TOURISM MALAYSIA: ITS STRATEGIES TO INCREASE THE NUMBER OF INDONESIAN TOURISTS

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January, 2017
This thesis entitled **Tourism Malaysia: Its Strategies to Increase the Number of Indonesian Tourists** prepared and submitted by Fadilla Apriliani in partial fulfillment of the requirements for the degree of Bachelor of Arts in International Relations in the Faculty of Humanities has been reviewed and found to have satisfied the requirements for a thesis fit to be examined. I therefore recommend this thesis for Oral Defense.

Cikarang, Indonesia, January 27th, 2017

__________________________________________

DRS. Teuku Rezasyah, M.A., Ph.D.
DECLARATION OF ORIGINALITY

I declare this thesis, entitled “Tourism Malaysia: Its Strategies to Increase the Number of Indonesian Tourists” is, to the best of my knowledge and belief, an original piece of work that has not been submitted, either in whole or in part, to another university to obtain a degree.

Cikarang, Indonesia, January 27\textsuperscript{th}, 2017

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The Panel of Examiners declare that the thesis entitled “Tourism Malaysia: Its Strategies to Increase the Number of Indonesian Tourists” that was submitted by Fadilla Apriliani majoring in International Relations from the Faculty of Humanity was assessed and approved to have passed the Oral Examinations on 7 March 2017.
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ABSTRACT

Title: Tourism Malaysia: Its Strategies to Increase the Number of Indonesian Tourists.

Tourism can be a tool for a nation to drive the economic development by concerning also on tourism sectors development. ASEAN countries recently promote tourism fiercely to make this sector become the main income of the member states. Malaysia is one of the most visited countries among ASEAN member states, including Indonesia. Indonesian people go to Malaysia not only to do vacation or to spend their holiday time, but also to do some other affairs like medical visit, educational trip and business trip. Tourism Malaysia, as Malaysia’s under-governmental tourism organization which under the Ministry of Tourism and Culture, recognize Indonesia as a big market to promote Malaysia’s tourism, since Indonesia is also one of the biggest contributors to Malaysia international tourist arrivals number. Therefore, Tourism Malaysia do have strategies to attract Indonesian people to travel more to Malaysia and to increase the number of tourist arrivals from Indonesia. In this thesis, the writer divided the strategies by the year from 2011 until 2014.

This methodology used in this thesis is qualitative research, which is the writer gather all the data and information needed directly to the regional office of Tourism Malaysia in Jakarta to get the primary data which are the annual reports of Tourism Malaysia 2011 - 2014, and also to the official website of Tourism Malaysia. By doing research through all the source of information, the writer found that the role of Tourism Malaysia as Malaysia National Tourism Organization is to market and to promote tourism sectors of Malaysia through their strategies marketing to attract the international tourists.

Keywords: Malaysia, Tourism Malaysia, Malaysia Tourism, Tourism, MOTAC, Tourism Policy, Cultural Diplomacy.
ABSTRAK

Judul: Tourism Malaysia: Strategi Dari Tourism Malaysia dalam Meningkatkan Pengunjung dari Indonesia ke Malaysia.


Keywords: Malaysia, Tourism Malaysia, Pariwisata Malaysia, Pariwisata, MOTAC, Kebijakan Pariwisata, Diplomacy Budaya.
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This thesis contains the result of data that the writer got from the representative of Tourism Malaysia Headquarter office in Putrajaya, Malaysia, Mrs.Nor Lilibinti Roslan as the Assistant Director of Strategic Planning division. I would like to give many thanks to her for her kindness as she was very helpful for the writer to get the data of Tourism Malaysia Annual Reports 2011 until 2014. In addition, the writer would never get to know Mrs. Nor Lili without the intercession from the representative of Tourism Malaysia regional office in Jakarta, Mrs. Norshariza Mohd Saad, as the Deputy Director of Tourism Malaysia Jakarta, who forwarded the writer messages to the headquarter office.

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I hope this thesis will be helpful for any reader in the future.

Cikarang, January 27th, 2017

Fadilla Apriliani
Table of Contents

THESIS ADVISER ........................................................................................................... ii
RECOMMENDATION LETTER ................................................................................... ii
DECLARATION OF ORIGINALITY .......................................................................... iii
ABSTRACT ....................................................................................................................... v
ABSTRAK ......................................................................................................................... vi
ACKNOWLEDGEMENT ................................................................................................. i
Table of Contents ............................................................................................................. iii
List of Figure ...................................................................................................................... vi
List of Table ..................................................................................................................... vii
List of Acronyms .............................................................................................................. vii
CHAPTER I ...................................................................................................................... 1
Introduction ....................................................................................................................... 1
I.1, Background of Study .............................................................................................. 1
I.2. Problem Identification ........................................................................................... 5
I.3. Statement of Problem ............................................................................................. 7
I.4. Research Objective .................................................................................................. 8
I.5. Significance of Study .............................................................................................. 8
I.6. Theoretical Framework ........................................................................................... 8
I.6.1. Cultural Diplomacy ................................................................................................. 8
I.6.2. Foreign Policy ....................................................................................................... 9
I.6.3. National Interest .................................................................................................. 10
I.7. Scope and Limitation of the Study ........................................................................ 12
I.8. Definition of Terms ................................................................................................. 12
CHAPTER II ................................................................................................................... 15
Literature Review ........................................................................................................... 15
II.1. Introduction ........................................................................................................... 15
II.2. (Md. Anowar Hossain Bhuiyan, Chamhuri Siwar and Shaharuddin Mohamad Ismail, 2013) Tourism Development in Malaysia from the Perspective of Development Plans ........................................................................................................... 15
II.3. (Mohd Motasim Ali Khan, 2014) Role of Tourism Organization in The Development of Tourism Industry of Malaysia ......................................................................................... 16
II.5. (Jumiati Sasmita and Norazah Mohd Suki, 2013) Pelancongan di Indonesia dan Malaysia: Satu Kajian Deskriptif ........................................ 17
II.6. (Eddy Jajang Jaya Atmaja, 2010) The Strategic Promotion Alliance of Tourism Industries Indonesia-Malaysia ............................................. 18

CHAPTER III ................................................................................................................. 20
Research Methodology ............................................................................................. 20
III.1. Research Framework ......................................................................................... 21
III.2. Research Times and Place .................................................................................. 22
   III.2.1. Place of Research ....................................................................................... 22
   III.2.2. Time of Research ....................................................................................... 22
III.3. Data Collection Methods .................................................................................... 22

CHAPTER IV .................................................................................................................. 24
Tourism Malaysia and Its Strategies to Increase the Number of Indonesian Visitors ...................................................................................... 24
IV.1 Malaysia ............................................................................................................. 25
IV.2 Malaysia – Indonesia Relations .......................................................................... 30
IV.3. Malaysia Tourism History ................................................................................... 35
IV.4. Tourism Malaysia as National Tourism Organization ........................................... 39
   IV.4.1. Tourism Malaysia ........................................................................................ 39
   IV.4.2. Tourism Malaysia History .......................................................................... 41

CHAPTER V ................................................................................................................... 43
Strategies of Tourism Malaysia to Increase the Number of Indonesian Visitors .... 43
V.1. Indonesian Travelers Behavior ............................................................................. 44
V.2. Tourism Malaysia Market Strategy 2011 .............................................................. 51
   V.2.1. 18th World Ambassador Inter Team Golf Championship (WAITGC) 2011 ................................................................. 52
   V.2.2. The Establishment of IMT-GT ....................................................................... 52
V.3. Tourism Malaysia Market Strategy 2012 .............................................................. 53
   V.3.1. ASEAN Tourism Forum (ATF) 2012 .............................................................. 54
   V.3.2. The Three-day TRAVEX ........................................................................... 54
V.4. Tourism Malaysia Market Strategy 2013 .............................................................. 55
   V.4.1. Proton Preve giveaway contest .................................................................... 55
   V.4.2. Preparing for VMY 2014 ............................................................................. 56
V.5. Tourism Malaysia Market Strategy 2014 .............................................................. 57
  V.5.1. Visit Malaysia Year (VMY) 2014 ................................................................. 57
  V.5.2. International workshops: Buyers Meet Sellers ....................................... 58
  V.5.3. International Tourism exhibition: Health Travel Fair ............................. 59
V.6. Analyze of the Theory to the Case ................................................................. 59
  V.6.1. National Interest .................................................................................. 59
  V.6.2. Foreign Policy ..................................................................................... 61
  V.6.3. Cultural Diplomacy .............................................................................. 63
CHAPTER VI ............................................................................................................. 66
Conclusion ............................................................................................................. 66
REFERENCES ....................................................................................................... 69
APPENDIX ............................................................................................................ 77
List of Figure

Chapter 1

Figure 1 – IMF World Economic Outlook: Comparative between the Most Developing GDP in the World

Figure 2 – ASEAN Tourism Marketing Strategy: the Process in Developing ASEAN Tourism Strategy

Figure 3 – The Comparative of Top Ten International Arrivals by Country from 2011 – 2014

Chapter 2

Figure 4 – Tourism Malaysia Annual Report 2011: Top Ten Arrival in 2011

Figure 5 – Tourism Malaysia Annual Report 2012: Top Ten Arrivals 2012

Figure 6 - Tourism Malaysia Annual Report 2013: Top Ten Arrivals 2013

Figure 7 - Tourism Malaysia Annual Report 2014: Top Ten Arrivals 2014

Chapter 3

Figure 8 – Research Framework

Chapter 4

Figure 9 – Malaysia Map

Figure 10 – Tourist Arrivals 1998 – 2008

Figure 11 – Arrivals to Malaysia by Indonesia

Figure 12 – Singapore Tourism Board Report: Market Insight Indonesia 2012

Figure 13 – Project Atlas: Top 10 International Student in Malaysia

Figure 14 – Arrivals by Indonesia 2011

Figure 15 – Arrivals by Indonesia 2012

Figure 16 – Arrivals by Indonesia 2013

Figure 17 – Arrivals by Indonesia 2014
List of Table
Table 1 – UNTWO: 10 Most Visited Countries in 2013
Table 2 – The Main Factors of Tourism to Choose Malaysia as Tourism Destination

List of Acronyms
AMDA - Anglo-Malaysia Defence Agreement
ASEAN – Association of Southeast Asian Nations
APEC - Asia-Pacific Economic Cooperation
ATF – ASEAN Tourism Forum
CNN - The Cable News Network
CTB – Corporate Travel Bazaar
EPP - Entry Point Project
IMF – International Monetary Fund
KTMB – Kereta Api Tanah Melayu Berhad
LCC - Low Cost Carriers
MAC - Middle-class and Affluent Consumers
MATTA - Malaysian Association of Tour and Travel Agents
MGTA - Malaysian Golf Tourism Association
MITE – Malaysia International Tourism Exchange
MOCAT - Ministry of Culture, Arts, and Tourism
MTPB - Malaysia Tourism Promotion Board
NKEA – National Key Economic Area
NIC – New Industrial Country
NTP – National Tourism Policy
PRC – People’s Republic of China
RM – Ringgit Malaysia
SEA – South East Asia
TDC - Tourist Development Corporation
UMNO - United Malays National Organization
UNTWO – United Nations World Tourism Organization
VMY – Visit Malaysia Year
WAITGC - World Ambassador Inter Team Golf Championship
WTM – World Travel Mart
CHAPTER I

Introduction

I.1, Background of Study

In this globalization era, Asian states have more chance and potential in emerging their economic development. Moreover, after the Asian Financial Crisis in 1997, some of Asian states showing their significant economic recovery. It can be seen on how the Four Asian Tiger or Little Dragons, which consist of Taiwan, Singapore, Republic of Korea, and PRC, was significantly rising. Hong Kong and Singapore have become world-leading international financial centers, while Republic of Korea and Taiwan are world leaders in manufacturing information technology. Their economic success stories have become role models for many Asian developing countries, especially for the Tiger Cub Economy, which is a group of five dominant countries in Southeast Asia, named Indonesia, Malaysia, Philippines, Thailand and Vietnam.¹

Tourism industry are developed since there is the existence of human’s movement to look for something that they did not know before, to explore new places, or to get a new journey.²

In this era, Tourism is becoming one of mainstay industries to bring income in several countries, especially those countries which have special iconic places, destinations or tourism sites to be visited. That kind of sources make them be encouraged to develop and promote their potential tourism industries to the international world.³

³Ibid.
With a large number of population, which is more than 600 million, and a nominal GDP of $2.31 trillion, ASEAN is fast becoming a major economic force in Asia and a driver of global growth.\textsuperscript{4}

According to the IMF World Economic Outlook 2013 data, it is stated that ASEAN is the 3rd largest economy in Asia and the 7th largest in the world. ASEAN is the second-fastest growing economy in Asia, after PRC.\textsuperscript{5}

\begin{figure}
\centering
\includegraphics[width=\textwidth]{figure1.png}
\caption{Figure 1 - IMF World Economic Outlook: Comparative between the Most Developing GDP in the World}
\end{figure}

Since the economics of ASEAN shows a very significant growth, it means that ASEAN is becoming a great place for the foreign investor or businessman to trade in ASEAN, it is proved by the data above that shows ASEAN is the second-fastest growing economy in Asia between 2001 and 2013.\textsuperscript{6}

Among the significant factors that support the rapid growth of ASEAN economic, tourism is one of them. Although it seems like small factor or influence, some of ASEAN countries put their concern to their tourism sectors. It


\textsuperscript{6}Ibid.
can be seen from the figure below that shows the process of ASEAN Tourism Marketing Strategy.7

![Figure 2 - ASEAN Tourism Marketing Strategy: the Process in Developing ASEAN Tourism Strategy](image)

This figure illustrate the process that was followed in developing the strategy, which stated on the ASEAN Tourism Marketing Strategy 2012-2015. As we can see from the data, ASEAN member states are taking the tourism sectors as one of the GDP contributors seriously. They set the strategy by considering the existing data. They pay attention to the market segment, which is the targeted market place, and the product identification, where they figuring out how they tourism sites quality are. To promote the tourism industry, the states have to concern also about their tourism sectors and sites. This shows the seriousness of ASEAN member states to promote the tourism sectors to become one of influential factors to the GDP.9

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8 Ibid.
### Table 1 - UNTWO: 10 Most Visited Countries in 2014

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>International Tourist Arrivals (2014)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>PRC</td>
<td>55.6 Million</td>
</tr>
<tr>
<td>2</td>
<td>Hong Kong</td>
<td>27.8 Million</td>
</tr>
<tr>
<td>3</td>
<td>Malaysia</td>
<td>27.4 Million</td>
</tr>
<tr>
<td>4</td>
<td>Thailand</td>
<td>24.8 Million</td>
</tr>
<tr>
<td>5</td>
<td>Singapore</td>
<td>15.0 Million</td>
</tr>
<tr>
<td>6</td>
<td>Macau</td>
<td>14.6 Million</td>
</tr>
<tr>
<td>7</td>
<td>Republic of Korea</td>
<td>14.2 Million</td>
</tr>
<tr>
<td>8</td>
<td>Japan</td>
<td>13.4 Million</td>
</tr>
<tr>
<td>9</td>
<td>Indonesia</td>
<td>10.4 Million</td>
</tr>
<tr>
<td>10</td>
<td>Taiwan</td>
<td>10.4 Million</td>
</tr>
</tbody>
</table>

Malaysia is one of the ASEAN member states that has many attractive places and destinations to be promoted. In 2010, Malaysia was ranked ninth in the United Nation World Tourism Organization (UNWTO) list of 10 Most Visited Countries, with 24.6 million international tourist arrival at that year.\(^{10}\) In the year of 2014, according to worldatlas.com Malaysia has ranked on the 3\(^{rd}\) position as the most visited Asian country, with 27.4 million number of international arrivals, after PRC and Hong Kong and followed by Thailand and Singapore.\(^{11}\) Malaysia has implemented the promotion and development of its tourism industry as an effort to diversify its economy and to make Malaysia’s economy less dependent on export. As a result, tourism has become Malaysia’s third largest source of foreign exchange income.\(^{12}\)

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The purpose of why the writer choose this period of time (2011 – 2014) is based on the latest data from the Tourism Malaysia Data Portal which states that the number of Indonesian visitors to Malaysia showing most escalated graphic. It can be seen from the graphic, which attached below, that among the 10 biggest number of visitors of Malaysia, Indonesia, at the beginning of the period, sits on the second, and it continued until the year of 2014. That means, Indonesia is starting to be a big contributor to the number of arrivals in Tourism Malaysia Data Portal. The writer also wants to know if actually Tourism Malaysia as the National Tourism Organization has targeting Indonesia as their big market place and what are their strategies or approaches to make Indonesian visitors even more increasing.

