

ESTABLISHING DIMENSIONS OF COUNTRY ATTRACTIVENESS FOR CROSS-BORDER SECOND HOMES

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ABSTRACT

The main purpose of this paper is to establish the dimensions of country attractiveness for long-term tourism. A country's attractiveness is studied from the perspective of wanting to have a cross-border second home (CBSH) in the host country by the current working expatriates, that is, their behavioural intentions. Based on the set of seventeen criteria of "touristic attractiveness" identified by Gearing, Swart and Var (1974) for short-term tourism, this study explores further country attractiveness in long-term tourism, specifically having a cross-border second home. An exploratory investigation, utilising a panel of experts is carried out to discover the dimensions and elements of Malaysia's attractiveness as host to a CBSH. The findings, using structural equation modelling (SEM) utilising 398 respondents suggest that there are three dimensions to Malaysia's attractiveness as a host to CBSH, which are climate and nature; value for money; and leisure activities. All three dimensions are significantly related to the overall satisfaction in living in the host country. Consequently, overall satisfaction has a direct effect on the behavioural intentions of having a CBSH in the host country. Based on the squared multiple-correlations, the relative magnitude of the country's attractiveness for having a CBSH is also established. The findings of the study provide a demonstration that dimensions found important in short-term tourism are still applicable in long-term tourism.

Keywords: *Long-term tourism, short-term tourism, cross-border second home, country attractiveness, working expatriates and behavioural intentions.*

INTRODUCTION

As one of the world's largest income-generating industries, tourism provides jobs for approximately 231 million people worldwide and generated 10.4 percent of world GDP in 2007 (World Travel and Tourism Council, 2008). This rapid growth brings new challenges to the industry due to the need to keep pace with demand expansion (Kent, 2008). In the case of Malaysia, according to the Ninth Malaysia Plan: 2006-2010 (2006), the industry provides employment and strengthens the services account of the balance of payments. The country's vast potential for tourism is being utilised, making the industry continue to be a key foreign exchange earner, contributing to growth, investment and employment as well as strengthening the services account of the balance of payments ("Ninth Malaysia Plan: 2006-2010," 2006).

In the era of globalisation, the country's tourism sector is following the evolution process of tourism, which saw people travelling not only for short-term but for a longer-term, and described by Haug, Dann and Mehmetoglu (2007) as *international tourism migration*. This involves tourists increasing the length of their stay in the host country. Compared to short-term tourism, in which the number of international tourists fluctuates according to the country of origin and host country risk, long-term tourists are more stable, providing steady economic contributions to the host country. Following the trend of long-term tourism, the Malaysian government has come up with a programme known as Malaysia My Second Home (MM2H), which invites qualified foreigners to have a second home here.

Local data has shown that an international second homer couple remits approximately RM10,000 (USD2,702) per month (RM120,000/USD32,432 per year) into the host country (Davison, 2006). Thus, if the country housed 412,500 such couples, they would generate RM49.5 billion (USD12.3 billion), which is equivalent to Malaysia's total receipts from all of its tourism programmes in 2008. Although 412,500 couples far exceed the current target of 2,500 couples annually, the fact remains that an extra couple would contribute extra income to the domestic

economy. Similarly, a reduced number of international second homers would mean reduced income for the host country.

Because of the potential of these second homers, there is a need to understand how this country could *pull* foreigners to have a second home here. Some regions or destinations appear to be more successful than others in offering tourism activities and in attracting travellers (Formica 2005). Established host countries may find themselves already in the comfort zone, while newer players in the game such as Malaysia will find that promoting the country as a second home will be a challenge. Malaysia is not only competing with the established market but with other ASEAN countries such as Thailand, the Philippines and Indonesia (“Malaysia My Second Home Programme under Threat” 2007). The information obtained in this study provides useful information that will enhance the marketing programme of the MM2H programme, a programme that is promoting CBSH in Malaysia. The objective of the study is to identify and confirm the dimensions of the country’s attractiveness for long-term tourism.

