# Regret and Satisfaction Influencing Attitude and Intention in Using Homestay Terminology: The Structural Approach

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#### Abstract

Misusing of homestay terminology by private lodging entrepreneurs poses a threat to homestay industry in Malaysia. This unethical behavior by private lodging entrepreneurs has caused misunderstanding on the use of homestay terminology among tourists and also public in general. Using a 132 sample of private lodging entrepreneurs in Terengganu and with SEM (Structural Equation Modeling) analysis method, this study examined the relationship among the constructs of regret, satisfaction, attitude and intention of private lodging entrepreneurs on the use of homestay terminology in Terengganu, Malaysia. The SEM results showed that all three hypotheses were supported. The results show that private lodging entrepreneurs were very much unregretful with their action and there was a feeling of satisfaction on the use of homestay terminology. This paper concludes a discussion on the findings and recommendations to curb this unethical behavior.

Keywords: tourism, entrepreneurs, marketing, SEM

#### 1. Introduction

Tourism becomes one of the most important and vibrant sector in the world. World Organization Tourism (2013) defines tourism as "a comprises of activity of person travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited". In particular, the eco-tourism has been recognized to have a strong potential for its contribution to tourism sector. In Malaysia where culture and lifestyle are still well preserved, the homestay industry is one of the eco-tourism sectors seen as having great potential in Malaysia.

Homestay portrays as an accommodation and also getting to know the local lives and culture (Ng, 2010). The increasing number of homestay in Malaysia is due to the government's efforts to help upgrade the tourism sector; nevertheless, there are some issues arise on homestay in Malaysia. One of those issues is the entrepreneurs' unethical behavior of misusing the homestay terminology which poses a threat to the actual homestay industry in Malaysia. Consequently, it causes misunderstanding on the appropriate use of homestay terminology by tourists and public. In handling this situation, the Tourism Malaysia has requested the owner's of lodging premises to draw to use the term of 'homestay' as to describe their operations. Foreign tourists perceive staying at homestay is living with community and joining their daily routines. Instead, private lodging owners offer homestay service similar to what was being offered by hotels.

### 1.1 Homestay in Malaysia

Homestay is conceptualised differently by different countries. For instance, in Australia, homestay is associated with international students who live with a local family (Richardson, 2003) and in Germany and New Zealand, homestay is associated with farmstay (Jamal, Othman & Muhammad, 2011). In these countries, (e.g. Australia, Germany, New Zealand) homestay industry is growing and helping to boost a country's economics. It also becomes one of the important service in tourism industry and a key driver to enhance local economies while maintaining the culture and environment of the local area (Thomas & Augustyn, 2007).

So does in Malaysia, homestay program is a tourism product that becoming increasingly popular among local and international tourists (Tourism Malaysia, 2008). Homestay program in Malaysia is designed to create an experience for tourists about the close-knit family relationships, enjoy home-cooked food and discover of the

simple village lifestyle (Tourism Malaysia, 2008). The Ninth Malaysia Plan (2006-2010) highlights that the tourism growth shows to have a positive relationship to the expansion of other subsection of tourism products and services especially for the eco-tourism; that is the homestay industry (The Economic Planning Unit, 2006).

The homestay industry in Malaysia has grown rapidly due to the demand from the local and international tourists. For the year 2009, a 77% increase in visitor arrivals to homestay villages was reported and it comprised of 130,038 domestic visitors and 31,523 foreign tourists totaling to 161,561 visitors, compared to only 91,533 visitors in 2008 (MOTOUR, 2010). Whilst in the year 2011, the percentage increased by 20% of tourist arrivals to homestay which contributed from 195,234 for local tourists and 59,657 for foreign tourists (Ismail, 2012). Because of the significant economic contribution from this industry for Malaysia, the Ministry of Tourism Malaysia (MOTOUR) promotes rigorously homestay as a community-based tourism industry to villagers. It started in Temerloh, Pahang in 1995 where 'Desa Murni' was launched as the first formal homestay in Malaysia by the ministry (Hatton, 1999). Since then, the industry has expanded and until now there are 141 villages registered with the MOTOUR (MOTOUR, 2012).