I.2. Problem Identification

Indonesia and Malaysia is two neighboring countries that share similarities in many aspects.13 The national language are closely related and mutually intelligible. Both nations also are Muslim majority countries, and both of them also member of ASEAN and APEC. Since they are very close according to geographical location, travelers or visitors from both countries are important source of visitors that generated each other’s travel and tourism industry. Indonesia is second largest visitor of Malaysia, after Singapore, by the year of 2010 - 2015 based on the Malaysian Tourism Data Portal.14

As tourism industry in Malaysia is quite fluctuating every year, one of the duties of the Tourism Malaysia as the National Tourism Organization is to enhance and develop the quality of tourism sectors in the country so that the graphic of the tourist arrival will point out stable.15 Moreover, Indonesia has become one of the largest visitors number on Tourisms Malaysia arrivals data. Counted from the year of 2010, Indonesia holds on the 2nd position of the arrivals

15 Ibid.
data, right after Singapore, which might become the loyal market of Malaysian tourism sector.\(^\text{16}\)

![Figure 3 - The comparative of Top Ten International Arrivals by Country from 2011 – 2014\(^\text{17}\)](image)

By seeing that Indonesian visitor number is on the second position, it is proved that, at least since 2010 until 2014, Malaysia is one of the most favorite places for Indonesian people to visit, and it is being consistent on the second place, compared to other countries like Thailand and PRC. According to the data we can also know that Indonesia is a big market for Malaysian tourism, and is a quite influential to Malaysian foreign exchange income.

It obviously visible that this may be additional responsible for the Tourism Malaysia to enhance more and more the quality of Malaysian tourism sectors, in order to maintain or even to escalate the market, which is Indonesian visitors, to be advanced, or even more to be the first biggest market and arrival number on the report ahead.\(^\text{18}\)

However, as a middle income country, Indonesia apparently still will be one of the main market of Malaysian tourism, by looking at the fact than Indonesian


\(^{17}\)Ibid.

people have more various purposes or intentions in visiting Malaysia. Not only to spend their holiday time, but also Indonesian visitors have many other purposes, like fulfilling their business trip, study or educational visit, medical visit or checkup, visiting their Malaysian relatives, and many other purposes. By seeing at this fact, Malaysia should be aware of what are the purpose of Indonesian people in visiting the country, because it can effect on how Tourism Malaysia compose their strategy to maintain Indonesian number of visitor.19

According to the data and facts, there are some reason why Indonesia become a big target market for Malaysian tourism. One of them is the geographical location of Indonesia and Malaysia. Indonesia is one of the closest country from Malaysia according to its geographic territory. They even have direct borders between them. It becomes one of the reason why we can find so many Indonesian visitors on Malaysia land. Becoming the closest country from Indonesia, Malaysia is also becoming one of the most favorite places to visit for vacations and holidays. Indonesian people who wants to go abroad for vacation but do not want to spend so much money and time, they often choose Malaysia as their destination. Same thing also happen to some students who want to study abroad, Malaysia becomes their favorite destination to finish their study.20 From there we can see that there are so many tourism sectors that can be improved and enhanced by Malaysian Tourism Organization, to make it more advanced to become most favorite tourism sites or crucial destinations.

I.3. Statement of Problem

The analysis of this thesis will be focused on the strategies of Tourism Malaysia, as the National Tourism Organization, to attract Indonesian tourists in order to increase the number of Indonesian tourist arrivals on the period of 2011 –

20 Jaya Atmaja, Eddy Jajang (2014). The Strategic Promotion Alliancy of Tourism Industries Indonesia-Malaysia, p. 5
2014. The following are research question that will be answered concerning the topic mentioned beforehand:

1. How did Tourism Malaysia, as the National Tourism Organization of Malaysia, attract the Indonesian people to visit Malaysia to be their tourism destination in order to increase the number of Indonesian visitors?

I.4. Research Objective

1. To analyze about the efforts done by the organization to increase the number of tourists from Indonesia.

2. To analyze about the strategies done by the organization to maintain Indonesia a one of their biggest market.

I.5. Significance of Study

1. To understand the purpose of Tourism Malaysia establishment as National Tourism Organization.

2. To inform that Tourism Malaysia is running the strategies to attract Indonesian people to come to Malaysia in order to increase the number of Indonesian tourist arrivals

I.6. Theoretical Framework

I.6.1. Cultural Diplomacy

Cultural Diplomacy is a diplomatic activity that proposed to introduce and to promote the states culture to the other states. Cultural Diplomacy is a term that is increasingly used often by political scientist, communication experts or politicians. Art and Culture are in the forefront of many countries promotional efforts.\(^21\) The countries recognize that, as national icons, cultural heritages have their significant role to provide opportunities to show the world who the countries

\(^{21}\)Ryniejska, Marta (2012) *Cultural Diplomacy as A Form of International Communication*, p.2
are. The cultural heritage of the countries also have potential to create positive images and to help the countries achieving their political aims.22

In this thesis, Tourism Malaysia as the representative agency / organization, from the government of Malaysia, directly under the Ministry of Culture, Arts, and Tourism, also have the duty to promote and to deliver the cultural diplomacy of Malaysia to Indonesia by maintaining some cooperation or creating new cooperation in terms of culture. The goal is to promote the diverse of Malaysian culture. The government of Malaysia is doing their cultural diplomacy through tourism by utilizing the role of Tourism Malaysia as a representative organization under the government.

I.6.2. Foreign Policy

Foreign policy is a strategies or an action plans which are made by the decision maker in a nation in order to face other nation and/or other international political system. Foreign policy is work and controlled under the national interest. According to Rosenau, the definition of foreign policy is:

“All the attitudes and activities through which organized nation societies seeks with and benefit from international environment”

According to Toma and German, there are types of foreign policy, which are:

1. Micro Decision
   Micro decision is known as an administrative decision and it is usually made lower than governmental organization. This decision has a limited extent, therefore it does not need more concern from the higher decision maker.

2. Crisis Decision
   Crisis decision is similar with micro decision, but crisis decision is a small decision which need intervention from the higher decision maker. This decision is made in a threatening situation, therefore this

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22Ryniejska, Marta (2012) **Cultural Diplomacy as A Form of International Communication**, p.2
decision contains unexpected elements and has to be made in a short
time.  

There are two factors that are related in affecting the decision maker in
making the foreign policy, according to Wiliam D Coplin. The factors are:

1. Defining Situation
   Defining situation relates to the image concept to analyze
   psychological variable and personal experiences. One of the image
   which is very affective to the way people in setting their
   environment which in the end it will also affect the way people
   behave. It is also recognized as close image and open image.

2. Selecting Goals
   Selecting goals concerns on the idea that making of decision is a
   rational intellectual process, therefore the goal can be defined as a
   possibility or a chance that is given by the society and environment,
   even though the international environment will complicate the
   decision making process, the decision maker, and the rational
   foreign policy, and do it maximally.

I.6.3. National Interest
National Interest is a basic important factor and also basic goals which lead
the decision maker in making a decision of the foreign policy. In the theory of
National Interest, State is recognized as the actor who take an important role in
international affairs and state also has the role in decision making. Since state is
something essentials for the citizen, states is recognized as the protector of the
territory and the citizen. In a modern political world, National Interest has become
a common term among politicians and the political scientist. Almost in every

23 Landasanteori.com,(2015) Pengertian Kebijakan Luar Negeri Faktor dan Pembuatan
Keputusan| Daftar Pustaka Makalah Kebijakan Luar Negeri. Retrieved 28 December 2016, from
http://www.landasanteori.com/2015/10/pengertian-kebijakan-luar-negeri-faktor.html
24 Ibid.
American Foreign Policy. P.20
discussion about the changing of foreign policy, national interest become the approved fact in supporting politicians when they are presenting their opinions.

The concept of National Interest is also used in both political analysis and political actions. As the political analysis tool, it is used to explain the sources of a nation’s foreign policy. Meanwhile, as the political actions instrument, the function of national interest is being the one that criticize or proposing the policies. Both functions have same purposes which are referring to what is the best for the national society in international affairs.\textsuperscript{26}

According to Donald E Nuechterlin, stated on his journal titled National Interests and Foreign Policy: A Conceptual Framework for Analysis and Decision-Making, National Interest has four classifications, which are:

1. Defense Interest
   It is the protection of the nation-states and its citizens against the threats of physical violence directed from other states, and/or an externally inspired threat to its system of government.

2. Economy Interest
   It is the enhancement of the nation-state’s economic well-being in relations with other states.

3. World Order Interest
   It is the maintenance of an international political and economic system in which the nation-state may feel secure, and in which the citizens and commerce may operate peacefully outside the boarders.

4. Ideological Interest
   It is the protection and furtherance of a set of values which the people of a nation-state share and believe to be universally good.\textsuperscript{27}

Meanwhile, according to Hans J Morgenthau, as the main inventor of national interest, national interest is as a minimum ability of the state to protect


\textsuperscript{27}Nuechterlein, Donald E, National Interests and Foreign Policy: A Conceptual Framework for Analysis and Decision-Making, p.248
and maintain its physical identity, politics, and culture from other countries’ intervention.28

Since there is no common standard or definition of national interest, the understanding of the role of national interest may be different from a term to another terms. In this thesis, it will be explained that Malaysia will gain their national interest of tourism trough Tourism Malaysia. As mentioned before, Tourism Malaysia is the representative of the Malaysian government to reach their interest in tourism. 29

I.7. Scope and Limitation of the Study

This thesis focused on studying the establishment of Malaysian Tourism Organization, which is Tourism Malaysia, and how they promote the tourism sectors to attract Indonesian people in order increase the number of Indonesian visitors, in the year of 2011 until 2014.

The main source of data was the Tourism Malaysia Annual Report (2011-2014), which were released officially by Tourism Malaysia as the National Tourism Organization.

I.8. Definition of Terms

In order to make the reader of this thesis easier to understand, this following terms will be defined in this thesis, as follow:

Tourism Malaysia – Tourism Malaysia is a national government organization inter the Minister of Tourism and Culture. It is also known as the National Tourism Organization of Malaysia, who promote and market the tourism products of Malaysia to other countries.30

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Cultural Diplomacy – Cultural Diplomacy is a diplomatic activity that proposed to introduce and to promote the states culture to the other states.31


Chapter 1 : Introduction

In this chapter, the writer explained about the background of the research, problem identifications, and statement of problems, research objectives, as well as the research question, significance of study, theoretical frameworks and the thesis structure. Moreover, the reader will find the reason why the writer choose this topic as her research.

Chapter 2 : Literature Review

In this chapter, the writer enclosed the journals, literature, and articles that support the writer in writing this thesis. The literature used in this thesis mostly come from journals, which are written by Eddy Jajang Jaya Atmaja, titled The Strategic Promotion Alliance of Tourism Industries Indonesia-Malaysia 2010, and reports, which are Tourism Malaysia Annual Report from the year of 2011 until 2014

Chapter 3 : Research Methodology

In this chapter, the writer explained about the methodology used to write this thesis. The writer also explained about the methods used to collect the data as well as the research framework that framed all the analysis points on this thesis. The reader will also find whether the writer use qualitative research or quantitative research to support her getting the informations.

Chapter 4 : Tourism Malaysia and Its Strategies to Increase the Number of Indonesian Visitors

In this chapter, the writer explain about the overview history of Malaysia, Malaysia’s tourism, the relation between Malaysia and Indonesia. In this chapter the writer also mention the policy which relate to the case, and also an explanation about the MoU between the two countries.

31Ryniejska, Marta. Diplomacy as A Form of International Communication, p.2
Chapter 5 : Strategies of Tourism Malaysia to Increase the Number of Indonesian Visitors

In this chapter, the writer explain about the strategies done by Tourism Malaysia to increase the number of Indonesian tourists. The writer divided the strategies by the year from 2011 until 2014. In this chapter, the writer also explained about the Indonesian traveler’s behavior.

Chapter 6 : In this chapter will conclude all the aforementioned topic above and will ensure the research question of the thesis.
CHAPTER II

Literature Review

II.1. Introduction

In writing this thesis, there are five journals which were used by the writer. The journals are very useful and helpful in supporting the writer’s arguments. The first journal is written by Md. Anowar Hossain Bhuiyan, Chamhuri Siwar and Shaharuddin Mohamad Ismail from Institute for Environment and Development, University of Kebangsaan Malaysia, and National University of Gazipur Bangladesh, titled Tourism Development in Malaysia from the Perspective of Development Plans. The second journal is written by Mohd Motasim Ali Khan from Aligarh Muslim University, India, titled Role of Tourism Organization in The Development of Tourism Industry of Malaysia. The third journal is written by Khairil Wahidin Awang and Yuhanis Abd Aziz from University Putra Malaysia, titled Tourism Policy Development: A Malaysian Experience. The fourth journal is written by Jumiati Sasmita from University of Riau and Norazah Mohd Suki from University Malaysia Sabah, titled Pelancongan di Indonesia dan Malaysia: Satu Kajian Deskriptif. Lastly, the fifth journal is written by Eddy Jajang Jaya Atmaja, an ASEAN tourism observer, titled The Strategic Promotion Alliancy of Tourism Industries Indonesia-Malaysia.