Despite being a small sector in the Malaysian tourism industry at the moment, it is expected that there will be more demand for CBSHs due to both the *push* factor of the society of origin and the *pull* factor of the country’s attractiveness. Detailed information is needed to serve customers who are more discriminating now, since they are more educated, more sophisticated and more experienced from both their leisure and business travelling (Mayo & Jarvis, 1981). The current working expatriate is used as the sample for this study, as this niche group has been identified by past researchers (Dixon, Murray & Gelatt, 2006; Haug et al., 2007; King & Patterson, 1998; King, Warnes & Williams, 2000; Williams & Hall, 2000; Williams et al., 2000) as potential second homers in their host country.

LITERATURE REVIEW

Historically, foreigners from the West first came to Malaysia, then known as the Malay Archipelago, some 500 years ago as conquerors. From that time until about 50 years ago, their presence

was not unusual for locals; however, the development of the spirit of national independence created resentment towards foreigners among locals. The word *tourist* itself was unknown to the majority of the Malaysian population at that time. Now, 50 years after independence, with the development of the tourism industry and its enhanced contribution to the economy, the nation welcomes foreigners, not only to visit the country, but also to adopt Malaysia as their second home. A long-term tourism programme has been designed to encourage tourists to stay in Malaysia for longer periods for the purpose of leisure.

Having a CBSH is a trade off between the familiarity derived from home and the strangeness associated with living in a foreign country (Simmel, 1950), thus making a decision is not easy and requires a long-term decision (Haug *et al.*, 2007). Modern tourism literature on second homes appeared in the 1960s and 1970s in western countries (Graburn & Jafari, 1991; Williams & Hall, 2000). One important publication on second homes in the 1970s was Coppock's (1977), *Second Homes: Curse or Blessing?* Following that work, there was a notable gap in scholarly writing on second homes, but the topic regained its momentum in the 1980s and 1990s. This re-emergence can be attributed to several reasons, including the growth of second homes as retirement migration; the recognition given by governments to second homes' economic, social and environmental contributions to the host country; the development of significant policy issues around second homes as an economic tool; and the re-emergence of conflict between the local population and second home development (Hall & Muller, 2004).

Needless to say, as demand for second homes has risen significantly (Muller, 2002d), particular research areas have emerged within the general second home literature (Quinn, 2004). Ethnographic studies have examined factors pushing the second homers away from their home country, the relationship between second homers and the locals, and the economic and social contributions of second homers to the local community, among other factors (Casado-Diaz, 1999; Haug *et al.*, 2007; Jaakson, 1986; Sheldon & Var, 1984).

CBSH is an extension of a lifestyle option of which tourism is the foundation. Jaakson (1986) and Quinn (2004) pointed out that literature on second homes has proved that the phenomenon of second home ownership has long been a part of modern tourism practices in advanced Western societies. Historically it used to be for the aristocrat (Nash 1979). In the part of the world to which Malaysia belongs, the international second home is quite a recent phenomenon.

Mollman (2007) reported that countries in Southeast Asia outperformed other countries such as South Africa and Spain as destinations for CBSHs due to their low cost of living, including in terms of housing and medical care. Second homers are drawn by word-of-mouth, and incentives from regional governments have also increased the attractiveness of the region as a host for CBSHs.

There has been a great body of studies focusing on destination attractiveness for short-term tourism (Gearing, Swart & Var 1974; Var, Beck & Loftus 1977; Hu & Ritchie 1993; Formica & Uysal, 2006); however the current research departs from the mentioned studies by acquiring the dimensions of country attractiveness for long-term tourism in having CBSHs. The main objective of this research is to establish the dimensions of country attractiveness for long-term tourism.

METHODOLOGY

Data and Sample

The population for the study comprises the working expatriates who hold working pass permits issued by the Malaysian *Immigration Department*. They represent the white-collar foreign workers who earn more than RM3,000 and/or hold important posts in organisations (Malaysian Immigration Department, 2006). Their contact details are kept confidential by both the Malaysian Immigration Department and their respective embassies, meaning no list of the population element is available. Therefore, primary data was collected using a self-administered questionnaire, through two main methods; first, with the cooperation of the publisher of *The*

Expat magazine, the questionnaires were inserted in the magazine and distributed to all its 5,000 members. The magazine is mainly subscribed to by working expatriates. Secondly, through convenient sampling, the working expatriates were contacted in places where they were attending specific events.

