

PERFORMANCE ANALYSIS OF BANGLADESH TOURISM BOARD IN PROMOTING TOURISM INDUSTRY OF BANGLADESH

Abdullah Al Muneem¹, Md. Ashikur Rahman Avi² and Uchinlayen¹

Abstract

Given the undeniable importance to the promotion of Bangladesh's tourism, Bangladesh Tourism Board (BTB) was established in 2010 by the BTB LAW section 4 (1). Considering the procedures and work plans of BTB in the promotion of tourism since the establishment till 2017, this research paper seeks to analyze the performance of this organization. All the 61 respondents chosen for this study using stratified sampling technique were surveyed with 5 point Likert Scale. The data were analyzed using statistical tools such as multiple regression analysis as well as factor analysis. The analyzed result tells that the performance of BTB is dissatisfactory and the findings suggest that resources management through appropriate use of allocated fund, ensuring efficient co-management structure, recruiting staffs from tourism education background, providing information to the visitors, maintaining tourist's data, and website update, BTB can ameliorate its performance.

Keywords: Performance analysis (PA), National tourism organization (NTO), Bangladesh tourism board (BTB)

Introduction

Tourism is one of the major sectors in international trade and wealth creators for many developing countries. According to UNWTO, tourism has experienced continued growth and increased diversification and becoming one of the fastest developing economic sectors in the world (UNWTO, 2013). Many researchers agree that tourism is a promising sectors and its high growth and development rates, considerable volumes of foreign currency inflows actively affect various sectors of economy, which positively contributes to the development of own tourist industry (Eric Doe Ackuayi, Kotoku Godsway, Dzeto George K, Akua Bonsu-Owu, 2014).

Bangladesh is bestowed with innumerable tourism assets. Bernier described "Bangla has hundred gates open for entrance, but not one for departure. (Hossain M. , 2010). She has a lot of tourism treasures. Apart from Cox's Bazar-The longest unbroken sandy beach of the world, Sundarban-The largest mangrove forest of the world, St. Martin Island, Kuakata-The daughter of the sea, Bandarban, Rangamati, Paharpur, Mainamoti, Srimangal, Bagerhat etc., there are so many religious, archeological, cultural sites in Bangladesh. Upon understanding the importance of tourism, the Government of Bangladesh (GoB) established BTB in 2010 to promote Bangladesh's tourism attractions all over the world. This research is done with a purpose of identifying the actual performance of BTB in promoting Bangladesh's tourism.

¹ Lecturer, Department of Tourism and Hospitality Management, University of Dhaka.

² Lecturer, Department of International Tourism and Hospitality Management, Primeasia University.

¹ Lecturer, Department of Tourism and Hospitality Management, University of Dhaka.

Objectives of the Research

The broad objective of this study is to analyze the performance of the national tourism board of Bangladesh. Specific objectives (Malhotra, 2008) in line with the broad objectives are following:

- To figure out the real situation of the BTB's performance.
- To identify the variables and factors those affect the performance of BTB.
- To identify the degree and strength of association between the variables and factors of performance.
- To recommend the way to ameliorate the performance.

Review of Literature

About the performance analysis of tourism boards, a small number of works had been written. Most works describe the performance analysis of Destination Management Organizations (DMO). In any case, Performance Analysis (PA) is vital to know the return. Harrill tried to provide an impression that importance-performance analysis is able to give a quick overview of what areas are most in need of improvement at the same time what areas receive too much attention from management' (Harrill). L. Dwyer stated, the key objective of PA is to diagnose the performance of different product or service attributes, while facilitating data interpretation and deriving practical suggestions for management (Larry Dwyer, 2012). Sever also added that it can help tourism stakeholders in diagnosing underlying deficiencies and setting priorities in tourism development (Sever, 2015). By identifying the most crucial attributes, i.e. the strengths and weaknesses, IPA yields insights into which product or service areas management should focus (Javier Abalo, 2007) (Raymond K.S.Chu, 2000). Consequently, PA highlights the actions of the management to suggest the best allocation of the resources which should improve.