II.2. (Md. Anowar Hossain Bhuiyan, Chamhuri Siwar and Shaharuddin Mohamad Ismail, 2013) Tourism Development in Malaysia from the Perspective of Development Plans

This journal is mostly discussing about tourism enhancement initiatives in development plans of Malaysia. Anowar and Shaharuddin talk about how Malaysia started to recognize tourism as a potential sector to drive the economic development in the beginning, and according to that, they explain how Malaysia
finally emerge the Ninth Malaysia Plan, Tenth Malaysia Plan and National Tourism Policy (NTP) to discover tourism development perspective.\textsuperscript{32}

The study reveals that foreign tourists arrival and tourist expenditure on the basis of per capita and per diem is increasing year by year. Tourism development is one of the key element for each development plans in Malaysia. Government has been giving special emphasize on the tourism sector during the each plan period. The government adopts and formulates various laws and regulations to ensure sustainable tourism development as well as implement necessary policies. Finally, Malaysia has targeted to capture a place within the top 10 countries in the world in terms of international tourist arrivals through various development plans.\textsuperscript{33}

II.3. (Mohd Motasim Ali Khan, 2014) Role of Tourism Organization in The Development of Tourism Industry of Malaysia

This journal talks about Tourism Organizations of Malaysia and its function in strengthening the tourism sector of Malaysia. According to the journal, the tourism planning organization in Malaysia is complex and it is influenced by the three-tier form of government, which are Federal government, State government and Local authorities. The journal said that essentially, tourism is a federal affair and the overall policy planning is carried out by the Ministry of Tourism and Culture. Meanwhile, the Malaysia Tourism Promotion Board of Tourism Malaysia is responsible for the marketing and promotional aspects of tourism.\textsuperscript{34}

This journal is not only talking about the Tourism Malaysia, but also talking about other tourism organization which are not under the government, which are Malaysia Tourism Centre, Islamic Tourism Centre (ITC), Malaysia  

\textsuperscript{32} Bhuiyan, Md. Anowar Hossain, Siwar, Chamhuri & Ismail, Shaharuddin Mohamad (2013) Tourism Development in Malaysia from the Perspective of Development Plans. P. 11

\textsuperscript{33} Ibid.

\textsuperscript{34} Ali Khan, Mohd Motasim (2014), Role of Tourism Organization in The Development of Tourism Industry of Malaysia. P.57 - 58
Association of Tour & Travel Agents (MATTA), Malaysian Inbound Tourism Association (MITA), Malaysian Association of Hotels (MAH),

II.4. (Khairil Wahidin Awang and Yuhonis Abd Aziz, 2011)
Tourism Policy Development: A Malaysian Experience

The journal has the objective of tracing the historical development of tourism policies in Malaysia, an underpinning factor towards understanding the full potential of tourism as an industry in the country. It begins with the justification of using tourism as the agent of change, in the drive towards multiplying the economic base of the country. It ends with the highlighting of contemporary practice of tourism, with a notion to further strengthen established industry foothold. Secondary data, together with complementary data from in-depth interviews with policy makers formed the basis of the arguments. Findings suggest that tourism is viewed as a very important industry as emphasized by respective policies. Findings suggest too that although there are bounds of success, with regard to tourism development in Malaysia, the political administration system, which is based on the federal constitution also, has some drawbacks. For one, a bottom-up planning input would be ideal. In parallel, planning and developing of tourism has to be dynamic due to the ever changing surroundings.35

II.5. (Jumiati Sasmita and Norazah Mohd Suki, 2013)
Pelancongan di Indonesia dan Malaysia: Satu Kajian Deskriptif

This journal has the objective to analyze the tourism in Malaysia and Indonesia in form of literature study. This journal said that according to their study, the purpose of tourists coming to Malaysia is mostly for medical trip and education trip. The author suggest that a noble effort should be put into practice by the Malaysian government and industry players in Malaysia, like providing good service and comfort to tourists such as hospitality by the Immigration,

satisfactory service by the health nurses, good and modern facilities in the field of health, and also hospitality by university staff to provide excellent service.

The tourism industry player a country should always maintain the quality of tourist attractions besides providing a good service, comfort and quality. These efforts will attract new tourists as well as the existing tourists and finally can give a good impact to the country image.36

II.6. (Eddy Jajang Jaya Atmaja, 2010) The Strategic Promotion Alliance of Tourism Industries Indonesia-Malaysia

The tourism industry player a country should always maintain the quality of tourist attractions besides providing a good service, comfort and quality. These efforts will attract new tourists as well as the existing tourists and finally can give a good impact to the country image.36

This journal is tend to promotional of the tourism of Malaysia and Indonesia. This journal discuss about several issues that are related to the tourism in Malaysia and Indonesia, like ASEAN Tourism Forum (ATF), The history of Indonesia – Malaysia relation, the development of Indonesian tourism, Malaysia economy and tourism, etc. however the most important part the writer find in this journal is the history of Indonesia – Malaysia relation, as well as the development of Malaysia economy and tourism.

The writer of this journal explained that the relation between Indonesia and Malaysia happened since both of the countries are side by side according to the geographical location. Moreover, starting from the 9th century, there were many Indonesian people move in to Malaysia due to several factors including the overpopulation (especially in Java Island), the colonialism of Dutch in Indonesia, and the job opportunities that were available in Malaysia. The fact mentioned above also strengthen the history of Indonesia – Malaysia relations.

Besides that, the journal also explained about the development of Malaysia economy and tourism. The writer stated that Malaysia was so poor until somehow its tourism industry can bring up the national income, which were so low, becoming high until Malaysia was transformed into a modern developing country and crowned as the new tiers of NIC (New Industrial Country).

This journal also told that there are several main factors that motivated people to choose Malaysia as a tourism destinations. Those main factors are

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36 Sasmita, Jumiati & Mohd Suki, Norazah (2013), Pelancongan di Indonesia dan Malaysia: Satu Kajian Deskriptif. P. 1
economic relations, history and culture. However it is also stated that according to
Tourism Malaysia, there are also several factors why people choose Malaysia as
their tourism destinations. The factors included to sight-seeing, recommendation
of friends and family, to know more about Malaysia, exchange rate, the amount of
Attractions, shopping convenience, neighborhood and tour package.
CHAPTER III

Research Methodology

This chapter explains to the readers about the types of research which the writer used in writing this thesis. In strengthening the arguments of the writer, the writer collected all the information from Tourism Malaysia Annual Report, from the year of 2011 until 2014, any related journals, articles and books. From the official Tourism Malaysia representative in Putrajaya, Malaysia, the writer got the primary source to write this thesis. Therefore, this thesis will need the qualitative research.

Qualitative research is the methodology which needs data, interviews, report, journals, and articles as the source to get informations. This research will include the research in any literature, books, and official websites. This research is aimed to gain deepen information about Tourism Malaysia, Malaysian culture, Malaysian tourism, Policy and its efforts to enhance the quality of tourism sectors through the National Tourism Organization, which is Tourism Malaysia, which has been pointed by the government as the one of institutional.

It will also proving the argument of the main case of this thesis about the strategies of Tourism Malaysia to enhance the quality of tourism, and also to success its cultural diplomacy to the neighbor country which is Indonesia at the same time. By using this research methodology, the case will fully explained well with the information that has been exist.
III.1. Research Framework

![Research Framework Diagram](image)

The figure above shows how the strategies of Tourism Malaysia are made. The writer finds out the strategies of Tourism Malaysia, in enhancing the quality of its tourism and gaining more visitors, through their official websites and by doing research on their annual reports.

First of all, the writer would like to know about Malaysian Foreign Policy, because the Tourism Malaysia is technically the outcome of the foreign policy. While the foreign policy is made after the national interest. Foreign policy is the result of what actually the state wants. To find the foreign policy of Malaysia, the writer, first, has to find the national interest of the country. After that it continues with the research of strategies of Tourism Malaysia to increase the number of Indonesian visitors. It is also related with the intention and strategies to make Indonesia as the biggest market place and becoming the largest visitor number on the international arrivals data. According to the figure above, Malaysian national interest is consisting of several terms, which are national security, economy, sovereignty, culture and prosperity. Therefore, the Tourism Malaysia makes the strategies to enhance the tourism sectors and attracting more visitors in order to
fulfill the national interest in terms of economy. Then, to promote Malaysia’s culture, Tourism Malaysia chose the strategies of holding some culture event promotions in other country, including Indonesia, to fulfill the national interest in terms of culture.

III.2. Research Times and Place

III.2.1. Place of Research

1. President University Campus
   Jababeka Education Park in Kota Jababeka, Jalan Ki HajarDewantara RT. 2 / RW. 4, Mekarmukti, Cikarang, West Java, Indonesia.

2. Tourism Malaysia Office Jakarta
   Jl. HR Rasuna Said, RT.6/RW.7, KaretKuningan, Setia Budi, Kota Jakarta Selatan, Daerah KhususIbukota Jakarta 12950

III.2.2. Time of Research

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<th>OCTOBER</th>
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<th>JANUARY</th>
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III.3. Data Collection Methods

- Direct Approach
  The writer did approach the representative from Tourism Malaysia office in Jakarta to get the primary data which are the Tourism Malaysia Annual
Reports year 2011-2014. After that, the representative of Tourism Malaysia Jakarta forwarded me to the representative of the head office in Putrajaya, Malaysia. After waiting for some days, finally the representative of the head quarter sent me the annual report with a requirement of reference letter.

- Internet Browing
  This method allows me to browse many informations about the topic. Through internet the writer found some of research instruments such as journals, books, articles, news, speeches, etc. Through internet also the writer found the Tourism Malaysia Data Portal which provides many data in form of numbers, graphics and matrix regarding the topic.
CHAPTER IV

Tourism Malaysia and Its Strategies to Increase the Number of Indonesian Visitors

The year of 1959 became the beginning of Malaysia in recognizing tourism as a potential tool to drive the economic development of the country, by the framing of Department of Tourism under the Ministry of Trade.\(^{37}\) The Department of Tourism had given the duty to promote, to develop and to improve tourism sectors in Malaysia to be acknowledged by the other countries. This idea of Department of Tourism was the pioneer of the tourism agencies and organizations which were established in latter. Tourism Malaysia, which established in 1972, is the continuation of the existence of Department of Tourism as the Tourism Malaysia had given all same duties as the Department of Tourism.\(^{38}\) Today, Tourism Malaysia is the main national tourism organization of Malaysia which work under the Ministry of Tourism and Culture to market and to promote Malaysia’s tourism sectors by creating strategies marketing like tourism fairs, exhibitions, workshops, as well as establishing many regional office around its biggest markets, including Indonesia.\(^{39}\)


\(^{38}\) Ibid.

Malaysia is the 66th largest country by total land area, with a land area of 329,613 km² (127,264 sq mi). It has land borders with Thailand in West Malaysia, and Indonesia and Brunei in East Malaysia. The two parts of Malaysia, separated from each other by the South PRC Sea, share a largely similar landscape in that both Peninsular and East Malaysia feature coastal plains rising to hills and mountains. Peninsular Malaysia, containing 40% of Malaysia's land area.

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Malaysia, on the island of Borneo, has a coastline of 2,607 km (1,620 mi). It is divided between coastal regions, hills and valleys, and a mountainous interior.

As the 42nd most populated country, and based on the 2010 census, the population of Malaysia was 28,334,135.

In the 14th century, when the Buddhist Sriwijaya Empire was fallen down, Malaysia came under Muslim influence by the Muslim Empire which remained in power until the Portuguese defeat of its capital in 1511. In 1641, Dutch drove away the Portuguese, and was in power for 172 years until the British came in 1786. In the year of 80s, British was developing the export economy in the area. With Indian and Chinese laborers, it contributed to Malaysia’s ethnic diversity. In 1895, the Federated States of Malay was formed from the various British protectorates on the Malay Peninsula.

In 1941, for its rich natural resources, Japanese army came to the area and invaded Malaysia, and they quickly defeated British in 1942. A large number of Chinese armed resistance was established during the Japanese occupation. Then the Chinese armed resistance became a basis for the post-war communist insurgency in 1945. After Japanese gave up, British forces quickly moved in and was back to do a re-establishment of the Federated States of Malay. In 1948, this Federation was recognized to form the Crown Colony of The Federation of Malaya.

The Federation of Malaya obtained independence from the United Kingdom in 1957. In 1963, the independent Federation of Malaya merged with Singapore, while the states of Sarawak and Sabah on Borneo in order to form the Federation of Malaysia. However, in 1965, Singapore broke away from the Federation to form its own nation. After that, from late 1992, Prime Minister Mahatir...
smoothed a campaign against the sultans, who was the center of power since 1955. In three months, the campaign gained success, which leaved the Prime Minister had a more dominant position.49

Overall, Malaysia’s development, which began in 1971 until 1990 was mostly influenced by the National Economy Policy or NEP, and the NEP was later, from 1991 until 2000, replace by New Development Policy or NDP. The NEP did concept the addressing of regional economic inequalities and also the problem of poverty which was faced by Peninsular Malaysia’s principal ethnic group.50

Same as ether economy sectors, tourism development was also shaped and influence by the NEP. On the governance scope of level, the policies which were produced by the central government are recognized in following a same path with regard to their implementation at the state of level.51 However, because of each state having its own legislative matter to attend to, it is difficult to assign the flow of the process. Moreover, some states were not supporting the tourism promotion acts that was stated by the government.52

Even though the framing of the Department of Tourism under the Malaysia’s Ministry of Trade in 1959 become the beginning for tourism to be a new force in economic sector, the tourism was still recognized as a late comer. The government back then was slow in their act to the tourism industry. Meanwhile, many developed countries, which are mostly lack of natural resources, had initiate to make tourism as a major tool in driving their development of economy. Malaysia, which was rich of various resources only recognized tourism as a tool to make the economic supporters become more diverse. Considering the falling of commodity price, Malaysia finally found tourism as a new opportunity to sustain its economic growth.53

49 Ibid.
51 Ibid.
52 Ibid.
Considering the foreign policy of Malaysia, the government was starting to plan the development of Malaysia tourism through many effort. The establishment of a tourism agency under the government is one of the effort that represent a true intention of Malaysia to enact tourism industry as one of the main instrument to drive the economic development. However, the foreign policy of Malaysia are:

1. Pursuing an independent, principled and pragmatic foreign policy, founded on the values of peace, humanity, justice, and equality.
2. It is largely influenced by three key factors, which are its strategic location in Southeast Asia, its attributes as a trading nation and its unique demography.
3. Strengthening bilateral and multilateral aspects of Malaysia’s engagement with other countries will continue to be an important focus.
4. Promoting a forward-looking and pragmatic foreign policy that facilitates trade, attracts foreign investment and projects Malaysia as a stable and peaceful country.
5. Malaysia is committed to multilateralism in advancing global peace, security and prosperity.
6. Malaysia has worked with other countries through the sharing of its experience and knowledge through various foreign policy mechanisms.
7. Malaysia also gives importance to the solidarity of the Moslem majorities and the spirit of cooperation among the Organization of Islamic Cooperation.
8. Malaysia advocates the “Prosper thy neighbor”, which is translated as prosperous neighbor, policy to enhance economic relations and cooperation with its neighboring countries.
9. To promote and protect Malaysia’s interest on abroad, Malaysia established a network of 110 diplomatic missions in 85 countries.
10. Malaysia’s conduct will continue to be guided by the principles of respect for independence, sovereignty, territorial integrity and non-
interference in the affairs of other nations, peaceful settlement of disputes, peaceful co-existence and mutual benefit in relations.  

