one of the most rich diverse... jungles ever in the world and yet pronounce Sabah as a high end beach destination that you want to come to with your family because its family friendly...there is a mass of diversity and there is something for everybody and any type of holiday here can be really diverse, so at any given time somebody could be
looking at diving, the beaches, the jungles, could be looking at wildlife...and having all sorts of diverse experiences and peppering it with adventure tourism, like white water rafting or mountain climbing...its the sheer diversity of what's on offer that makes it an exciting destination (TO11)

A government representative stated that the future of Sabah tourism should be nature driven:

Along the lines of nature at its best, nature centres of excellence since we have a number of world class products including a rain-forest research facility and living laboratory, Danum Valley, easily ranking among the best in the region of its kind (GO28)

Participants also emphasised that projecting the right image, delivering on brand promise and expanding product offering are key factors in the success of a brand, with an hotelier expressing that “to attract people for the second time you need new products, I think that Sabah needs to concentrate on what they can deliver (HO19)”. Furthermore, that Sabah should “promise the right things and project the right image...you’re selling beaches and hotels and I am selling beaches and hotels...its how we sell it, having the right projection (HO7, 8)” explained an hotelier.

Additionally, participants highlighted target marketing as an integral component of destination branding, knowing who the tourist is and marketing accordingly. With one representative arguing that Sabah tourism has to figure out what market they want to target prior to devising a brand. Another respondent emphasising that it is necessary to survey the tourists visiting Sabah on the reasons behind visitation, also taking into consideration the reasons as to why the other 90 per cent are not visiting. A hotelier expressed the importance of this in the context of global tourism:

Tourism is alive it's not static, what is popular today is not popular tomorrow, it is the natural progression of the masses travelling... highlight different things for different markets...we could actually appeal to many different markets...and to tell them what they like...its all here (HO7, 8)
Additionally participants argued that a successful brand requires dedication, determination and a unified vision, this view discussed by a tour operator:

*It takes time* [to re-brand] *a lot of hard work and dedication, a lot of support...from government, from the private sector...nothing comes easy...we have to continue our effort we cannot just stop...to promote Sabah...we have to follow through with the hard work...if you have a good brand there is no point if you are sitting...in an office you have to bring it out and promote it, in the right place at the right time... you have to work together with other countries, with other operators (TO1)

Another tour operator stating that the plethora of brands/slogans used interchangeably reflects the tourism industries poor coordination:

*There excessive* [current branding strategies] ...*there are just far to many, this means there has been no coordination among the authorities or even government to coordinate this thing [branding], this eventually will have a very significant impact on the economy...but they will have to do a lot more to attract people to come here (TO12)

Also, a representative stated that Sabah should not be branded independently, instead as part of a diverse range of other countries, for example, within the ASEAN region or newly developed economic zone – Brunei Darussalam Indonesia Malaysia Philippines - East ASEAN Growth Area (BIMP- EAGA). Finally, participants emphasised that the accessibility network is paramount to the success of a destination, a tour operator emphasising that “*for any destination to be successful you have to look at the accessibility network (TO22)*”. Furthermore, a tour operator emphasised that Sabah “*will become more popular if we can increase air accessibility...the key to all this is air accessibility (TO34)*”. Therefore, difficult accessibility is a deterrent to many tourists’ and currently Sabah is lacking in direct flight accessibility.
4.2.4 The critical issues identified by the public and private stakeholders' that currently impede the development of a brand for “Destination Sabah”

This section highlights the many different issues identified by participants as impeding the development of a brand for “Destination Sabah”. This section satisfies objective four of the research which was to “identify critical issues that currently impede the development of a brand for “Destination Sabah”, and explores: A) stakeholders’ perception on the responsibility for the current state of branding “Destination Sabah”; B) stakeholders’ perception on “what” asset should be promoted as the core brand; C) stakeholders’ perception on the challenges that impinge upon the future core brand; and D) threats to “Destination Sabah”.

(A) Stakeholders’ perception on the responsibility for the current state of branding “Destination Sabah”

Responsibility for the current state of branding “Destination Sabah” refers to the internal environment impinging on best practice branding. Given the current attitude towards Sabah’s branding strategies, restrictions exist within the internal environment which has impacted on the success of promotional efforts. Firstly, the public and private stakeholders did not support each others efforts, with an hotelier commenting in reference to visit Malaysia Year 2007:

“It’s a sensitive issue, I think more could have been done to enhance visit Malaysia Year...people think of Visit Malaysia Year, people will come in automatically, how they going to come in when the airlines don’t even offer discount (HO23)"

Secondly, the inherent difficulty associated with Sabah using its place name as the core brand (Sabah – Malaysian Borneo), this raises issues of its effectiveness. Respondents explained that not only are tourists confused about the location of Malaysia but Borneo and, more importantly, Sabah:

“Sabah is an unknown entity and the destination has tried to say this is..."
Sabah, this is what we are about, people can’t even pronounce the frickin place and typically as a travel agent we will not even use the word Sabah (TO11)

One tour operator stated that Sabah should not be used as it is unknown, however Borneo, has potential:

When I told people I came from Malaysia they would not know where it is, when I told people I came from Sabah they were lost, so then I told them I came from the island of Borneo, they would say oh yes, I know that...being the thirds largest island in the world, we should capitalise on that (TO15)

This implied a Borneo rather than Malaysian brand might work best. Alternatively, a tour operator argued that using the destination title in the brand will help the prospective tourist identify with Sabah’s locality:

Helps people to focus...and to realise that Malaysia is in Asia [Malaysia-Truly Asia]...it is a reminder...some people have to think where is Malaysia? (TO1)

Thirdly, the belief that Sabah has never been successfully branded has led to certain stakeholders neglecting the branding strategies for the state, one respondent explaining that Sabah has never been branded, and it is certainly not branded at the moment. This thought was shared by a government representative, who stated:

It is a very important role [branding] but to get to that stage it is not easy...we have never come to that level where we could really say that we have branded [Sabah] in a way that people could associate with (GO20)

Furthermore, a tour operator declared that:

Sabah has never really been branded, I don’t think that it has stuck...money has not been spent on a brand, effort has not been placed on the brand, it is
a very confused brand and it is not used often enough to have actually stuck and to mean anything to anybody...Sabah just has no idea, they are all over the place and they are just happy to have a mountain and an Orang Utan, but that's not good enough to create and overall holiday (TO11)

These comments suggest that “Destination Sabah”, from an internal perspective has many problems, and these should be rectified before attempting to promote to the outside world, for a destination brand is only as strong as the stakeholders willing to support it.

(B) Stakeholders’ perception on “what” asset should be promoted as the core brand

The following section discusses participants’ responses towards the classification of Sabah’s tourism asset. The results determine if Sabah’s tourism asset is Nature-based or Ecotourism focussed, this essentially identifying a core tourism product for “Destination Sabah”. Furthermore, this section investigates participants’ responses towards a definition for Ecotourism, this proving or disproving the participants’ ability to classify the tourism product. Finally, an analysis of Sabah’s ability to use Ecotourism as a draw card, this determining the viability of Ecotourism as a focus, and the long-term sustainability of Ecotourism in Sabah.

The Ecotourism versus Nature-based tourism debate

Nature-based Tourism and Ecotourism were identified by research participants as the two most prominent forms of tourism in Sabah. However, the interview process identified confusion over Sabah’s main tourism asset. The following section identifies a dichotomous relationship between those who believe Sabah’s core product to be Ecotourism based (fosters education, interpretation, conservation, and host community benefit) versus those that believe it to be Nature-based (not necessarily educational, sustainable or to the communities benefit).
The following statements support the first half of the dichotomous relationship that Ecotourism is the main focus of Sabah’s tourism industry, with one respondent arguing that Ecotourism is what Sabah provides; another respondent emphasising that Ecotourism is the selling point for “Destination Sabah”. A majority of the Ecotourism advocates were, in fact government representatives, with one emphasising that Sabah is branded and positioned as an Ecotourism destination, and another stating that Sabah “must come together and work hand-in-hand, to promote Sabah as a premium Ecotourism destination (GO26)”. A tour operator also stated that Sabah does not have much else to offer besides its Ecotourism assets:

Right now...it is purely Ecotourism...I think one of the big draw factors is the Orang Utans, that is a plus point, Mt Kinabalu is another one, the jungles...they are all plus points that are the main draw for Sabah...apart from that I don’t think that Sabah has anything else at this point in time to offer (TO14)

Conversely, the second half of the dichotomous relationship were those participants who believe Sabah’s product is solely Nature-Based. This viewpoint posed a much stronger argument then the former. One representative explained that Sabah is an excellent family destination which is truly Nature-based; another representative argued that Sabah offers world class nature attractions which constitute the base for its tourism. An NGO representative asserted that “Sabah is strictly Nature-based with some adventure...and a little bit of complementary culture...other then Nature-based I don’t see much (NG4)”. Capturing the essence of most participants, a tour operator believes that:

Nature and soft adventure is the attraction over here...the most appropriate branding for this destination is nature and wildlife...there is nothing much here now besides this wildlife and nature (TO15)

For the majority of participants, Sabah was described as a mixture of nature and wildlife with elements of diving, beaches, sand and sunshine. Participants believed this to be the case as these types of tourism are more accessible to the average tourist, plus
tour operators do not have to be as conscious about what they are going out there to sell, whereas with Ecotourism they do.

During the interviews it became evident that a majority of participants were unsure of what Ecotourism signifies, and this doubt implies that those who emphatically see Ecotourism as the core product are perhaps not actually endorsing an Ecotourism product. For example, one respondent explained that Ecotourism simply means maintaining Sabah’s forests; another claimed that Ecotourism means forgoing luxury and that it promotes a cheaper destination. Furthermore, an hotelier described Ecotourism as:

You’re not supposed to have roads...your not supposed to have hotels...so you limit yourself in the development...forgo all major developments in Sabah...because we are an Eco-destination (HO7,8)

Other respondents explaining that Ecotourism is back to basic and in the dirt; another explained that “it’s opposed to man made attractions, for example, Disney Land (GO20)”. Other respondents stated similar definitions, with one government representative stating that “they are the same...Ecotourism is nature-based attractions...Ecotourism is just a word used to describe nature-based...I would think it’s the same (GO29, 30)”.

In contrast, there were responses more aligned with the more recognised literature-based definition of Ecotourism, such as “responsible travel to natural areas that conserves the environment and improves the well-being of local people” (The International Ecotourism Society, 2007). One respondent explaining that Ecotourism means that you have to be conscious about what you are going out there to sell, and therefore it is the ethic upon which an Ecotourism business is based. Another stated that it is sensitive land use, where tourism is carried out for the benefit of local communities; this respondent also stated their scepticism when it comes to applying Ecotourism to Sabah. A tour operator, concentrating on Ecotourism as a sub-segment of Nature-based with community benefit, explained that:

Justine Nagorski       “Destination Sabah” (Malaysia)
Ecotourism is part of Nature-based Tourism, Ecotourism is a sub-segment of Nature-based Tourism...Nature-based Tourism is any type of tourism in a natural environment but Ecotourism has an additional component which is community benefits (TO34)

Another tour operator gave their definition of Ecotourism concentrating on the environmentally sensitive component:

Ecotourism means that it is very environmentally sensitive, eco can mean a lot of things to different people...you have to protect if for the long term and don’t destroy it for the betterment of future generations, keep it as it is...that is Ecotourism...you come here and you leave footprints and nothing else, you don’t touch anything, you don’t ruin anything so that everybody can enjoy (TO1)

Notably, only two respondents stated an important facet of Ecotourism, which is community benefit, all others focussed on the conservation and protection of the natural environment. Finally, a tourism academic summated why Ecotourism should not be applied to “Destination Sabah”:

I really think that Ecotourism should not be used, it should be Nature-based Tourism...I have attended a lot of seminars talking about Nature Tourism and Ecotourism and people usually misuse the name Ecotourism...everyone calls it Ecotourism but when you look at the definition Ecotourism should involve the people...most tourism products here are actually handled by the tour operator, [with] very little input from the local people (AC24)

In summary, one respondent argued that it is easy to spend half the day defining Ecotourism, but for the sake of Sabah tourism, what you ought to do is get it right, and a minority of participants did, actually, get it right. Notably, among the people who had a much better understanding of Ecotourism, none of them were government representatives.
A main theme extricated from the interviews was that tourists who visit “Destination Sabah” are predominantly uninterested in its Ecotourism product. A tour operator shared a similar thought:

*If you do a check on the number of tourists actually visit[ing] eco lodges...eco attractions or eco destination’s within Sabah you’ll find that most of them will actually stay in town...or in a resort near town, they do not actually venture into a deeper part of the jungle (TO5)*

Only one respondent stated otherwise, stating that more and more tourists are seeking sustainably managed tourism experiences and they are prepared to pay for it.