The first method saw a census by distributing to all 5,000 subscribers of *The Expat* magazine. A total of 400 questionnaires were distributed through the second method. In total, 5,400 questionnaires were distributed and 403 were returned. The number was deemed sufficient for a population of an estimated 39,700 working expatriates (“The Ninth Malaysian Plan 2006-2010”, 2006). This is according to Krejcie & Morgan’s table of sample sizes (1970, as cited in Sekaran, 2005). Furthermore, the current study applied the statistical technique of structural equation modelling (SEM) in data analysis, which in general requires a larger sample relative to other multivariate approaches (Hair et al., 2006). A minimum of five observations for each parameter is recommended, and a sample size of at least 200 and not exceeding 400 is considered adequate. The questionnaires were carried out over a period of four months (December, 2007 - March, 2008).

Questionnaire Design

In determining the salient dimensions and items to include in the study, an exploratory research was carried out. Other than a literature review, a panel of experts’ opinions was sought. Experts’ opinions are usually based on observation and interaction with visitors (Liu & Au Yong, 1988), and they are usually involved professionally or academically with the tourist industry (Beerli & Martin, 2004). Their professional involvement and consistent participation in the area are likely to result in concrete knowledge of the information in question (Formica, 2005).

The backgrounds of the panel of 12 experts in this study were as follows: the Malaysian Ministry of Tourism (3); Tourism Malaysia (2); consultants for the Malaysia My Second Home (MM2H) programme (2); academics (3); and second-homers who have been in the host country for more than 10 years (2). Half of the

team members had prior relationships with the researcher, while the rest were newly contacted members for the purpose of this research. The experts were chosen based on a judgement sampling, whereby they were advantageously placed to provide the information required (Sekaran, 2005). These experts were solicited to provide their views on the attractiveness of Malaysia with regard to owning a CBSH.

After an initial verbal contact, semi-structured interviews were conducted with the experts based on a flexible agenda (Jennings, 2005). As a result, some items from the literature were retained and modified and new ones were added. The results were used to develop measures for the final questionnaire items. The initial 26 items in six dimensions resulted in 21 operationalised items in five dimensions, as shown in Table 1.

Table 1: Dimensions and Items Measuring the Attractiveness of Malaysia as a Host Country to Cross-Border Second Homes

| Dimension | Item |
|---|--|
| Natural Factors | Availability of sunshine <u>throughout the year.</u> Availability of beautiful scenery. Availability of beaches and islands. <u>Availability of tropical rain forest.</u> |
| Economic Factors | Availability of everyday goods at low prices. <u>Availability of houses at affordable prices.</u> <u>Availability of local holidays at affordable prices.</u> |
| Society & Culture | Easy to forge friendships with locals & hospitality of locals towards foreigners. English is widely understood. Many local festivals to experience. Availability of artistic & architectural features, including historical attractions. |
| Recreational & Shopping Facilities; Infrastructure; Food & Shelter | <u>Availability of reliable public transportation.</u> Availability of health service providers. Availability of international schools/universities. <u>Availability of the latest communication technology.</u> Availability of sports facilities, cinemas, museums, fairs & exhibitions, and other leisure and recreation activities. Availability of night-time recreation. Availability of good places to shop. |
| State Policies | A stable government. A country with clear rules & regulations. <u>Friendly & helpful government officers.</u> |

Note: New items recommended by the panel of experts are underlined, while italics indicate both existing or modified items and dimensions. Adapted from Dixon et al., 2006; Gearing et al., 1974; Haug et al., 2007; and Toyota et al., 2006.