The beginning of Malaysia recognizing tourism as one of its economic force is marked by the tourism’s principle objectives inclusion. In 1972 an agency dedicated to promote Malaysia’s tourism, which the duty was taken by the Department of Tourism, was established by the parliament.

On 17th February 1990, the Memorandum of Understanding (MoU) between the government of Republic of Indonesia and the government of Malaysia had been signed in line with Keppres No.7 Tahun 1992 tanggal 9 Januari 1992 Lembaran Negara No.7, which contains the statement of President about the ratification of a memorandum of understanding with the government of Malaysia to cooperate in tourism sector. Continuing the authorization of the MoU, the MoU was put into effect since 7th May 1993.

Therefore, the policy of Malaysia’s Ministry of Tourism and Culture is to develop Malaysia to be a world class cultural and tourist destination and to build Malaysia’s national identity which is based on culture, heritage and arts. The mission done by the Ministry is enhancing the culture and tourism sectors and strengthening the culture, heritage and the national arts.

In 1992, the Ministry of Culture, Arts and Tourism formulated the Malaysia National Tourism Policy (NTP). This policy accommodated the obligatory guidelines and management practice for the development of tourism destinations. Community-based tourism, coordination and cooperation in the development of tourism become the main concern of the policy.

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57Ibid.
The important aspect that considered by the policy is the local participants of the tourism development and activities. According to the policies, the main categories of new destinations in the country are for the entrepreneurs and tourists. However, the community empowerment system for management and planning was not identified by the policy, and there was no plan of benefit sharing between local people in the tourism areas.60

Moreover, the objectives of the Ministry of Tourism and Culture reinforcing the culture, heritage and arts to enhance national unity based on the National Cultural Policy; reinforcing the cooperation and synergy between the tourism and culture industry actors to make Malaysia being preferred as a tourist destination; reinforcing the culture and tourism sectors to empower the economy of the nation; promoting Malaysia’s diversity of culture, heritage and arts to be the main catalyst for tourism sectors’ growth; and developing the human resource in culture and tourism sectors.61

IV.2 Malaysia – Indonesia Relations

Formally, the relationship between Malaysia and Indonesia as fellow independent nations newly-established after Malaysia gained independence from Britain on August 31, 1957. However, the actual relationship between the two nations has been informally running since very long time because of the common race they have.62

Far away behind, the relationship had been happened in high intensity before Indonesia and Malaysia became independent countries. Beside geographic factor, historically, there are some factor that strengthen the relationship between Indonesia and Malaysia. On the side of experience, both of the countries generally have similarity in facing the external environment, including to face or to get affected by external foreign culture. The bond of Indonesia – Malaysia culture

60Ibid.
often given important burden. One of the reflection of it is how important is, for 
Malaysian, having the same linguistic derivation as another, which they call it 
‘Serumpun’ or Cognate, which underlie the relationship between Indonesia and 
Malaysia. This fact is recognize odd for the Indonesian which believe that they 
cannot depend to the principle of cognate in forming a nation. For Indonesia, the 
strong emphasize is not given to the principle of cognate, because, if Indonesia 
follows the principle, Malaysia will face at least two problems which are the 
infinite Indonesian identity and it does not identic with Melayu identity. \(^{63}\)

Indonesia and Malaysia has long time considered as Jiran or Neighbors. 
Geographically and culturally, both of the nation states are placed under Malay 
Archipelago (Kepulauan Melayu), along with Singapore, Thailand, Brunei, 
Cambodia, and Restrictions Pacific Islands, which at once considered as main part 
of the civilization and Malay culture. \(^{64}\)

According to Husin and Mardiana Nordin (2007: 261), a regional culture is 
pictured by the similarity of language based on Malay Language, geographical 
position, historical experiences, natural resources, arts, and the personalities. 
Malay culture today become a lifestyle, identity, and basic principle to measure 
the personality of Malay people. \(^{65}\)

Before the entry of the British and Dutch colonialism, the people from both 
nations were politically connected by the kingdoms which were in turn influenced 
each other. Malaysian people did not recognize the Bugis people and Minagkabau 
people as foreigners. It proved by the acceptance of Selangor citizens to Raja 
Lumu, who is the son of Bugis Daeng Chelak builder, as their sultan in 1742. \(^{66}\) 
According to the note of Trenggoning, Bugis people came to Malaysia after the 
Dutch stroke down Makassar in 1667. \(^{67}\)

\(^{63}\)Sejarah Singkat Hubungan Awal Indonesia-Malaysia. (2015). Retrieved from 
January 2017

\(^{64}\) Jaya Atmaja, Eddy Jajang (2014). *The Strategic Promotion Alliance of Tourism Industries 
Indonesia-Malaysia*, p. 8-14

\(^{65}\) *Ibid.*

January 2017

\(^{67}\) *Ibid.*
This very close relationship between Malaysia and Indonesia was changed since the arrival of the westerns, especially the British and the Dutch, which then took all control over Indonesia and Malaysia. It was the sequel of London Agreement year 1824 which was known as Treaty of Commerce and Exchange between Great Britain and Netherlands. It can be said that this is the point when Malaysia and Indonesia had separated in terms of politic, because the Melayu region was parted into two different political system.\textsuperscript{68}

According to the article 9 and 10 of London Agreement 1824, the Britain side agreed to give all their trade centers located on Sumatra to the Netherland side, and would never create any random agreement together with local leader of Sumatra Island. On the other side Netherland gave the city of Malaka and the regions on Malaysia peninsula.\textsuperscript{69}

Moreover, Malaysian scholars also asses that the London Agreement 1824 was a part of the westerns agenda in separating the Melayu region. Even though that agreement had politically separated Melayu region into two parts which are Singapore and Johorwere under the control of Britain, and Riau and Lingga were under the control of Netherlands, the socio-cultural relationship among the people in Melayu peninsula was still remains well and they were not distracted by the political decision from both of colonial governments. In fact, when the confrontation between Indonesia and Malaysia happened, the people among the region was still going around socializing with each other. After that, when Japan came to the Melayu region replacing the Britain on 15 February 1942, and also entered Java replacing the Dutch on 8 March 1942, it made the relationship between Indonesia and Malaysia became even more closer\textsuperscript{70}

After Malaysia got their independent in 1957, the political situation was affected by the atmosphere of the Cold War between the western blocs, which was the US, and eastern blocs, which was the Soviet Union. The fight between these two nations was also affecting on the foreign policy making of Malaysia. As a


\textsuperscript{69}\textit{Ibid.}

newly-independent nation, Malaysia was worrying about the safety and security of its nation. At that time, there was no choice for Malaysia except to be pro to the western bloc, because Malaysia was really depending on the Britain, which was a member of western bloc. Because of this reason, the first prime minister of independent Malaysia, Tungku Abdul Rahman signed an agreement with the Britain in 1957. The agreement consisted of the entrenchment of Britain-Malaysia, which also known as AMDA (Anglo-Malaysia Defence Agreement), which means Malaysia handed the defence of the nation to the Britain, if only Malaysia was attacked from the outside. Even Tungku Abdul Rahman said that Malaysia in not a nation except they fight the communist and pro to the western bloc.\(^7\)

Meanwhile, majority of Indonesian leaders assumed that Malaysia was never actually become independent because revolution was never happened there, it made Indonesian leaders at that time suspected that the Britain was actually still keeping their military bases there. Indonesia who was newly-freed from colonialism and imperialism, was suspecting that Malaysia was formed into a new neo-colonialism nation. Besides, Indonesia as a big newly-independent nation had a tendency to make a move and be recognized as “Saudara Tua” or old brother.\(^7\)

Inside Malaysia itself, there were some groups that did not agree with Malaysia foreign policy, which was pro to the western bloc. That group of people were mostly the nationalist Melayu who had close relation with Indonesian communist leaders. This group was being judged of believing the concept of radicalism. Most of the people from this group had a willing to merge Indonesia and Malaysia into one nation named “Melayu Raya” or “Indonesia Raya”.\(^7\)

Based on historical notes, it is known since the 9\(^{th}\) century, large amount of Indonesian people moved to Malaya. They came from various islands which are Java, Sumatera, Sulawesi and Riau. The entrance of these new people resulted the


\(^7\)Ibid.

emerging of new cities such as Taiping, Ipoh, Port Weld, Tapah, Kampar, and others.\textsuperscript{74} There are many factors which caused the movement of Indonesians to Malaya. According to Blasker (1972: 220), the factors includes the overcrowding or population density (especially on Java Island), the oppression which done by Dutch colonizers, the geographical position of Indonesia and Malaya which considered near, and the open economic system and capitalist which run by the British in Malaya. Besides that, the amount of job opportunity offered in Malaya, after the successful of tin ore mining and the opening of many gardens, has become factors which pushed the Indonesian move to Malaya.\textsuperscript{75}

However, on the side of elites Malaysian, which mostly were the main people of UMNO (United Malays National Organization), did not agree with the nationalism idea of Indonesia. For them, the idea of Socialism and Communism in Indonesia might be harmful to their special rights as the traditional leader of Malaysia. Moreover, these nationalism ideas which brought by radical leaders from Indonesia had the purpose to erase the feudalism system of Malaysia. This made the elites Malaysia worried that the ideas could be harmful to those who come from the royals.\textsuperscript{76}

The first conflict happened between Indonesia and Malaysia was also affected by Indonesian political situation, which at that time there was a movement named PRRI/Permesta. By the Indonesian government, Malaysia (and Singapore) at time became a proxy to the western bloc to bring down Soekarno’s regime by giving permission to the western bloc to use Malaysia’s port to distribute help to the PRRI.\textsuperscript{77}

The highlight of the beginning of the relationship conflict between Indonesia and Malaysia are the outbreak of confrontations in 1963, which was the establishment of the Federation of Malaysia on 16 September 1963, which

\textsuperscript{74} Jaya Atmaja, Eddy Jajang (2014). \textit{The Strategic Promotion Alliancy of Tourism Industries Indonesia-Malaysia}, p. 8-14
\textsuperscript{75} Ibid.
recognized as important starting point observed as the westerns’ agenda to surround Indoensia.\textsuperscript{78}

Javanese people is the largest number of Indonesian who move in to Malaya. Approaching the year of 1930, the number of Javanese people came to Malaya reach the number of 17,000, followed by Minangkabau people, Banjar people, Boyan people and Bugis people. Minangkabau people mostly stayed at Negeri Sembilan. Most of them worked as traders and farmers. Javanese, Banjar and Bugis people mostly stayed at the seashores and the Valley of Perak River, Selangor, and Johor. Most of them worked as paddy farmers. Meanwhile Boyan people, which came from Boyan Island, stayed at the cities, like Singapore, Kuala Lumpur, Johor Baru, and Pulau Pinang. In 1947, the number of citizens coming from Indonesia in Malaya reach a total of 307,150, which 60\% are Javanese. According to the statistic of Malaya people in 1957, a total of Indonesian people staying on the Malaya is 2,427,834, which represented 49.8\% of a total Malaysia citizen.\textsuperscript{79}

**IV.3. Malaysia Tourism History**

At first, Malaysia is a nation with ordinary income. Since the nation focused on petroleum exploration, latex and palm oil, Malaysia has transformed as modern country, with strengthening manufacture sectors and services, becoming a nation with 6-7\% economy development. World Bank named this achievement as Miracle on East Asia.\textsuperscript{80}

In the beginning, the country was considered poor and many people are found working as farmers. This continuously economic development has change hundreds of Malaysian citizens. Malaysia is included in eight Asian countries who

\textsuperscript{78}Ibid.  
\textsuperscript{79}Jaya Atmaja, Eddy Jajang (2014). *The Strategic Promotion Alliancy of Tourism Industries Indonesia-Malaysia*, p. 23-33  
\textsuperscript{80}Ibid.
have high economy development (above 5%) along with PRC, Hong Kong, Indonesia, Korea, Singapore, Taiwan, and Thailand. 

According to the study from Ishak, Nor Aini and Basri Abdul Talib (2006: 20), Malaysia is purposely designed to be a developed country approaching 2020 through the program of Aksi Wawasan Negara which has been launched in 1991. As the result, in only 5 years period, which is 1990-1995, the economy development of Malaysia was increasing for 9% until 11%, until it made the country to be involved on the new tiers of NIC (New tiers of New Industrial Countries).

One of the indicators of Malaysia economic development can be seen on its tourism industry. The contribution of tourism industry in the total national income was placed on the second position (after petroleum). Whereas, in 1990, the contribution from Malaysian tourism was still on the 16th place.

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81 Jaya Atmaja, Eddy Jajang (2014). The Strategic Promotion Alliancy of Tourism Industries Indonesia-Malaysia, p. 23-33
82 Ibid.
Until 2009, the contribution of tourism revenue to the national income still on the same place, which is the second place. Through the arrivals number, which is 23.3 million, the contribution from tourism sectors was 7.7% of Malaysia GNP. Moreover, Malaysia was on the 9th place on the top ten countries with largest international tourist arrivals. The first place occupied by France with 74.2 million tourist arrivals, meanwhile Indonesia was on the 37th place with 5.5 million international tourist arrivals.

So far, intra-ASEAN tourists are the majority of the international arrivals in Malaysia. According to Boniface and Cooper, types of tourist in visiting a destination closely linked with the factors of: distances, relations between nations, and the attractiveness of a destination. This theory applied perfectly on the Malaysia tourism. Majority of tourist in Malaysia come from Singapore and Indonesia (which is side by side with Malaysia according to the geographical

85 Jaya Atmaja, Eddy Jajang (2014). The Strategic Promotion Alliance of Tourism Industries Indonesia-Malaysia, p. 23-33
location), Thailand, ad Brunei. Meanwhile, within ten years (1999-2009) the number of Indonesian visitors to Malaysia was keep increasing, which in the year of 2008 and 2009 the number reached 2.4 million.  