A majority of participants considered marketing Sabah for Ecotourism to be a barrier that impedes tourism growth as it pigeon holes Sabah’s diverse product. Many respondents were concerned about Ecotourism because if people are not attracted to Ecotourism they will not come to Sabah, with one respondent arguing that Ecotourism limits branding and only attracts those who like Ecotourism. Another explained that only a small percentage of people actually visit Sabah for Ecotourism purposes, and it is simply not enough to sustain the future. Another respondent emphasised that a majority of people actually visit for sunshine and beaches, and the state government and the ministry of tourism being adamant about attracting Eco-tourists is detrimental as tourist arrivals say otherwise.

According to one stakeholder, Ecotourism’s link with the target market is weak:

*Look at what Sabah Tourism is doing right now, they are concentrating their marketing efforts on places like Korea and China...and these people from what I can gather are not here for the eco part, they are just here for the resorts and the city...its an up hill battle (TO3)*

Furthermore, a tour operator expressed that Ecotourism is a niche and Sabah tourism is predominately mass tourism based, therefore this contradicts:
There is a dilemma for everybody in the tourism industry, because a lot of the tourism industry is focussed on Ecotourism, which is great but it is very niche...and as a destination they have also focussed on mass tourism, so when you blend the two types of tourism together they don't actually walk hand in hand so its actually setting us up for some kind of failure, whether it be infrastructural failure because we can't cope with the numbers and yet maintain our environment...its just a bit of confusion (TO11)

In practice Ecotourism is only one facet of Sabah tourism, and for this reason many respondents suggest that it should not be the entire focus, instead a secondary tourism product.

Given that a majority of participants do not consider Ecotourism as a draw card for Sabah tourism, another point emerged in the interviews which was the long term sustainability of the Ecotourism product. Without certain controls in place to regulate the Ecotourism industry in Sabah its long-term feasibility has been questioned.

One representative argued that conservation and sustainable use of environmental resources is lacking and the quality of the environment is dwindling. Furthermore, appropriate development and management is required to promote high standards and provision of amenities, not only to serve the tourist but the local communities'. Another emphasised that the governments' current promotion of Ecotourism assets is not accurate, as the current product can not deliver on the experiences promoted. An NGO also stating a similar thought:

We have played the role of slowing down the devastation, otherwise it [Sabah's natural asset] would have been gone a long time ago...how committed are you [Sabah Tourism Industry] to not only selling your destination as an Eco-treasure but maintaining it in its state of originality...If we [Sabah Tourism Industry] are not doing enough then we are selling only because its there, but the commitment is not there, so then its just Egotourism, you are just selling the product (NG4)
A tour operator reliant on nature emphasised the importance of managing a quality Ecotourism resource:

*It is important that people recognise that there are standards...you have to have quality...if you don’t have quality in the first place it is hard to get people to recognise [the sincerity of the Ecotourism product]...you have to work hard on the foundation (TO1)*

It was stated that it is important for the Sabah government to ensure that the natural environment is protected and taken care of if Sabah is going to continue promoting itself as an Ecotourism destination. One participant explained that each government elected has a different agenda and this causes issues when it comes to consistent management of the environment. Therefore, as emphasised by a respondent, certification of the tourism product should be considered to determine if products are truly Eco and sustainable. This more so if Ecotourism is to be a central element of a long-term destination brand.

(C) **Stakeholders’ perception on the challenges that impinge upon the future core brand**

The following section outlines participants’ responses relating to the challenge of destination branding; to those issues that potentially impinge on the successful application of a strategic brand for the Sabah tourism industry.

**Stakeholders need a unified vision**

Respondents agreed that the most influential stakeholder group is the Sabah government or Sabah Tourism Board, who has the power to successfully market and manage a brand that is acceptable to a variety of constituencies. However, one respondent stated that the government is confused as, instead of working together they opt to point fingers rather than resolve issues. An NGO representative described the current state of the Sabah Tourism Board:

Justine Nagorski  “Destination Sabah” (Malaysia) 61
I sat on the board for ten years...every time I said sit down and come up with marketing ideas...personal interest [conflicted, instead] they print thousands of dollars worth of brochures, for what? They [tourists] don’t want to read it, they don’t keep it... They have all these statistics but who is doing our [marketing]...how are they using it [statistics]...ten years ago you talked about the way Sabah is, ten years later you [Sabah Tourism Board] are still doing the same thing...I think that we have past the time of getting to know Sabah, now we should be looking at what we can offer...there is no progression, it is stagnant...I sat their [on the Sabah Tourism Board] and it progressed then it was stagnant...[everyone had] a different agenda...I became very frustrated (NG2)

According to one tour operator the problem is that branding concepts constantly change:

At Sabah Tourism there are too many decision makers [everybody suggests a different brand]...we used to joke about it...we use to sit down and say what is your latest? Lets see who’s is the longest...it’s an ongoing battle (TO22)

Another tour operator suggested that the current problems are due to the confusion with target markets:

Right now we [tour operators] also feel that it is a little bit messy, they [Sabah Tourism Board] are not very sure exactly about what type of market they want to target, previously they did a lot of promotions and things on very hard core adventure races [such as] Mile Seven, Eco Challenge and a few others and a lot of us travel agents disagreed with that because it did not bring in the crowds, it did not bring in the tourists, it only brought participants to come in on very cheap airfares...for them to do the race and then move on (TO3)
To make the situation more vexing, a respondent explained that board members are determined based on how well they get along with the Minister of Tourism, therefore, the industry puts personal interest before responsibility. The suggestion from participants that Sabah Tourism Board is controlled by individual, personal, interests has caused a feeling of misdirection and antagonism within the tourism industry. The absence of unified vision between stakeholder groups has caused certain operators to disregard the promotional efforts of Sabah tourism, with one tour operator painting a picture of the hotelier versus government relationship:

_of course there is resistance from different people especially the resort population, [the hoteliers suggest] that we are in the tree hugging industry... we are into mass tourism not the niche marketing...[asking] what are people coming for a tree? To kiss and hug a tree... (TO22)_

This constant confusion and indecisiveness of promotional efforts has caused various stakeholders not to pay attention to the Sabah Tourism Board, instead using separate branding and marketing strategies. A tour operator expressed her own personal aggravation towards this scenario:

_We [a tour operator] are frustrated and we go a totally different way, we don’t play ball, we don’t follow their branding, their phrases or images...because they end up being negative images...we have to pretend that we are not even in Sabah, we can’t look at what Sabah Tourism is doing, we wont be able to travel with them, we wont be able to market with them, we will create our own brand, because what we are showing versus what we are trying to portray isn’t going to jive (TO11)_

Another tour operator also alluding to the fragmentation of the industry and branding efforts:

_The promotional effort is not entirely consistent or well organised...it should be the same among the government and the private parties... The hotels, their promotional effort will not follow that line, they will not say_
that it is Eco Treasures from Mountain High to Ocean Deep, they promote entirely different...with a different focus... Its [promotional strategies] limited to the amount of brochures they [Sabah Tourism Board] send out...other private parties will use a different phrase...for their individual promotion...not all the parties are consistent in the way they promote Sabah (TO5)

Participants have lost faith in the efforts of Sabah Tourism Board, with one participant explaining that current promotional efforts are a justification for the tourism minister to spend more money. This sentiment has been echoed by a marketing consultant who stated that “this is typical, the government spend money on it [promotional plans]...then of course they sit on it, they are not actually implementing it or doing anything about it (MC6)”.

This lack of support from hoteliers and tour operators may be due to the government not commissioning professionals to tell the industry how to brand correctly, instead mandating the direction of Sabah tourism. Participants explained that there should be an investment in executing promotional plans, and that implementation should be a joint effort between public and private stakeholders.

**The host communities dwindling interest in their surroundings**

It has become evident that a lack of cooperation and/or interest from the host community poses a major threat for the Sabah tourism industry. A hotelier stated that “eventually loyalty is created through the employees...the guide on the boats can make a difference, the dive instructor can make a difference...the so called Sabah hospitality...what they promise you in the brochures they will deliver (HO10)”.

This explaining how important it is for a host community to provide a positive influence on the tourists’ experience, through service quality and delivery, because they are influenced by the individual, in this case the host community.

This study’s participants believed that the local community, at present, is not interested in their surroundings. Sabah locals are not absorbed in Sabah’s natural asset or as
interested in it as the tourists who visit because, according to respondents, it is difficult for locals to decipher what is different about the environment and to appreciate their surroundings. A NGO representative explained "we live in this area we are surrounded by them [endemic species] and most of them [locals] consider them as pests rather then an asset, so an Elephant down the Kinabatangan is a liability (NG4)". This implies that endemic flora and fauna species associated with Sabah are considered a burden by the host community, for example, a Pigmy Elephant trampling the crops of a poverty stricken family. Furthermore a tour operator explained that "to develop a brand you need to understand what is around you, but here people don't have the urge to do it (TO1)".

Another respondent explained that Sabah’s culture, and the way it is depicted by tourists, has also been influenced. One respondent arguing that cultural dances need to be staged and, therefore, the culture portrayed to the tourist is not a true reflection of local traditions (see figure 4.1).

Conversely, another respondent took a personal stance on this issue, stating that locals do not always reap the benefits of tourism, and therefore are at the mercy of the tourist. The respondent gave Bali as an example, where products/experiences are enjoyed at the

Figure 4.1: Rungus community wearing traditional clothing in preparation for cultural dance
Source: Justine Nagorski
expense of the local community. Other participants shared similar views on the issue of culture as a commodity, with one tour operator stating that Sabah's cultural tourism product is poor due to a lack of tourism education and training:

*Its not available to most tourists...and the communities themselves don't have the education or training to provide a true cultural experience...most that you see are very packaged, there very plastic just another cultural show...the culture itself just isn’t rich enough to be actually interesting...it is repetitive and boring and ding dong ding dong...its just not very good for video cameras...its not exciting or dramatic or beautiful...we lack interpretation (TO11)*

This implies that it is not just the locals but the local tourism industry that does not appreciate local assets, in this case the local culture. Another tour operator stating:

*In Sabah there are no historical places of interest...the culture is not very attractive for the tourists...so they should only emphasise the beauty of nature (TO16)*

This suggests that tour operators have not recognised cultural tourism as a potential product, and they limit themselves to nature. With culture almost ignored as a tourism product, it is not surprising that host communities are disinterested in tourism.

**Pollution and the Sabah product**

Participant’s responses relating to the pollution of Sabah highlighted a dichotomous relationship; 1) Sabah is vastly polluted and the problem is not under control, or 2) Sabah is slightly polluted and the problem is under control.

This dichotomous relationship on the pollution issue makes this topic highly complex. From the interviews, it is evident that the tour operators share a deeper concern for the pollution problem, with a majority of negative responses being made by tour operators.
Water pollution is a major issue and everybody is living in denial, they don’t want to admit it...and no one seems to be doing anything about it...deforestation is a major issue...so what eco-treasures will we have left in a couple of years time? (TO14)

Another tour operator identified that logging is the cause of the pollution problem:

Cutting of the trees in the jungle so that they cannot retain the water...this is destroying the jungle...although it is a human need [to cut trees for money]... but if you destroy to much...then the jungle cannot retain the water so its causes a flood...causing serious damage to the people (TO16)

Furthermore, a tour operator blamed fertilizer runoff as a contributor to the pollution problem:

With the amount of fertilizers they [resorts] use...indirectly we are pumping this under the water, into the ground water then into the rivers...they [government] need to do something fast to contain this pollution (TO12)

Participants argue that people are simply not conscious about the pollution problem and therefore do not talk about it. This sentiment sparking the opinion that a pollution problem does exist, but attention to it has been swept under the proverbial carpet. The researcher, indeed, found evidence of pollution in tourist sites (see figure 4.2), however, the scale or implications of this pollution could not be determined during this study.