In the year 1979, World Tourism Organization (WTO) introduced the term, 'National Tourism Administration', to reflect 'a new concept of tourism management at the national level (WTO, 1979). Morrison stated in his research that many countries have established national tourism organizations by understanding the upward importance of the tourism sector (Alastair M Morrison, 1995).

National Tourist Organization is essentially a central publicity body to the new concept of a national tourism administration which sees promotion and marketing as one of many functions (Pearce, 1992). According to the inquiry report of The Australian Government into Tourism (1986), NTOs are distinct government, semi-government or private sector bodies largely or almost wholly responsible for the promotion of inbound tourism. National Tourism boards are considered to be marketing agencies and their role is to promote the destination and attracting the visitors to the home country. Their developing a managing role is very important in approving the tourism's development in the region (Ashwort and Goodall 1990:211). According to Zahra and Ryan, a national tourism authority may have functions other than tourism, for example economic development, and hence tourism becomes

secondary and supplementary to a wider goal or remit (Anne Zahra, Chris Ryan, 2005). As stated by many researchers (Henderson, 2004; Soteriou and Coccossis, 2010; Webster and Ivanov, 2007; Lennon et al., 2006; Hall, 2004) the majority of NTOs are officially organizations established by law and recognized as leaders and 'pioneer' in the development of the tourism industry in their home countries.

In Bangladesh the NTO was constituted in 2010 in order to promote tourism of the country. Despite more than five years of establishment, BTB could not make any noteworthy contribution to the tourism industry (Islam, 2016). Though BTB received the responsibility to create tourists statistics, the reality is that it has no statistical figures regarding domestic and foreign tourists since 2009. As a result, many investors are losing interest in the investment in this sector which is totally dependent on estimated data (Barta, 2016). Information on BTB's official website is not updated regularly (Islam, 2016). In the mid-2012, the BTB took the initiative to determine the exact number of domestic and foreign tourists. At that time announcement of the formation of Tourism Satellite Account-(TSA) was also announced. Four years have passed but unfortunately the initiative to form TSA is still limited to the discussion. As a result, the investment and business expansion of the sector is dependent on estimated information (Barta, 2016).

The officials of this organization are going to international tour in the name of participation in foreign fairs. It has been learned that in the last two years (2015-2016), BTB participated 21 foreign fairs and in each fair 3 to 6 officials of BTB attended. In the fiscal year 2014-2015 and 2015-2016, BTB took part in 9 and 12 foreign fairs respectively. BTB does not have any information about whether foreign tourists increase through fair participation. Not only the board officials but also due to various reasons, senior officials of Ministry of Civil Aviation and Tourism (MoCAT) also attend these fair although these officers have no knowledge of tourism and marketing (Islam, 2016). On the occasion of the domestic fair, BTB decorates stall. Although there are contractually-appointed employees for the fair, they fail to provide information to the audience. When visitors ask any questions, the staff at the stall says that 'we have all information in our web site'. However, when visitors want a card with the address of that web, the staffs of BTB at the stall also fail to give any card (Hossain C. A., 2016).

Research Hypothesis

- H1= There is no significant relationship between advertisement policy and superior promotional performance.
- H1= There is no significant relationship between participation in the fair and the publicity which fulfill the target performance of the organization.
- H1= There is no significant relationship between authentic information and the performance of the organization.
- H1= There is no significant relationship between the well trained policy makers, planners, staffs and the organization's performance.
- H1= There is no significant relationship of enriched website with the performance.

- H1= There is no significant relationship of sufficient fund with the desired performance.
- H1= There is no significant relationship between public relation and the performance of the organization.
- H1= There is no significant relationship between ‘Maintenance of tourist’s data’ and the better performance.
- H1= There is no significant relationship between the co-management structure of the organization and the performance.

Research Methodology

Research design: This study is descriptive in nature where quantitative data have been collected through survey questionnaire to collect the raw data regarding ten variables interrelated with performance of BTB in case of promoting the tourist destinations of Bangladesh.

Data collection method: In order to make the report more significant, two sources of data, primary and secondary were used. The primary data were collected from the respondents and Secondary data were collected by reviewing different literatures, newspaper articles and journals.