There are several factors that can be motivations for the tourists to visit a destination, which are economic relations, history and culture. Therefore, the top ten of international tourist arrivals in Malaysia mostly come from the Malaya Island and be neighbor to each other, such as Singapore, Indonesia, Thailand and Brunei. Moreover, Japan and United Kingdom are also included in the top ten tourist arrivals in 2006-2007 since both countries ever colonize Malaysia according to the history. PRC and India also a part of top ten tourist arrivals because less than 40% Malaysian citizen are Indian and Chinese descents.

The popularity of Malaysia as tourism destination is recognized by many international observation institutions. For example, Lonely Planet, which is one of the biggest tourism guide publisher in the world), has involved Malaysia as top ten tourism destination that has to be visited in 2010. The other example is The New York Times which involved Kuala Lumpur as one of the best travel and tour destination on its article titled ’31 Placed to be Visited in 2010’.

<table>
<thead>
<tr>
<th>Factors</th>
<th>2006 (%)</th>
<th>2007 (%)</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sight-Seeing</td>
<td>35.5</td>
<td>43.5</td>
<td>8.0</td>
</tr>
<tr>
<td>To Know More About Malaysia</td>
<td>21.5</td>
<td>27.2</td>
<td>5.7</td>
</tr>
<tr>
<td>Friends/Family Recommendation</td>
<td>23.2</td>
<td>30.6</td>
<td>7.4</td>
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<tr>
<td>Exchange Rate</td>
<td>19.3</td>
<td>21.1</td>
<td>1.8</td>
</tr>
<tr>
<td>The Amount of Attractions</td>
<td>11.9</td>
<td>20.4</td>
<td>8.5</td>
</tr>
</tbody>
</table>

86 Jaya Atmaja, Eddy Jajang (2014). The Strategic Promotion Alliancy of Tourism Industries Indonesia-Malaysia, p. 23-33
87 Ibid.
88 Ibid.
<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shopping</td>
<td>7.4</td>
<td>6.9</td>
<td>-0.5</td>
</tr>
<tr>
<td>Convenience</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neighborhood</td>
<td>5.3</td>
<td>6.0</td>
<td>0.7</td>
</tr>
<tr>
<td>Tour Package</td>
<td>2.6</td>
<td>2.2</td>
<td>-0.4</td>
</tr>
</tbody>
</table>

Table 2 - The Main Factors of Tourism to Choose Malaysia

The result of a research done by Tourism Malaysia during 2006 and 2007 stated that the factor of sight-seeing become the most dominant factor that attracting the tourists to come to Malaysia with the number of 35.5% in 2006 and 43.5% in 2007. The other influential factors that contribute the number of visitors to Malaysia are the recommendations from family and friends (23.2% in 2006 and 30.6% in 2007), to know more about Malaysia (21.5% in 2006 and 27.2% in 2007), the exchange rate (19.3% in 2006 and 21.1% in 2007) and neighborhood factor with 5.3% in 2006 and 6% in 2007.89

IV.4. Tourism Malaysia as National Tourism Organization

IV.4.1. Tourism Malaysia

Tourism Malaysia formerly known as Malaysia Tourism Promotion Board (MTPB) which were under the ministry of trade.90 This agency, or organization, is under the Ministry of Tourism and Culture. Tourism Malaysia was established on 10 August 1972 with a name Tourist Development Corporation of Malaysia (TDC). TDC was under the Ministry of Trade and Industry until the Ministry of Culture, Arts, and Tourism (MOCAT) was established then TDC moved to that ministry.91

It is stated on every annual report of Tourism Malaysia that they has several function as the National Tourism Organization. The first function is to stimulate

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89Tourism Malaysia: Malaysia Profile 07 of Tourist by Selected Market, retrieved from http://www.tourism.gov.my/ on 20 January 2017
and to promote tourism to and within Malaysia. Tourism Malaysia does not only
persuade international tourists to come to Malaysia, but also they encourage local
people to travel within the country. The second function of Tourism Malaysia is to
strengthen, to develop, and to market Malaysia internationally and also
domestically as a main tourism point. Besides marketing the tourism sectors of
Malaysia to people from other countries, Tourism Malaysia also promote tourism
sectors to domestic people so that the domestic people become more aware of
what the country has on its tourism. The third function of Tourism Malaysia is to
coordinate promotional activities that relate to tourism conducted by any other
organization, governmental or non-governmental agencies. It is explained on the
annual reports that there are many promotional activities like tourism fairs,
exhibitions, seminars, forums and roadshow what are conducted or participated by
Tourism Malaysia. The fourth, or the last according to the annual report, function
of Tourism Malaysia is to recommend to the minister relevant programs and
measures stimulating promotion and development of Malaysia tourism industry
and to implement upon approval.92

Besides those functions explained above, Tourism Malaysia also has some
objectives, which are increasing international tourist arrivals, extending the
average length of stay of the tourists in order to increase the tourism revenue,
stimulating the development of domestic tourism, and increasing the benefits
which are obtained from the incentives, meetings, exhibitions and conventions.93

However, According to the official website, the mission of Tourism
Malaysia is:

“Marketing Malaysia as a destination of excellence and to make the tourism
industry a major contributor to the socio-economic development of the nation.”94

In addition, the vision of Tourism Malaysia is to make the tourism industry
a primary source of national revenue and a prime contributor to the socio-

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92 Tourism Malaysia. Tourism Malaysia. (2010). Laporan tahunan, Annual report. Putrajaya:
Tourism Malaysia.
93 Ibid.
on 20 January 2017
economic development of the nation. Meanwhile the mission of Tourism Malaysia is to market Malaysia as a premier destination of excellence.95

Tourism Malaysia contains of two promotional division based on the scope of the markets, which are International Promotion Division and Domestic Promotion Division. International Promotion itself is divided into several sub-division based on the regional market, namely South East Asia Division; North Asia & East Asia Division; South Asia; West Asia & Africa Division; and America, Europe & Oceania Division. The Southeast Asia markets consist of the ASEAN member states which are Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Myanmar, Philippines, Singapore, Thailand and Vietnam. Southeast Asia Countries are the biggest contributors of tourist arrivals to Malaysia. Singapore, Thailand, Indonesia, Brunei and Philippines are placed on the list of top ten tourist arrivals to Malaysia. North and East Asia Division is covering PRC, Hong Kong, Macau, Taiwan, Japan and ROK. South and West Asia and Africa Division primarily focuses on parts of big continents covering 29 countries of South Asia, West Asia and also Africa, the last International Promotion Sub-division is America, Europe and Oceania Division is covering on the Northern Europe, Continental Europe, Russia, USA, CIS and Oceania Region (AERO).96

IV.4.2. Tourism Malaysia History

Tourism Malaysia is the representative organization of the Malaysia government. Today, Tourism Malaysia is under the Ministry of Culture, Arts and Tourism. It generally purpose to promote Malaysia as a tourist destination and encourage tourism and its related industries in Malaysia. Tourism Malaysia has task to develop domestic tourism and to promote investments in the country, as well as providing employment opportunities. Tourism Malaysia also contribute in decreasing the number of unemployment and by growing tourism industries it will

also contribute to the country’s economic development. In doing the tasks, Tourism Malaysia is performing a strategy planning, having some partnerships, doing several cooperation, creating new innovations and so on.  

Based on its history, Tourism Malaysia or Malaysia Promotion Tourism Board (MPTB), formerly known as Tourist Development Corporation (TDC), is an organization, or government’s agency, which in charge of promoting tourism in Malaysia. Tourism Malaysia was established on 10 August 1972 by the former Ministry of Trade and Industry. With the inception of the Ministry of Culture, Arts and Tourism on 20 May 1987, TDC was moved to this new ministry; and became the Malaysia Tourism Promotion Board (MTPB) through the Malaysia Tourism Promotion Board Act 1992. Popularly known as Tourism Malaysia, its full focus is on promoting Malaysia domestically and internationally.

The Malaysia Tourism Promotion Board or Tourism Malaysia was established on 10 August 1972 since Malaysia recognized tourism as a potential tools to drive economic development of a country. According to that, Malaysia was spreading its wings by investing at some potential markets. Indonesia, so far, is the second biggest market of Tourism Malaysia. Therefore, Malaysia decided to sign the MoU about tourism with Indonesia on 17 January 1990, to strengthen the relationship between both countries in term of tourism.

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98 Ibid.
CHAPTER V

Strategies of Tourism Malaysia to Increase the Number of Indonesian Visitors

Tourism Malaysia has their own way to attract the people to visit Malaysia. The efforts done by the Tourism Malaysia are including doing some campaigns, promotional activities, holding some tourism fairs, offering some good tourism packages and many others. The strategies that are mentioned below were not happened without reasons. The reason why the strategies happened was because Malaysia were starting to recognize that tourism is a potential sector to be improved to drive the economic development, and for tourism, Indonesia is recognized as a great market based on seeing at its travelers behavior. By making Indonesia as a market, Tourism Malaysia will not only achieve the goal of economic interest but also the goal of strengthening the relation between both of the countries, and it also can give an impact to the state’s economy itself.

The first strategy done by Tourism Malaysia to make Indonesian people come to Malaysia is the establishment of Tourism Malaysia Regional Office not only in Jakarta but also in Medan, North Sumatra. The establishment of the regional office in Jakarta and Medan is purposed to make Indonesian people become easier to know more about Malaysia and its travel destinations. The regional office in Jakarta and Medan have given fund from the headquarter office in Putrajaya, Malaysia in order to support the regional promotion activities in Indonesia. The effort of placing two regional office, which not only in the capital city of Indonesia, is purposed to attract more potential people to visit Malaysia. Since Medan is accurately very near to Malaysia, the purpose of regional office placement is to persuade people in Medan to choose Malaysia as their tourism destination by promoting the near distance, modern environment, and many conveniences in term of mobilization.99

Therefore, throughout the year of 2011 and 2014, the tourist arrival numbers to Malaysia from Indonesia was continually increasing. Even though not all of each person from the Indonesian arrivals number came to Malaysia purely because of Tourism Malaysia as national tourism organization, through the strategies that had been implemented during the time period, Tourism Malaysia become one of the contributors for the increasing Indonesian arrival numbers and at the same time become one of the backings for Malaysia in carrying out tourism to be the main support of Malaysia economic development, which is one of the nation’s interest.

V.1. Indonesian Travelers Behavior

According to the graphic above the number of Indonesian tourists keep on increasing every year counted from the year of 2011 until 2014. There are many factors why Indonesia becomes one of the best markets for Malaysia. Aside from the nearest distance between Indonesia and Malaysia, there are also other factors which make Indonesian tourists come to Malaysia. Indonesia’s economy is recognized to grow rapidly so that Indonesia people are now starting to enter the middle-class and affluent consumer (MAC) socioeconomic category. By today, a total of 74 million Indonesian have entered MAC, and the number is predicted to
be doubled by the year of 2020. The population of MAC in Indonesia is starting to grow rapidly. Now, a total of 25 locations in Indonesia with MAC population, with the number of 500,000, in it.100

Through the rapid growth of Indonesia’s economy and the amount of the people are entering the MAC, this group is starting to spread their spending on key sectors, such as home goods, financial service, etc., and it became a good opportunity to them who are planning to make Indonesia as a market, since at this point, the population of MAC in Java island itself are more than the entire population of countries like Thailand, and the population of MAC in Sumatera are more than the total population of Malaysia and Singapore combined.101

After the global economic crisis in 2008, Indonesia seems to have a good performance by showing a significant increase of its gross domestic products. According to Boston Consulting Group (BCG) the result of grown Indonesian economy is the growth of its purchasing power.102

Besides the reason of the growth MAC population in Indonesia, the other reason is the abolition of exit tax in 2011 and the evolving ranks of Low Cost Carriers (LCC) also helped the Indonesian tourist to travel around including to Malaysia.103

According to WTO, However, Indonesian travelers have not yet attain the maturity stage since there is still limited travel experience compared to other neighboring countries in Asia Pacific. Based on the data of WTO, Thailand, Malaysia and Singapore are the top three favorite ASEAN destination to visit among the Indonesian travelers.

100bcg.perspectives - Indonesia’s Rising Middle-Class and Affluent Consumers (2011). Retrieved from https://www.bcgperspectives.com/content/articles/center_consumer_customer_insight_consumer_products_indonesias_rising_middle_class_affluent_consumers/#chapter1 on 20 January 2017
101World Tourism Organization (WTO) and Tourism Australia (2013), Key Outbound Tourism Markets in South-East Asia – Indonesia, Malaysia, Singapore, Thailand, and Vietnam, Madrid : UNWTO downloaded from http://www2.unwto.org/publication/key-outbound-tourism-markets-south-east-asia-indonesia-malaysia-singapore-thailand-and-v
102Ibid.
The figure above shows us that Malaysia is the second most visited country for Indonesian people. This explains that Malaysia and Singapore are the most visited countries for Indonesia not only for holiday or vacations, but also to do several other affairs, for example business trip, medical trip, study trip, and many others. It can be seen that the total of Indonesian tourism who choose Thailand as the tourism destination only 3%, although we know that Thailand also in a good demand for Indonesian tourists. Then the second lowest place is Hong Kong with a total percentage of 6% of Indonesian travelers. There is also PRC, with a total percentage of 12%, which is also a favorite destination of Indonesian tourists. Right after that, there is also Saudi Arabia, with a total percentage of 15%, which we know that millions of Indonesia people visit that country every year for Hajj. The second most visited country by Indonesian traveler is Malaysia as mentioned above with the total percentage of 18%, and the first most visited country for Indonesian people to visit in Singapore with the total percentage of 28%.

There are some of Indonesian people’s behavior that might become a benefit for Malaysian tourism since the effect of the behavior is potential to make

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Indonesian people visiting Malaysia repeatedly. One of the behaviors of Indonesian people is the media consumption. The rate of media consumption among Indonesian people remains high, though Indonesian people mostly use their smartphone to access the internet to reach informations rather than watching television or listening to the radio. Internet is very popular in Indonesia as the instrument to search for any informations they need. Due to the mobile revolution, the number of internet user in Indonesia was annually growing by 20% and it was predicted to reach the number of 100 million users by the year of 2016. Indonesian people are recognized as the most active users on the internet, mostly on social media, even though Indonesia in one of the SEA countries that has the lowest internet penetration (22%).

The most dominant online activities done by Indonesian people are reading news (72%) and accessing social media (96%). As the writer explained on the previous chapter, the recommendation of friends and family is one of the biggest factors that make Indonesian people visiting Malaysia, and the social media is the most popular tools for people to share their recommendations to others. According to McKinsey, most Indonesian consumers use websites to make their purchase decisions. Moreover, the other online activities that are also popular among Indonesian people are reading blogs (38%), commenting on blogs (28%), and accessing online videos (32%) and audio (29%).

