

Industry Analysis

Sports Tourism Event in Malaysia

Wan Soraya Wan Abdul Ghani

Faculty of Business and Management, Universiti Teknologi MARA, Selangor, Malaysia

Suggested Citation: Ghani, W. S. W. A (2023). Sports Tourism Event in Malaysia. *TEAM Journal of Hospitality and Tourism*, 20(1), 5-8

Introduction

The tremendous increase in satellite and internet media coverage over the past decade has fueled a worldwide fascination with active, healthy ways of life, contributing to sports tourism's rise. Sports tourism has been identified as a growing industry with substantial economic potential (Siau *et al.*, 2017). It can be divided into 'hard' and 'soft' categories (Ottevanger & Portegies, 2007). For hard sports tourism, people tend to travel to a host destination together to attend an event, such as SEA Games, as it attracts many global participants. Meanwhile, soft sports tourism encompasses a wider range of leisurely sports and vacations, such as scuba diving, white water rafting, and golfing.

The notion of sports tourism serves as a compelling reason to draw sports tourists to host destinations where they will remain the night (overstay), as stated by Djohan *et al.* (2021). From a tourism perspective, sporting events attract people to the destination (Wafi *et al.*, 2017) and are also internationally recognized (Liu & Chao-chin, 2015). The growth of the sports tourism sector is influenced by a number of elements, including

Correspondence: Wan Soraya Wan Abdul Ghani; Email: wansor2956@uitm.edu.my

an increase in the number of sporting events, a greater emphasis on seating capacity expansion, and increased government support for sports tourism. Based on data from Technavio, the leading market research organization in 2022 (Technavio, 2022), this trend is anticipated to continue over the projection period, propelling the sports tourism sector forward.

Tourism and sports have become intertwined strategies for some nations to gain significant value (UNWTO, 2020). Since the 1960s, Malaysia's sports event business has experienced enormous growth. The establishment of the Malaysian Sport Tourism Council (MTCB) in 1994, which focuses on fostering and marketing sports tourism, is evidence of the provision. In line with the growth of sports tourism, Malaysia identifies international sporting events as a major economic activity to drive National Key Economic Space (NKEA) within the tourism sector (Amlus *et al.*, 2021). In any case, Malaysia has quickly become a go-to spot for sporting events of all stripes as the sports tourism market has exploded in recent years (Ibrahim *et al.*, 2016). Moreover, according to the Department of skills development from the Ministry of Human Resources, Malaysia, the sports tourism industry has become a high-value sector that offers numerous opportunities to boost local economic activity. Besides, under the Economic Planning Unit (EPU), the sports tourism industry is worth billions of dollars. It is rapidly becoming one of the most exciting and novel sectors of the modern service economy (Department of Skills Development Ministry of Human Resources, 2012).

Back in 2010, the National Sports Industry Lab reported that the value of Malaysia's sports sector increased from RM30.2 billion in 2009 to RM37.78 billion in 2013 (Deol, 2022) and contributed 6.7 percent to its gross domestic product (GDP) in 2019 (Statistica, 2022). The development of a sports tourism destination is due to the country that is ideally situated to host various sporting events, from international tournaments to local competitions, thanks to its cutting-edge infrastructure, world-class sports facilities, and spectacular natural beauty. Ibrahim *et al.* (2016) assert that the country has a wealth of stunning islands and culturally diverse heritages that entice tourists, with the Malaysia Sports Tourism Council (MSTC), Malaysia Convention and Exhibition Bureau (MyCEB), and Ministry of Tourism, Arts & Culture Malaysia (MOTAC) serving as the industry's main pillars of support.

Unfortunately, the global spread of the COVID-19 pandemic has devastated the tourism industry, and Malaysia is no exception. As a result of the disease outbreak (Karim & Haque, 2020), tourism in Malaysia has suffered, and sports tourism event organizers have been forced to cancel their events (Mohanty *et al.*, 2020). Consequently, the Domestic Tourism Survey (DTS) 2020, performed by the Department of Statistics Malaysia, revealed a 44.9 percent reduction in domestic arrivals in 2020 to 131.7 million tourists, compared to 239.1 million in 2019. On the other hand, international visitor arrivals in Malaysia fell by 83.4 percent in 2020, to 4.33 million compared to 26.1 million in 2019. According to data from the World Tourism Organization (UNWTO), Asia and the Pacific suffered an 84 percent decrease in foreign visitor arrivals. Nevertheless, tourism industry in Malaysia is expected to continue to grow in the coming years. In fact, Tourism Malaysia predicts steady development of the country's sports tourism sector over the next several years, from RM 742 million in 2015, the business would bring in RM 1.3 billion by 2020.

In line with this, the government of Malaysia has unveiled a ten-year strategy to encourage the growth of its tourism industry. Thus, promoting and expanding sustainable tourism is one of the primary recovery strategies in the National Tourism Policy 2020-2030, as stated by the MyCEB (2021). Ecotourism, adventure, sports tourism, and island and coastal tourism have been highlighted among the travel experiences to be promoted in the near future. In addition, MyCEB launched the Malaysia Business Events Strategic Marketing Plan 2021-2030 (SMP21-30), intending to position the country as a major business travel destination and a center for international sporting events (Malek, 2021). The business and international sporting events are anticipated to have an RM42.12 billion economic effect between 2021 and 2030.