Upon completion of the exploratory process, a structured questionnaire was designed, with item statements and a 5-point Likert type response scale (from 1 – strongly disagree to 5 – strongly agree). Respondents were asked to rate how much they agreed with each item on the scale. The initial questionnaire was pre-tested with a limited convenience sample of 10 working expatriates to further refine the list of items. Additionally, since the majority of the questionnaires were distributed through *The Expat* magazine, a personal discussion with the publisher was conducted to determine the questionnaire's suitability. As a result, there was a minor refinement to the questionnaire prior to distribution. There were four parts in the questionnaire, the three constructs - country attractiveness, overall satisfaction and behavioural intentions toward ownership of a CBSH, and the profile of sample.

Statistic Analysis

An empirical testing of the country's attractiveness model via structural equation modelling (SEM) using AMOS 17 was applied. Firstly, an exploratory factor analysis (EFA) was performed to check the dimensionality of the instrument before using confirmatory factor analysis (CFA) via SEM to establish a model for the manner in which the dimensions measure country attractiveness. The profile of respondents was examined by using the frequency analysis. The original data were purified, with items that performed poorly in terms of internal consistency of item-to-total correlations (with correlations exceeding 0.50 to be deleted) and violated the predicted factor structure being deleted, as the items could be assumed not to fit appropriately into the scale and consequently could produce errors and an unreliable measure (Churchill, 1979). In analysing and purifying the scale, the study adhered to Churchill's (1979) suggestion to compute the internal consistency before proceeding to EFA. The next diagnostic measure of internal consistency is the reliability coefficient, or Cronbach's alpha assessment, which measures how well the items in a set correlate to one another. The

accepted lower limit of Cronbach's α is 0.70 (Hair et al., 2006), but a value as low as 0.5 can be accepted at a basic research level (Nunnally, 1967).

RESULTS AND DISCUSSION

The results of descriptive analysis for demographic information indicated that among the samples analysed, the majority of the respondents were from Europe (53 percent), followed by North America (20 percent), Australia and New Zealand (13 percent), Asia (11 percent), and Africa (3 percent). In the European group, 57 percent were from the U.K., and in the Asian group, 41 percent were from Japan. The age range of 51-60 years was the highest group of respondents (31 percent), and most of the respondents had been in the host country between 1-5 years (47 percent). Overall, 83 percent of the respondents were married.

When the current data were tested for internal consistency, two items (*cae9* and *cae14*) were dropped because they fell below the cut-off points (>0.5). The remaining items were then subjected to EFA. The result revealed that the Kaiser-Meyer-Olkin (KMO) overall measure of sampling adequacy (MSA) was 0.867. The KMO index ranges from 0 to 1, with 0.6 suggested as the minimum value for a good analysis (Tabachnick & Fidell, 2001), although Sharma (1996) suggested that the value should be greater than 0.8 but that a value of 0.6 was acceptable. In addition, the Barlett's test of sphericity, a statistical test to determine correlations among the variables, yielded a significant chi-square value in testing the significance of the correlation matrix ($\chi^2 = 8248.534$, $df = 903$, $p = 0.001$). Both tests indicated that factor analysis was appropriate for this study. Varimax rotation was conducted to identify underlying dimensions of the country's attractiveness scale. The derived factors from EFA were treated as exogenous constructs in SEM of this study. EFA resulted in four dimensions for country attractiveness, labelled *government support* (4 items, $\alpha = 0.79$), *climate and nature* (4 items, $\alpha = 0.75$), *leisure activities* (3 items, $\alpha = 0.71$), and *value for money* (3 items, $\alpha = 0.76$). This initial purification exercise resulted in the deletion of five items from country attractiveness (*cae8*, *cae10*, *cae11*, *cae13* and *cae15*). The total variances were

61.34 percent. With the completion of the EFA process, there was strong evidence of unidimensionality of all dimensions (Hair et al., 2006).

The number of items for each dimension of the country's attractiveness construct, with its descriptive statistics of mean, standard deviation, and inter-item correlations, including the factor loading based on EFA is shown in Table 2.