Malaysia is popular by seeing their tourism sectors. There are several tourism sectors that are enthused the most, which are educational trip, which provides well accredited universities, schools, and religious course institution (pesantren), historical trip, since Malaysia has so many national heritage center like Petronas Twin Towers, Tugu Negara, etc. Moreover, Malaysia also known by its health tourism (medical tourism), especially because there is a quiet significant cost difference to do medical treatment or medical operation in Malaysia compared to Indonesia, even more, the medical facilities are also more proper to those who need intense treatment. Since medical sector in Malaysia is

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106 Ibid.
significantly growing, even for the foreigners, there are also some medical personnel coming to Malaysia from the neighboring countries include Indonesia, because they saw job opportunities among Malaysian medical sectors.  

In this chapter, the writer would like to explain comprehensively about some tourism sectors that are enthused by Indonesian people to visit, and the tourism sectors are included:

1. Educational trip (Educational visit)

   From the figure below, it is showed that counted until the year of 2016, a total of 35,592 students were coming to Malaysia to continue their studies. Indonesia placed on the third position on the top ten list of International Students in Malaysia with a total number of 2,688 and represents 7.6% from the total number of international students. Meanwhile the largest number of international students in Malaysia are coming from Bangladesh in the first position with a total number of 5,271 as representing 14.8%, and PRC which is placed on the second position with a total number of 3,259 as representing 9.2% from the total number of international students in Malaysia.108

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Interaction that happened between students may give a lot of contiguity of ideas and the diversity of traditions that will shape the understanding and skills in interaction and communication with a variety of nations and cultures from different countries. Besides that, there is some advantages that Indonesian students may get in Malaysia rather than in Indonesia. For examples, the educational facilities in Malaysia allow the student to use laboratory with the internet access which available in three types, which are wireless services, laboratory services that includes computers with internet connection, and computers with internet connection to be placed in multiple locations. As we know that internet connection make it easy for the students to communicate with their lecturers and the outside world. In addition, it is also useful to obtaining research data, scientific journals and various other facilities.109

Aside that facilities, there is also other advantage that can be gotten by Indonesian people by continuing study in Malaysia, which is transport facilities. Malaysia provides a systematic and convenient transportation in the cities like Kuala Lumpur Light Rail Transit, monorail, bus, specifically as Rapid KL bus with a one-time payment which can be applied throughout the day. This kind of convenience can give more mobilization for the user to move from a place to another place.110

2. Medical trip (Medical visit)
Malaysia is known as health tourism destination for Indonesian people because there are significant differences in the medical cost that is offered by Malaysian. For example, most of West Kalimantan citizens are more interested to take medical services in the hospital in Kuching, Sarawak, Malaysia as the medical facilities and the quality of the facilities itself are better than the ones offered in the region (West Kalimantan), since it is also took a long way and time to go to the region’s capital to get a good medial facilities.111
Indonesian people also can enjoy the convenience in access to communication, quality, treatment outcome, etc. without having to wait for too long. Moreover, Malaysia spurs its medical tourism by giving 90-day visa-free for people coming from abroad to get medical treatment in Malaysia.112

3. Vacations Tourism
There are some factors that make Malaysia is attractive to be visited on vacation. Even though, by being honest, Malaysia is still ranked below Indonesia for the vacation sectors, there are at least 10 superiorities of Malaysia tourism compared to Indonesia, which are cultural resources, convenience of travel and tour, human resource,

111 Ibid.
IT infrastructures, tourism infrastructures, land infrastructures, airport infrastructures, health and hygiene, environmental sustainability and the rules and policies.\textsuperscript{113} Indonesian people like to visit a country that has different environment than their own country. As we know that by visiting Malaysia, Indonesian people can enjoy a clean, structured and modern environment which are new to the most of them especially those who are not living in the metropolitan cities.

\section*{V.2. Tourism Malaysia Market Strategy 2011}

\begin{figure}[h!]
\centering
\includegraphics[width=\textwidth]{arrivals_by_country_2011.png}
\caption{Arrivals by Indonesia (2011)\textsuperscript{114}}
\end{figure}

According to the figure above, the number of tourist arrivals from Indonesia reached the total of 2,134,381 which was placed on the second position on the top ten tourist arrivals which includes Singapore, Thailand, Brunei, Philippines, etc.\textsuperscript{115} This number marks the lowest number among the time period of this thesis.

\textsuperscript{113}Sasmita, Jumiati. MohdSuki, Norazah (2013) \textit{PELANCONGAN DI INDONESIA DAN MALAYSIA: SATU KAJIAN DESKRIPTIF}. P. 2-5
\textsuperscript{115}Ibid.
V.2.1. 18th World Ambassador Inter Team Golf Championship (WAITGC) 2011

In the year of 2011, the one highlighted event as the promotional strategy of Tourism Malaysia toward Indonesian people was the 18th World Ambassador Inter Team Golf Championship (WAITGC) 2011. The WAITGC hosted as a part of the efforts of Tourism Malaysia to promote sport tourism in leading golfing destination in the region. The championship was divided into two categories of competition which are gross and net. Besides joining the competition, as a promotional action, this activity also leaded the participant, as well as their family, to travel around the country visiting various products of tourism in Malaysia.\(^\text{116}\)

Indonesia was also invited to join this championship along with other countries that labeled as big market like PRC, Singapore, Thailand, etc. to join this activity, Indonesia was flown to Malaysia under the Mega Fam program, which is one of the program of Tourism Malaysia, which in connection with the championship.\(^\text{117}\)

This championship is quiet significant for promoting tourism products to Indonesian people by recognizing that sport tourism is one of the largest contributors of tourist arrivals to Malaysia. Sport tourism, under the NKEA, has emphasized as one of the 12 Entry Point Project (EPP) in driving the industry of tourism, resulting a successful establishment of Malaysian Golf Tourism Association (MGTA) on March 17th 2011. MGTA was established to synergize the marketing and promotional efforts from both public and private sectors in making Malaysia to be the best golf tourism destination.\(^\text{118}\)

V.2.2. The Establishment of IMT-GT

The division of South East Asia International Promotion of Tourism Malaysia largely established international relations with the countries from South East Asia, including Indonesia as the numerous regional co-operations named


\(^{117}\) Ibid.

\(^{118}\) Ibid.
IMT-GT (Indonesia, Malaysia, Thailand Growth Triangle).\textsuperscript{119} Those are the only strategies done by Tourism Malaysia towards Indonesian people in order to increase the tourist arrivals number from Indonesia.


Form the figure above, the number of Indonesian tourist arrival reach the total of 2,239,548 which is an increase from the previous year. It shows that the marketing and promotional strategies of Tourism Malaysia resulted improvement to the number of tourist arrivals. Considering this improvement, Indonesian tourists is seen as founding their objectives in visiting Malaysia. by the increase of arrival numbers, there will also an impact to the increasing of tourist receipt as follows by the increasing foreign exchange. The increasing of foreign exchange also marks the liability of tourism industry as one of the main tool to develop the economics of Malaysia, which means the tourism industry proved that it has the role in fulfilling economic interest of a nation.

V.3.1. ASEAN Tourism Forum (ATF) 2012

In the year of 2012, the one highlighted event as the promotional strategy of Tourism Malaysia toward Indonesian people was during the ATF 2012. ATF is an efforts of regional countries to corporate in promoting the ASEAN regions as one of destination of tourism. All the 10 member countries’ tourism sectors involves in this annual event. Every year, 10 ASEAN member countries take turns on hosting the ATF. The ATF was inaugurated in Malaysia in 1981, and the ATF marks the 31st anniversary of the event which was hosted by Indonesia, exactly in Manado city.

In this event, Tourism Malaysia was taking the opportunity to attract audience who are mostly Indonesian, by opening a booth of promotional goods of Malaysian tourism. The representative of the Minister of Tourism and Culture, Dato’ Sri Dr. Ng Yen Yen, also took part in doing promotional activity during ATF 2012 by leading 40 Delegation of Malaysia to comprise travel agents, 58 hoteliers, and tour operators to gain more buyers from the ASEAN member states especially from Indonesia.

V.3.2. The Three-day TRAVEX

The important component of the ATF is the Three-day TRAVEX which held at the Golden Kawanua Convention Centre, Manado, North Sulawesi, Indonesia. TRAVEX was expected in seeing buyers who met at the booth of Tourism Malaysia to meet Malaysian business and tourism organization’s representative.

Besides the Deputy Secretary-General of the Ministry of Tourism, Mr Rashidi Hasbullah, The delegation from Malaysia for the event included the
Chairman of Tourism Malaysia, Datuk Dr. Victor Wee and the Acting Director General of Tourism Malaysia Dato’ Haji Azizan Noordin.\textsuperscript{126}

The purpose of participation in this event, for Tourism Malaysia, is to reinforcing bilateral relation among the ASEAN countries, including Indonesia.\textsuperscript{127}

\section*{V.4. Tourism Malaysia Market Strategy 2013}

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{Arrivals_by_Country_Malaysia.png}
\caption{Arrivals by Country Malaysia}
\end{figure}

According to the figure above, a total of 2,548,021 tourist came to visit Malaysia. This also shows a significant increase from the previous year. It may somehow concludes that the strategy promotion of Tourism Malaysia by holding the giveaway took the effect of the tourist in making their tourism decision.

\subsection*{V.4.1. Proton Preve giveaway contest}

During the year of 2013, Tourism Malaysia offers a Proton Preve in A Contest to Indonesian Tourist. Tourism Malaysia offers the Indonesian tourist an


\textsuperscript{127} Tourism Malaysia. (2012). \textit{Laporan tahunan, Annual report}. Putrajaya. P. 24

opportunity to win a Proton Preve for those (Indonesian tourists) who buy a holiday package to Malaysia. Not only a Proton Preve, had the giveaway also included ten United Bike bicycles, five Galaxy Note 3, 40 Malaysia Airlines flight tickets, and 59 hotel vouchers. The contest named “Go More to Malaysia & Drive a Proton Home” which was launched by the Director of Tourism Malaysia, Dato’ Mirza Mohammad Taiyab, at Kempinski Hotel, Jakarta, Indonesia. Dato’ Mirza hoped that the contest can encourage more Indonesian people interested to visit Malaysia. Moreover, he also said that this is the first time for Tourism Malaysia, even any tourism body, ever give away a prize, and he hoped that Indonesian visitor can win that prize. In order to succeed the contest, Tourism Malaysia of course has established partnership with sponsors namely PT Proton Edar Indonesia, Malaysia Airlines, United Bikes, PT Terang Dunia Internusa and 15 Malaysian hotels.

V.4.2. Preparing for VMY 2014

The contest was purposed to help the tour agent in attracting more of Indonesian people to buy the tour package, and also to raise the awareness of VMY 2014 between travelers from Indonesia. During his speech, Dato’ Mirza said that he is very thankful for the cooperation and support from Indonesian media and the tourism trade players.

129 Dato’ Mirza Mohammad Taiyab on his speech on Tourism Malaysia’s Proton Preve Contest in Jakarta, Indonesia. 2014
131 Ibid.
132 Dato’ Mirza Mohammad Taiyab on his speech on Tourism Malaysia’s Proton Preve Contest in Jakarta, Indonesia. 2014
V.5. Tourism Malaysia Market Strategy 2014

Based on the figure above, a total number of 2,827,533 Indonesian visitors were reached by Malaysia tourism, which means it indicates a significant increase from the previous year.

V.5.1. Visit Malaysia Year (VMY) 2014

The first event recognized as a strategy was the Visit Malaysia Year (VMY) 2014 on 16-23 January 2014. VMY was formerly known as “Fascinating Malaysia, Year of Festivals”.

According to a press statement from the Embassy of Malaysia, as a precede to Visit Malaysia Year 2014, there were line up of many interesting events and festivals like Colors of Malaysia, the F1 Petronas Malaysia Grand Pix, Malaysia Contemporary Art Tourism Festivals, and others. The representative of the Embassy said that there were many reasons for the tourist that they would find Malaysia is fascinating to visit and experiencing miraculous nature wonders and the friendliness of the people while other would simple enjoy the sector of

shopping and urban experiences. The representative also said that the attractiveness of the colorful culture and heritage of Malaysia would invite the tourists to come visiting Malaysia. Based on the press statement during the VMY 2014 also the representative of the Embassy stated that Malaysia offering various products of tourism for the visitors in form of luxurious concept like spa vacations, wedding and honeymoon destinations, golfing activity for holidays, duty-free shopping sprees and even a helicopter tours around the country.\(^\text{135}\)

In addition, the VMY 2014 was purposed to celebrate the anniversary of Sabah and Sarawak joining with Malaya Federation which finally formed as Malaysia in 1963.\(^\text{136}\)

It is stated on the official website of Tourism Malaysia that the execution of the VMY 2014 is one of the efforts in promoting Malaysia as a famous destination of tourism. Since this event is categorized as a campaign, it must be having the objectives to persuade the audiences to agree with what they deliver there. It is in line with Malaysia Tourism Transformation Plan 2020, which stated that the country set a target of 36 million tourist arrivals with the revenue of RM 168 billion.\(^\text{137}\)

V.5.2. International workshops: Buyers Meet Sellers

The next promotional activity done by Tourism Malaysia is holding seminars and workshop which titled Buyers Meet Sellers. This workshop was conducted in Jakarta, Bekasi, and Bandung. On 4-6 March 2014 this activity aimed to inform the region’s tourism industry players about the latest programs and products of tourism in Malaysia.