Alternatively, other stakeholders argued that pollution is not a problem and is under control. Government, airline and hotel representatives were among those who believed that Sabah does not have a pollution problem, an airline representative stated that “I don’t see [the pollution]...it’s not a problem...I think that the water here is ok (AI25)”. An hotelier emphasised that the problem has been exaggerated “not yet [pollution is not a problem]...adequate steps have been taken before its too late...its pretty much under control (HO23)”, with a government representative concurring “It is not at the stage where it [pollution] cannot be controlled...the government is quite aware (GO20)”. 
A pro-environment respondent attributed these views to corruption, commenting that if corruption was reduced at both the federal and local government levels this problem would be looked at more seriously. This sentiment echoed by a rival hotel representative who was confused as to why a resort was allowed to build on land that irreparably disturbed the water system.

Another arguing that Sabah is very lax when it comes to the pollution problem and education of the young is a necessity. An hotelier stating that “we have to educate them [locals]...which is a longer process...we go for the quick fix...[the] government also needs to realise that tourism is very important and try and clean up the beaches and things like that (HO19)”.

Respondents implied that, this political lax viewpoint towards environmental protection for tourism stems from tourism being a secondary industry; oil palm logging often conflicts with sustainably managed tourism. Other participants chose to believe that pollution is an external problem blaming the Philippino immigrants and Setinggan housing (illegal immigrants) who reside along the coastline, which cause all types of waste residuals to be discarded. A tour operator commented on this problem, and said “If we can remove the water villages, I can assure you that our sea will be clean (TO31, 32)”.
Sabah’s tourism industry is based on its natural assets; according to participants any type of pollution problem could cause conflict with a nature brand:

You could use the word un-polluted then you just walk down by the jetty and you see all this garbage floating around...If you talk to him [member of Sabah Tourism Board], you will think it is absolute pristine...his got all these statistics but a lot of its inept... if you are really going to do this Eco-treasures...you have to be careful...you can see Sepilok surrounded by sawmills and Palm Oil...we are always saying limit logging...tourists are good for the environment, tourists are good for conservation...the more tourists you have walking through the jungle [the more chance] of stopping illegal logging (MC6)

This implies that tourism can actually help Sabah to improve its environment as tourists will demand a pristine product if the brand promotes “nature”.

Rapid infrastructural development

From the interviews, it is evident that a majority of people are unequivocally opposed to rapid development, mainly the recent development of shopping malls in Kota Kinabalu (Sabah’s capital). A tour operator stated that shopping mall development is based on optimism:

Either we have the most optimistic state government ever or something is so totally out of rank here, that it is not a joke...somebody actually woke up a couple of years back and said how many shopping malls are we actually building...no body actually knows what is happening right now (TO14)

Another tour operator concurred with this view, explaining that feasibility of such development was not determined:

No feasibility, I don’t think so...It is just so crazy to build so many buildings...I always joke to my friends that in a few years, come to KK for a
mega sale on buildings...we only have a population of 2 million and concentrated in Kota Kinabalu is probably half a million or even less then that...I’m selling to you and you are selling to me, everyone has opened a shop but where is the customer? This is not logical I mean use common sense...the only thing the tourists can do is mall hopping (TO15)

The opposition to shopping mall development stems from disbelief that Sabah’s population and/or tourist arrivals can support this venture. Additionally, that Sabah could not successfully beat well established shopping destinations in the race to lure the avid shopper. One respondent stating that people do not visit Sabah to shop, and they never will, therefore focus in this direction is a waste:

*Its ridiculous, the malls are laughable, I think that somebody once said if you build malls tourists will come, and they want to compete with Kuala Lumpur...Sabah does not have the population to be able to support 20 new shopping malls...we are going to have a lot of empty malls...we need to invest in shops that will be suitable for tourists, better souvenir shops, better souvenirs...art galleries, things that tourists can do but that’s asking the local community to take a risk financially...no one is willing to take a financial risk (TO11)*

Furthermore, a tour operator explained that it is not wise to compete with destinations that are already well known for their shopping. Another respondent, telling of a scenario where suppliers provide one container of shopping merchandise to Malaysia and that lasts them for a year, whereas Singapore will buy five containers lasting them for half a year, this introduced the idea of economies of scale.

In comparison, other participants saw shopping mall development as proactive, with a respondent stating that it would only be a matter of time before Sabah would be declared a shopping heaven. Another respondent suggested that shopping caters to different market segments and this widens the catchment area for different types of tourists. This supported by another respondent, who stated that people want a combination of Ecotourism and shopping; a government representative explained this

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by stating that shopping is an extension of Sabah’s tourism product:

_I think that it is good because it gives an adaptation of our products...it has its draw...it is an additional product for our tourists...even though they don’t come here for shopping they will always go to the shopping mall_ (GO20)

Shopping mall development was also seen as a good side activity, this emphasising the attractiveness of the exchange rate, however, for the majority the future sustainability of shopping mall development is impractical.

(D) Threats to “Destination Sabah”

Firstly, respondents labelled many countries that could threaten Sabah’s tourism product, as their competitive edge aligns with that of Sabah tourism. One respondent stating the Philippines as they are in the tropical zone, possess beautiful beaches and a mountain. Another stating Langkawi, Bali and Thailand as direct competition; one tour operator also identified that Malaysia competes with itself:

_Thailand, Bali, Seychelles, Maldives...stack up against Sabah...Malaysia itself, Langkawi number one [competitor] and Penang number two, and Sarawak to a certain extent, so there is a lot of internal competition within Malaysia, Malaysia needs to sought out that it does not need to compete with itself (TO11)_

Another tour operator explained that “Destination Sabah” focuses more on avoiding rather than creating competition:

_Suddenly the tourism board has moved more towards the resorts and the beaches, that’s good but so does the Philippines, so does Indonesia, so does Bali, a lot of places have that...there is a lot of competition from other areas, I mean Vietnam has opened up, China is a very big competitor and a lot of the Europeans are moving over there, its new and in a way the promotions_
have been much better, even Thailand there are a lot of people going there (TO3)

Furthermore, an hotelier stated the threat of complacency and the ramifications this could have for the tourism industry:

_The biggest threat is if we become complacent and stop thinking of how we can re-invent ourselves, how to come up with new products, how to present ourselves as fresh and new to the world market, that is the biggest threat_ (HO7, 8)

Also, the lack of nightlife was highlighted by one respondent to be a major threat to Sabah tourism, as competing countries not only have a mixture of day activities but also an abundance of nightlife.

Numerous respondents emphasised that accommodation is a major issue, commenting that during peak season there are no rooms and people do not bother seeking out Sabah again. Furthermore, a respondent stated that Sabah is getting a reputation of not having enough luxury resorts, and due to this limit hotels increase their rates, and in turn Sabah is labelled an expensive destination.

A government representative commented on the additional problems of management, planning and maintenance:

_Sabah is lucky to have outstanding natural terrestrial and marine tourism products, which are accessible, and within easy reach...the major challenges lie in the provision and maintenance of high standards of service delivery and product quality, and management to continue being a viable and premier destination for discerning visitors, and to ensure repeaters, and to deliver the products to visitor expectations_ (GO28)

A different respondent explained that the worst threat to “Destination Sabah” is the oil palm industry, because if logging continues there will be no environment to sustain

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tourism.

Lastly, security was seen as a threat to Sabah, for the most part, participants believe that safety/security is a strong selling point for Sabah, however, one NGO representative stated that the illusion of security can deter tourists:

International tourists think that if you have military on an island then something is wrong...if they see police men patrolling the street they think that something is not right... [tourists think] I'm on holiday not on prison camp (NG4)

Security, in this instance, referring to heavy police presence in some areas of Sabah whose sole purpose is to manage the illegal Philippino immigrant problem that exists.

4.3 Chapter Summary

This chapter presented the findings from interviews conducted with 37 public and private sector representatives of Sabah’s tourism industry, and has given insights into the challenges faced by these key stakeholders in their effort to create a unified branding vision. Some of which include, uncoordinated “current” branding strategies, inability to classify a core tourism product, poor environmental management, excessive infrastructure development, and ineffective communication between key stakeholder groups. The meaning of these outcomes will be discussed in chapter five (“Destination Sabah”: A discussion about the public and private tourism sectors’ perspectives on the potential creation of a destination brand).
CHAPTER FIVE

“Destination Sabah”: A discussion about the public and private tourism sectors’ perspectives on the potential creation of a destination brand.

This chapter discusses the key findings of this research study to consider the implications of the public and private sector stakeholder perspectives and their relationship to the academic literature. The discussion will be presented, as per the findings, in order by research objective. In particular, this section will highlight the critical issues for branding “Destination Sabah” and consider the implications for the next phase of destination branding.

5.1 Destination branding: Stakeholders’ demonstrate an implicit understanding

In this study, the public and private stakeholders of Sabah demonstrated a clear understanding of destination branding. In their clear, almost definition-like statements, the public and private stakeholders of Sabah tourism have proved their understanding of branding, and have shed light on the many fundamentals.

The public and private stakeholders’ grasp of destination branding was important to establish as, in an increasingly aggressive global tourism marketplace, the local tourism industry must understand the fundamentals of destination branding to create and maintain a position of significance in order to attract tourists to their destination.

The respondents had more than an arbitrary understanding of destination branding illustrated by the fact that respondents explained that destinations must market their unique characteristics and draw on conversational value. They understood that price is no longer the primary deciding factor in tourist decision making. This concurred with the findings of Morgan, Pritchard and Piggott (2003) who suggested that the potential conversational value of the destination was becoming a much more powerful tool in destination selection. The findings also align with other academic literature identified in the literature review of this study (please refer to pages 13-20).
5.2 The current state of branding “Destination Sabah”: A blurred performance

The participant responses identified Sabah’s tourism resources and assets. This was important to establish as, these tourism resources create the basis for DMOs to capitalise on the unique and build the core attributes of brand personality (Nickerson & Moisey, 1999). Also identified was the current state of branding “Destination Sabah” and the application of destination branding to their current tourism resources. This was imperative to ascertain as, the local tourism industry must understand that destination branding as a powerful marketing tool should be executed creatively with full support from stakeholder groups (Morgan, Pritchard & Piggott, 2002; Prideaux & Cooper, 2002; Crocket & Wood, 1999).

5.2.1 The conflicting core assets of “Destination Sabah”

In this study, internal (destination-related) issues affecting branding were weak branding strategies, hazy identification of key target markets, and the inability to identify the primary tourism asset. As suggested by Gunn (2002) global destination choice becomes difficult for prospective tourists as destinations conform to sameness. “Destination Sabah” is falling victim to the global trend of homogenising the primary tourism asset as opposed to capitalising on the unique; therefore Sabah strives to become similar to that of other competing destinations. This is important because capitalising on “Destination Sabah’s” unique attributes has the potential to create great benefit for the prospective tourist. Also, a diverse range of experiences means that tourists can re-visit and undergo a totally different set of circumstances and elicit different impressions the second time around (Gunn, 2002).

As identified by Anholt (cited in Clifton & Simmons, 2004, p.213) if a destination does not “seem exactly like itself every time it crops up”, there is an insignificant chance of the destination competing for the tourists holiday preference. In the case of Sabah, tourism development, although rampant, is experiencing many challenges with the emergence of critical issues that necessitate resolution to ensure the future sustainability of the fickle industry. Overall, the tourism industry in Sabah has experienced sluggish
growth mostly due to economic downturn in Asia (Lian & Leen, 2001), but also endemic factors, such as the lack of awareness of Sabah’s product offering in a global context. New and old tourism products have failed to enter the tourism arena because of poor promotional strategies and weak brand messages. Sabah must coordinate efforts to remain consistent and at the forefront of tourists destination choice.

