# CONTINUANCE INTENTION IN USING HOMESTAY TERMINOLOGY IN THE NAMES OF PRIVATE LODGING HOUSES

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#### ABSTRACT

Using homestay terminology in the names of private lodging houses may cause misunderstanding of its intended meaning and is likely to jeopardize the actual homestay industry. The results of a survey administered to 132 private lodging operators in Kuala Terengganu, Malaysia, showed that most respondents had a strong intention to continue using the terminology and did not regret their behaviour. Of the antecedent variables in the theory of planned behaviour, only perceived behavioural control failed to explain continuance intention. In addition, regret was found to be negatively related to continuance intention and a more superior determinant than the original predictors of intention in the Theory of Planned Behaviour. We suggest that the related authorities and agencies use the rules and regulations, as well as increase the public awareness programmes as measures to curb this unwanted behaviour.

Keywords: Homestay; Tourism; Ethics; Misuse; Sustainable.

### **1. INTRODUCTION**

Due to the unregulated use of the homestay terminology, many private lodging entrepreneurs have misused the term in the names of their lodging properties. A motive that may explain such action could be that the term is an English word and sounds more attractive than commonly used terminologies, such as guesthouse, house for rent or lodging. Thus, by using it in the names of their lodging houses, effective marketing strategies to bring more visits and exposure can be undertaken including the use of signboards and advertisements on the Internet.

The misuse of homestay terminology can be a sign that either these entrepreneurs do not understand the term's intended meaning or that they are opportunistically using it to market their lodging properties via personal website, roadside signs and even on Internet maps.

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However, none of the reasons is desirable because they indicate low awareness and loose protection of the terminology. Consequently, promoting the actual homestay industry may not be as effective as intended, and, as a result, the number of tourists might also decline.

# 1.1. Overview of homestay in Malaysia

Homestay should be understood as a stay at a residence by a traveller, especially a foreign student, who is hosted by a local family. An equally accepted meaning is in its intended use for fulfilling the needs of tourists to understand the local culture, and perhaps to experience activities that are peculiar to them or no longer popular. In this instance, homestay is more of an industry, wherein volunteer participants, who normally reside in a locality, such as a fishing village, host the interested tourists. In this manner, these tourists can understand and experience ways of life that are likely to be new to them. In addition, such a community-based homestay programme can help protect and sustain culture, activities and historical attractions so that future generations can appreciate them. Similarly, the Ministry of Tourism Malaysia (MOTOUR) emphasizes that homestay is not classified as an accommodation facility, but rather focuses more on lifestyle and experience, which include culture and economic activities (MOTOUR, 2012).

Using the word 'homestay' in the lodging industry especially that of private lodging properties is considered as misuse (Ng, 2010). Many lodging houses and motels have been found to be using the word 'homestay' when offering their accommodation (Aziz, 2009), possibly due to not understanding the real meaning of the word or perhaps as a quick way of attracting visitors.

Many undesirable consequences can be expected from such misuse of names. For example, the public in general may interpret small lodging properties as a part of the homestay industry. This, in turn, may affect the demand of the actual homestay villages. In addition, many tourists, especially foreigners, will find difficulty in locating the actual homestay villages when searching for information about the Malaysian homestay industry. Therefore, such misuse of the terminology calls for better protection of the actual homestay industry.

With regard to Malaysia's eco-tourism industry, homestay villages serve as one of its important tourist attractions; while, at the same time, helping to improve the socio-economic aspects of the residents of these villages. In addition, homestay villages are seen as an initiative taken by the relevant authorities to preserve the heritage, culture and traditional lifestyle. Despite its importance, there is a lack of action taken by the respective authorities to control the misuse of the word. To date, to control programme participants and the service quality, the Ministry of Tourism Malaysia only issues a licence to homestay operator applicants if they abide by a list of criteria including easy access, proper basic facilities, and health and security considerations (Hamzah, 2008).