\(^{137}\) Ibid.
V.5.3. International Tourism exhibition: Health Travel Fair

To attract Indonesian people to visit Malaysia, in the year of 2011 Tourism Malaysia was holding an exhibition and expositions. As the part of international exhibitions the Health Travel Fair in Jakarta and Surabaya on 7-9 November 21014 was conducted by Tourism Malaysia. This aims to market Malaysia as an excellent destination to get an excellent medical treatment.138

V.6. Analyze of the Theory to the Case

V.6.1. National Interest

Foreign policy is made to fulfill the nation’s national interest. The term “national interest” has be used by the sovereign nations in international arena to describe their goals and aspirations.139 In accordance with the third number of Malaysia’s foreign policy above, strengthening bilateral and multilateral relation with other countries, including Indonesia, is one of the national interest of Malaysia. To fulfill this interest, Tourism Malaysia has the duty to spread the information about culture and heritages of Malaysia in Indonesia, hoping that Indonesian people who get curious about it will directly come to Malaysia to see it by themselves, and at the same time increases the number of Indonesian tourist arrivals to Malaysia.140

Malaysia need to make their economy developed more through the cooperation with Indonesia in term of tourism. At least from the year of 2011 until 2014, Indonesia is one of biggest contributor to the Malaysia’s tourist arrivals.141 Since many Indonesian tourists come to Malaysia to see the cultures and

heritages, it will automatically impact to Malaysia receiving more foreign exchange coming from tourism sector. Through Tourism Malaysia, Malaysia would like to make its tourism sectors able to drive the economic development of Malaysia. Therefore it means that the interest of Malaysia is to make the tourism sector become one of the main source of income that can contribute to Malaysia economic development.\textsuperscript{142}

In the case of Malaysia’s tourism, the writer would like to take the example of medical tourism in giving impacts to the national interest. Due to the facility to access the latest medicine, the competitiveness of Malaysia in term of medical tourism is improved. The available access of some medical innovator companies to Malaysia resulted an easiness for the patients to get these lifesaving drugs.\textsuperscript{143} Those easiness generates people on abroad, especially the neighboring countries like Indonesia, have preference to get medical treatment in Malaysia. since the areas of Indonesia that become the borders with Malaysia are mostly the underdeveloped areas, which the people are difficult to find proper medication in Indonesia, the people there have the tendency to take medication to Malaysia, which they know Malaysia has more proper medical facilities than their regions have.\textsuperscript{144}

This give positive impact to the national interest of Malaysia, since the tourists and also the local Malaysians with minimum costs are able to take proper medical treatment in Malaysia due to the easiness of the process, which requires no difficulty for the patients to undergo the process. Moreover, Malaysia Biro Pengawalan Farmaseutikal Kebagsaan (BPFK) said that they are already efficient in processing medical applications.\textsuperscript{145}

\textsuperscript{142} Ali Khan, MohdMotasim (2014)\textit{ROLE OF TOURISM ORGANIZATIONS IN THE DEVELOPMENT OF TOURISM INDUSTRY OF MALAYSIA}, p. 10-12
\textsuperscript{145} INSTITUTE OF STRATEGIC AND INTERNATIONAL STUDIES (ISIS) MALAYSIA: NATIONAL INTEREST ANALYSIS OF MALAYSIA’S PARTICIPATION IN THE TRANS-PACIFIC
In the case of Malaysia’s tourism, the most impact go to the economic interest of Malaysia. Economic interest underlines on the economic development of a state by building relations with other states, especially in economic cooperation. Tourism is one of the aspect of Malaysia in doing bilateral and multilateral relation to fulfill its economic interest. By promoting and marketing the tourism sectors of Malaysia, by organizing some international tourism fairs, exhibitions, seminars and workshops, Malaysia, through Tourism Malaysia, will gain more visitors coming to the country, which means the revenue from tourism sectors will increase as well as the foreign exchange. This can be a measurement for Malaysia to recognize that actually tourism can be a potential instrument to develop the economic condition of the country as well as fulfill its national interest in terms of economy.

V.6.2. Foreign Policy

By recognizing the international tourist and even facilitating the international tourists’ travel within the nation’s border it can be called as political action as a part of the foreign policy. It can also be said that by approaching the international tourism is a part of a nations’ foreign policy.

Regarding to the third point of Malaysia’s Foreign Policy, which is: 

\[146Ali Khan, MohdMotasim (2014) ROLE OF TOURISM ORGANIZATIONS IN THE DEVELOPMENT OF TOURISM INDUSTRY OF MALAYSIA, p. 10-15\]
“Strengthening bilateral and multilateral aspects of Malaysia’s engagement with other countries will continue to be an important focus.”\textsuperscript{150}

By looking at the foreign policy, a good relation between countries, especially the neighborhood countries is very important in order to maintain many aspect of the state’s development, for example economic development.

Moreover, in 1992, the Ministry of Culture, Arts and Tourism formulated the Malaysia National Tourism Policy (NTP) as Malaysia was started to recognize tourism as a potential sector to be exploited to develop the state’s economy. After that, Malaysia also started to recognize Indonesia as a great market for its tourism promotion, so that on 17\textsuperscript{th} February 1990, the Memorandum of Understanding (MoU) between the government of Republic of Indonesia and the government of Malaysia had been signed. The MoU contains the statement of President about the ratification of a memorandum of understanding with the government of Malaysia to cooperate in tourism sector.\textsuperscript{151}

It can be concluded that the tourism relation between Malaysia and Indonesia is done in order to maintain good relation between both of the countries as a part of the foreign policy. By looking at the writer’s research framework, Tourism Malaysia is actually part of the foreign policy in term of maintaining good relations with other countries, since the duty of Tourism Malaysia is to promote Malaysia’s tourism sectors to increase the number of international tourists.\textsuperscript{152} By having substantial international tourists, it make Malaysia be known, by other people from abroad who travel to Malaysia, rather of its good image or also bad image, but the point is, by having international tourists come to Malaysia, it would strengthen the relation between Malaysia and other countries.

\textsuperscript{152} Ali Khan, Mohd Motasim (2014), \textit{ROLE OF TOURISM ORGANIZATIONS IN THE DEVELOPMENT OF TOURISM INDUSTRY OF MALAYSIA}, p. 10
V.6.3. Cultural Diplomacy

It is also stated on the first chapter that the definition of Cultural Diplomacy is cultural diplomacy can be accomplished, not only by the government, but also by the other nation actors like organization, private sectors or even individuals. Cultural Diplomacy is actually just one small component of Public Diplomacy. However, Cultural Diplomacy potentially can make a country has a good image and improving its relation with other countries. Cultural Diplomacy can also be used as a tool to support a country’s foreign policy. To make Cultural Diplomacy reaching its potential fully, somehow, political control over it should be removed, and its role on the nation branding should be expanded.\(^{153}\)

Besides fulfilling the goals of foreign policy, cultural diplomacy is also able to be a tool for a nation to improve national images.\(^{154}\) By showing some aspects of the country’s cultural accomplishment, it shows that a greater emphasize is given to cultural diplomacy to present a national image to the world. Not only focused on a nation’s cultural distinctiveness but also on its economic accomplishment, the new emphasis on national image is given.\(^{155}\)

In the case of Malaysia tourism, Tourism Malaysia as tourism agency under the government has the duty to run the cultural diplomacy towards many countries in the world. By promoting the cultures and heritage of Malaysia, Tourism Malaysia also at the same time presenting the national image of Malaysia. The countries which have been the market of Tourism Malaysia, surely have been the audiences of promotional of cultures, heritage and national images of Malaysia. For instance, by conducting tourism fairs, exhibitions and seminars, Tourism Malaysia delivers the diversity of Malaysia’s culture, therefore the audiences, which are the international tourists, can catch the point of what Tourism Malaysia try to present, which are the nation image of Malaysia. Recently, research proves with evidences that tourist destination image gives influence to the tourists’


\(^{154}\) Ibid.

\(^{155}\) Ibid.
For the international tourists or travelers, to do the research and to see the nation image of the country destination is important, because as travelers, they must be knowing about the country destination before they travel to there, so that they may know what are their interest to visit that country. Meanwhile, for the national tourism organization, the complexity of the character of destinations, sustaining and developing a place brand needs special marketing strategies.

The advancement of tourist destination images is based on the tourists’ emotionality and rationality, and it is also the outcome of the combination of the two components. There are some source of information that formed the destination image, which are media messages, immediate experience, and the international promotional activities that in this case carried out by Tourism Malaysia as the national tourism organization.

In this case, Malaysia obviously has cooperation with Indonesia in term of tourism. It can be seen, on Malaysia’s side, how Malaysia intensely promote its tourism on Indonesia by many efforts, which have been explained in the previous part on this thesis. This cooperation is one of cultural diplomacy done by Malaysia to Indonesia, because through this cooperation, Malaysia can introduce its culture and heritage to Indonesian people. By succession this tourism diplomacy, Malaysia may get the benefit in terms of economy, country’s image, and good relation with Indonesia. Moreover, by collecting those profit, cultural diplomacy proves that it can be a tool for a nation to success the goal of foreign policy.

Overall, the ten strategies mentioned above was successful if we see the increase number of Indonesian tourists year by year. Tourism Malaysia should

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157 Ibid.

64
continue their promotional strategies towards Indonesia, because, by seeing the behavior of Indonesian travelers, a big potential can be exploited through promoting the tourism sectors continually.
CHAPTER VI

Conclusion

A state can exploit good infrastructure enhancing the tourism quality to make the tourism sector become its source of income by enhancing the quality of infrastructure itself. As a developing state, Malaysia is one of the potential country that can develop its tourism sectors to support the development of economy of the country.

Having large numbers of populations and high purchasing power, Indonesia is one of the biggest contributors to Malaysia international tourist arrivals. There are many Indonesian people come to Malaysia on many purposes. That is why Tourism Malaysia has many strategies to invite Indonesian people to come to Malaysia.

The first strategy is the establishment of Tourism Malaysia regional office in two cities in Indonesia which are Jakarta and Medan. The second strategy was the 18th World Ambassador Inter Team Golf Championship (WAITGC) to introduce the sport tourism of Malaysia to Indonesia. The third strategy is the Establishment of regional co-operations named IMT-GT (Indonesia, Malaysia, Thailand Growth Triangle) to strengthen the International Relations among countries. The fourth strategy was the opening of promotional booth during the ASEAN Tourism Forum (ATF) in Manado, Indonesia. The fifth strategy was the Three-day TRAVEX which held at the Golden Kawanua Convention Centre, Manado, North Sulawesi, Indonesia which are purposed to meet the tourism industry players of Malaysia with the buyers who came to the promotional booth in ATF. The sixth strategy was the giveaway contest of Proton Preve, which is the local brand for car in Malaysia, for Indonesian people who buy tourism package to Malaysia. The seventh strategy is still during the Proton Preve giveaway in which Tourism Malaysia promote the event of Visit Malaysia Year (VMY) 2014. The eighth strategy was the VMY 2014 itself, which contains of promotional event done through offering various luxurious tourism products. The ninth strategy was the International workshops titled Buyers Meet Sellers which was
conducted in Jakarta, Bekasi, and Bandung. The tenth, or the last, strategy of Tourism Malaysia in attracting Indonesian tourists during the year of 2011 until 2014, was the International Tourism exhibition and expositions titled Health Travel Fair in Jakarta and Surabaya which aimed to promote Malaysia as an excellent destination to get an excellent medical treatment.\textsuperscript{162}

The ten strategies gave a significant impact to the increasing of Indonesian tourist arrival numbers. At the beginning, which is the year of 2011, the Indonesian tourist arrival number was 2,134,361. In the year of 2012, the number of Indonesian number was 2,395,448 which is an increase of 261,087. In the year of 2013, the Indonesian tourist arrival number was increasing again to be 2,548,021 which was an increase of 62,573. Finally, in the year of 2014 the Indonesian tourist arrival number was increasing again to be 2,827,533 which was an increase of 243,512. Overall, through 2011 until 2014 the number of Indonesian tourists come to Malaysia was keep on increasing.\textsuperscript{163}

On the other side, for Malaysian government, having cooperation and good relation with Indonesia is one of Cultural diplomacy effort that has been accomplished by the government. Therefore, the cultural diplomacy can be accomplished not only by the government but also can be achieved by the national organization like Tourism Malaysia. Since Tourism Malaysia is one of foreign policy of Malaysia government, the duty of Tourism Malaysia is to fulfill the national interest of the country, which are having good relation with other countries and increasing foreign exchange.

The continuous escalation of Indonesian tourist number marks the success of Tourism Malaysia’s strategies which were implemented towards Indonesian people. The strategies of establishing regional office, giving away a car, holding international tourism seminars and workshop and the strategies explained above have significant impact to Indonesian tourists in choosing Malaysia as their travel destination.


REFERENCES


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APPENDIX

MEMORANDUM SALING PENGERTIAN
ANTARA
PEMERINTAH REPUBLIK INDONESIA
DAN PEMERINTAH
MALAYSIA MENGENAI
KERJASAMA DI BIDANG PARIWISATA
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Pemerintah Republik Indonesia dan Pemerintah Malaysia
(selanjutnya disebut "Para Pihak");
Berhasil untuk meningkatkan hubungan bilateral antara kedua
negara di bidang pariwisata; dan
Berkeyakinan bahwa kerjasama tersebut akan menguntungkan
kedua negara;

Telah menyetujui sebagai berikut:

PASAL 1
TUJUAN KERJASAMA

Memorandum Saling Pengertian ini bertujuan untuk:
a. Meningkatkan jumlah kedatangan wisatawan ke kedua negara dari
   pasaran wisata dunia, melalui Indonesia dan/atau melalui
   Malaysia;
b. Mendorong jumlah penyebaran pengunjung-pengunjung yang lebih
   luas ke berbagai daerah tujuan wisata dan atraksi-atriaksi di
   masing-masing negara.
c. Mendorong kunjungan-kunjungan dari penduduk-penduduk kedua
   negara ke masing-masing negara; dan
d. Mendorong pertumbuhan yang sehat dari industri pariwisata di kedua negara.

FASAL 2
BIDANG-BIDANG KERJASAMA

Kedua Pihak akan berupaya untuk menajukan kerjasama pariwisata di bidang-bidang sebagai berikut:

a. PENELITIAN DAN PENGEMBANGAN
Kerjasama di bidang penelitian dan pengembangan dilaksanakan melalui pertukaran informasi dan dengan melaksanakan studi penelitian dalam bidang-bidang yang bermanfaat bagi kedua negaranya.

b. PENDIDIKAN DAN PELATIHAN
Kerjasama di bidang pendidikan dan pelatihan akan dilaksanakan melalui pertukaran informasi, studi-studi perbandingan mengenai program-program pelatihan dan peningkatannya keahlian pada kedua sektor di kalangan pemerintah maupun swasta.

c. PROMOSI
Di bidang-bidang promosi, kedua Pihak akan bekerjasama untuk menyebarluaskan bahan-bahan promosi pariwisata dari masing-masing negara kepada negara-negara lain.

d. PERTEMUAN (MEETINGS), INSENTIF (INCENTIVES), KONVENSI (CONVENTIONS), DAN EKSBISI (EXHIBITIONS)
Kerjasama di bidang-bidang pertemuan, insentif, konvensi dan eksbisi akan dilaksanakan melalui pertukaran program-program antara kedua negara.
c. PROMOSI REGIONAL
Promosi pariwisata di tingkat regional akan ditingkatkan di seluruh wilayah Indonesia dan Malaysia sesuai dengan peraturan perundang-undangan yang berlaku di negara masing-masing.

d. KERJASAMA SEKTOR SWASTA
Kerjasama di bidang-bidang pariwisata antara masing-masing sektor swasta kedua negara akan didorong dan lebih dipererat.

g. PERHUBUNGAN UDARA
Mendorong kerjasama yang lebih erat antara perusahaan penerbangan nasional dan dalam negeri dari kedua negara bagi pengembangan pariwisata.

