Retirement motivation among 'Malaysia My Second Home' participants

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HIGHLIGHTS

- This paper explores reasons for choosing Malaysia as a retirement location.
- In-depth interviews were carried out with 30 international retirees.
- Pearce's concept of the Travel Career Ladder (TCL) guided the data analysis and results discussion.
- The dominant motivation themes clustered in the seeking of self-fulfilment needs.
- Issues as to overlaps between motives and stages in the TCL are discussed.

ARTICLE INFO

ABSTRACT

'Malaysia My Second Home' is an international retirement migration programme aimed at attracting the lucrative retiree market to choose Malaysia as their residence. This study implemented the concept of the Travel Career Ladder (TCL) (Pearce, 1991), with a purposeful sample of 30 participants who had retired to Malaysia. Questioning was directed towards their motives for selecting Malaysia and the analysis indicated that the majority of the motivation themes clustered in the seeking of self-fulfilment needs. Among motivation themes discovered are meaningful second life, positive instant thoughts, central travel location, positive retirement book description, food variety, tranquillity and simple life, political stability and security, and ease of communication. The study also revealed a challenge in applying TCL to its findings as some motivational themes simultaneously represent various TCL hierarchies. The theoretical, marketing and managerial implications of the study are discussed.

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1. Introduction

The retirement location selection is a major decision of the adult years (Schiamberg & McKinney, 2003). For those who intend to retire to other countries, cognate terminologies such as international retirement home schemes, second home and long stay tourism are commonly used (Hall & Müller, 2004; Williams & Hall, 2002). International retirement migration (IRM) is a form of international human mobility that entails the movement of elderly people (Williams, King, & Warnes, 1997) to places that offer better life quality (Balkir & Kirkulak, 2007). Four main factors that contribute to the growth in international retirement migration are increasing human longevity (Quinn & Burkhauser, 1990), lowering legal retirement ages (Balkir & Kirkulak, 2007), increasing personal wealth (Balkir & Kirkulak, 2007) and changing lifetime mobility

patterns (Williams & Hall, 2002). According to the United Nations (2007)'s edition of World Population Ageing, the global population of those over 60 years will double by 2025, from 606 million in 2000 to around 1.2 billion people. Thus, retirees are a lucrative market to tap in the near future.

Though studies of IRM within Europe have been extensive (e.g. Balkir & Kirkulak, 2007; Breuer, 2005; Casado-Diaz, Kaiser, & Warnes, 2004; King, Warnes, & Williams, 1998; Rodriguez, Casado-Diaz, & Huber, 2005; Warnes, 1990; Warnes, King, Williams, & Patterson, 1999; Williams et al., 1997), it is just beginning to receive attention in Asia (Toyota, Bocker, & Guild, 2006). Studies in different jurisdictions are important as there may be some significant differences in retirement motivations and location decision-making in developed countries, compared with the motivation of those who decide to retire in and to developing countries, such as Malaysia.

Malaysia introduced the 'Silver Hair' programme in 1996 to promote the country as a destination choice for foreigners to retire (Ho & Teik, 2008). The programme was revamped in 2002 as 'Malaysia My Second Home' (MM2H). Compared with the 'Silver

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Hair' programme, MM2H is more liberal in its policy, simultaneously aiming at attracting foreign investments and stimulating income from the tourism, health and education sectors. To date, only Ono (2008) has studied MM2H participants. She found that motivators such as cost, weather, recreation and entertainment opportunities, environment, visa systems, and available elderly care facilities induced Japanese retirees to reside in Malaysia. The main weakness of Ono's (2008) study is that it examined only the motivation of Japanese retirees. Thus, the results explain a single cultural perspective, with limited possibility for generalization. It is the aim of this study to extend the perspective by exploring motivations to retire to Malaysia from different cultures and nationalities.

This study critically examines retirees' travel motivation using Pearce's (1991) Travel Career Ladder (TCL) concept. International retirement often involves the movement of people with stable financial means (Rowles & Watkins 1993). Thus, this research envisages that the dominant motivation theme among international retirees in Malaysia is self-actualization or self-fulfilment, the highest TCL level needs. As the Malaysian national government actively promotes 'Malaysia My Second Home' programme, these research findings provide invaluable insights to shape future international retirement migration policies and to improve goods and services development that attract retirees. Such knowledge is also potentially valuable to countries that aim to develop similar offers to international retirees.