Homestay, as an industry, is also viewed as an opportunity for volunteer participants to earn a living besides their normal occupations. Malaysia is one of the active countries in promoting the community-based homestay industry. Given its diverse community and various cultures, the homestay industry has been identified as a major thrust for the success of Malaysia's tourism

(MOTOUR, 2010). Therefore, the Ministry of Tourism Malaysia has long been involved in promoting the industry, since 1995, in Temerloh, Pahang, followed by the introduction of the Rural Tourism Master Plan (Ibrahim and Razzaq, 2009).

During its inception in 1988, the first homestay was Desa Murni in Temerloh, which later became the Malaysian Homestay Association, and identified by the then Ministry of Tourism to formally launch its programme in 1995 (Hatton, 1999). Since then, the homestay programme in Malaysia has steadily expanded and attracted many interested operators. For the year 2009, a 77% increase in visitor arrivals was reported, which comprised 130,038 domestic visitors and 31,523 foreign tourists, totaling 161,561 visitors, compared to only 91,533 visitors in 2008 (MOTOUR, 2010). Having realized its importance, 3,283 homestay operators from 141 homestays have been trained and licensed throughout the country (MOTOUR, 2010). As of July 2012, 154 MOTOUR-approved homestays are available for tourists and all of these homestays can be found at http://www.go2homestay.com – an e-promotion initiative by the Ministry.

Homestay in relatively more developed countries normally relates to families willing to host foreign students who are completing their studies at local institutions. The high demand from foreign students, together with the shortage of residential facilities provided on campus has contributed significantly to this activity. Nevertheless, in Malaysia, such a homestay effort has received minimum acceptance even though many foreign students, especially from African and Middle-eastern countries have entered the country and require accommodation. Regardless of any of these real homestay activities, the related authorities must pursue appropriate strategies to promote, sustain and protect the industry.

In Terengganu itself, the MOTOUR and the Terengganu state government currently recognize six homestay villages: 1) Kg. Teluk Ketapang, 2) Kg. Pulau Duyong, 3) Kg. Buluh, 4) Kg. Pasir Raja, 5) Kg. Rhu Sepuluh, and 6) FELDA Selasih. Some of these homestay villages are very much associated with the peripheral community who are involed with the fishing industry. Therefore, the existence of these homestay villages promotes the state as well as preserves the culture and traditional lifestyle of coastal villagers in Terengganu.

# 1.2. Private Lodging Houses in Terengganu

Terengganu can be considered as one of the major tourist attractions in Malaysia. Located on the East Coast of Peninsular Malaysia, Terengganu is known for its coastal beauty and Malay heritage (Halim et al., 2012). More than two million tourists visited Terengganu in 2008, 2.8 million in 2009 and 3.5 million tourists in 2010 (Terengganu Department of Tourism, 2011). In addition, the state government has recognized tourism as the second most important economic sector after oil and gas (Terengganu State Economic Planning, 2008). In sustaining the industry, the state authority needs to ensure that the quality of tourism products and services, particularly the accommodation, is suitable for the comfort of tourists (Othman et al., 2010).

Although private lodging activities have existed for many years in Malaysia, including Terengganu, there is currently no specific regulation to control the industry, in respect of either the registration of the properties or the taxable income received from operating the rental houses. In the past, most lodging houses were commonly meant for individuals or families paying weekly or monthly rental. However, increased demand from local tourists who are after cheaper accommodation with facilities, such as cooking and laundry, rather than expensive hotels, has fuelled the growth of private lodging houses in Malaysia. In addition, loose regulations relating to declaring income from this activity has even motivated these entrepreneurs to operate their lodging houses.