PASAL 3
PELAKSANAAN

a. Kedua Pihak akan menyelenggarakan konsultasi jika dipandang perlu dalam melaksanakan Memorandum Saling Pengertian ini.

b. Untuk memudahkan pelaksanaan Memorandum Saling Pengertian ini kedua Pihak akan menetapkan prosedur-prosedur, rencana dan merekomendasikan program-program kerjasama untuk mencapai tujuan-tujuannya.
PASAL 4
PENYELESAIAN SENGKETA

Setiap pArtisan perasa'n i'Allah dan pe'aksan a'nn da'it, pasal-pasal yang terdahulu akan diselesaikan secara bersahabat melalui perundingan-perundingan atas konsultasi-konsultasi antara kedua pihak.

PASAL 5
MULAI BERLAKU

Memorandum Saling Pengertian ini akan mulai berlaku pada tanggal dipertukarkannya pemberitahuan oleh kedua pihak bahwa ketentuan konstitusional masing-masing untuk mulai berlakunya Memorandum Saling Pengertian ini telah dipenuhi.

PASAL 6
MASA BERLAKU

a. Memorandum Saling Pengertian ini akan berlaku untuk jangka waktu lima (5) tahun dan selanjutnya diperpanjang berturut-turut selama lima (5) tahun kecuali dibatalkan secara tertulis oleh salah satu pihak enam (6) bulan sebelumnya.

b. Jika Memorandum Saling Pengertian ini dibatalkan maka ketentuan-kententuannya akan terus berlaku sampai selesainya pelaksanaan dari prosedur-prosedur yang ditetapkan, rencana dan program-program kerjasama telah dilaksanakan dengan sempurna.
SERAGAI BUKTI, para penandatangan di bawah ini yang telah dibat ke
kuasa penuh oleh Pemerintah masing-masing, telah menandatangan
Memorandum Saling Pengertian ini.

DIBUATI pada tanggal 17/2/40,

tahun ~ ( ... S. ~. J. ~ S. ~ q. 4.~ ( ~ '1
telah enam naskah asli, masing-masing dua dalam bahasa Indonesia,
Indonesia dan dalam bahasa Inggris, yang semuanya mempunyai
kekuatan hukum yang sama. Dalam hal penafsiran yang berbeda dari
naskah bahasa Indonesia dan bahasa Malaysia, maka naskah bahasa
Inggris yang berlelu.

UNTUK PEMERINTAH
REPUBLIK INDONESIA

Signed

SOESILLO SOEDARMAN
Menteri Pariwisata,
Pos dan Telekomunikasi

UNTUK PEMERINTAH
MALAYSIA

Signed

SALEH BUN A CHIK
Kebudayaan dan Pariwisata
MEMORANDUM PERSEFAHAMAN DI ANTARA
KERAJAAN REPUBLIK INDONESIA
DENGAN KERAJAAN MALAYSIA
MENGENAI KERJASAMA DALAM PELANCONGAN

KERAJAAN REPUBLIK INDONESIA dengan KERAJAAN MALAYSIA (kemudian
daripada ini disebut "Pihak-pihak"):

Berhasil untuk meningkatkan perhubungan dwipihak diantara kedua-
dua negara dalam bidang pelancongan; dan

menyedari bahawa kerjasama itu akan menguntungkan kedua-dua
negara;

Telah bersetuju seperti berikut:

PERKARA 1
TUJUAN-TUJUAN KERJASAMA

Memorandum Persefahaman ini bertujuan untuk:

(a) Menambahkan kedatangan pelancong-pelancong ke kedua-dua
negara dari pasaran dunia penghasil pelancong, melalui
Indonesia dan/atau melalui Malaysia;
(b) Menggalakkan suatu pengedaran pelancong yang luas ke
berbagai-berbagai destinasi dan tarikan di negara masing-
masing;
(c) Menggalakkan kedua-dua rakyat dan pemastutin dari negara
masing-masing ke kedua-dua negara; dan
(d) Menggalakkan pertumbuhan industri pelancongan yang sihat di
dua-dua negara.
PEKARA 2
BIDANG-BIDANG KERJASAMA

Kedua-dua Pihak hendaklah berusaha untuk menggalakkan kerjasama pelancong dalam bidang-bidang berikut:

(a) PENYELIDIKAN DAN PEMBANGUNAN
Kerjasama dalam bidang penyelidikan dan pembangunan melalui pertukaran maklumat dan penyelidikan dalam bidang-bidang yang boleh menguntungkan kedua-dua Pihak

(b) PENDIDIKAN DAN LATIHAN
Kerjasama dalam bidang pendidikan dan latihan akan diusahakan melalui pertukaran maklumat, pengkajian perbandingan atas program-program latihan dan penjajuan kemahiran dalam kedua-dua sektor awam dan swa...

(c) PROMOSI
Dalam bidang promosi, kedua-dua Pihak akan bekerjasama untuk mengembangkan bahan-bahan promosi pelancongan dari kedua-dua negara ke negara-negara lain

(d) MESYUARAT, INSENTIF, KONVENSYEN DAN PAMERAN
Kerjasama dalam bidang mesyuarat, insentif, konvensyen dan pameran, akan diusahakan melalui program-program tukaran di antara kedua-dua negara

(e) PROMOSI! SERANTAU
Promosi Pelancongan atas dasar kesarantauan akan ditingkatkan ke seluruh Indonesia dan Malaysia mengikut undang-undang dan peraturan-peraturan lazim masing-masing
(f) **KERJASAMA SEKTOR SWASTA**
Kerjasama dalam bidang pelancongan di antara sektor swasta dari kedua-dua negara akan digalakkan dan seterusnya dipereratkan.

(g) **KOMUNIKASI UDARA**
Dalam komunikasi udara, dengan menggalakkan kerjasama erat di antara perkhidmatan-perkhidmatan penerbangan negara dan domestik dan kedua-dua negara bagi pembangunan pelancongan

**PERKARA 3**

**PERLAKUSANAAN**

(a) Kedua-dua Pihak hendaklah mengadakan rundingan sebagaimana yang difikirkan perlu dalam melaksanakan Memorandum Persefahaman ini.

(b) Bagi mempermudahkan pelaksanaan Memorandum Persefahaman ini kedua-dua Pihak hendaklah mengatur prosedur-prosedur rancangan dan program-program kerjasama yang disyorkan ke arah mencapai tujuan-tujuannya.
PENYELESAIAN PERTIKAIAN

Apa-apa perbezaan mengenai tafsiran dan pemakaian atas mana-mana perkara-perkara yang terdahulu hendaklah diselesaikan secara berbaik-baik melalui mesyurat-mesyurat atau perbincangan perbincangan di antara kedua-dua Pihak.

PERFARA 5
MULA BERKUATKUASA

Memorandum Persefahaman ini hendaklah berkuatkuasa pada tarikh pertukaran pemberitahuan oleh kedua-dua Pihak bahawa kehendak kehendak perlembagaan masing-masing bagi kuatkuasa telah dipenuhi.

PERFARA 6
JANGKAMASA

(a) Memorandum Persefahaman ini hendaklah berkuatkuasa bagi suatu tempoh selama lima (5) tahun dan secara automatik dilanjutkan bagi lima (5) ta.bun berturut-turut melainkan ia diumumkan untuk ditamatkan secara bertulis oleh salah satu pihak dengan mercberitahuenan (6) bulan terlebih dahulu.

(b) Jika Memorandum Persefahaman ini ditamatkan falal-fasal itu hendaklah kekal berkuatkuasa sehingga selesai dijalankan perlaksanaan prosedur-prosedur, amoangan cian program-program kerjasama
MEMORANDUM OF UNDERSTANDING BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF INDONESIA AND
THE GOVERNMENT OF MALAYSIA
ON CO-OPERATION IN TOURISM

THE GOVERNMENT OF THE REPUBLIC OF INDONESIA and THE GOVERNMENT OF
MALAYSIA (hereinafter referred to as Parties);
Desiring to enhance bilateral relations between the two countries
in the field of tourism; and
Believing that the co-operation would benefit both countries;

Have agreed as follows

ARTICLE 1
AIMS OF CO-OPERATION

This Memorandum of Understanding shall:

a. Increase tourist arrivals to both countries from world
tourist generating markets, through Indonesia and/or through
Malaysia;

b. Encourage a wider distribution of visitors to the various
tourist destinations and attractions in each other’s
country;

c. Encourage visits of both nationals and residents to each
other's country; and

d. Encourage the healthy growth of the tourism industry in both
countries,
PADA MENYAKIRAKAN HAL DI ATAS, yang bertandatangan di bawah ini yang diberikuasa dengan sewajarnya oleh Kerajaan mereka masing-masing, telah menandatangani Memorandum Persefahaman ini.

Diperbuat di Jafq(.~ pada .7,44, ~'~~~')
dalam tahun .seri~~"?~/4;~~

dalam enam salinan asal, dua salinan dalam Bahasa Indonesia, dua salinan dalam Bahasa Malaysia dan dua salinan dalam Bahasa Inggeris, dan semua teks adalah sama sahnya. Dalam hal apa-apa kelainan tafsiran teks Bahasa Inggeris hendaklah mengutamakan.

Nagi Kerajaan Indonesia

Signed

SOESILO SOEDARMAN
Menteri Pelancongan

Pos dan Telekomunikasi

Nagi Kerajaan Malaysia

Signed

SABBARUDD UY CHI-
Menteri P1 Kebudayaa-

CUM 1: Pelancongan
ARTICLE 2
AREAS OF CO-OPERATION

Both Parties will endeavor to promote tourism co-operation in the following areas:

a. RESEARCH AND DEVELOPMENT
Co-operation in the area of research and development through exchange of information and research studies in fields that will benefit both Parties.

b. EDUCATION AND TRAINING
Co-operation in the area of education and training will be undertaken through the exchange of information, comparative studies on training programmes and skills improvements in both public and the private sectors.

c. PROMOTION
In the areas of promotion, both Parties will co-operate in disseminating tourist promotion materials of each country to other countries.

d. MEETINGS, INCENTIVES, CONVENTIONS AND EXHIBITIONS
Co-operation in the areas of meetings, incentives, conventions and exhibitions will be undertaken through exchange programmes between both countries.

e. NATIONAL PROMOTION
Tourism on a regional basis will be increased throughout Indonesia and Malaysia in accordance with their respective prevailing laws and regulations.
f. PRIVATE SECTOR CO-OPERATION
   The co-operation in the areas of tourism between the respective private sectors of both countries will be encouraged and further strengthened.

g. AIR COMMUNICATIONS
   Encouraging closer co-operation between the national and domestic airlines of both countries for the development of tourism.

ARTICLE 3
IMPLEMENTATION

a. Both Parties will hold consultations as deemed necessary in implementing this Memorandum of Understanding.

b. To facilitate the implementation of this Memorandum of Understanding both Parties will set down the procedures, plan and recommend programmes of co-operation toward achieving its aims.

ARTICLE 4
SETTLEMENT OF DISPUTES

Any differences on the interpretation and application of the foregoing articles should be resolved in an amicable manner through consultations between both Parties.
ARTICLE 5
ENTRY INTO FORCE

This Memorandum of Understanding shall entry into force on the date of the exchange of notification by both Parties that their respective constitutional requirements for its force have been fulfilled.

ARTICLE 6
DURATION

a This Memorandum of Understanding will be in force for a period of five (5) years and automatically extended for five (5) years consecutively unless it is denounced in writing by either party giving six (6) months notice in advance.

b Should this Memorandum of Understanding be terminated the clauses shall remain in force until such time when the implementation of the procedures, plan and programmes of cooperation be: been carried out to its completion
IN WITNESS WHEREOF the undersigned being duly authorised thereof by their respective Governments, have signed this Memorandum of Understanding.

Done at \[\ldots\] on the \[\ldots\] day of \[\ldots\] in the year \[\ldots\] one \[\ldots\] in six original copies, two of each in Bahasa Indonesia, in Bahasa Malaysia, and in English, and all texts being equally authentic, in case of divergence of interpretation, the English text shall prevail.

For the Government of the Republic of Indonesia

For the Government of Malaysia

Signed

SOESILIO SOEDARMAN
Minister of Tourism, Post and Telecommunication

SAIBARUDDIN CHIK
Minister of Culture and...
KEPUTUSAN PRESIDEN REPUBLIK INDONESIA
NOMOR 7 TAHUN 1992
TENTANG
PENGESAHAN MEMORANDUM SALING PENGERTIAN ANTARA PEMERINTAH REPUBLIK INDONESIA DAN PEMERINTAH MALAYSIA MENGENAI KERJASAMA DI BIDANG PARIWISATA

PRESIDEN REPUBLIK INDONESIA,

Menimbang:

a. bahwa kerja sama di bidang pariwisata antara Pemerintah Republik Indonesia dan Pemerintah Malaysia dapat meningkatkan hubungan bilateral antara kedua negara;

b. bahwa di Jakarta, pada tanggal 17 Februari 1990, Pemerintah Republik Indonesia telah menandatangani Memorandum Saling Pengertian antara Pemerintah Republik Indonesia dan Pemerintah Malaysia mengenai Kerja sama di Bidang Pariwisata;


Mengingat:

Pasal 4 ayat (1) dan Pasal 11 Undang-Undang Dasar 1945.

MEMUTUSKAN:

Menetapkan:

KEPUTUSAN PRESIDEN REPUBLIK INDONESIA TENTANG PENGESAHAN MEMORANDUM SALING PENGERTIAN ANTARA PEMERINTAH REPUBLIK INDONESIA DAN PEMERINTAH MALAYSIA MENGENAI KERJASAMA DI BIDANG PARIWISATA

Pasal 1

Mengesahkan Memorandum Saling Pengertian antara Pemerintah Republik Indonesia dan Pemerintah Malaysia mengenai Kerja sama di Bidang Pariwisata, yang telah ditandatangani Pemerintah Republik Indonesia di Jakarta, pada tanggal 17 Februari 1990 sebagai hasil perundingan antara Delegasi-delegasi Pemerintah Republik Indonesia dan Pemerintah Malaysia yang salinan naskah aslinya dalam bahasa Indonesia, Malaysia, dan Inggris sebagaimana terlampir pada Keputusan Presiden ini.

Pasal 2

Keputusan Presiden ini mulai berlaku pada tanggal ditetapkan.
Agar setiap orang mengetahuiinya, memerintahkan pengundangan Keputusan Presiden ini dengan penempatannya dalam Lembaran Negara Republik Indonesia.

Ditetapkan Di Jakarta,
Pada Tanggal 9 Januari 1992
PRESIDEN REPUBLIK INDONESIA,
Ttd.
SOEHARTO

Diundangkan Di Jakarta,
Pada Tanggal 9 Januari 1992
MENTERI/SEKRETARIS NEGARA REPUBLIK INDONESIA,
Ttd.
MOERDIONO