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Market Segmentation of Kuala Selangor's Ecotourists'

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Abstract

Ecotourism sectors have gained significant attention from the tourism market these days. In Malaysia, this sector is considered a niche market and have been growing steadily for more than a decade. This sector also has become an option for the country to generate income from the tourism industry. To achieve the viable ecotourism, one must tap the critical marketing elements of segmenting ecotourism to the right market and into the proper channels. This paper describes the profile of ecotourists' to Kuala Selangor based on the types of market segmentation such as demographic and psychographic in travel and tourism. Descriptive analysis is used to describe the profile of ecotourists' based on the market segmentation methods. This study found that ecotourists' characteristics vary and diverse in many aspects. The study also found that they are different in their tastes and preferences such as in the types of attractions offered in Kuala Selangor and their purpose of visiting the destination. This information provides value for destination managers in planning for future marketing strategies in sustaining the destination.

Keywords: Ecotourism, Market Segmentation, Demographic, Psychographic, Kuala Selangor

Introduction

Ecotourism, the idea that nature tourism based tourism could contribute to social and environmental benefits, and become a phenomenon in the 1990s. Ecotourism has evolved into a type of specialty travel, incorporating a diverse array of activities and tourism types. The United Nations Environment Programme (UNEP, 1994) reported that countries with numerous protected areas had recorded an increase in ecotourism. In Malaysia, ecotourism is fast becoming an option to generate income. The government of Malaysia emphasized on ecotourism when it introduced the Seventh Malaysia Plan (1996-2000). Subsequently, in the Eighth Malaysia Plan (2001-2005), the government spent RM14.2 million (USD3.8 million) on 20 ecotourism projects. As for the Ninth Malaysia Plan (2006-2010), the government had approved another RM260.6 million (USD70.4 million) budget for 73 projects. Malaysia is a country that has abundant natural resources for many tourism activities. Hence, the country has significant potential to become the market leader in adventure and ecotourism attractions. Market segmentation is widely utilized in the tourism industry to destination managers in identifying and targeting distinct group of tourists' and is also used to develop marketing

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strategies. Segmentation enables destination managers to divide total markets into components parts to target and deal with them more effectively and profitably. According to Middleton, V.T. (2009), there are seven ways of dividing markets for segmentation purposes in travel and tourism. They are by use of travel, by buyers needs and benefits sought, by buyer behavior, by demographic characteristics (age, sex, occupation, income, place of residence), by psychographic characteristics and lifestyle, by geodemographic (population characteristics of age, family structure, life cycle and income), and by price.

The purpose of this paper is to describe the profile of eco-tourists to Kuala Selangor based on market segmentation methods. Market segmentation for ecotourism is essential to the tourism industry to specify specific target markets and to develop the product and tour packages that best suit for each segment.

Literature Review
Market Segmentation
As stated by Middleton (2009), in identifying market segmentation, markets can be divided based on different ways and segmentation criteria, and it is vital to the tourism industry by having market segmentation, proper marketing strategies can be established for the targeted segment. Market segmentation allows researchers and tourists as well as industry players to study the opportunities for competitive advantage in the marketplace (Dolnicar, 2008). It involves grouping of individuals that have similar personal characteristics. Segmenting of the market also can be done using geographic, demographic and psychographic. Geographic segmentation group tourists according to the region, size of the area, population density and climate. As for demographic segmentation, marketer uses variables such as age, gender, family size, occupation, income, occupation, ethnicity, nationality, religion, and social class. Grouping tourists' according to their lifestyle is used in psychographic segmentation. Examples of psychographic variables include activities, interest, opinion, attitudes, and values. Besides psychographic segmentation, behavioralistic segmentation is based on actual consumer behavior towards products. Among behavioralistic variables are benefit sought, usage rate, brand loyalty, user status, readiness to buy and occasions.

Categories of Market Segmentations
In this study, the types of segmentation involved will focus on demographic, psychographic and product. Demographic segmentation will group the market based on several characteristics including gender, age, education level, income, occupation, nationality, ethnicity, etc. Studies in ecotourism present the significant differences in eco-tourists profile. For example, the desire to travel and travel decisions are influenced by a host of factors such as socio-demographic, psychographic and travel behavior patterns, which in turn provides a matrix of information enlightening positive attitudes relating to spending pattern and revisit intentions (Rajasenan & Ajitkumar 2004). Psychographic Segmentation is also referred to as behavioral segmentation. Psychographic segmentation is analyzed in literature as a useful tool to explore the link between satisfaction and revisit intention (Gountas & Gountas 2001; Cole 1997). This type of segmentation divides the market into groups according to visitors' lifestyles. It considers a number of potential influences on visitors'

behavior including the activities, attitudes, and expectations of visitors. For example, in segmenting psychographics, ecotourists could be grouped based on among others trip characteristics and motivation of ecotourists in visiting the destination.