In the early days, most of the private lodging houses targeting travelling lodgers bore names, such as 'rumah rehat' and 'rumah tumpangan', being analogous to rest house or guest house in English. However, in recent years many of these operators seem to be inclined towards using 'homestay' in the names of their rental properties (Samad, 2011). One main explanation could be to distinguish houses for people renting on a monthly basis and those targeting travelling lodgers. Regardless of the motive, their marketing activities have caused misunderstanding concerning the actual intended meaning of homestay terminology as well as potentially jeopardizing the actual homestay industry. For example, in 2011, the Association of Johor Homestay urged the MOTOUR to enforce strict rules on the inappropriate use of homestay or 'inap desa' terminology (Samad, 2011). Recent actions by the pertinent authority seem to be in the right direction with the first reported formal action by the Ministry of Tourism, Culture and Nature of Sabah in advising 28 private lodging operators to change the name of their lodging houses (Bernama, 2012). Nevertheless, continuous monitoring and enforcement is still required to avoid more detrimental consequences to the industry.

# 2. THEORY AND HYPOTHESES

# 2.1. Research Model

Driven by the objective to understand the key factors that lead entrepreneurs of private lodging to use homestay terminology in the names of their properties, a survey utilizing the Theory of Planned Behaviour (TPB) by Ajzen (1991) was conducted of related entrepreneurs in Kuala Terengganu and the surrounding areas.

The literature on behaviour generally suggests that people form an intention before pursuing a particular behaviour. Apart from merely an intention, many other factors lead to the materialization of such behaviour including attitudes, subjective norms, perceived behavioural control and desire. The Theory of Reasoned Action (Ajzen and Fishbein, 1977) has achieved due recognition as a fundamental model for explaining social action. Developments and critiques of the theory have led to many improved models including the TPB and Theory of Trying (Bagozzi and Warshaw, 1990).

The Theory of Planned Behaviour addresses the volitional issue in the TRA model that is only behaviours that a person is able and intends to perform, and whose execution no factors prevent can be explained by the TRA model (Ajzen, 1991). The TPB introduces 'perceived behavioural control' as an additional antecedent to the intention in explaining behaviours not completely under volitional control. Here, it suggests that there are internal and external forces that lead individuals to perceive how easy or difficult the performance of the behaviour is likely to be (Ajzen and Madden, 1986). Despite its long inception, the TPB is still widely used in much behavioural research. Some recent empirical studies utilizing the TPB in the use of technologies include the intention to use Internet banking (Shih and Fang 2004), learning technology (Teo and Lee, 2010) and continued use of e-service (Kang, Hong, and Lee, 2009). Similarly, the TPB has been successfully applied in behavioural studies not related to technology use such as knowledge sharing (Lin and Lee, 2004), binge-driving (Cooke, Sniehotta, and Schuz, 2007), and cannabis use (Conner and McMillan, 1999).

As illustrated in Figure 1, we have introduced regret in the TPB model as an additional independent variable of the continuance intention. Sandberg and Conner (2008) argued that regret can be anticipated pre-behaviourally to avoid the experience of possible negative emotions from not acting upon an act. However, in our research model, regret from using the homestay terminology was chosen instead of anticipated regret since we assumed that most private lodging operators were intentionally using the homestay terminology to boost visits to their properties. We also omitted the 'actual behaviour' variable of the original TPB model in our research model due to the issue of measurement. Unlike the use of physical objects or services, such as computers and Internet banking, which can be measured by the frequency of use, the extent of actual use of homestay terminology can be either yes/no or have/have not. Furthermore, the research participants were those who have been using homestay in the names of their private lodging properties, and as such, the actual behaviour aspect had already been captured. Instead, we opted for continuance intention as the ultimate dependent variable that could describe the future behaviour, and, at the same time, address the research objective. Further, both subjective norm and perceived behavioural control were kept in the model as they were believed to play an important role in explaining the behaviour of interest.