Table 2: Descriptive Statistics for Items in the Country's Attractiveness as a Host to a Cross-Border Second Home

| Dimension /Item | Descriptive | | Inter-item Correlations | | | | Factor Loading |
|-----------------|-------------|-------|-------------------------|--------------|--------------|--------------|----------------|
| | Mean | SD | | | | | |
| gsu | | | cae12 | cae19 | cae20 | cae21 | |
| cae12 | 3.50 | 0.734 | 1.000 | 0.314 | 0.506 | 0.422 | 0.558 |
| cae19 | 3.90 | 0.460 | 0.314 | 1.000 | 0.548 | 0.479 | 0.559 |
| cae20 | 3.90 | 0.825 | 0.506 | 0.548 | 1.000 | 0.743 | 0.891 |
| cae21 | 3.59 | 0.832 | 0.422 | 0.479 | 0.743 | 1.000 | 0.793 |
| cna | | | cae1 | cae2 | cae3 | cae4 | |
| cae1 | 4.23 | 0.507 | 1.000 | 0.371 | 0.448 | 0.287 | 0.510 |
| cae2 | 3.98 | 0.815 | 0.371 | 1.000 | 0.522 | 0.458 | 0.564 |
| cae3 | 4.09 | 0.621 | 0.448 | 0.522 | 1.000 | 0.503 | 0.818 |
| cae4 | 4.12 | 0.628 | 0.287 | 0.458 | 0.503 | 1.000 | 0.552 |
| lei | | | cae16 | cae17 | cae18 | | |
| cae16 | 3.76 | 0.791 | 1.000 | 0.531 | 0.434 | | 0.692 |
| cae17 | 3.61 | 0.614 | 0.531 | 1.000 | 0.462 | | 0.665 |
| cae18 | 4.02 | 0.599 | 0.434 | 0.462 | 1.000 | | 0.619 |
| vmo | | | cae5 | cae6 | cae7 | | |
| cae5 | 4.22 | 0.530 | 1.000 | 0.520 | 0.478 | | 0.678 |
| cae6 | 4.13 | 0.655 | 0.520 | 1.000 | 0.540 | | 0.621 |
| cae7 | 4.21 | 0.583 | 0.478 | 0.540 | 1.000 | | 0.532 |

Note: cae – country attractiveness
 gsu- government support
 cna - climate and nature
 lei - leisure activities
 vmo- value for money

The highest correlation value of an item with any other item in the construct is shown in bold. Based on the correlation coefficients, each item does correlate adequately with at least one other item in the construct ($0.3 < r < 0.9$).

The KMO value for each dimension is considered good, as evidenced by the following values: 0.722 (gsu), 0.753 (cna), 0.677 (lei), and 0.692 (vmo). A single factor was extracted for all four dimensions that explained more than 60 percent of the total variation of items involved: 62.3 percent (gsu), 67.6 percent (cna), 65.1 percent (lei), and 67.5 percent (vmo). The minimum factor loading values are 0.558 (gsu), 0.510 (cna), 0.619 (lei) and 0.532 (vmo).

The mean value for all the items from the four dimensions was more than 3, indicating a high level of agreement overall. The mean of the 14 items was saved according to the respective dimensions of government support, climate and nature, leisure activities and value for money, respectively. These were used for further analysis of CFA, starting with a congeneric model of country attractiveness dimensions.

The CFA results indicate that the country attractiveness construct measure comprises a four-dimension structure, labelled *government support* (gsu), *climate and nature* (cna), *leisure activities* (lei), and *value for money* (vmo). The CFA results of each congeneric measure are detailed below. It is noted that the entire standardised loading is statistically significant (0.53-0.95) at $p = 0.000$ and a critical ratio ($t > \pm 2.58$); therefore, convergent validity is established. The GOF of each measure is shown in Table 3.