Malaysia's efforts to position itself as a prominent sports tourism destination can be traced back to 1998 with the hosting of the Commonwealth Games. The country has made substantial investments in sports facilities and infrastructure and constructed a number of modern sports complexes like the Bukit Jalil National Sports

Complex. It is one of Southeast Asia's largest and most comprehensive sporting complexes, with facilities that can accommodate 100,000 spectators, an aquatic center, and a hockey stadium. The international sporting event exemplified the numerous economic benefits that sports tourism can provide. There were 6,670 participants and officials at the event and many local and international spectators. According to official reports, a single international visitor attending the Commonwealth Games spent an average of RM3,800 throughout their 12.5-night stay (Malaysian Investment Development Authority, 2020).

Following the successful international event, Malaysia continually hosted a number of high-profile sporting tourism events in recent years, including the Royal Langkawi International Regatta, the Ironman Triathlon, the Formula 1 Grand Prix Malaysia, the FEI Showjumping World Cup, the Super GT, the Malaysian Motorcycle Grand Prix, and the Monsoon Cup. These prestigious events stimulated and created economic opportunities for numerous businesses, such as hoteliers, restaurateurs, maintenance facilities, food suppliers, artisans, and merchandising. Indeed, not only have these events generated considerable revenue for the country's tourism industry, but they have also served to promote Malaysia as a sports tourism destination (Ibrahim *et al.*, 2016).

Today, the government's commitment to promoting the expansion of the sports tourism industry and plans to build additional sports facilities and infrastructure in the near future deserves commendation. Noticeably, the government funds most sports infrastructure projects in Malaysia as an added value to the sports tourism industry; thus, the country may benefit from having the private sector build and run world-class sports facilities to attract foreign investment and increase sports tourism. Overall, Malaysia's sports tourism event industry will continue to flourish. With its distinct combination of modern amenities and natural beauty, Malaysia is ideal for all sporting events, from international to local competitions.

References

- Amlus, M. H., Rashid, I. M. A., Samah, I. H. A., Muhammad, N., Salleh, A. F., & Abdullah, A. Z. (2021). The economic determinants of sports industry in Malaysia. *AIP Conference Proceedings*, 2347(1). <https://doi.org/10.1063/5.0052033/779831>
- Department of Skills Development Ministry of Human Resources. (2012). Occupational Analysis Sports Tourism. https://www.dsd.gov.my/jpkv4/images/analisis-bidang-pekerjaan-0a/2011_oa_sports_tourism.pdf
- Djohan, M. I., Hazisma, S., & Fitiansyah, Y. D. (2021). Analysis of sport tourism development on tourism attractions in Lubuk Linggau, South Sumatra. *Journal Hotspot*, 1(1), 35–45.
- Ibrahim, M. Z., Mapjabil, J., Mohd Jirey Kumalah, Wan Abd Aziz Wan Mohd Amin, MZ Rosmiza, & Mazdi Marzuki. (2016). Potentials and prospects of sport tourism in Malaysia: a theoretical perspective. *World Applied Sciences Journal* 12 (Special Issue of Tourism & Hospitality), 34(12), 1678–1684. <https://doi.org/10.5829/idosi.wasj.2016.1678.1684>
- Karim, W., & Haque, A. (2020). The Movement Control Order (MCO) for COVID-19 Crisis and its Impact on Tourism and Hospitality Sector in Malaysia. *International Tourism and Hospitality Journal*, 3(2), 1–7. <https://doi.org/10.37227/ithj-2020-02-09>
- Liu, & Chao-chin. (2015). Factors Influencing the Destination Choice of Sport Tourists in Taiwan. *The Journal of Global Business Management*, 11(2), 104–113.
- Malaysian Investment Development Authority (MIDA). (2020). MIDA Insights-Services. <https://www.mida.gov.my/home/sports-tourism-has-significant-economic-potential/posts/>
- Malek, N. H. (2021, June 20). MyCEB introduces 10-year strategy for event industry. *The Malaysian Reserve*. <https://themalaysianreserve.com/2021/04/16/myceb-introduces-10-year-strategy-for-event-industry/>
- Mohanty, P., Dhoundiyal, H., & Choudhury, R. (2020). Events Tourism in the Eye of the COVID-19 Storm: Impacts and Implications. *SSRN Electronic Journal*, September. <https://doi.org/10.2139/ssrn.3682648>
- MyCEB. (2021). Annual Report 2020 Malaysia Tourism Promotion Board. <https://www.myceb.com.my/about-us/media-centre/press-release/myceb-charts-malaysias-journey-with-malaysia-business-events-strategic-marketing-plan-2021-2030-launch>

- Ottevanger, H.-J., & Portegies, A. (2007). Sport Tourism: Factors of influence on sport event visit motivation. Master dissertation, Bournemouth University, UK.
- Siau, S., Seah, F. &, & Wei, W. (2017). The Influence of Destination Image and Event Image on Behavioural Intention of Sport Event. *TEAM Journal of Hospitality and Tourism*, 14(1), 29–40. <https://0-www-cabi-org.catalog.udg.edu/leisuretourism/FullTextPDF/2017/20173377867.pdf>
- Statistica. (2022). Travel and tourism in Malaysia - statistics & facts. <https://www.statista.com/topics/5741/travel-and-tourism-in-malaysia/#topicOverview>
- Technavio. (2022). Sports Tourism Market by Type, Product, Area, and Geography - Forecast and Analysis 2023-2027.
- UNWTO. (2020). Sport Tourism and the Sustainable Development Goals (SDGs). In Sport Tourism and the Sustainable Development Goals (SDGs). *World Tourism Organization (UNWTO)*. <https://doi.org/10.18111/9789284419661>