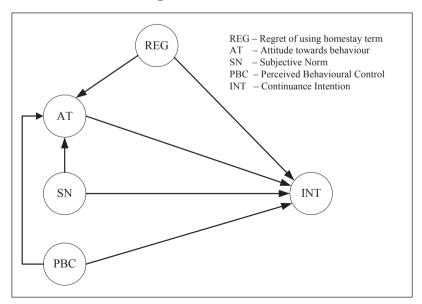


Figure 1: Research Model

# 2.2. Hypothesis Development

Attitudinal beliefs, which are normally the result of being exposed or using a particular tool or innovation, are understood to shape users' attitudes thereto. Such experience may stem from many forms, such as users' perceived ease of use, perceived usefulness, cognitive responses and satisfaction. For example, Chen and Wells (1999) asked users to explore selected websites and provide their responses related to their liking or disliking of the sites. In the continued adoption of new technology, perceived ease of use and usefulness were found to be determinants of attitudes (Karahanna, Straub, and Chervany, 1999: Venkatesh and Morris, 2000). Many adopters might initially be driven by mandatory pressure but may discontinue the use thereof in a later stage (Hossain and Quaddus, 2011). Therefore, satisfaction can significantly influence postadoption attitude (Bhattacherjee, 2001). Nevertheless, as the context of our study is related to an unethical behaviour, we believed that regret would be a key determinant of attitude.

Regret can be defined as a negative, cognitively based emotion that we experience when realizing or imagining that our present situation would have been better had we acted differently (Zeelenberg, 1999, p. 325). Among the negative emotions, regret was found to be the most valued by people as compared to guilt, fear, shame and the like (Saffrey, Summerville, and Roese, 2008). Regret can also be seen as the opposite of satisfaction, and, normally arises during the post-implementation stage of using a technology, as an indication that users confirm/ disconfirm the expected benefits from using it. In this manner, we expected that private lodging operators with low regret would be more likely to continue using homestay terminology and have a positive attitude towards it. Hence, we formed the following hypotheses:

- $H_{1_2}$ : Regret is negatively related to attitude.
- $H_{lb}^{la}$ : Regret is negatively related to continuance intention.

In the context of this study, attitude can be defined as the predisposition to respond favourably or unfavourably towards using homestay terminology in the names of private lodging houses as a result of having been using it for a period of time. The more positive an attitude towards the behaviour in question, the more likely the person will form a strong intention to continue the behaviour. Responding positively towards the use of the technology is also the result of users confirming the expected results or benefits from using it (Bhattacherjee, 2001), hence our next hypothesis is:

H<sub>2</sub>: Attitude is positively related to continuance intention.

The subjective norm relates to an individual's perception of the social pressure to perform or not to perform the particular behaviour in question (Ajzen, 1991). In our context, the social pressure on private lodging operators may come from their peers, family members and even their competitors. Essentially, the more social pressure asserted on them, the more likely they will or intend to continue using the terminology in the names of their house. Hence, we hypothesize:

- $H_{3a}$ : Subjective norm is positively related to attitude.
- $H_{3b}^{a}$ : Subjective norm is positively related to continuance intention.

The relationship between perceived behavioural control and intention has always been hypothesized to be positive. Its normally employed meaning is perceived ease or difficulty of performing the behaviour and reflects past experience as well as anticipated impediments and obstacles (Ajzen, 1991). Accordingly, we hypothesize that the easier it is perceived by operators to use the terminology including due to sloppiness in the regulations, the more likely they will continue using homestay terminology. Thus, our next hypotheses are:

 $H_{4_0}$ : Perceived behavioural control is positively related to attitude.

 $H_{ab}^{Ta}$ : Perceived behavioural control is positively related to continuance intention.