Table 3: CFA Results of Congeneric Measurement for Country Attractiveness Dimensions

| No | Congeneric Measures | Standardised Loading | Critical Ratio ^b |
|-------|---|----------------------|-----------------------------|
| 1 | <u>Government Support</u> | | |
| cae20 | A country with clear rules & regulations ^a | 0.948 | ----- |
| cae21 | Friendly & helpful government officers | 0.787 | 16.258 |
| cae19 | A stable government | 0.577 | 11.729 |
| cae12 | Availability of reliable public | 0.527 | 10.602 |

| No | Congeneric Measures | Standardised Loading | Critical Ratio ^b |
|-------|--|----------------------|-----------------------------|
| | transportation * | | |
| | <u>GOF Statistics</u> | cae12* | |
| | χ^2 | 8.194 | 0 |
| | <i>df</i> | 2 | 0 |
| | <i>p</i> -value | 0.017 | - |
| | χ^2/df | 4.097 | - |
| | RMR | 0.010 | 0 |
| | GFI | 0.990 | 1.000 |
| | AGFI | 0.950 | - |
| | IFI | 0.989 | 1.000 |
| | CFI | 0.989 | 1.000 |
| | RMSEA | 0.088 | - |
| 2 | <u>Climate & Nature</u> | | |
| cae3 | Availability of beaches & islands ^a | 0.791 | ----- |
| cae2 | Plenty of beautiful scenery within reach | 0.680 | 10.865 |
| cae4 | Availability of tropical rain forest | 0.633 | 10.399 |
| cae1 | Ability to get sunshine throughout the year | 0.537 | 9.099 |
| | <u>GOF Statistics</u> | | |
| | χ^2 | 5.008 | |
| | <i>df</i> | 2 | |
| | <i>p</i> -value | 0.082 | |
| | χ^2/df | 2.504 | |
| | RMR | 0.008 | |
| | GFI | 0.994 | |
| | AGFI | 0.969 | |
| | IFI | 0.992 | |
| | CFI | 0.982 | |
| | RMSEA | 0.062 | |
| 3 | <u>Leisure Activities</u> | | |
| cae17 | Availability of night-time recreation | 0.725 | 9.186 |
| cae16 | Availability of sports facilities, cinemas, museums, fairs & exhibitions, & other leisure & recreation activities ^a | 0.706 | ----- |
| cae18 | Availability of good places to shop | 0.615 | 9.190 |
| | <u>GOF Statistics</u> | | |
| | χ^2 | 0 | |
| | <i>df</i> | 0 | |
| | <i>p</i> -value | - | |
| | χ^2/df | - | |
| | RMR | 0 | |

| No | Congeneric Measures | Standardised Loading | Critical Ratio ^b |
|------|--|----------------------|-----------------------------|
| | GFI | 1.000 | |
| | AGFI | - | |
| | IFI | 1.000 | |
| | CFI | 1.000 | |
| | RMSEA | - | |
| 4 | <u>Value for Money</u> | | |
| cae6 | Availability of houses at affordable prices | 0.766 | 10.237 |
| cae7 | Ability to go for local holidays at affordable prices | 0.704 | 10.309 |
| cae5 | Availability of everyday goods at reasonable prices ^a | 0.679 | ----- |
| | <u>GOF Statistics</u> | | |
| | χ^2 | 0 | |
| | <i>df</i> | 0 | |
| | <i>p</i> -value | - | |
| | χ^2 / df | - | |
| | RMR | 0 | |
| | GFI | 1.000 | |
| | AGFI | - | |
| | IFI | 1.000 | |
| | CFI | 1.000 | |
| | RMSEA | - | |

Note: ^a Fixed parameter

^b *t*-values, the parameter estimate divided by its standard error:
 $p < 0.01$ ($t > \pm 2.58$), $p < 0.05$ ($t > \pm 1.96$)

* Item deleted after CFA

GOF (Goodness-of-Fit), χ^2 (chi-square), *df* degrees of freedom, χ^2 / df (relative chi-square), RMR (Root Mean Square Residuals), GFI (Goodness-of-Fit Index), IFI (Incremental Fit Index), CFI (Comparative Fit Index), RMSEA (Root Mean Square Error of Approximation)

The four purified congeneric measures were then incorporated as SEM for Country Attractiveness, shown in Figure 1. A CFA on the model was then performed to assess its overall fit and convergent validity. Convergent validity is assessed through its standardised loadings, which includes its significance (critical ratio), AVE, and reliability of CR and Cronbach's alpha (Table 4).