To attract more visitors, MOTOUR has introduced several programs to polish and upgrade the quality standard of homestay in Malaysia which includes the Rural Tourism Master Plan in 1999 (Ibrahim & Razzaq, 2009), e-marketing promotion in 2010 through go2homestay website, Homestay go green and homestay railway tourism in 2010 (Ismail, 2012). In addition, the ministry also has introduced a homestay trademark logo and rebranded its tagline with 'Malaysia Homestay Experience' to distinguish actual homestay operators with accommodation providers (Ismail, 2012).

There are several reasons for the demand of homestay in Malaysia. Firstly, international tourists like to experience unique and beautiful culture of local villages. They are interested to know the traditional local foods, typical jobs of the locals as well as their daily activities (Jamal, Othman & Muhammad, 2011). Secondly, the international and local tourists prefer to stay at Malaysian homestay because of the fully equipped facilities such as kitchen and laundry at the lowest or cheapest price compared to expensive hotels.

As part of the East Coast Economic Region (ECER) in Malaysia, Terengganu (one of the state in Malaysia) has a huge potential to improve the socio-economic level of their people. Terengganu is full with various natural attractions to be discovered: beaches with the white sand along the shore, the beauty of the islands around with scuba diving temptations; and Islamic heritage and cultural attractions-to name a few. Therefore, the Government has classified this state as a tourism state due to its significant contribution as a major tourist attraction in Malaysia (Halim et al., 2012). The increasing number of tourists is greatly influenced the development of homestay in Terengganu. It is also one of the states in Malaysia that has the highest number of offering homestay to local and international tourists. Because of its strategic and beautiful location in Malaysia, Terengganu records its high visitors each year. For instance, in 2008 more than 2 million tourists visited Terengganu, 2.8 million in 2009 and 3.5 million tourists visited the state in 2010 (Terengganu State Tourism Department, 2011). The Malaysian tourism ministry and the Terengganu state government currently recognize six homestay villages in Terengganu: 1) Kg. Teluk Ketapang, 2) Kg. Pulau Duyong, 3) Kg. Buluh, 4) Kg. Pasir Raja, 5) Kg. Rhu Sepuluh, and 6) FELDA Selasih.

#### 2. Research Gap and Research Objectives

The motive of this study to be undertaken is firstly due to the loose regulations on the use of homestay terminology and the confusion about the terminology use. In the case of Terengganu, the motives of using the terminology are unclear; but two main possible reasons include private lodging entrepreneurs do not really understand the meaning of the term and they are optimistic with using of the term to market their lodging properties. These private lodging entrepreneurs believe that by using this terminology they can attract customers more easily in renting their properties. The use of the term also helps the tourists to search for cheap accommodations through the Internet. Nevertheless, the scenario of using the homestay terminology in Terengganu is considered as against the law although it has been ordinarily used by entrepreneurs in promoting their properties as for them it is a common practice and legally use (Ng, 2010). Secondly, previous studies of homestay in Malaysia are related to the homestay service quality (Zainuddin & Bakar, 2008), the development and prospect of homestay program (Ibrahim, 2004) as well as the perceived value of homestay program by tourism community (Jamal et al., 2011). There is no study investigates the relationship among the constructs of regret, satisfaction, attitude and intention of private lodging entrepreneurs with the using of homestay terminology. Given the scenario presented above and brief review on the homestay industry, there is an importance to examine the effects of the antecedents (i.e., regret and satisfaction) of the attitude of local entrepreneurs on their intention of using homestay terminology.

#### 3. Literature Review and Hypotheses Development

This section begins by presenting the definition of entrepreneurship, follows by the discussion each of the constructs and hypothesis development.