The appeal for any tourism resource, including Sabah’s diverse nature, is only as strong as the infrastructure supporting it, this affirmed by Gunn (2002, p.228) who argued that “resources are not they become”. As highlighted in the responses, the tourism resources that require undivided focus and strengthening are predominately nature-based by characteristic, and this identifies the paramount uniqueness of Sabah’s place product. The challenge now is to design a tourism infrastructure that focuses on Sabah’s main attraction. This turnaround suggests the neglect of new niche tourism products, which have been seen to impose negative impacts on Sabah’s tourism industry (Lian & Leen, 2001). With Nature-based tourism increasing at an average annual growth rate of between ten to thirty per cent globally (Deng, King & Bauer, 2002). Nature-based tourism as Sabah’s vision and everlasting focus, has the ability to unveil more opportunities than is currently recognised by the public and private stakeholders.

5.2.2 Application of branding to “Destination Sabah”: Various visions but no common brand

The participants’ identified that the current state of branding “Destination Sabah” has been executed without full support from industry, and has led to private sector agencies devising their own branding strategies. However, successful branding strategy globally possesses a backing by all stakeholder groups, and the creation of clear objectives and goals for the destination (Morgan, Pritchard & Pride, 2004; Lodge, 2002).

Interestingly, the core brand of “Destination Sabah” is in fact unknown by a majority of the private sector. Where the public sector stated that the core brand is “Sabah – Malaysian Borneo”, the private sector argued it was “Eco-treasures from mountain high
to ocean deep”. This misalignment suggests a complex problem, as internally the brand is not recognised, and the ability of it to be realised globally is even more doubtful.

The main objective of successful branding is coordinating the creation of one unique identity in an attempt to differentiate from competition, and to change worldly perceptions/and or misperceptions of its place products (Morgan, Pritchard & Pride, 2004). However, this objective is counteracted as Sabah opts for a quick fix to branding strategy through the use of interchangeable logos, slogans and catchphrases. These ultimately sound good, but lack appropriate planning and market research. This approach has caused a misalignment in views on the branding of Sabah tourism, where branding strategy has been executed without full support from industry, and has led to private sector agencies devising unique branding strategies to sell their own product/experience.

To better understand respondents’ claims, and measure the level that the current brand/slogan has achieved goals set, it is important to consider the perspectives of the participants in the context of a Sabah tourism report devised in 1999. The report authored by the “Sabah Tourism Promotion Corporation”, titled “Sabah Malaysian Borneo Untamed from Top to Bottom”, outlined strategic communication recommendations towards the promotion of Sabah. The extensive report documented nine objectives and goals to be achieved through the use of Sabah’s current branding strategy:

- To promote and market Sabah as – The Malaysian Borneo Premier Nature Adventure Holiday Destination, a world class destination in South East Asia.
- To create and maintain a high level of brand awareness and visibility for Sabah’s tourism product(s), positioning Sabah as an exciting, multi-faceted and value for money travel destination among target audience groups in key international markets. In so doing we must provide a positive and conductive environment in which international tourists have substantial reason to visit Sabah.
- That Sabah is safe and friendly
• Sabah has choice selections of international hotels and resorts complete with, world class MICE facilities, signature golf courses, yacht and marina facilities
• Secluded islands, beautiful beaches and world-renowned dive sites
• Other recreational facilities and water sports
• Excellent cuisine
• Active lifestyle destination
• To publicise and market effectively the existing domestic tourism events.

It is now eight years after this report was published and implemented, and this study demonstrates that there is still indecisive communication, and the image perception of Sabah is unclear. The use of “Sabah – Malaysian Borneo” as the core brand, not only falls short of achieving these objectives, but also relies on the prospective tourist knowing where Sabah, Malaysia and/or Borneo is, and furthermore what they stand for.

Morgan, Pritchard and Pride (2004) asserted that image is positioned in the mind of the consumer, either positively or negatively, depending on the planning and management that goes into branding and its application. Taking this into consideration, and the participants’ varied perspectives, it is proposed that instead of relying on unknown country names, the brand should concentrate on the unique experiences and attributes on offer in an attempt to occupy a niche within the global tourism industry.

As explained by Crockett and Wood (1999) destinations with clear promotional strategies, that reflect core strengths and realism with appealing attractions/experiences, will win the consumers preference when choosing a holiday. Essentially, the respondents emphasised that current branding efforts fall short of accentuating and promoting Sabah’s key assets, this limiting Sabah tourism as a growth industry as the focus is on destination name instead of destination assets, but also poor representation on the world tourism stage, where fragmented communication of their tourism asset can potentially take its tole on tourism arrivals.
5.3 Future vision for branding “Destination Sabah”: A diverse challenge

The respondents provided their opinion on the future strategic branding strategies and visions for “Destination Sabah”. Most respondents argue that “Destination Sabah” should incorporate well researched target marketing and deliver on brand promise, with imagery and overall personality matching the destination experience. Also, “Destination Sabah” should capitalise on the diversity of its tourism resources, and this would rely on a unified vision from stakeholder groups and, perhaps, integrated marketing efforts (as part of ASEAN or BIMP-EAGA). These criteria for the future branding of “Destination Sabah” essentially concurred with the findings of Morgan, Pritchard and Piggott (2002) who suggested that a destination must establish a personality, and remain true to the essence of brand personality for the purpose of consistency.

Additionally, quite in depth participant responses centred on perceptions of the uniqueness (unfamiliarity) or commonness (familiarity) of “Destination Sabah’s” tourism resources. As Andsager and Drzewiecka (2002) suggested distinctive destinations are commonly desired by tourists as they seek diverse experiences. Therefore, uniqueness should be seen as an important future branding strategy for “Destination Sabah”.

Perceptions on uniqueness are often grounded in stereotypes of destinations, where photos, brochures and various marketing mediums deduce their opinions (Andsager & Drzewiecka, 2002). Participants’ opinions appeared to be based on their preconceived ideas of what validates a tourism product as unique. This assumption is flawed as it is necessary to appreciate that what is familiar to them is perhaps unfamiliar to the tourist. Sabah, in contrast to many participants’ views, may need to familiarise the prospective tourist with its difference and uniqueness rather than perceive itself as similar to other destinations or, indeed, construct itself into a mimic of other south-east Asian destinations via the development of shopping centres or copying tourist activities.

If tourism stakeholders in Sabah were to consider their target markets more closely, such as Europeans and Americans, they might come to understand that potentially there
is little knowledge of Malaysia let alone Borneo or Sabah. Enticing tourists to the area through strategic promotion of Sabah’s unique tourism resources might pave the way to attracting attention in a saturated marketplace, and help Sabah’s unique natural asset to meet tourists’ needs and wants. As opposed to the current alternative accepted in Sabah where the needs of tourists are shaped to fit in with Sabah’s natural asset.

Furthermore, as destinations and the associated brand evolves from a simple identifier into an experience provider (Prentice, 2004), the sophisticated and knowledge driven tourists’ will expect more. Therefore, lack of, or poor market research will eventually erode the strength of Sabah’s tourism industry, and so a marketing strategy has to be adhered to where image is tailored to appeal to the target.

5.4 The critical issues that currently impede the development of a brand for “Destination Sabah”: Identifying the gap between Hankinson’s successful brand model and the reality of “Destination Sabah”

This section discusses the key findings reported in chapter four and addressed under the fourth objective, being the “critical issues identified by the public and private stakeholders’ that currently impede the development of a brand for “Destination Sabah”’. The themes that emerged from the results will be discussed in detail, but due to their complexity, will be ranked according to the level of implication for “Destination Sabah”. Also, their association with Hankinson’s (2004) “Relational Network Brand” model and the critical “consumer relationships” that were identified in the conceptual framework and formulated as sub-themes for this study, including: 1) non-conflicting target markets; 2) residents and employees; 3) internal customers; and 4) managed relationships from the top.

5.4.1 Non-conflicting target markets: Brand promise defeated by brand reality

In Hankinson’s (2004) “Relational Network Brand” model it is required that there are non-conflicting target markets, but this study has showed that there is a conflict; therefore this will be a discussion about conflicting markets, referring to those factors that have the ability to threaten a cohesive brand for “Destination Sabah”. For example,
the promotion of Ecotourism or Nature-based tourism emphasises a reliance on a pristine environment for the sustainable management of tourism. Currently in Sabah issues such as, environmental management of pollution and rapid infrastructural development have the inherent ability of conflicting with Sabah’s “nature” orientated branding strategy.

**Classification of Sabah’s tourism assets for a destination brand: Ecotourism versus Nature-based tourism the great divide**

The principal objective of this discussion is to determine, in the context of stakeholder perspectives, if Sabah should promote itself as a Nature-based attraction, or become more specialised as an Ecotourism destination. With Nature-based tourism and Ecotourism (as a subset) generating seven per cent of international tourism expenditure (Deng, King & Bauer, 2002) both will continue to play an important role in global tourism. Either way, both types of differentiated tourism products are expanding segments of the travel industry, potentially offering economic opportunities to establish markets (Luzar, Diagne, Ecgan & Henning, 1998).

To set the current scene in Sabah, and to better understand the complexities of this discussion, the “Sabah Tourism Masterplan 1996” as the most recent comprehensive tourism plan will be considered. This plan emphasised that Nature-based tourism is the core attraction for “Destination Sabah”. This not surprising as Sabah is recognised as a “nature” tourism site in Malaysia, due to its biodiversity, rich living heritage and endemic flora and fauna species (Lian & Leen, 2001). Currently the Sabah government, among other things, is striving to develop Sabah as the best nature tourism destination in the world, and this seems to be the most appropriate avenue as the prime asset is their natural resource. However, another alternative type of tourism, being Ecotourism has been allocated RM 10 million between 1996 and 2000 for its development with a further substantial sum to be allocated in the near future, approximately equalling RM 100 million. This implies that focus is divided between two core tourism products, as opposed to the refinement and strengthening of one (Duad, 2000).

In view of this, the majority of participants label Sabah tourism as strictly Nature-based, with elements of dive, culture, beach, sand and sunshine, with the minority...
declaring Sabah as an Ecotourism attraction. To further understand this distinction, respondents gave definitions of Ecotourism, the aim here was to determine if those classifying Sabah as an Ecotourism destination were actually confusing it for Nature-based anyway. To appreciate the intricacy of this finding it is necessary to reaffirm the fundamental differences between the two forms of tourism.

Ecotourism is considered to be a subset of Nature-based Tourism, but there are differences that set them worlds apart. Ecotourism promotes an educational/interpretive element; it fosters conservation and inspires host community benefit. Page and Dowling (2002, p.86) state that “Ecotourism is more then a specific form of tourism – it is an ethic, a philosophy, an ideal and above all not a niche market for the mass tourist operator to play the green card”. Alternatively, Nature-based tourism is any type of tourism that requires the use of the natural environment, either as an attraction or a setting, it is not necessarily educational, sustainable and or to the communities benefit. The findings affirmed that a majority of respondents actually fail to understand Ecotourism and the parameters acknowledged here that identify its complexities.

The choice of Sabah’s current tourism arrivals according to a satisfaction survey, visit for nature-based attraction purposes, with a total of 530 respondents out of a possible 1360 supporting this (Universiti Malaysia Sabah, 2006). On the questions “perception on Sabah as a tourism destination” and “international tourists perception on Sabah as a tourism destination”, both cases saw nature as the ultimate asset of Sabah, as opposed to Ecotourism which was seen as secondary at all times (Universiti Malaysia Sabah, 2006). This emphasis on Nature-based activities indicates that Sabah is not yet an established Ecotourism destination, or at least, tourists are not visiting for this purpose. This circumstance perhaps due to: a) promotional efforts directed towards increasing Ecotourism have not reached appropriate target groups; b) people seek out Sabah for alternative reasons i.e. sand, sea and sun; and c) people are not interested in Sabah’s Eco-assets, instead opting for alternative exotic experiences at established destinations, such as Belize, Africa or India, for example.