#### 3. DATA AND METHODS

#### 3.1. Unit of Analysis and Data Collection

The unit of analysis in our study was owner-operators of small private lodging houses in the capital city of Terengganu, Malaysia. The study population was difficult to gather due to the lack of a registered directory. As a result, we used the purposive sampling method to identify potential respondents. Trained enumerators were hired to administer the survey questionnaire to the owner-operators of these lodging houses. Whenever possible, we would ask for survey participation from the owners by face-to-face meetings, while interviews over the phone were only taken when necessary. As a result of the survey, which was conducted in an 8-week period in early 2012, we gathered 132 responses from the nearly 250 operators who had been contacted at the outset. Although some had missing answers, none of the responses was rejected; hence, all 132 responses were used in the analysis. The descriptive characteristics of the sample are shown in Table 1. In short, the majority of the respondents can be considered as new 'users' of the homestay terminology (N=104), and the majority of them were operating 1 to 2 lodging houses (N=93). Interestingly, 24 respondents were operating 4 or more lodging houses which might be an indication that private lodging is a major source of income. Of 132 respondents, only 8 were living in the same property being rented to lodgers. These 8 respondents might either be true registered homestay operators or they were merely providing separate sections in their properties for lodgers to stay.

Years of using homestay	Ν	Number of lodging houses	Ν	Owners live in	Ν
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 away	41
> 20 years	0	4 or more	24	separate rented house	3
Missing	2	Missing	3	Missing	2
Total	132		132		132

Table 1: Description of Samples

# 3.2. Construct Operationalization

Attempts to use existing measures of TPB were taken by studying research of a similar nature. In defining the measures of each construct, a thorough procedure was followed to ensure the reliability and validity of the survey instrument. We developed all of our measures based on the relevant literature. Some of the measures were adapted from existing studies to suit the context of our study. Since most of the measures have been empirically validated, we did not pre-test our questionnaire prior to the survey administration. Table 2 indicates the measures of the variables used in our study. All of the measures were based on a 7-point Likert scale (1 denoting strongly disagree and 7 strongly agree) and a 7-point bipolar semantic differential scale.

Items	Definition/Statements				
Regret	Users' feeling sorry about using 'homestay' terminology.				
REG1	I feel sorry about using 'homestay' terminology in my lodging house's name.				
REG2	I regret using 'homestay' terminology in my lodging house's name.				
REG3	I should have chosen other alternative names.				
Attitude towards	The predisposition to respond in a favourable or unfavourable manner				
Behaviour	to using 'homestay' terminology.				
AT1	Using 'homestay' terminology is a wise idea.				
AT2	Using 'homestay' terminology is valuable.				
AT3	Using 'homestay'terminology is beneficial.				
AT4	Using 'homestay' terminology is important.				
Subjective Norm	The perceived social pressure to use or not to use homestay terminology.				
SN1	People important to me supported my use of 'homestay' terminology.				
SN2	People who influence my behaviour wanted me to use 'homestay' terminology.				
SN3	People whose opinions I valued preferred that I use 'homestay' terminology.				
SN4	People who I seek advice from are comfortable with me using 'homestay' terminology.				
Perceived	Users' perception of ease or difficulty in using 'homestay' terminology.				
Behavioural Control					
PBC1	I would be able to use 'homestay' terminology.				
PBC2	Using 'homestay' terminology is entirely within my control.				
PBC3	Using 'homestay' terminology is my choice.				
PBC4	I have the right to use 'homestay' terminology.				

 Table 2: Item Measures

Items	Definition/Statements
Continuance Intention	Users' intention to continue using 'homestay' terminology.
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 INT4	If I could, I would like to use the word 'homestay' for as long as possible. Continue using the word 'homestay' is a wise decision.

 Table 2: Item Measures (cont)

### 4. FINDINGS

The data analysis used in the study was the Partial Least Squares (PLS). This method is widely used in the field of consumer research where pre-identified variables are regressed against each other to evaluate any possible relationships. In addition, it is suitable to test complex models when only a small amount of data has been gathered (Tenenhaus, 2008). The specific PLS tool used was SmartPLS (Ringle et al., 2005).

