



Section 1 : Contextualising Economic Perspective of Sustainable Adventure Tourism

Associate Professor Dr. Syamsul Herman
Mohammad Afandi

Saya mengesahkan laporan ini dan pembekal
telah melaksanakan perkhidmatan dengan sempurna.



NOR HAFIZAH MOHD AROP
Timbalan Pengarah
Delivery Management Office (DMO)
Malaysia Productivity Corporation (MPC)



The Micro Perspective

Component 1 *Adventure Tourist*

Component 2 *Agency/Management/Industry Cluster*

Component 3 *Adventure Activity Resources*

The Micro Perspective



- natural setting mainly
- involve land related matters
- under state jurisdiction
- categorised as non-market value.

The following **economic assessment and valuation** are required from an adventure tourist perspective to ensure Adventure Tourism Sustainability:

- 1) Contingent Valuation Method (CVM) to estimate value of the resources
- 2) Travel Cost Method (TCM) to estimate value of resources
- 3) Memorable Tourism Experience to ensure high satisfaction and high experience of tourist that will translate the service provided by respective agencies.
- 4) Importance-Performance Analysis to ensure utilisation of funds are for the appropriate resources to attract and maintain adventure tourist.
- 5) Input-output analysis at local level to estimate the direct, indirect and induced economic impact
- 6) Socio-economic impact studies to understand the income, employment and business pattern due to the existence of Adventure Tourism.

The Micro Perspective



Agency /
Management
/ Industry
Cluster

Whether it is a privately owned resource or government agencies playing the caretaker role, **financial feasibility** is of paramount importance.

Establish the appropriate pricing to ensure sustainability of resources and delivery of quality service.

Else, the experience quality of adventure tourism may dwindle, and more worryingly the risk and safety elements maybe compromised due to lack of funds.

Hence, the economic assessment for financial feasibility of these agencies/management/industry cluster needs to be regulated.

The Micro Perspective



Adventure activity requires both man-made and natural resources.

Damages on these can be repaired and reversed.

Threat is upon natural resources from nature-based activities, from bird-watching to mountaineering, whitewater rafting to rock climbing, caving to paragliding, snorkeling to diving.

Creates a negative impact upon the natural resources like the corals and forest that act as the main pull factor for adventure tourist.

Hence it is important, that from an economic angle, **ecological economics mechanism/green economics mechanism** are put in place to ensure the balance between making profit and protecting planet earth.

The Macro Perspective

Thrusts	Pillars of Sustainability	
	Economy (Profit)	Industry Cluster
Building Workforce of the Future	Producing qualified professionals in AT delivering quality service that translates to decent income to the locals and their economy.	Can't be too theoretical. Neither should it be overly profit oriented. Should establish a AT Learning and Competency Development Centre with the input of both academic and industry.
Driving Digitalisation and Innovation	Embrace digital/gig economy incorporating AI/IoT/AR in AT (benchmark Estonia)	MDEC, MCMC, Local Government, New e-commerce start-up for AT
Making Industry Accountable for Productivity	Industry to work closely with local/state government to capture statistical data on the direct, indirect and induced economic impacts of AT	IPTA/IPTS with DOSM to conduct input-output or satellite accounting on a time series basis at local government level on AT impact.
Forging a Robust Ecosystem	Establish Adventure Tourism Association of Malaysia by benchmarking against US/Canada/Australia/European standards to ensure productivity in economy-environment-society. Also benchmark against global Adventure Travel Scorecard.	MPC, MTPB, MOTAC, MAH, MATTA, IPTA/IPTS, NIOSH, Malaysian Insurance Institute (MII), State Tourism EXCOs, Local governments.
Securing a Strong Implementation Mechanism	To incorporate AT when Tourism Act 92 is reviewed and revised to ensure implementation /enforcement at federal, state and local governments.	MOTAC, MPC, State and Local Governments



Figure 3. Economic framework for Adventure Tourism Sustainability

Thank you

Prepared for
Malaysia Productivity Corporation (MPC)