The actual success and awareness of Ecotourism in Sabah is difficult to pinpoint due to the shortage of reliable data, specifically on Ecotourist numbers (Chin, Moore, Wallington & Dowling, 2000). Tourist arrivals to Sabah have been poorly classified

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into profiles identifying those who visit for Ecotourism or Nature-based attractions. Given that a majority of respondents stated that a very small percentage of tourists actually visit due to Ecotourism, it may not be a viable core product for the destination brand. Supporting this finding is that many Ecotourism businesses in Sabah remain comparatively small, and often face difficulty when obtaining clientele to support the business, and as a result close down (Department of Wildlife and National Park Malaysia, n.d.). This may also be the result of poor or non-existent training in Ecotourism and its fundamentals.

Furthermore, the respondents believed that Ecotourism has the ability to stereotype the tourism product as something it is not. The Sabah Tourism Board in its promotion of Ecotourism is doing so with little consideration of the quality of these private sector businesses, such as the implementation of Eco-certification and/or environmental audits (Ross & Wall, 1999; Scheyvens, 1999; Wearing, Archer & Jackson, 2003). Instead it seems predominately private sector profit driven; an opportunity to tap into a type of tourism that has been recognised to grow faster than any other alternative type of tourism (Daud, 2000).

Also, planning and controls are not evident to ensure the longevity of an Ecotourism product. Where, being out of sink with successful Ecotourism practices and the use of top-down approaches to policy can mean that the key decision makers are out of touch with host community strategies to capture tourism revenue. This puts the longevity of Ecotourism into question as people are key to conservation and the values of Ecotourism. Given this current scenario, it is perhaps necessary to determine if Ecotourism in Sabah is actually Ecotourism at all.

Overall the biodiversity of the ecosystem is weakly protected, and the plans for environmental management are even weaker (i.e. pollution problems). Natural sites are protected under the umbrella of Malaysian constitutional law, and land use is considered a state matter, and therefore thirteen different governments have gazetted implementation to various parks, wildlife and forestry departments (Daud, 2000), this complicating the management of tourism further (Chin, Moore, Wallington & Dowling, 2000). Furthermore, the private sector is encouraged to develop Ecotourism activities independently (Daud, 2000). As suggested by Ross and Wall (1999) this partition of
governance, at times, means lack of coordination when maintaining protected sites and providing services to the tourist.

Management plans should rise above the plans on paper and into practice (Ross & Wall, 1999). In Sabah plans do exist for most of the sites but the challenge is to implement these plans. The absence of planning leads to the depletion of the locations natural assets, upon which the tourism industry in Sabah depends (Dwyer & Edwards, 2000). It has now become vital that Sabah's local government and private sector improves management processes, taking into consideration long-term and short-term objectives of any destination; conservation and protection of natural environments, the host community as beneficiaries and of course economic success overall (Dwyer & Edwards, 2000).

Loving nature until its eventual demise has become the cruel reality for many destinations, therefore strong governance and politics should be implemented to protect ecology and attract the right market (Weinberg, Bellows & Ekster, 2002). Environmental management in Sabah is rather frail and often confined to protected areas only, since the emergence of Ecotourism the emphasis on environmental management has increased, but plans have rarely been implemented to cause any major changes. In view of this, if quality Nature-based tourism is the supported core activity, than tourism development should concur with this (Ross & Wall, 1999), with Ecotourism only being an extension of the core product i.e. nature-based should always be promoted first, and Ecotourism should be considered a complementary/secondary product at best.

Pollution's role in undermining Sabah's nature brand: Reality doesn't match the photos

If “Destination Sabah” were to concentrate and strengthen its core brand as Nature-based, it would be necessary to highlight the factors that conflict with such a brand. Essentially, the current pollution problem creates a misalignment between the branded promise and branded reality, generating a significant dilemma for “Destination Sabah”.

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Sabah possesses one of the most biodiverse environments in the world; the sustainability of tourism in such a fragile setting should be put into question. Currently, Sabah’s tourism industry is dependent on the natural environment, this causes concern as what is promoted versus what is experienced is in misalignment, and therefore such environmental impacts are up for scrutiny.

The results from this study identified a dichotomous relationship between those who emphatically believe that there is not a pollution problem in Sabah versus those advocates for the contrary, proving a misalignment in views between key stakeholders. Here, the belief is pollution and environmental management issues are a poignant reality, and this necessitates the identification of environmental consequences caused by pollution, and the implementation of environmental planning to lessen impacts. This concurring with Gunn (2002) who suggested that tourism planning should foster and promote continual environmental improvement for successful tourism development.

Gunn (2002) asserted that tourists seek destinations with beautiful scenery, pristine waters, protected fauna, undeveloped place products and aesthetical appeal. The primary feature of tourism in Sabah being its natural resource, including beaches, islands, water, mountain, rain-forest, jungle, and wildlife are jeopardised as the overall aesthetical appeal diminishes. Respondents discussed the implications of pollution on these natural assets, including waste management issues, raw dumping, water pollution, destruction of jungle, fertilizer pumping into ground water and the impact on Sabah’s “Eco-treasures”. All these elements suggest unsustainable resource use, in particular, water pollution, because as Gunn (2002) asserts water-based attractions provide an appeal to tourists that cannot be substituted, and preservation of such an asset must be recognised by all stakeholders as a contribution to successful tourism.

Interestingly, the greatest concentration of tourist traffic in tourism is mostly centralised in environmental settings that are not capable of supporting rampant development (Weaver & Lawton, 2002). Therefore, as developing countries economies become dependent on tourism, the need to protect and conserve environmental assets is imperative (Gössling, 2000). Taking this into consideration for Sabah, the significance of this situation is exacerbated, as quality control to ensure best practice, including
environmental protection and conservation of natural resources are weak, and enforcement even weaker, for example, pollution of waterways caused by Palm Oil logging is continuously ignored. As a result participants have labelled such effort as inept because environmental management plans and their notable ability to succeed have never come into fruition.

The norm in developing countries, is for environmental management plans to be conceived but not to be enforced (Gossling, 2000), this scenario also descriptive of Sabah. Therefore, concerted effort needs to be made to elicit strategic environmental management initiatives, not only to manage the pollution problem and “green” Sabah’s image, but to strengthen tourism sites and boost tourism (Lian & Leen, 2001). If not, the primary tourism product will inevitably be destroyed in the process (Curtin & Busby, 1999), and notably these negative consequences caused by environmental impacts can be avoided if all avenues of tourism development are well planned and controlled (Gossling, 2000).

However, it is necessary to note that Sabah has exerted effort on coastal zoning, worked in consultation with the Canadian government, carrying capacity in Sukau has been vaguely researched and the World Wildlife Fund (WWF) has taken a proactive approach towards sustainable development, showing initiatives to regenerate forests and conserve protected areas. Generally these activities are undertaken by NGOs, and this activity concurs with the findings of Holden (2003) who suggested that NGO’s act in the best interests of tourism because they can see that nature can achieve economic value through tourism. Nevertheless, a majority of the time environmental plans for “Destination Sabah”, as emphasised in the results, are incompetent.

On the other side of the dichotomous relationship is those who aptly believe that the pollution problem is only slight and under control. Given the respondents comments, and the experiences of the researcher it is believed that this alternative view is incorrect, and will be realised as ecological forces eventually surface. Therefore, it is necessary to contemplate if these stakeholders want to be hurt or helped by the current condition of Sabah’s environment. To help, key stakeholders must achieve a unified vision and implement measures to reduce the environmental impacts of pollution, namely

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protection of wildlife, the reduction of toxic run-off into waterways and the dire consequences of deforestation. As Cooper (cited in Holden, 2005, p.344) described, to sacrifice this responsibility of introducing a new environmental ethic a destination has the ability to plunge into catastrophe.

This situation is further exacerbated as, emphasised in the results, stakeholders often fail to realise the importance of tourism because it is not the sole industry in Sabah i.e. oil palm logging. This causes a conflict of interests, which often holds precedence over the natural environment and related consequences. In developing countries such as Sabah, tourism finances many of the initiatives to conserve protected areas, for example, Kinabalu Park. These initiatives are counteracted by certain activities, for example, equatorial rainforest being cleared for rubber and oil palm ("Borneo thronging with new species", 2006).

Overall, for the betterment of Sabah’s tourism product, the goal of sustainable resource use is vital. If the tourism industry continues to show ignorance when it comes to pollution, Sabah’s “eco-treasures” has a rapidly approaching expiry date. As these assets are the foundations that are so aptly desired by tourists, and in many cases the sole reason for visiting Sabah, stakeholders have to shift their views to nurture “green” sustainable initiatives of resource use, and not just provide a humbug approach to environmental problems.

As Schreuer (2000) suggests the government or ‘brand managers’ have the power to put preventive measures into action, and more importantly the authority to inflict change if necessary. Therefore, to ensure the long-term survival of Sabah’s tourism product, which is characteristically made up of Nature-based tourism, environmental management plans need to be developed to monitor such problems, and of course actually be implemented by authority. This shift in focus means the recognition of Sabah’s natural ecosystem and the need to protect such an asset in an attempt to make tourism the everlasting industry. In essence, an environmental management policy will put infrastructure in place and elicit conservation before it’s truly needed. Clearing of the natural environment to make way for oil palm plantations, and general pollution is
adverse to Sabah’s tourism industry, and revitalising sites is not an easy task but a necessary one.

Admittedly, the control of pollution cannot solely be the onus of the government, as there are other variables in play, but a proactive approach can be acquiesced in an attempt to control the problem. This sentiment being demonstrated in the results, where respondents explained that pollution is a wider environmental management issue, where internally environmental education needs to be imposed, and externally Setinggan housing and the illegal immigrant problem needs to be rectified. However, in extracting the government from the full blame of the pollution problem, it has to be mentioned that plans of any description require governance, and therefore successful implementation is usually carried out by the governing body (Gunn; Fennel cited in Mason, 2004, p.71).

Furthermore, in 2005, a study was conducted by the “Universiti of Malaysia” titled “Tourists Requirements and Satisfaction Survey”. This study surveyed a total of 1,360 tourists (domestic tourists 357 and international 1,003), using stratified random sampling. Results relating to “satisfaction with the attractions visited”, rated poorly when it came to 1) Destination maintenance 2) Facilities in the destination and 3) Cleanliness. As a result of this finding, Universiti Malaysia argued that existing regulation should be enforced, the frequency of cleaning should be increased and assessment of garbage at tourist’s attraction would be seen as proactive. Therefore, the findings in chapter four in actuality do not present anything different to what has been identified in the past, this confirms that past studies that have addressed this problem have been, for the most part, discarded by key stakeholders/decision makers.

Also, these results put into question the relationship between Sabah’s branded promise, and its actual performance in achieving this promise, and what effort has been exerted to better deliver on promise. When tourists travel to destinations to experience certain characteristics/attractions that appeal to them, this activity should end with satisfaction from experiencing such characteristics/attractions. This idea leads to the underlying problem that exists in Sabah, which is the long term sustainability of a tourism product that contradicts its branded promise. In an attempt to incorporate the importance of this
contradiction, it is necessary to reaffirm findings from the literature review, where Blain, Levy and Ritchie (2005) suggested that destination branding should convey promise and a memorable experience. Therefore, when establishing a brand it is fundamental that it accentuates the destinations experiences - is Sabah prepared to deliver on its branded promise?

In this study, a majority of participants were concerned about the sustainability of the Sabah tourism industry, as the destination continues to ignore the plaguing pollution problem, and therefore, what “Eco-treasures” will be left for the tourists in the future? This scenario is explored by Schreuer who suggested that if brands fail to deliver on the consumers anticipated expectations the power of word of mouth will cause the demise of the brand (Schreuer, 2000).

**Rapid infrastructural developments role in undermining Borneo’s nature brand:**

**Replication of neighbouring destinations tourism assets**

Given the size and extent of today’s global tourism industry, it is difficult for a small player to make its mark on the international tourism map. In an attempt to counteract this situation, “Destination Sabah” is experiencing rapid infrastructural development, which has the ability to either help and/or hinder the sustainable future of its tourism industry. Therefore stakeholders must consider: Does shopping mall development synergise with Sabah’s own unique characteristics? A minority of participants advocate that it does, with the majority arguing the contrary. Unfortunately the minority tend to be those in power and therefore those who could make critical decisions that affect the whole tourism industry.