#### 3.1 Homestay Entrepreneurship

The definition of entrepreneurship and/or an entrepreneur continues to become a general debate amongst scholars (Low, 2001). Kuratko and Hodgetts (2008) indicate that entrepreneurship is a dynamic process of vision, change, and creation. It also relates to the ability of the enterprises to organize their efforts in creating a value of entrepreneurship. Mason (2000) highlights the definition of entrepreneurship as "enterprise involves measures to encourage individuals to become entrepreneurs and equip them with the necessary skills to make a business successful". This is supported by Nixon (2004) who stress that entrepreneurship is about recognizing opportunities, creating new ideas, and having the capabilities to turn the ideas into reality. Entrepreneurship and small business are related but certainly carries a different concept (Thurik & Wennekers, 2004). Stevenson and Gumpert (1991) posited that entrepreneurship is a behavior that focusing on the opportunities rather than resources which can happen elsewhere either in small businesses or large businesses. In the meantime, small businesses can be a platform for entrepreneurs to introduce their new products and processes that change the industry and for individual who simply run and own the business for a living (Wennekers & Thurik, 1999). In regards to small businesses, the definition of small businesses might be varied according to regions. Many scholars indicate that a small business is a business that has few employees, a low turnover, and a less informal structure that is usually managed by one person, who is typically the business owner (Bridge, O'Neill & Martin, 2009). Bridge et al. (2009) add that the definitions of small businesses vary widely as such that the term 'small business' has separately been defined according to the size of the business itself, the number of employees and/or sales turnover.

According to the definition of micro, small and medium enterprises in Malaysia, which is provided by the National SME Development Council (NSDC) in 9<sup>th</sup> June 2005 (NSDC, 2008), homestay entrepreneurs in Malaysia can be considered as micro and small enterprises that focused on tourism industry. Norasmah et al. (2010) indicates that entrepreneurial might contribute to the entrepreneurial traits that are operated in a micro and small-sized enterprises. Various factors may influence the development of these enterprises: the sheer amount and variety of supporting mechanisms and policies for encouraging entrepreneurial acculturations among the entrepreneurs (Othman et al., 2008). Ceballos-Lascurain (1996) sees homestay industry as a "community based ecotourism venture" that might benefits the local community who participate in the tourism activities. Two major factors- awareness and education- are important to ensure ongoing community involvement in the industry. These factors might keep people interested and supportive and also take advantage of every opportunity that lies ahead of them (Hattan, 1999). According to Lin (2012), the huge impact of awareness and education to entrepreneurs significantly contribute to their revenue as most homestay entrepreneurs could earn high income if they how to market their businesses based on the knowledge they have.

#### 3.2 Intention and Attitude

Intention in the context of an individual is about the reflection of the state of mind that initiates people to opt. The famous theory of planned behaviour (TPB) proposed three antecedents of intention include personal attitude toward outcomes of the bahaviour, perceived social norms and perceived behaviour control (Ajzen, 1991). The concept of attitude has been proposed extensively in the social science research (Ki & Linda, 2012). Ajzen (1991) proposed attitude as the predisposition to respond favourably or unfavourably manner with respect to a given object. It is also considered as a latent variable which eventually would have impact on behaviour (Fishbein & Ajzen, 1975). The influence from outside can results attitude positive or negative (Ajzen & Fishbein, 1980). According to Quan (2012) and Ajzen (1991), the influence can be from personal characteristics, environment, knowledge, perceptions, other resources and self-efficacy.

The relationship between intention and attitude have been discussed widely. Recent and previous studies have come out with strong supported on the relationship between intention and attitude (Liu et al., 2012; Raposa et al., 2012). For instance, there was a significant positive relationship between attitudinal orientations towards credit cards and intention to use (Kaynak & Harcar, 2011). There is also a positive result on the relationship between attitude toward department co-branded credit cards and intention to continue to use the cards (Liu, 2012). Thus, based on this strong evidence on the relationship between attitude and intention, the following hypothesis would be:

H1: There is a positive relationship between intention and attitude to use homestay terminology by private lodging entrepreneurs in Kuala Terengganu.