## 4.1. Reliability and Validity

Confirmatory factor analysis of the PLS produced acceptable loadings with the minimum being PBC4 with 0.65 loading; thus, all the items were retained for further analysis. Since no item was discarded, the same PLS algorithm of 300 maximum iterations, standardized values and centroid weighting scheme was used to obtain path coefficients of each relationship in the model. Table 3 provides the descriptive results on each item as well as the model's convergent validity.

Most notably, from Table 3, it is evident that many respondents did not regret using the homestay terminology and they would likely continue using it in the future. Further, the research model demonstrates a strong convergent validity as the latent constructs with reflective items have high composite reliability (CR) and Cronbach's alpha, all of which are greater than 0.70 (Hair et al., 2006).

		1		e	~	
	Mean	S.D.	Loading	CR	AVE	Alpha
REG				0.9368	0.8319	0.8988
REG1	2.0379	1.080	0.9144			
REG2	1.9470	1.114	0.9370			
REG3	2.1894	1.199	0.8841			

Table 3: Descriptive of Items and Convergent Validity

	Mean	S.D.	Loading	CR	AVE	Alpha
AT				0.8828	0.6536	0.8249
AT1	5.9318	0.982	0.7741			
AT2	5.8030	1.044	0.8130			
AT3	5.5833	1.092	0.8536			
AT4	5.5076	1.129	0.7909			
SN				0.9028	0.6991	0.8569
SN1	5.4545	0.952	0.8117			
SN2	5.4167	0.973	0.8611			
SN3	5.4242	1.199	0.8242			
SN4	5.4318	1.224	0.8468			
PBC				0.8671	0.6233	0.8056
PBC1	5.9242	1.150	0.8705			
PBC2	5.4621	1.269	0.7432			
PBC3	6.0000	1.112	0.8728			
PBC4	5.6970	1.248	0.6490			
INT				0.9122	0.7229	0.8702
INT1	5.7652	1.097	0.7537			
INT2	5.7424	1.239	0.9146			
INT3	5.9394	1.138	0.8579			
INT4	5.9015	1.158	0.8666			

Table 3: Descriptive of Items and Convergent Validity (cont)

Discriminant validity was assessed to demonstrate that each construct is distinct from each other. As shown in Table 4, the square roots of all the average variance extracted (AVE) are greater than the inter-construct correlations; as such, discriminant validity was reliably achieved (Chin, 1998).

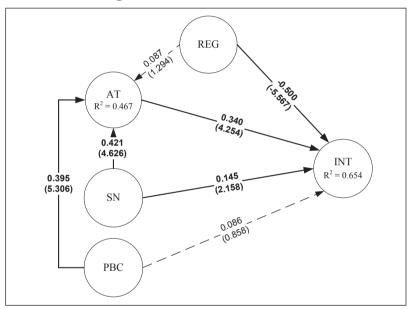
Table 4. Discriminant valuety						
	REG	AT	SN	PBC	INT	
REG	.9121*					
AT	2177	.8084				
SN	2449	.6121	.8361			
PBC	5098	.5768	.5371	.7895		
INT	6528	.5872	.5216	.6144	.8502	

Table 4: Discriminant Validity

Note: \*Diagonal elements are square roots of AVE.

#### 4.2. Structural Model

Using the bootstrapping technique with 300 re-samples, a test on the structural model was performed to assess the effect of each relationship, thus testing the stipulated hypotheses. As can be seen in Figure 2 and Table 5, the variances of the endogenous variables of attitude and intention are 0.47 and 0.65, respectively. It also shows that only two paths are not significant; these are represented by dotted lines in Figure 2. Hence, both H1a and H4b are not supported. Our results also indicate that continuance intention can be explained by attitude, regret and subjective norm; in which the strongest effect comes from regret with a path coefficient of -0.50. In addition, attitude towards using homestay terminology can be predicted by the subjective norm and perceived behavioural control but not regret.