Shopping is one of the most pervasive activities engaged in by tourists as it affords the opportunity of ‘tangibilising’ the intangible through purchasing souvenirs, mementos, keepsakes, and handicrafts. But also, it allows the tourist to remind themselves, as well as friends and relatives back home of the journey that has been (Snepenger, Murphy, O’Connell & Gregg, 2003). Therefore, the respondents that advocate shopping mall development do make a persuasive argument.
Moreover, in many instances destinations cannot rely on their primary product to develop a long-term sustainable tourism industry (Russo & van der Borg, 2002). Therefore secondary products, such as shopping can be promoted often successfully alongside the primary tourist attraction. This is more applicable if the secondary product promotes economic vitality for the host community (Snepenger, Murphy, O’Connell & Gregg, 2003).

However, little is known about what motivates a tourist to seek out certain destinations for their shopping experience (Yoon-Jung Oh, Cheng, Lehto & O’Leary, 2004). For a destination such as Sabah to understand this, would require extensive market research into not only tourist profiles, but individuals shopping behaviour and presence. The success of shopping mall development or any infrastructural endeavours are only as strong as the strategic plans that found them to be a viable option in the first place. The majority of respondents explained that research was lacking in the feasibility of shopping mall development, and even more vexing respondents were unsure who was responsible for implementation. This nuance provoking the question, why are shopping malls under construction in such abundance, if feasibility was based on optimism instead of fact.

In Sabah it appears that development is being based on the replication of the success of other destinations. The – do as my neighbour does – mentality, where Sabah has replicated the success of established shopping destinations with minimal consideration of population, tourist arrivals, sustainability, and the variables that labelled Singapore, Hong Kong and Kuala Lumpur as successful shopping havens. This focus proves that Sabah is great at imitation and replication of neighbouring destinations assets, but in doing this they devoid their own nationalistic pride and creativity that potentially could strengthen competitive advantage.

The battle to become homogenous through the replication of other destinations tourism niche markets will not necessarily achieve the same level of success for Sabah. As Sabah possesses its own unique characteristics, which is predominately Nature-based, shopping mall development could potentially encroach upon economic success. As Gunn (2002) stated, the economic benefits that often accompany successful niche
markets are often done so without consideration of the issues that accompany such opportunities. This being the case in Sabah, where decision makers fail or have limited understanding of these complex issues, for example, the majority of participants arguing that: 1) Sabah is too small a destination to support such developments; 2) external threats i.e. epidemics; 3) optimism does not equal feasibility; and 4) lack of research into market segments and tourist arrivals. Therefore, these opinions voiced in the contrary, perhaps make for a stronger argument.

Furthermore, as suggested by Gunn (2002), tourists choose to travel to destinations because of the attractions that relate to unique resources, culture and the nature that exists, as it represents a true sense of place. In Sabah, shopping mall development undermines Sabah’s “nature” brand, instead of focusing on its individual identity and building tourism that fosters Sabah’s own unique sense of place. Sabah by tapping into shopping tourism is increasing attraction potential, which is not necessarily compatible with the leading tourism product, this in turn influencing brand promise. Therefore, if shopping mall development has the ability to conflict with a nature brand, which is the primary attraction, than all other secondary products must promote a symbiotic relationship with the fragile environment upon which the primary tourism asset depends.

Section 5.4.1 addressed the need for non-conflicting target markets, which was identified in Hankinson’s “Relational Network Brand” model as a critical factor towards the success of destination brand development and positive “consumer relationships”. This section identified” Destination Sabah’s” inability to classify a core brand strategy, be it Nature or Eco orientated. Also, at the arrival that Nature or Eco would be the ultimate brand, there is a conflict as these types of tourism rely on a pristine environment, and with the emergence of a pollution problem and rapid infrastructural development, the longevity of these types of tourism are questioned, and therefore the gap between non-conflicting target markets and conflicting target markets widens.
5.4.2 The power of the host community: Residents and employees as an important factor for “Destination Sabah”

In Hankinson’s (2004) “Relational Network Brand” model it is required that residents and employees have a positive relationship with other stakeholders of the tourism industry. That is, the success of Sabah’s tourism industry depends on attracting and pleasing the tourist as well as the host community. This study showed that there is a conflict between stakeholder groups, of which the community will be the focus in this section.

As Gunn (cited in Jamal & Getz, 1995, p.186) suggested there is a strong requirement for cooperation and collaboration in planning. If Sabahans are neglected from tourism development and planning, they will continue to lose interest in the Sabah tourism industry, and this be of great concern for the long term sustainability of tourism. Currently Sabah’s local community is ill prepared for their roles and responsibilities in the planning and management process. As Gunn (2002) suggested, such problems need to be alleviated, for a tourism industry will only exist if the community and surrounding environments are functioning to full potential. If not, weak cultural representation, negative influences on brand promise, consistency and poor service quality will lead to unsustainable development, due to lack of trained human resources, cultural limitations and the dwindling apathy and awareness of the current state of the industry within host communities (Tosun, 2000).

Section 5.4.2 addressed the need for residents and employees within a destination to maintain a positive relationship, which was identified in Hankinson’s “Relationship Network Brand” model as a critical factor towards the success of destination brand development and positive “consumer relationships”. This section identified that the current feeling among the host community is apathy and disinterest in the current tourism situation. Therefore, there is a gap between positive resident relationships, identified by Hankinson, necessary for a successful brand.
5.4.3 Internal customers: Stakeholders lack unified vision for “Destination Sabah”

In Hankinson’s (2004) “Relational Network Brand” model it is required that internal customers, the stakeholders of Sabah’s tourism industry, manage responsibility in a unified manner. This study showed that “Destination Sabah” is essentially incoherent and misaligned when it comes to the creation of a unified vision for Sabah tourism.

The overall experience and understanding of destination branding by internal stakeholders in Sabah is fundamentally inadequate as, the perception of global tourism markets are vague and the unsuitable expertise on how to best brand “Destination Sabah” is consistently demonstrated in chapter 4. Unified branding becomes inherently more difficult as the DMO, Sabah Tourism Board, imposes some control over destination branding, but consistently fails to develop a consistent brand that is accepted by all relevant stakeholders, or a brand that encapsulates all of “Destination Sabah’s” uniquely diverse attributes.

From the interviews, there was little evidence of coordination of relevant stakeholder interests. As “Destination Sabah’s” brand requires coordination between government and its tourism industry stakeholders, the improvement of the brand should undoubtedly contextualise the facets that are vital to destination brand development, which in this case is the development of coordination between stakeholder groups.

Moreover, in Sabah influential stakeholders desire personal interest over the betterment of tourism, threatening the long term sustainability of this unpredictable industry. Perspectives obtained from selected stakeholders, jointly paint a disconcerting picture of antagonism and constant misdirection, where personal interest wins over best practice. To overcome such a situation in Sabah, people who work within the tourism industry in Sabah are the ones who should hold local political positions, as they understand the objectives and visions more so than constituents who hold high positions but are removed from day-to-day workings (Morgan, Pritchard & Pride, 2004).
Also, stakeholders should make plans in the context of the tourism system, where all decisions and direction are influenced by every other, and therefore consideration and cooperation is crucial to its success (Gunn, 2002). As the tourism system does not exist in a vacuum, and therefore is not isolated, all sectors’ of the Sabah tourism industry have to work in cognisance; otherwise the industry will erode overtime. Working within this context, the Sabah government will profit because their plans are supported by various stakeholders. NGOs will achieve their goals and objectives, as they work within the tourism system. The tour operators, hoteliers, airlines, and other tourism related businesses will thrive as they take advantage of the complimentary action of other stakeholders (Gunn, 2002). Perhaps, most importantly the tourist will enjoy a better experience because the tourist system is working in harmony to produce a unified quality product/experience.

The Sabah Tourism Board often makes the final decision on all things tourism. Such DMOs are therefore responsible for establishing frameworks, regulations and control of environment and culture, constructing infrastructure, developing human resources with appropriate education and training, and concrete tourism plans (Richardson & Fluker, 2004). These responsibilities that ensure best economic rewards need contribution from all key stakeholders. To continue as they are now, potentially leads to a weakened vitality and dwindling spirit as stakeholders continue to be ignored. Controlling governments with individual agendas are not always looking out for the best interest of a destination, therefore initiating and implementing planning needs to be executed with a unified vision.

Section 5.4.3 addressed the need for coordination between “internal customers”, which was identified in Hankinson’s “Relationship Network Brand” model as a critical factor towards the success of destination brand development and positive “consumer relationships”. This section identified that, essentially, stakeholders of Sabah’s tourism industry are carrying out activities with personal interest holding precedence, or in negation of the decision-makers primary responsibilities. This situation of “internal customers” carrying out activities in an incoherent manner widens the gap between the
current scenario of “Destination Sabah” and the required situation shown in Hankinson’s model.

5.4.4 Managed relationships from the top: From an internal to a global context perspective

In Hankinson’s (2004) “Relational Network Brand” model it is required that relationships are managed from the top. Although Sabah tourism is structured to adhere to this factor, the operative word of “managed” is replaced with “control” as strategies are dictated instead of Sabah tourism working cohesively with all stakeholder groups.

Top-down management in its current form threatens “Destination Sabah” because upper hierarchy do not understand “Destination Sabah” in the global context. “Destination Sabah”, like most holiday locations worldwide is compelled to market internationally and generate revenue in support of the local economy. This activity means that the destination brand has the challenge and responsibility of competing for prospective tourists’ attention internationally (Anholt, 1999). As Sabah has a small marketing budget, in comparison to globally established recognisable destinations, they have to adopt the strategy of outsmarting, rather than outspending the competition (Anholt, 1999).

The building of the core brand requires clear vision and commitment on behalf of all destination stakeholders’, and not just the public sector. For “Destination Sabah” to achieve a recognisable position globally, it requires time, money, and maintained presence of the created brand. “Destination Sabah” is currently using the brand “Sabah – Malaysian Borneo” to achieve market presence, the overall success of using an unknown place name as the core brand should be questioned.

A place name such as Sabah or Borneo, on its own, does not adequately differentiate nor does it emphasise the place product offered at “Destination Sabah”. In fact, very few destinations have achieved this status, where the mention of their name suggests images and experiences in the mind of the tourist (Crocket & Wood, 1999; Pike, 2005), for example, the UK equalling cultural and historical significance. Here it is the assumption that the brand “Sabah – Malaysian Borneo” becomes inherently
unsuccessful when tourists are confused about the location of the destination. Respondents were adamant about this, explaining that people are perplexed by geography of this destination. Furthermore, respondents proposed that the brand should concentrate on encapsulating the assets of “Destination Sabah”. This is supported by Morgan, Pritchard and Pride (2004) who suggested that brand advantage is secured through the communication of destinations specific benefits and attributes.

“Destination Sabah” complicates the brand further through the interchangeable use of different slogans i.e. “Eco-treasures from mountain high to ocean deep”, “Sabah naturally”, “The land below the wind”, “A premier nature adventure destination”. These are only a few of the slogans used interchangeably, and without any real purpose, that is they are not used for target marketing purposes. As suggested by Anholt (1999) messages such as this have the ability to conflict with brand personality, and therefore stagnate the branding process, as consumers are inundated with confusing images (Anholt, 1999).

As consumers become increasingly inundated with marketing messages, destination branding has to be succinct and focused on destinations core personality to win the attention of the consumer. For Sabah, this activity becomes increasingly difficult as their main attraction cannot be pinpointed to one iconic attribute, for example, “Arizona – Grand Canyon State” (Pike, 2005), and therefore they need to take on a broader approach to encapsulate all assets, for example, “Ohio – So much to discover” (Pike, 2005). Furthermore, the end-brand needs to be compelling, intelligent, and meaningful (Anholt, 1999), the current brand satisfies none of these elements. To achieve efficient marketing strategy, “Destination Sabah” needs to research the market to identify tourists specific needs (Day, Skidmore & Koller, 2002), and work in cognisance with all stakeholder groups using a top-down management, in the true sense of the word, approach to organise and unify the diversity of groups. The government is currently not taking the lead to achieve this but, instead, mandates less appropriate brands.

Furthermore, “Destination Sabah” in its efforts to brand the location as an international place of worth becomes inherently complex as “top management” view the industry though rose colour glasses. Issues of direct competition from other competing
destinations, logging of natural resources, complacency and stakeholders opting for personal interests over individual responsibility, are all factors that are overlooked by “top management”, but will inevitably plague the future sustainability of “Destination Sabah”.