#### 3.3 The Antecedents of Attitude

Regret and satisfaction are the antecedents to influence the attitude which consequently affecting a particular behaviour. According to Ajzen (1987), there is a strong evident supporting the link between intention and attitude which eventually affecting behaviour. This research determines to know whether the use of homestay terminology would be a regret or satisfaction decision made by private lodging entrepreneurs in Kuala Terengganu. Thus, two hypthoses are developed to investigate the influence on regret to attitude and satisfaction to attitude.

#### 3.4 Regret

The definition of regret as stated by Zeelenberg and Pieters (2007, p. 3) - "emotion that we experience when realizing or imagining that our current situation would have been better, if only we had decided differently" is most acceptable. This definition associates regret to behavior and decision-making (Keinan & Kivertz, 2008) of individual. It explains negative feeling of the emotion as how the action that is not supposed to happen whereby the individual may not alter the outcome (Lassar et al., 1998; Gilovich & Medvec, 1995). It is further asserted by Gilvich and Medvec (1995) that the perception of incorrect actions may produce regret more frequently and this may occur either in the short-term or long-term (Keinan & Kivertz, 2008). The feeling of regret can cause the state of feeling sorry, limitations and losses (Landman, 1993). There is also a claim that regret was found to be the most valued by people when compared to emotion guilt, fear, shame and the like (Saffrey, Summerville & Roese, 2008). Previous studies confirm that regret has direct effect to the attitude of individuals (see Crotty & Thompson, 2008). Thus, the hypothesis of the influence of regret to attitude of private lodging entrepreneurs in Kuala Terengganu is proposed as:

## H2a: Regret is negatively influenced the attitude of private lodging entrepreneurs in Kuala Terengganu to use homestay terminology.

#### 3.5 Satisfaction

There is an importance to understand satisfaction because it has a wide variance definition and cover different point of views (Fečiková, 2004; Giese & Cote, 2000). Over the years, this becomes an issue of there is no consensus in underlying specific definition of satisfaction (Giese & Cote, 2000; Høst & Knie-Anderson, 2004; Oliver, 1996). Satisfaction has been defined as an experience such as an outcome or a perceptual, evaluative and psychological processes resulting from the experience (Vavra, 1997) or an emotional state that occurs in response to the evaluation of an experience (Cadotte, Woodruff & Jenkins, 1987; Westbrook, 1981). The emotional of experience may result in a confirmation that meets prior expectations or disconfirmation when it does not meet the expectations (Ennew, Reed & Binks, 1993; Oliver, 1981). Thus, it can explain that such emotion resulting from the experience may influence perception or evaluation of individual decision. In the case of this study, the entrepreneurs would feel satisfied with the decision to use the homestay terminology when they have good emotion due to their good experiences of using the terminology. Hence, it is posited that:

# H2b: Satisfaction is positively influenced the attitude of private lodging entrepreneurs in Kuala Terengganu to use homestay terminology.

#### 4. Research Model

On the basis of the preceding discussion, it is possible to construct a theoretical framework depicting the relationship between each of the key constructs under investigation in this study (Figure 1). As per this framework, two antecedents of attitude were investigated: regret and satisfaction. It is proposed that attitude of entrepreneurs is determined by regret and satisfaction. It is then proposed that attitude of entrepreneurs in turn influences entrepreneur's intentions. As per the theoretical framework, there are four key relationships of interest that will dominate the focus of this study. The first relationship is between regret and attitude and satisfaction and attitude. In this first relationship, regret and satisfaction serve as the independent variables and personal attitude as the dependent variable. The second relationship is between personal attitude and entrepreneur's intentions. In this case, personal attitude serves as the independent variable and entrepreneur's intentions as the dependent variable.