Scaling and Questionnaire: A self-administered structured questionnaire was mainly used for collecting the primary data. The questionnaire included some open ended and balanced questions. A 5 point Likert scale (1= strongly disagree, 5= strongly agree) has been used for the survey.

Sampling Design: The Educators, Researchers and Students of Tourism and Hospitality Management department of different universities were the target population. They were surveyed in August-November, 2017. The sample size was 61 and the random sampling technique was used for this study.

Data Analysis Plan: Regression analysis and factor analysis using Principal Component Analysis (PCA) with varimax rotation have been used to carry out the necessary assessments using SPSS tool.

Results and Discussion

The researchers conducted a factor analysis. To check the appropriateness of factor analysis model, the researcher relied on Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett’s test of sphericity.

KMO and Bartlett’s Test of Sphericity: The value of KMO ought to fall within 0 and 1. (Kaiser, 1974) Kaiser provided some guidelines which serve as a rule of thumb when interpreting KMO statistic. In his opinion, below .50 as a KMO value is “unacceptable”; which means one cannot do factor analysis with that result. Even a result of .60 is “mediocre”. It is only when one get into .70, the result becomes “middling” and certainly KMO values of .80 and .90 are “meritorious” and “marvelous” respectively.

The following Table-I shows that Kaiser-Meyer-Olkin measure of sampling adequacy in this study provides a value of .858 which is an indicator of “meritorious” result. It also implies that the sample size and data fit well for factor analysis. Moreover, Bartlett’s test of sphericity reveals that the approximate chi-square statistic is 247.519 with 36 degrees of freedom which, however, is significant at .05 levels. So, the null hypothesis, the population correlation matrix is an identity matrix, is rejected by Bartlett’s test of sphericity.

Table-I: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.858
Bartlett's Test of Sphericity	Approx. Chi-Square	247.519
	Degree of Freedom	36
	Significance	.000

Communalities: Communalities represent the proportion of each variable’s variance explained by each factor. The following Table-II indicates that from advertising to co-management structure the initial communality is 1.0. With the help of principal component analysis extraction method it is apparently evident that the average communality of the variables after extraction is above .50 which means the variables are well represented in the factor.

Table-II: Communalities

	Initial	Extraction
Advertising	1.000	.709
Public Relation	1.000	.787
Website	1.000	.606
Attending Fair	1.000	.688
Staff	1.000	.575
Fund	1.000	.503
Providing Information	1.000	.740
Maintaining Database	1.000	.574
Co Management Structure	1.000	.590

Extraction Method: Principal Component Analysis.

Table-III: Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.640	51.552	51.552	4.640	51.552	51.552	3.416	37.959	37.959
2	1.131	12.564	64.117	1.131	12.564	64.117	2.354	26.158	64.117

Extraction Method: Principal Component Analysis.

Total Variance: Table-III indicates that Component 1 accounts for variance of 4.640, and Component 2 accounts for variance of 1.131.

Rotated Component Matrix: Rotation of component matrix was required to achieve simplicity in the interpretation (Malhotra, 2008). That is why principal component analysis with varimax rotation was chosen in the process of identifying the factors affecting performance of BTB. In this study, the suggestion provided by (Stevens, 1992) for using a factor loading cut-off of .40, regardless of sample size, has been followed for easy interpretation. Hence, variables with factor loadings below .40 were not taken into consideration.

Table-IV: Rotated Component Matrix^a

	Component/Factor	
	1	2
Advertising	.817	
Public Relation	.784	
Website	.763	
Attending Fair	.815	
Staff	.701	
Fund		.512
Providing Information		.793
Maintaining Database		.741
Co Management Structure		.755

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Factor 1 can be labeled as “*Communication and Services Cape*”. Variables that loaded significantly on factor 1 include advertising, public relation, website, participation in fair, and well trained staff. BTB has to take effective advertising policy, adopt public relation measures, update website regularly with appropriate information, most importantly recruit new employees having tourism education background as well as take action immediately to train existing employees, participate in tourism fair to provide information to the potential tourists to improve its overall performance in promoting Bangladesh’s Tourism.