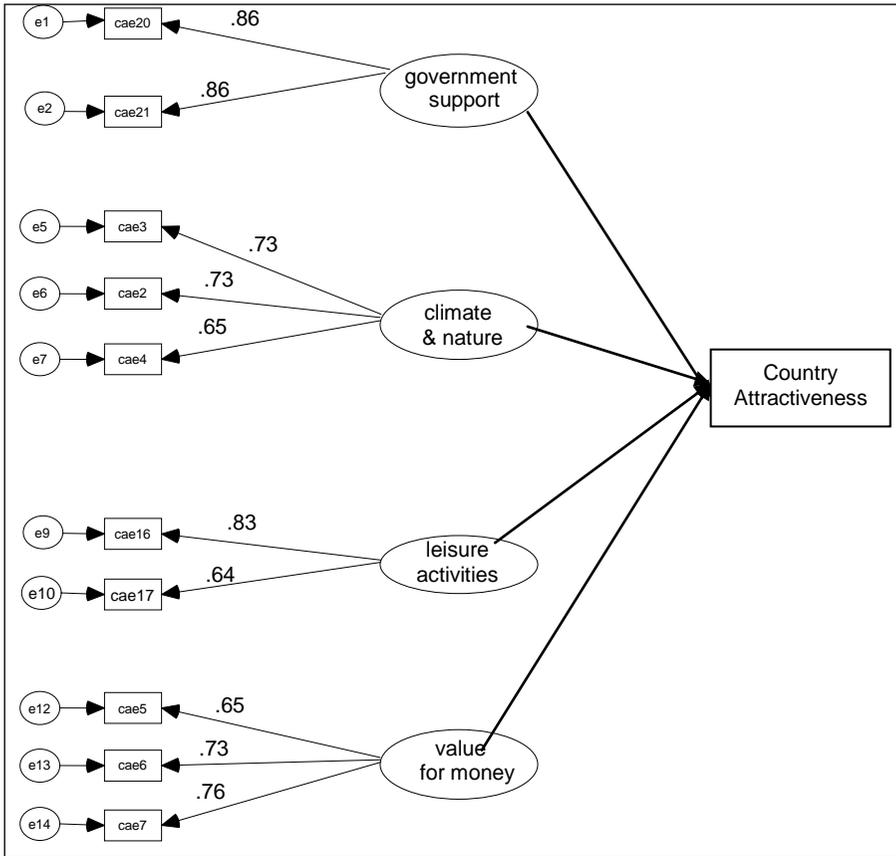
Table 4: Summary of Results of the Structural Equation Model Results for Country Attractiveness

| No | Construct | λ | Critical Ratio ^b | CR | R ² | AVE | Cronb. α |
|-----|--|-----------|-----------------------------|--------|----------------|-------|-----------------|
| 1 | <u>Government Support</u> | | | 0.853 | | 0.743 | 0.853 |
| cae | A country with clear rules & regulations ^a | 0.863 | ----- | | 0.745 | | |
| 20 | | | | | | | |
| cae | Friendly & helpful government officers ^a | 0.861 | ----- | | 0.741 | | |
| 21 | | | | | | | |
| 2 | <u>Climate & Nature</u> | | | 0.748 | | 0.501 | 0.736 |
| cae | Plenty of beautiful scenery within reach | 0.730 | 11.520 | | 0.533 | | |
| 2 | | | | | | | |
| cae | Availability of beaches & islands ^a | 0.729 | ----- | | 0.531 | | |
| 3 | | | | | | | |
| cae | Availability of tropical rain forest | 0.649 | 10.725 | | 0.421 | | |
| 4 | | | | | | | |
| 3 | <u>Leisure Activities</u> | | | 0.709 | | 0.553 | 0.702 |
| cae | Availability of sports facilities, cinemas, museums, fairs & exhibitions, & other leisure & recreation activities ^a | 0.832 | ----- | | 0.692 | | |
| 16 | | | | | | | |
| cae | Availability of night-time recreation ^a | 0.640 | ----- | | 0.410 | | |
| 17 | | | | | | | |
| 4 | <u>Value for Money</u> | | | 0.758 | | 0.512 | 0.757 |
| cae | Availability of houses at affordable prices | 0.726 | 10.904 | | 0.527 | | |
| 6 | | | | | | | |
| cae | Ability to go for local holidays at affordable prices | 0.764 | 11.131 | | 0.584 | | |
| 7 | | | | | | | |
| cae | Availability of everyday goods at reasonable price ^a | 0.652 | ----- | | 0.425 | | |
| 5 | | | | | | | |
| | <u>Overall GOF Statistics</u> | | | | | | |
| | | | χ^2 | 84.720 | | | |
| | | | <i>df</i> | 31 | | | |
| | | | <i>p</i> -value | 0.000 | | | |
| | | | χ^2/df | 2,733 | | | |
| | | | RMR | 0.021 | | | |
| | | | GFI | 0.959 | | | |
| | | | AGFI | 0.927 | | | |
| | | | IFI | 0.958 | | | |
| | | | CFI | 0.957 | | | |
| | | | RMSEA | 0.066 | | | |