Last but not least, Product Segmentation distinguishes a product in one market segment from competitors' products, as well as its products available in other market segments. In ecotourism, products could be segmented based on different types of ecotourism activities or trips being offered by ecotourism destinations. These types of market segmentation and its uses is supported by Shin (2009) which foresees market segmentation as a powerful marketing tool for identifying target groups which in turn, brings visitor identities. Segmenting markets also help to determine the type of services, products, and experiences desired by the tourists, among other things income as a determining force for tour options (Zhang & Marcussen 2007).

Methodology

The study was conducted in Kuala Selangor. Kuala Selangor city is a coastal town that located in Selangor. It is located well off the beaten tourist path and hence, still maintains its traditional village atmosphere. Kuala Selangor is best known for its natural attractions. Among the recommended things to do in Kuala Selangor include the Kampung Kuantan Firefly Park (fireflies sightseeing) and Bukit Melawati. Apart from that, Kuala Selangor has few other charming tourist attractions, especially Kuala Selangor Nature Park, eagle watching and fresh seafood (Cheng, 2013).

A structured questionnaire was administered in this study. A questionnaire form was designed in both English and Malay languages. The researchers had several discussions in developing the questionnaire, attributed to the previous study (Mahdzar et al., 2015). The survey was carried out at the main attractions of Kuala Selangor from March to May 2018. A survey form consisted of 37 structured questions was handed out to visitors exiting the attractions. The questionnaires include three sections which measured Kuala Selangor tourists' satisfaction, psychographic characteristic, their intention to revisit in the future and their intention to recommend it to relatives and friends. A total of 340 questionnaires were distributed but only 311 questionnaires were completed and usable for descriptive analysis to be carried out in the data analysis.

Results and Discussions
Respondents General Characteristics
Gender

Out of 311 respondent surveyed, 46.9% were male, while 53.1% were female (Table 1). This study reveals female tends to play a more active part in engaging in nature-based tourism. This is consistent with a recent study by Weaver and Lawton (2002) more females are dominating the market. The study found out that 62% of ecotourists' at Queensland Park are female.

Age

In terms of age, over 67.5% of the respondents were 35 and below while 20.9% were within 35 to 44 and the remaining were above 45 (Table 1). Tourism Canada (1995) and other authors such as Shamsudin et al. (2009); Mahdzar and Shuib (2016) found that younger tourists aged 35 and below

took part and have interest in nature and adventure activities of ecotourism such as rock climbing, trail riding, eagle watching. In another study by Diamantis (1999), more than half of the ecotourists' in the UK were in the group of 17 to 34 years old. This shows a consistent pattern in the relationship between age of tourists and their interest in ecotourism activities.

Occupation Status

Most respondents are employed, which accounted for a total of 65.3%. This study also recorded that 24.8% are students and the remaining 10% are unemployed. The Travel Industry Association of America (1994) showed that 35% of ecotourists' in the USA were employed in the professional group.

Income level

Most respondents who answered this questionnaire earned RM1000 to RM3000 that totals up to 61.7%, while the remaining of 38.3% earned more than RM3000. It is reported that ecotourists' earned more than non-ecotourists' (Blamey, 1995). It is also discovered that tourist earned a higher income than other travelers (Backman & Potts, 1993).

Nationality

Malaysian form the largest group of visitors to Kuala Selangor as compared to foreigners. The foreigners comprised a total of 13.5% and they are from South Korea, Singapore, New Zealand, and China.

Table 1: Respondents' Profile

Profile	Percentage
Gender (n=311)	
Male	46.9
Female	53.1
Age (n=311)	
18-24	35.7
25-34	31.8
35-44	20.9
45-60	10.9
61 and above	0.6
Household income per month (RM) (n=311)	
1000 and less	33.1
1001 - 3000	28.6
3001 – 5000	25.4
5000 and more	12.9
Occupation Status	
Student	24.8
Employed	65.3
Unemployed	10.0
Nationality	
Malaysian	86.5
Foreigners	13.5

Psychographic Characteristics

In terms of visiting nature-based attractions and parks, studies found that visitors to national parks were dominated by their interest to see and experience the rainforest, having a holiday vacation, having a new experience, and lastly observing the wildlife (Department of Wildlife and National Parks, 1994). This study, however, recorded that most visitors who visited Kuala Selangor came to relax and experience its nature (Table 2). It is noted that segmenting visitors based on physiological allows the shared values among groups of visitors tend to determine the future behavioral patterns.