Variables that are correlated with ‘**Factor 2**’ include appropriate use of fund, providing information, data maintenance and co management administrative structure of the organization. All these variables are associated with “*Resource and management*”. So, it can be inferred that resource management through appropriate use of fund, providing information, maintaining tourist’s database and ensuring efficient co-management structure, BTB can ameliorate its performance.

Model Summary

Table-V: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.903 ^a	.815	.783	.460

a. Predictors: (Constant), Co Management Structure, Attending Fair, Database, Staff, Fund, Website, Information, Advertising, Public Relation.

Here, **R** = .903 indicates Very strong positive correlation between overall performance and the independent variables. **R²** = R square or coefficient of multiple determinations represents the strength of association between dependent variable and independent variables (Malhotra, 2008). When the value of R² exceeds .5 then it suggests a moderate association between dependent variable and independent variables. From the aforementioned table, it is observed that the value of R² is .815, which means that dependent variable is highly and positively associated with independent variables and *81.5 percent variation in dependent variable can be explained by independent variables*. **Adjusted R square** = Adjusted R square has a value of .783 which is close to R square. It suggests that the additional independent variables after adding the first independent variable makes a contribution in explaining the variation in performance judgment for promoting the tourist destination.

Table-VI: ANOVA^a

Model		Sum of Squares	Degree of Freedom	Mean Square	Frequency	Significance
1	Regression	47.551	9	5.283	25.003	.000 ^b
	Residual	10.777	51	.211		
	Total	58.328	60			

a. Dependent Variable: Overall Performance

b. Predictors: (Constant), Co Management Structure, Attending Fair, Maintaining Database, Staff, Fund, Website, Providing Information, Advertising, Public Relation

Table-VII: Coefficients^a

Model		Un-standardized Coefficients		Standardized Coefficients	T	Significance
		B	Std. Error	Beta		
1	(Constant)	-.216	.310		-.698	.488
	Advertising	.193	.075	.249	2.585	.013
	Public Relation	.246	.100	.273	2.452	.018
	Website	-.083	.080	-.086	-1.043	.302
	Attending Fair	.223	.094	.219	2.367	.022
	Staff	.103	.069	.129	1.487	.143
	Fund	-.055	.073	-.063	-.760	.451
	Information	.211	.087	.221	2.422	.019
	Database	.143	.058	.183	2.451	.018
	Co Management Structure	.023	.069	.023	.326	.745

a. Dependent Variable: Overall Performance

From the above table-vii, it is evident that variables that significantly affect the respondents' opinion/satisfaction with the overall performance of BTB are its advertising policies, public relation, participation in fair, availability of information, maintenance of tourist database. Other variables are less or not significant at all. Observing the values of un-standardized beta coefficient, it is found that significant variables have positive corresponding values which indicate that per unit change in each of those variables will cause the overall performance to change in the positive direction given other variables are held constant.

Recommendation and Conclusion

The researchers have derived from the analysis part that independent variables advertising, public relation, participation in fair, availability of information, maintenance of tourist database affect the dependent variable overall performance of the organization. Based on the analysis of this paper, the researchers have arrived at the situation where some recommendations for Bangladesh Tourism Board to improve its present performance are given bellow:

- BTB should formulate and implement better advertisement policy in order to promote tourism destinations of Bangladesh. Moreover, the management should focus on both print and electronic media based on their rating point.
- To boost up the performance, BTB should immediately recruit Staffs from the Tourism and Hospitality Management educational background; and different training program should be organized/ arranged for the improvement of the existing employees.
- BTB should update their website regularly at the same time it should maintain the tourist's data frequently.
- To provide necessary information to the potential tourists, BTB should attend many domestic and international fairs.
- In case of using fund allocated for promotion, the authority of BTB should be honest as well as there should be a system of transparency.
- The organizational structure of BTB should be reformed. The board members can be selected on the basis of their performances as well as the Researchers, Educators and Students of Tourism & Hospitality Management should be prioritized.

In light of findings presented in this paper, it is clear that both **Communication and Services Cape** and **Resource and Management** components have impact on BTB's performance. The researchers believe that this study will surely help the management of BTB to understand those impacts on organization's performance and improve the present situation. Moreover, this paper also endorses continuous evaluation.

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