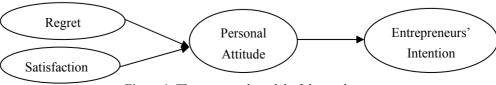


Figure 1. The structural model of the study

#### 5. Methodology

#### 5.1 Sample and Data Collection

The sampling frame defines the list from which a sample is drawn to represent the survey population (Dillman, Smyth & Christian, 2009). The population of interest for this study was owner-operators of private lodging properties in Terengganu. The sample population was difficult to obtain since these operators do not register with any business directory. Therefore, the purposive sampling is chosen by hiring trained enumerators to assist in physical searching to locate private lodging operators in Terengganu. Besides, there were also efforts to locate the private lodging operators through the Internet. The operators who have agreed to participate in the research can opt to answer the questionnaire by self-administered or through the phone. As the result, of the survey conducted in 8-week period in early 2012, 132 responses were collected from nearly 250 operators contacted.

The descriptive characteristics of the sample are shown in Table 1. Most of the respondents can be considered as the new 'users' of homestay terminology (N=104), while others have used the terminology for quite some time (N=93). Further, 61 respondents (46%) have started to use the homestay terminology since they started their business, whereas 71 respondents (54%) have used other names instead using the homestay terminology. Interestingly, 24 respondents own 4 or more lodging houses which may indicate that homestay is the main source income for these local entrepreneurs. Of the 132 respondents, only 8 respondents are living in the same property that being rented to tourists while the rest live separate house nearby (78 respondents), separate house far (41 respondents) and separate rented house (3 respondents).

Table 1. The characteristics of respondents

Years of using homestay	n	Number of lodging houses	n	Owners live in	n
1-5 years	104	1	56	same as lodging house	8
6-10 years	25	2	37	separate house nearby	78
11-20 years	1	3	12	separate house far	41
> 20 years	0	4 or more	24	separate rented house	3
Missing	2	Missing	3	Missing	2
Total	132		132		132

#### 5.2 Measures

This study has adapted existing scales (see Table 2) from previous literature for the purpose of measurement. The advantages of using existing scales include: they have established reliability and validity, it allows the results of the current study to be compared with other studies, creating a cumulative body of knowledge and they can save the researcher time and effort (Loewenthal, 2001).

Respondents were asked to state their agreement with the four main constructs of the study. These four main constructs comprised of regret, satisfaction, personal attitude and intention. All of the constructs were measured using a 7-point rating scale (1= strongly disagree, 7= strongly agree). Such scales were deliberately utilised due to the fact that they serve as a prerequisite for the primary methods of analysis to be employed in this study (i.e. structural equation modeling). Seven-point scales were utilised dues to several reasons include a key quality of a scale is its variability; its utility is limited when it fails to discriminate differences in the underlying construct. There are two ways to increase variability; increase the number of items or increase the number of scale points. To avoid respondent fatigue, the second option is preferable (DeVellis, 1991). Secondly, it is because respondents have a greater propensity to use the neutral scale point when fewer categories are used, ratings scales should contain at least seven scale points (Foddy, 1993).

Table 2. Measures of variables

Construct	Construct items
Regret	Users' feeling sorry about using 'homestay'.
RG1	I feel sorry about using 'homestay' in my lodging property's name.
RG2	I regret of using using 'homestay' in my lodging property's name.
RG3	I should have chosen other alternative names.

Construct	Construct items
Satisfaction	Users' feeling of satisfaction with the use homestay terminology
SATIS 1	I am satisfied to use homestay terminology to promote my business
SATIS 2	I am happy to use homestay terminology
SATIS 3	I am positive when I use homestay terminology
Attitude towards Behaviour	The predisposition to respond in a favourable or unfavourable manner to using 'homestay'.
AT1	Using 'homestay' is a wise idea.
AT2	Using 'homestay' is valuable.
AT3	Using 'homestay' is beneficial.
AT4	Using 'homestay' is important.
Continuance Intention	Users' intention to continue using the word 'homestay'.
INT1	I intend to continue using the word 'homestay' rather than discontinue using it.
INT2	My intention is to continue using the word 'homestay' rather than other alternative names.
INT3	If I could, I would like to use the word 'homestay' for as long as possible.
INT4	Continue using the word 'homestay' is a wise decision.