Psychographic segmentation is the development of psychological profiles of visitors and psychologically based measures of distinctive modes of living or lifestyle. A lifestyle is a way of life characterized by the manner in which people spend their time (activities), what things they consider essential (interests), and how they feel about themselves and the world around them (opinions). People's activities, interests, and opinions are diverse. Therefore, ecotourists' could be grouped based on their trip characteristics to find out their motivation in visiting the eco-tourist destination. This information is vital for the success of the ecotourism industry. Studies by Gonzales and Bello (2002) uses psychographic segmentation to examine the behavior of tourist.

Table 2: Purpose of Visiting to Kuala Selangor

Category	Percentage
To relax	38.6
To Appreciate Nature	20.3
To Experience Different Culture	5.8
To Socialize	11.6
To Have Clean Atmosphere	1.9
To participate in Recreational Activities	4.5
To Enjoy Seafood	9.0
To Appreciate History	7.1
Others	1.3

Product Characteristics

In ecotourism, products could be segmented based on ecotourism activities and attractions offered by the ecotourism park or destination. Activities can be defined as manifested actions such as work hobbies, social events, vacation and shopping (Peter and Olson, 1994). Ignatov and Smith (2006) use product segmentation based on visitors' participation in activities. In terms of activities involving with Kuala Selangor, mostly, the respondents were most appealed to the activities of fireflies watching (55.8%), photography (50%), Bukit Malawati (48%), Sky Mirror (44.5%), Seafood (43.9%), Eagle Feeding (43.2%), Taman Alam Scenery (42.3%) and Altingsburg Light House (41.6%) (Table 3). It was similar to the previous study conducted by Mahdzar et al., (2015) which found that most visitors who visited ecotourism attractions came to experience its nature and sightseeing. Meanwhile, this study also found that they are not appealing at all to the activities such as fishing, jungle trekking, museum, Aquaria Park, picnic and Pantai Remis.

Table 3: Activities Associated with Kuala Selangor

Activities	Not Appealing at All (%)	Not Likely (%)	Undecided (%)	Possibly (%)	Most Appealing (%)
Fireflies Watching	0.6	0.6	7.4	35.5	55.8
Taman Alam Scenery	0	4.2	9.0	44.5	42.3
Bukit Malawati	0	1.3	10.0	40.0	48.0
Sky Mirror	2.3	1.6	15.5	36.1	44.5
Jungle Trekking	2.6	6.1	23.5	33.2	34.5
Homestay Accommodation	0	4.5	21.3	39.4	34.8
Seafood	0	0.3	17.4	38.4	43.9
Fishing	6.5	4.5	25.8	31.3	31.9
Eagle Feeding	1.6	4.8	17.7	32.6	43.2
Altingsburg Light House	1.3	1.6	21.0	34.5	41.6
Freshwater Fish (Aquaria Park)	0.6	2.9	33.9	33.5	29.0
Pantai Remis	0	3.2	21.0	43.9	31.9
Kuala Selangor Nature Park	0.3	3.2	24.8	39.0	32.6
Historical District Museum	0	6.8	23.2	40.3	29.7
Picnic	0.3	4.8	23.9	39.7	31.3
Photography	0	0.3	12.6	37.1	50.0

Conclusion

Market segmentation for eco-tourism is important to the tourism industry as it helps to identify the specific target market and help develop product and services offering that is best suited to each segment. The use of demographic, psychographic and product characteristics are common for segmenting tourist market. This study has found that gender, age, occupation, income level, visitor's country of origin, the purpose of visit and attraction and activities offered are diverse and varies for ecotourists in many aspects and characteristics. The various from the aspect of needs, desires, attitudes, and behaviors of ecotourists' can be overcome by establishing a proper market segmentation. The study also reveals that tourist is also different in their interest and preferences such as in activities chosen and participation.

Thus, this study suggests that marketing strategies for a targeted market segment are needed to provide valuable products and services and a higher level of tourist's satisfaction. The strategies assist the industry players particularly ecotourism managers and tour operators in understanding their potential tourist from the perspective of their needs, desires, and satisfaction and also encourage revisit intention among tourists. The information from the study is valuable for the policymaker and destination management to understand more about their customers on what they are serving. Furthermore, the information will provide the clue for policymakers on their attractions and activities that need to improvise and how to increase the number of customers visiting the destination. This further helps the ecotourism operators and destination management to design product packages and implement promotional efforts that are likely to attract visitors to the destination. By deliberating effort on a specific segment of the overall market will allow them to

increase the higher level of ecotourists' satisfaction, raising their credibility and having a more cost-effective in marketing promoting their destination.

This study has certain limitations. The limitations are communication barrier for foreign respondents (from China and South Korea) and inadequate response from respondents in specific areas.

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