Competition, as emphasised in the results, will impact upon Sabah’s global tourism presence. Competing countries are a problem for any destination; therefore branding initiatives have to play on the uniqueness of place to differentiate themselves. To build a strong destination brand that reflects a destinations true image is a source of competitive advantage (Konecnik, 2004).

Moreover, environmental management problems, for example, logging and irreversible environmental impacts, pose a greater risk for the success of Sabah’s tourism industry. The environmental quality of “Destination Sabah” has been questioned throughout this chapter, where issues of pollution, environmental re-structuring and oil palm logging have been explored. The state of the environment becomes a concern for destination competitiveness, as tourists seek environmentally pristine environments (Mihalic, 2000).

For “Destination Sabah”, the environment makes up its competitive edge, and therefore competitiveness depends on the state of the environment. The environmental image that is portrayed in Sabah’s marketing efforts is that of a pristine and untouched environment, but this is not always grounded in truth, as visitation to the destination uncovers environmental destruction caused by logging, and a visible pollution problem. Management of these issues, although expensive, aids in Sabah promoting a “green” branded message, which is important to today’s tourist, and also necessary for management to recognise. Neglect of this realisation is an issue of great importance, because it weakens Sabah’s slogans and branded message, and also deters the prospective tourist (Mihalic, 2000).

The internal workings of the Sabah tourism industry, as described earlier, are conflicting with the best practices as stakeholders interests win over individual responsibility to the industry. The marketing of destinations and the level to which they
succeed depends on the relationship between stakeholders, for this is the only true way to coordinate delivery of the branded message (Buhalis, 2000). Furthermore management practices should be integrated to ensure the competitiveness of the Sabah tourism sector (Go & Govers, 2000). Upon discussion with government representatives, the overall feeling was that of complacency, in their eyes where they are now is where they should be. This view is not shared by a majority of participants’ who see government complacency as a threat to the long-term sustainability of the tourism industry.

As destinations are multidimensional, the views and opinions of both the public and private stakeholders need to be recognised. With one side agreeing that the current situation is indicative of where Sabah should be, and the other side advocating the contrary. This proves a misalignment in views and suggests that stakeholders are not working together. It is only when alliances are achieved, destination branding is “managed” from the top, and coordinated branding efforts are exercised that “Destination Sabah” can turn threats and competition into workable opportunities.

Section 5.4.4 addressed the need for relationships between stakeholder groups to be managed from the top, which was identified in Hankinson’s “Relationship Network Brand” model as a critical factor towards the success of destination brand development and positive “consumer relationships”. However, the current situation in Sabah proves a control-like management, where the current direction of industry depends on mandates from the top. This style of management is implemented without consideration of what constitutes a successful brand, input from all stakeholder groups, and external competitive forces. These issues indicate a gap between where Sabah’s management should be (Hankinson’s model - managed) and where the destination is at the moment (controlled).

5.5 Chapter Summary

While there is a good understanding of branding theory in Sabah, branding is poorly applied in practice. There is no clear future brand and, at the same time, considerable
potential for breaking brand promise and causing customer dissatisfaction. The gaps identified between an ideal branding scenario (Hankinson’s model) and “Destination Sabah” specifically were; conflict in identifying a preferred target market (Ecotourism versus Nature-based tourism), lack of integrated destination management (pollution and development in conflict with a Nature-based product), lack of community involvement and controlling, rather than, an involving style of management from the top.
CHAPTER SIX
STUDY CONCLUSION

This study focused on the public and private sectors' as stakeholders of the tourism industry, and as part of a relational network created by Hankinson (2004), to enhance the understanding of these stakeholders as they work together to build a future destination brand. This framework was guided by the following research question:

"What are the perceptions of the public and private tourism stakeholders on branding 'Destination Sabah'?”

To answer this question data of a qualitative nature was considered the most appropriate for understanding the “consumer relationships” identified by Hankinson, but also to adequately describe and determine the issues faced by the key population, being the public and private stakeholders who guide and direct the future of “Destination Sabah”.

The private sector members were largely owners and managers of tourism related businesses, who plan their diverse tourism product so as to exceed the expectations of the tourist. The NGOs, although part of the private sector are not profit driven, and focus on improving Sabah’s tourism product from a broader perspective that encompasses social, cultural and economic issues. The public sector, more commonly termed the government, manage the infrastructure upon which tourism depends in Sabah, and have the power to implement plans that attract and sustain tourism. This current study examined the foundations of branding in Sabah prior to embarking on the next, community consultation, phase of branding. Overall participant responses from these sectors showed no real distinction between public versus private stakeholders; instead views were heterogeneous.
6.1 Public and private stakeholder perceptions on branding “Destination Sabah”

The public and private stakeholders demonstrated a clear understanding, almost definition-like, of the concepts of destination branding. As the interviews unfolded, this move from definition on “paper” to application in practice demonstrated a confused industry. As poor application of destination branding fundamentals and an inadequate understanding of the existing brand became evident. This due to a weak branding strategy arising from endemic factors such as the destinations inability to identify the core/primary tourism resource, the establishment of hazy long-term goals, visions and objectives for “Destination Sabah”, and a poorly managed direction.

On the identification of “Destination Sabah’s” core tourism asset, conflicts emerged which could jeopardize a “nature” orientated brand. These being all factors relating to weak environmental management control (pollution) and rapid infrastructural development (shopping mall replication) conflicting with a “nature” brand. Other issues that impede or broaden the gap between success and reality, was a weak brand promise, due to non-authentic Ecotourism.

Furthermore, as all destination stakeholders were not represented in planning and management for Sabah tourism, a relationship of conflict and discontentment emerged. Due to mandates and control from the DMO (Sabah Tourism Board), where personal interest often holds precedence over responsibility, the private sector has created exclusive branding strategies at the tourism business level. Fragmentation also extended to the host community, where the benefits of tourism are not always realised, and this circumstance causes the gap between government and the best interests of the community to widen. In many instances profit making is priority over a relationship of symbiosis between public sector, private sector, host community and the local environment.

The main points identified in this study were, therefore, that stakeholders demonstrated their understanding of destination branding by labelling those characteristics which form the overall definition of destination branding.

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Secondly, the public and private stakeholders emphasised the ineffectiveness of “Destination Sabah’s” current use of branding as a strategy to sell the diverse resources on offer. As a result stakeholders offered thoughts on a future vision for branding “Destination Sabah”, where uniqueness, diversity and well researched target marketing were underlined. Finally, participants explained the critical issues that impede the development of a strong destination brand, including inability to identify a core tourism product, poor stakeholder relationships, environmental management issues, infrastructural development and direct competition. A summary of these key findings are presented in figure 6.1.

6.2 Recommendations for “Destination Sabah”

In view of Hankinson’s model and the current situation of “Destination Sabah” there are many fundamentals that need to be addressed for “Destination Sabah” to establish an effective brand. These are the recommendations emerging from the current research.

Align conflicting target markets

“Destination Sabah” is a unique and diverse location that has rich natural assets, ranging from islands to rainforests filled with endemic species (Lian & Leen, 2001). These assets afford the opportunity of being well placed in the global tourism market; this means a shift from where they are now to a destination of celebrity value in the future. So far, Sabah has concentrated on promoting an image conceived to purely sell “Destination Sabah”. There is no foreseeable link to a fundamental framework, and this identifies the need for strategic marketing supported by key stakeholders. Also the development of infrastructure and facilities required to ground core brand generation in reality and truth, as opposed to optimism and the creation of a brand that sounds good but is not supported.
1. The public and private sectors' identified destination branding as:
   - Identification of an image that is distinct, recognisable, promotes choice and accentuates a place’s identity
   - Having conversational appeal
   - Promoting holiday choice as a lifestyle indicator
   - Creating an emotional attachment
   - Having celebrity value (a “must see” destination)
   - Using differentiation as a competitive advantage (unique selling proposition)
   - Delivering on the brand promise

2. The public and private sectors' claim the current state of branding “Destination Sabah” as:
   - Too many core brands used interchangeably
   - Too ambiguous
   - Limiting Sabah as a growth industry by painting the wrong picture
   - Unintelligent
   - Ineffective
   - Showing a limited understanding of destination branding in application

3. The public/private sectors’ future vision for branding “Destination Sabah” is:
   - To capitalise on diversity
   - Projecting the right image, delivering on brand promise and expanding product offering
   - By target marketing
   - Through dedication, determination and a unified vision
   - To be branded as part of ASEAN or BIMP-EAGA
   - To create a better accessibility network
   - To capitalise on the unique attributes of “Destination Sabah”

4. The critical issues identified by the public and private stakeholders that currently impede the development of a brand for “Destination Sabah” were:
   - Ecotourism versus Nature-based tourism debate (Participants’ poor understanding of Ecotourism; Ecotourism an unfeasible draw card; and the unsustainable future of Ecotourism within “Destination Sabah”)
   - The contribution of Stakeholders’ and the need for a unified vision
   - Host communities dwindling interest in their surroundings
   - The contribution of pollution to undermining Sabah’s nature brand
   - Infrastructural developments role in undermining Sabah’s nature brand
   - Competitive threats to “Destination Sabah”

Figure 6.1: Summary of key issues identified in the results (chapter 4)
Sabah’s current strategy of adopting Nature-based niche markets, while at the same time succumbing to mass market demands, is based on an idealistic perception that these products will grow indefinitely in Sabah. To market both exclusive and generic types of tourism, is an attempt to capture a diverse range of target markets or in this case too many target markets.

Even though special interest and niche tourism is growing on a global scale, this does not mean that “Destination Sabah” is suited to meet the demands of this market opportunity. Now more than ever, tourists seek authentic and unique attractions, and not the homogenised attractions exploited by destinations’ globally (Buhalis, 2000).

It is recommended that “Destination Sabah” re-assess its direction against its tourism resources, to identify those assets which appeal to clearly defined, well researched, target markets.

Establish a positive relationship between public and private stakeholders and community

As oil palm deforestation reaches its eventual demise, Sabahans are seeking economic alternatives, such as tourism. Unfortunately, the host community’s interest in tourism is bordering on non-existent, posing a threat to the long term sustainability of the tourism industry. Lack of community participation in tourism planning leads to communities resenting tourism decision makers, and subsequently tourists.

Currently in Sabah, communities lack the skills or market knowledge to provide an internationally accepted level of service quality, this in turn impacts upon destination image and brand promise.

In view of this, it is recommended that key tourism industry stakeholders should help develop and nurture community tourism education in order to achieve a sustainable tourism industry.
Coordinate internal stakeholders

The public and private stakeholders of “Destination Sabah” influence both the political and economic environment of this destination, including its tourism industry. Currently stakeholders have to achieve a unified branding vision. Without positive relationships between stakeholders, effective communication of core attributes proves impossible. The discernible poor relationship between the private sector and government initiatives requires crucial attention. Coordination between Sabah’s government and related private stakeholders is necessitated; this activity contextualises quality, clear cut purpose and imagery, which is a requirement for competing against international destinations (Hall, 2002). A strong network between all stakeholder groups is not only required for the betterment of the tourism industry, but also the creation of a core brand that is communicated through a common vision.

It is therefore recommended that an adequate facilitator is appointed to manage responsibility and ensure that each stakeholder group is represented. The facilitation of stakeholder input, where all stakeholders have the opportunity to express opinion is a crucial necessity for “Destination Sabah”, and its future ability to conceive a unified branding vision.

Manage “Destination Sabah” appropriately from the top

The management of “Destination Sabah” requires a holistic approach, whereby internal nuances and external competitive forces are regarded. In competing against international destinations, Sabah needs to be aware of direct competition and realistic about the immediate threats posed. Therefore Sabah needs to take the competitive advantage it has over other countries and outsmart the competition. For example, Sabah is a leader in Nature-based activities, at least within a Malaysian context, and should capitalise on this in its economic development.