Next, this paper reviews the international retirement migration and travel motivation literature, and TCL as the theoretical base for discussing the findings. The methodology section, which follows the literature review, explains the sampling method and subsequent in-depth interviews. The interview findings and discussion precede the concluding remarks.

2. Literature review

2.1. 'Malaysia My Second Home' (MM2H)

Malaysia's offering of retirement opportunities to non-Malaysian nationals commenced in 1996 with the 'Malaysian Silver Hair' programme which aimed to attract elderly foreign retirees. However, realisation that focussing solely on this market segment might exclude the opportunity to attract a more vibrant and creative younger market, led to the introduction of the 'Malaysia My Second Home' programme in 2002 (refer Video 1 clip in Fig. 1). MM2H is more liberal in its migration policy, and

Fig. 1. Video clip of MM2H.

abolishes the minimum age criterion in order to target younger members of the retirement cohort. MM2H provides opportunities for financially independent foreign retirees to pursue a retirement lifestyle in Malaysia (Ho & Teik, 2008). Retirees targeted are from both developed and developing countries (Ching, 2009). To date, there are many foreigners who make their homes in Malaysia. Among them are nationals from Japan, China, Iran, Bangladesh, United Kingdom, Pakistan, India, Singapore, and Australia. The programme is expected to contribute substantial foreign revenues to the Malaysian economy through the tourism, real estate and education sectors. Vijian (2006) noted that if each Indian brings USD 100,000 to Malaysia, then the 2000 targeted retirees would easily inject USD 2 billion into the local economy.

Supplementary video related to this article can be found at http://dx.doi.org/10.1016/j.tourman.2013.06.002.

2.2. International retirement migration and tourism

Though migration theory can be traced back to Ravenstein's (1885, 1889) 'Laws of Migration', modern explanation of retirement migration are usually associated with Cribier, Duffau, and Kych (1973) who studied retirement migration within France, and Karn (Brearley, 1978) who researched retirement migration in coastal England in the late 1960s. Schiamberg, Junk, and Goldfarb (1991) and Wiseman (1980) considered retirement migration as a process and an event that is influenced by several factors such as personal resources and their characteristics, community and housing characteristics, and social factors and support networks.

Based on the migration models by Wiseman (1980) and Longino, Jackson, Zimmerman, and Bradsher (1991), Haas and Serow (1993) developed their retirement migration model (refer Fig. 2). As opposed to Wiseman (1980) and Longino et al. (1991), Haas and Serow (1993) suggested a distinction between remote thoughts triggered by retirement migration experience and rigorous consideration of alternatives. They also argued that the migration decision and location selection may cluster mutually as complementary and overlapping decisions. This clustering contradicts Wiseman's (1980) separate migration and location decisions. However, the weakness of the migration model lies in its inability to portray the environmental scanning process in which tourism is involved.

International retirement migration (IRM) is a form of international human mobility among the elderly (Williams et al., 1997). It adds complexity to the migration model (Gibler, Casado-Diaz, Casado-Diaz, Rodriguez, & Taltavull, 2009) in terms of forecasting retirees' movements and their impact on the local real estate markets and the national economies. IRM has grown rapidly during the last decade as a residential strategy of retirees, with complementary changes in individual, family, and social conditions (Abellan, 1993; King et al., 1998). Globalization also facilitates a free movement of capital and people around the world (Liebman, 2002; Warnes, 2009). Breuer (2005) suggested that IRM is the professionals' strategy to retire after their working life.

IRM has received considerable attention since the late 1990s, with studies by researchers such as Breuer (2005), King et al. (1998), Warnes et al. (1999), and Williams et al. (1997). The migration may occur as temporary and voluntary, depending on previous tourist experiences, the amount of time spent in the origin and host destination, and the property owned (King, Warnes, & Williams, 2000; O'Reilly, 2000). Retirement destinations most often coincide with tourist destinations, especially in mass tourism regions (Breuer, 2005). Williams and Hall (2002) identified retirement migration as a form of tourism-informed mobility.

Tourism's role in promoting retirement migration abounds in the literature (Balkir & Kirkulak, 2007; Casado-Diaz, 2006; Claudia,