Note: ^a Fixed parameter
^b t-values, the parameter estimate divided by its standard error: $p < 0.01$ ($t > \pm 2.58$), $p < 0.05$ ($t > \pm 1.96$)
 λ Factor loading
CR Construct reliability
 R^2 Squared multiple correlations
AVE Average percentage variance extracted
GOF (Goodness-of-Fit), χ^2 (chi-square), df degrees of freedom, χ^2/df (relative chi-square), RMR (Root Mean Square Residuals), GFI (Goodness-of-Fit Index), IFI (Incremental Fit Index), CFI (Comparative Fit Index), RMSEA (Root Mean Square Error of Approximation)

Table 4 showed that all critical ratios (t-values) were significantly greater than ± 2.58 , at $p < 0.01$. All standardised factor loadings (λ) and AVE were greater than 0.6 and 0.7 respectively. Therefore, the criterion for convergent validity was satisfied. In addition, reliability evaluation revealed that all Cronbach's alpha and CR exceeded the threshold value 0.7, which was above the cut-off point for this measure. This implies that the variance captured by the construct is greater than the variance accounted for by measurement error. The GOF indices suggest that the construct measure represents a satisfactory fit to the data and that the results of all the fit indices achieved the adequate fit. The chi-square value (χ^2) of the model is 84.720, $p=0.000$, and other fit indices are GFI=0.959, CFI=0.957 and RMSEA=0.066.

Figure 1: Structural Equation Model Results for Country Attractiveness



LIMITATIONS & RECOMMENDATIONS

The proposal for future investigation is built upon the current findings and is identified in response to the limitations of the present study. The proposal concerns the demographic profile of the respondents. Because people of different geographic regions view attractiveness (Wells, 1982) differently, country of origin would be an interesting subject for further investigation on the issue of having a CBSH. For example, tropical sunshine represents a draw for northwest Europeans but is probably not an important feature to those from tropical and Mediterranean areas (Wells, 1982). Wells noted that, except for Malaysia's multi-ethnic population, attractions

such as recreation, food, excursions and shopping also exist in most other Southeast Asian nations. Therefore, even if the working expatriates from Southeast Asian nations discovered that Malaysia was attractive and less risky as a host for a second home, they may not intend to have a second home in Malaysia due to its close proximity to their country of origin.

CONCLUSIONS

The present study shed some new light on elements and dimensions that are considered important in determining country attractiveness from the perspective of potential second homers, the working expatriates. As the literature review suggested, attractiveness in short-term tourism involves *touristic* elements, while long-term tourism involving second home combines both *touristic* and *home* elements. One of the dimensions that can be seen as decreasing in importance when comparing short and long-term tourism is the “natural factors” dimension. It was given the highest weighting in Gearing et al. (1974), and Turgut et al.’s (1977) studies, but was found to be less important compared to “safety” and “reliable government” in long-term tourism. Other than natural factors, other *touristic* elements that exist in both short and long-term tourism are sports, leisure and shopping facilities.

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