The creation of a new brand, suggests the removal of the current brand “Sabah – Malaysian Borneo” which was formulated without consideration of all stakeholder groups. The reason being - Sabah is simply not well enough known to use place name
as a core branding strategy. A destination so small, with no real global presence can not hold much significance in the mind of the tourist, at least not from a geographical perspective. Furthermore, the brand provides no real vision for the industry that extends into the long-term, and the fruits of this idealistic brand are yet to be seen. “Sabah-Malaysian Borneo” indicates neither a search for uniqueness, a celebration of the host communities’ social and cultural significance, or an externally directed attempt to achieve global significance (Morgan, Pritchard & Pride, 2004).

Perceptibly, the creation of a new brand may not appeal to everyone, and all target markets. Therefore, the brand must be based and configured on market research, and well managed through the use of stringent planning. Additionally, marketed messages such as “Eco-treasures from Mountain high to Ocean Deep” and the various other brands/slogans used interchangeably have the ability to overshadow and confuse the core brand. In other words, tourists are not interested in a mouthful of words or a long winded story, instead they search for brands that inspire exciting experiences, and therefore a simple campaign should be created around the core asset, spiced with the uniqueness that is Sabah. It should be easily identifiable and understood by all key stakeholders who have the power to, and impact upon the successful creation of a brand for “Destination Sabah”.

It is recommended that to make these changes, “Destination Sabah” has to be well-managed (not controlled) and all efforts must be tied in with professional marketing expertise based on extensive market research.

Section 6.2 presented recommendations to strengthen relationships and lessen emerging conflict between the stakeholders of “Destination Sabah”. The gap between best practises identified by Hankinson and Sabah’s current scenario would ideally be narrowed, where positive integration and planning can lead to Sabah becoming what it has strived for all along - an international long-haul tourism destination with a brand that establishes celebrity appeal.
6.3 Achievements and limitations of the Study

This study achieved a better understanding of “Destination Sabah” and those issues which potentially hinder the creation of a strong destination brand. By identifying these issues, recommendations were given to facilitate and improve Sabah’s current attempts to brand the destination.

To identify the current state of branding “Destination Sabah”, interviewing stakeholders who hold high positions within the industry required a diplomatic approach. This more true of government representatives which all hold high positions within the government, and therefore have direct influence over the branding strategies for “Destination Sabah”. For this reason, discretion was of importance to ensure that such stakeholders felt comfortable sharing views, and were insured that their perceptions would remain anonymous.

Validity and reliability issues also applied in certain circumstances, as respondents own personal stake in a particular attraction presents a bias. For example, a tourism operator in the Kinabalu region would be more inclined to sell the significance of this location. This problem was overcome through the diversity of respondents from all areas of the industry.

Other limitations were fundamentally time and cost constraints, which influenced the overall scope. For example, cost dictated the geographical location of the study, but this was subsided as a majority of tour operators, and people most important to this study resided within the site chosen. Considering that the geographical location was chosen for its convenience, in the end it would have been chosen regardless for its obvious benefits, and therefore this study was not limited nor did it lack representation from various participants.

Timing was considered a limiting factor, as research was undertaken during Chinese New Year, this being a major holiday within Malaysia. As a majority of business owners in Sabah, are in fact Chinese, difficulty impinged upon when and where interviews could take place. Therefore 37 interviews in duration of 30 minutes to one
and half hours were carried out within three weeks, this being considerable. Time management was strict and executed with diligence to ensure the best representation.

Finally, the diversity of the public and private sector, the nature of the study and the sample size does not allow for generalisation of findings or exact replication of the study. Therefore, the findings of this research are specific to the time and place of the study.

6.4 Direction for Further Research

This thesis has formulated a basis for best practice branding as per Hankinson’s model in “Destination Sabah”. As the nature of the study was explorative and confined to the perceptions and preferences of selected public and private stakeholders’. This study has paved the way for appraisal of tourist opinions, and eventually host community perceptions to achieve a holistic representation. Furthermore, the other phases of Hankinson’s “Relational Network Brand” model must now be applied to “Destination Sabah” i.e. “brand infrastructure relationships”, “media relationships”, and “primary service relationships”. If these elements were to be considered, “Destination Sabah” would inevitably create a strong destination brand that considers all elements of a cohesive relational network.

6.5 Chapter conclusion

The inadequacies of “Destination Sabah’s” fragmented tourism industry are clear. It is also important that due consideration is given to the fact that Sabah tourism has displayed effort in the promotion of the destination but, due to given conflicts and issues; the overall success has been stifled. Sabah needs to appreciate tourism and the rewards associated with the industry, as this is key to shifting Sabah from where it is now towards a more dynamic tourism industry in the future. The value of this research will lie in the extent to which lessons have been learned from the current situation of branding “Destination Sabah”, and the recommendations provided to shift from obscurity into a destination of celebrity value.
REFERENCES


Justine Nagorski                                  “Destination Sabah” (Malaysia) 112


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APPENDICES
Appendix I: Interview Guide

INTERVIEW QUESTIONS

“DESTINATION SABAH” (MALAYSIA): THE PUBLIC AND PRIVATE SECTORS’ PERSPECTIVES ON BRANDING

OPENING QUESTION:

QUESTION 1: As a resident of Sabah, what does Sabah mean to you?

OBJECTIVE 1: Determine the public and private sectors’ understanding of the concept of destination branding.

QUESTION 2: In your opinion, what is destination branding?

Destination Branding: Discovering the appeal of a destination (experiences/activities) and developing a promotional strategy that will increase tourist numbers to that destination e.g. logo

Marketing: Is a process that identifies and fulfils the needs of customers and distributes and promotes the products/services in a strategic manner.

Promotion: Is the actual advertising (paid or un-paid) of the product/service via different media e.g. PR and Sales.

QUESTION 3: And what is the most important function of destination branding?

OBJECTIVE 2: Determine the current state of branding “Destination Sabah”

QUESTION 4: In your opinion, what are the main attractions/experiences that Sabah offers to:

1) Domestic tourists
2) International tourists

QUESTION 5: In your opinion, what is the current state of branding destination Sabah?

Extra questions for myself to prompt participant:

1. What do you think about the current brand and promotion of Sabah?
2. What does the term ‘Eco Treasures’ mean to you”?
3. Does the current brand accentuate all the experiences/activities of Sabah tourism? E.g. cultural, adventure, dive etc
4. In your opinion, does the current brand limit Sabah tourism as a growth industry E.g. will focusing on ecotourism hinder Sabah’s ability to promote alternative types of tourism in the future?
5. What impact do you think the brand “Malaysia – Truly Asia” and Visit Malaysia year 2007 has on Sabah?

QUESTION 6: In your opinion, what does Sabah currently offer to the global tourism industry? And how is this different to other destinations that you know of? (E.g. Africa, Belize and India – all claim to be ecotourism destinations).

QUESTION 7: In your opinion, what could Sabah offer to the global tourism industry? And how is this different to other destinations that you know of? (E.g. Africa, Belize and India – all claim to be ecotourism destinations).

OBJECTIVE 3: Identify the public/private sectors’ future vision for branding “Destination Sabah”

QUESTION 8: Do you think that it is time to re-brand Sabah, for example, shift from “Land below the wind” and “Eco-treasures from mountain high to ocean deep”?

QUESTION 9: What are your ideas for developing a strong destination brand for Sabah i.e. how would you market Sabah to tourists?

Extra questions for myself to prompt participant:
1. Would you have two brands 1) Domestic 2) International?
2. In your opinion, are there any destinations that would be seen as a potential threat to the brand?

OBJECTIVE 4: Identify the critical issues that currently impede the development of a brand for “Destination Sabah”

QUESTION 10: In your opinion, what issues stand in the way of creating a successful destination brand for Sabah?
Appendix II: Information Letter

Dear Participant,

My name is Justine Nagorski and I am conducting research into the branding of Sabah as a tourism destination. I visited Borneo in 2006 and became interested in this special place and its people. I am interested in your opinion on this topic and this will contribute to my Bachelor of Business Honours thesis at Edith Cowan University, Western Australia.

The subject of my research is “Destination Sabah (Malaysia): Setting the foundations for a strong destination brand”. Its main purpose is to identify the perceptions held by selected stakeholders, like yourself from both the private and public sector on the branding of Sabah as a tourism destination. This is a preliminary investigation of the foundations for a strong destination brand for Sabah.

As an eligible participant you are cordially invited to participate in this research. If you choose to participate in this study you will be asked to participate in a semi-structured, in-depth interview of approximately 20-45 minutes, conducted at a time and place considered convenient to you. Your identity and privacy will be protected through the use of codes in place of names. The audiotapes used will only be accessible by the researcher. To further ensure your protection and anonymity, the research will be conducted in accordance with the Edith Cowan University ethics guidelines. Participation in this study is completely voluntary, if you choose to participate, you can withdraw from further participation prior to the data analysis phase of this study. Withdrawal does not require a reason and poses no negative consequences for you.

In return for your kind participation, upon completion of this research I intend to provide a report of the findings to all participants and any additional interested parties.

If you have any questions or require any further information/clarification about the research project, please contact my supervisors or myself (information provided below). I would like to thank you for your cooperation.

Yours sincerely,

Justine Nagorski (researcher)
Tel: 0400 242 707
Email: j.nagorski@ecu.edu.au

OR

Prof. Ross Dowling PhD
(Principal Supervisor)
Foundation Professor & Head of Tourism
Edith Cowan University
Email: r.dowling@ecu.edu.au

Dr. Lynnaire Sheridan PhD
Lecturer in Tourism
Edith Cowan University
Email: l.sheridan@ecu.edu.au

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Appendix III: Letter of Consent

DESTINATION SABAH (MALAYSIA): SETTING THE FOUNDATIONS FOR A STRONG DESTINATION BRAND

I have been provided with a copy of the Information Letter, explaining the project. I have been given the opportunity to ask questions and any questions have been answered to my satisfaction.

I understand that participation in the research project will involve:

- Participation in a semi-structured in depth interview

I understand that the information provided will be kept confidential, will only be used for the purposes of this project and I will not be identified in any written assignment or presentation of the results of this project. I understand that I am free to withdraw from further participation at any time, without explanation or penalty.

I freely agree to participate in the project.

Name

Signature

Date

Justine Nagorski

“Destination Sabah” (Malaysia)
Appendix IV: Letter of Consent from Permanent Secretary

(Sila catatkan Rujukan Fail kami ini apabila menjawab)

KEMENTERIAN PELANCONGAN, KEBUDAYAAN
DAN ALAM SEKITAL,
(MINISTRY OF TOURISM, CULTURE AND ENVIRONMENT,
Tingkat 5, 6 & 7, Menara Alliance Bank,
Wisma Tun Fuad Stephens, Karamunsing,
88300 Kota Kinabalu, Sabah, Malaysia.

No. TeL : 088-253666
No. Telefaks : 088-236005

REF: KPKAS: 100-0/26 Kr 4
DATE: 27 February 2007

TO WHOM IT MAY CONCERN

Interviews conducted by Ms Justine Nagorski, of Edith Cowan University,
Australia on Branding of Sabah as a tourism destination

I refer to the above.

Ms Justine Nagorski of Edith Cowan University, Western Australia will be conducting
a series of interviews on branding of Sabah as a tourism destination. The subject
matter of her research entitled "Destination Sabah (Malaysia): Setting the
foundations for a strong destination brand" is of particular interest to Sabah and
the continued growth and development of tourism in the state.

Upon completion of her research she will provide a report of her findings to all
participants in the interviews and other interested parties. Although the results of
this research will form part of her Bachelor of Business honours thesis at the
university the findings will be useful and will certainly contribute towards the pool of
information required to further develop and enhance Sabah's tourism industry.

In this respect your cooperation and any assistance rendered to Ms Nagorski for her
to carry out the necessary interviews and research will be greatly appreciated.

Thank you.

Yours sincerely,

(DATUK MONICA CHIA)
Permanent Secretary

cc. Mr Albert Teo,
Managing Director, Borneo Eco Tours
Kota Kinabalu

Prof. Ross K Dowling, PhD
Principal Supervisor, Foundation Professor and
Head of Tourism
Edith Cowan University, Western Australia

PEGALAHAN KEHARMONIAN KELUARGA ANDA

Justine Nagorski
“Destination Sabah” (Malaysia)