#### 6. Results

#### 6.1 Reliability and Validity

Reliability measures were performed for each item and the results were all above 0.7 which indicates adequate reliability (Nunnally, 1978). For factor loadings, the confirmatory factor analysis (CFA) was performed to access the relationships between the construct and its indicators (Schumacker & Lomax, 2004; Thompson, 2004). Through assessing CFA, the deletion of items was made one item at a time. This procedure was repeated until all the factor loadings for each item exceeded 0.5. The final results show that all factor loadings are significant and above 0.7 (Hair, Babin, Anderson & Black, 2010, p. 709) (see Table 3).

Two measurements were performed to see the validity of each constructs. Convergent validity was performed to investigate to the extent to which each of the construct's items measure the same construct and discriminant validity was performed to investigate the degree to which each construct differ conceptually (Churchill, 1979; Sin, Tse, Yau, Lee & Chow, 2002, p. 666). The results of convergent validity revealed that all items measured the same construct and discriminant validity shown that each construct is conceptually differed (not shown here).

Table 3. CFA and AVE results

Const	truct and It	ems	Factor loading	T-value	P	Cronbach Alpha	AVE
RG1	<b>←</b>	Regret	0.878	11.212	***		
RG2	<b>—</b>	Regret	0.928	12.185	***	0.905	
RG3	←	Regret	0.795	-	***	0.895	0.75
AT1	←	Attitude	0.877	9.874	***		
AT2	←	Attitude	Deleted				
AT3	<b>←</b>	Attitude	0.831	-	***	0.842	0.50
AT4	•	Attitude	Deleted				0.30
INT1	←	Intention	Deleted				
INT2	•	Intention	0.832	11.555	***	0.006	
INT3	<b>—</b>	Intention	0.869	11.694	***	0.886	0.72
INT4	•	Intention	0.848	-			
S1	<del>-</del>	Satisfaction	0.869	7.689	***		
S2	<b>←</b>	Satisfaction	0.741	7.894	***	0.827	0.61
S3	<b>←</b>	Satisfaction	0.718	-	***		0.01

 $\chi^2 = 59$ ; df = 38;  $\chi^2$ /df= 1.55; CFI=0.976; TLI=0.966; GFI= 0.908; RMSEA=0.065

Note: '-' denotes there are no t-values because these were constrained items.

#### 6.2 Structural Equation Modeling

Structural Equation Modeling (SEM) refers to "a collection of statistical techniques that allow a set of relationships between one or more independent variables, either continuous or discrete, and one or more dependent variables,

either continuous or discrete, to be examined" (Tabachnick & Fidell, 2007, p. 676). All hypotheses addressed in this study measured using structural equation modeling (SEM). There were several reasons why SEM is chosen – because of the theoretical framework comprised multiple dependent variables, one of which served as both an independent and dependent variable (Schumacker & Lomax, 2004; Tabachnick & Fidell, 2007) and also recognised for its ability to test hypotheses (Hafeez, Keoy & Hanneman, 2006; Hui & Zheng, 2010)-a key focus of this study.

In determining the adequacy of fit for the structural model, the following fit indices were applied: chi-square, degrees of freedom, GFI, RMSEA, Normed chi-square, NFI, CFI, TLI, AGFI and PNFI. Such approach is consistent with the notion that when testing the goodness-of-fit of the structural model, such tests should include at least one absolute fit index, one incremental fit index and the normed chi-square (Hair et al., 2010). Table 4 shows the goodness-of-fit measures for structural model.

Table 4. Goodness-of-fit measures for structural model

Absolute measures	Structural Model	
$\chi^2$ (chi-square)	74	
Degrees of freedom	40	
Probability	0.001	
GFI	0.923	
RMSEA	0.081	
Normed chi-square	1.850	
Incremental Fit Measures		
NFI	0.923	
CFI	0.962	
TLI	0.948	
Parsimony Measures		
AGFI	0.849	
PNFI	0.671	

#### 6.3 Model Analysis

SEM results revealed that all paths were statically significant. It also indicates that hypotheses H1, H2a and H2b were supported. Table 5 provides a summary of the hypotheses analysed by SEM and Figure 2 provides the SEM relationship among constructs of the study.

Table 5. Summary of the hypotheses

Hypothesis	Standardised beta	t-values	P	Supported
H1	0.832	7.737	0.00	Yes
H2a	-0.471	-5.486	0.00	Yes
H2b	0.623	5.183	0.00	Yes

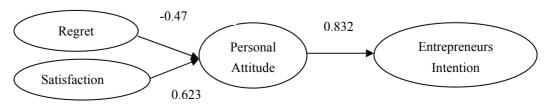


Figure 2. Structural equation model of the study

#### 7. Discussion and Conclusion

This paper has presented the results of the conceptualised relationships among regret, satisfaction, personal attitude and entrepreneur's intention. The research model was reliably validated and the finding of 132 private lodging operators in Kuala Terengganu indicates significant relationships between the constructs. In particular, the results show that there is a strong evidence to support the **H2a** hypothesis that regret is negatively influenced the attitude of private lodging entrepreneurs in Kuala Terengganu to use homestay terminology. In other words, private lodging entrepreneurs of these homestay were very much unregretful with their action to use the terminology; thus, they would continually use the terminology as long as there is no regulation enforced. In addition, previous studies support that satisfaction have significantly influenced individual's attitude and thus, the finding from this study also support **H2b** hypothesis that satisfaction is significantly influenced the attitude of private lodging entrepreneurs in Kuala Terengganu to use the homestay terminology. The results also reaffirm that the significant result of the **H1** hypothesis shows that there was a positive associated relationship between the intention and attitude to use homestay terminology by private lodging entrepreneurs in Kuala Terengganu.

Based on the results of this research, therefore, there is a serious attention should be given on the misusing of the homestay terminology in Terengganu, as it could misrepresent the actual definition of homestay that is widely used in Malaysia. Listed below are some recommendations as to avoid the misusing homestay terminology in Terengganu:

- Both homestay and private lodging entrepreneurs in Terengganu need to have early exposure to the concept of homestay. Educational visits must be arranged by visiting the best and well-practiced homestay in Malaysia, such as Baghuris Homestay and Dorani Homestay in Selangor.
- Entrepreneurs should be given training on how to handle their homestay and private lodge; this will ensure that they would have high level of understanding in the homestay terminology and at the same to build up their self-confidence in doing homestay business.

To conclude, this study has shown that a person's intention has huge potential to influence his/her attitude. In this study, local entrepreneurs in Terengganu did not feel regret to use the homestay term to popularize their private lodging. Instead, they felt it as an action yielding high level of satisfaction when using the term homestay for business purposes. Nevertheless, the misusing the homestay terminology by private lodging entrepreneurs in Terengganu is still under control and it does not bring any significant disadvantages for the community as a whole.

#### 8. Study Limitations

First, the research setting for the study was pre-selected area of Kuala Terengganu. As such, the study's findings are limited due to the extent to which similar behaviours can be generalized to the phenomenon under study across the country. Terengganu is one of popular tourist destinations in Malaysia and as such, the state selection was justified to provide a glimpse of the phenomenon. Furthermore, the descriptive norm (Cooke, Sniehotta & Schuz, 2007) can be included in the research model; hence, if proven one can conclude that private lodging operators are 'morally blind' because of the copycat behavior with the use of homestay terminology. Finally, the study's findings are based on a modest sample size of 132 responses. Future research may verify the findings of this study by employing a larger sample.

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