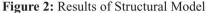


Table 5: Summary of the Structural Model

Path	Hypothesis	Path Coefficient	t-value	Results
REG→ AT	H1a	0.087	1.294	Not supported
$\text{REG} \rightarrow \text{INT}$	H1b	-0.500	-5.567*	Supported
$AT \rightarrow INT$	H2	0.340	4.254*	Supported
$SN \rightarrow AT$	H3a	0.421	4.626*	Supported
$SN \rightarrow INT$	H3b	0.145	2.158*	Supported
$PBC \rightarrow AT$	H4a	0.395	5.306*	Supported
$PBC \rightarrow INT$	H4b	0.086	0.858	Not supported

# 4.3. Model Fit

The research model explains 65% of the variance in the intention to continue using homestay terminology by private lodging operators in Kuala Terengganu. Therefore, our research model provides a reasonable prediction of the behaviour. Additionally, the model fit was assessed through obtaining cv-communality (H<sup>2</sup>) and cv-redundancy (Q<sup>2</sup>) by running a blindfolding procedure. The results in Table 6 show that the research model having better a measurement model (H<sup>2</sup> = 0.7065) than the structural model (Q<sup>2</sup> = 0.5852). As indicated by Chin (1998), a Q<sup>2</sup> value of greater than zero has predictive relevance, so a Q<sup>2</sup> of 0.58 is considered far greater than this heuristic. In addition, the goodness of fit measure is high at 0.6262, which can be interpreted as the research model exhibiting an acceptable fit and high predictive relevance.

		Structural Mode	del Model Qua		
Construct -	variance	communality	redundancy	$\mathrm{H}^2$	$Q^2$
REG	-	0.8319	_	0.8320ª	0.8302 <sup>b</sup>
AT	0.4667	0.6536	0.1873	0.6533	0.2916
SN	-	0.6992	-	0.6994	0.6778
PBC	-	0.6233	-	0.6241	0.6528
INT	0.6542	0.7229	0.2050	0.7235	0.4735
Average	0.5605	0.6996°	0.1962	0.7065	0.5852
<b>GoF</b> <sup>d</sup>	0.6262				

Table	6:	Model	Fit	Statistics
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*Notes:* a = cv-communality, b = cv-redundancy, c = computed as a weighted average of the different communalities with the weights being the number of manifest variables per construct (Guenzi, et al. 2009, p.306; Tenenhaus, et al., 2005 p.180), d = GoF equals  $\sqrt{[(average communality) x (average R^2)]}$ .

# 4.4. Discussions on Findings

The research model used in this study has a goodness of fit of 62%, and it can explain 65% of the variance in the intention to continue using the homestay terminology in the names of private lodging houses. This result affirms that the TPB can be used in explaining the intention to continue using homestay terminology despite it being commonly used in predicting uses of new technologies and applications. In our research setting, the variance explained 65%, which can be considered high in comparison to non-technology use behavioural studies, such as Cooke et al. (2007), which only explained 33% for variance of binge-drinking intention; however, it is less than the 71% variance explained in the cannabis use intention (Conner and McMillan, 1999).

For the hypothesized antecedents of continuance intention, regret was found to be the strongest determinant followed by attitude and subjective norm with path coefficients of -0.50, 0.34 and 0.15, respectively. Here, regret, which is not an original construct of the TPB, was superior to

the other constructs. Therefore, when laws relating to the misuse of the homestay terminology are not present, not regretting the action is a more important determinant of its continuance than the attitude towards it and the subjective norm. In particular, many of these entrepreneurs are very much inclined to further use the terminology because of the lack of feeling guilty and regret from their actions. This finding is consistent with the view that regret makes a significant contribution to the prediction of intentions, over and above the original TPB variables (Sandberg and Conner, 2008).

In this study, perceived behavioural control can be viewed as the perceived easiness of continuing to use the homestay terminology, which later contributes to the attitude towards it being formed. Although it was not found to have a direct relationship with continuance intention, its effect on attitude was very significant. Therefore, future studies resembling our context might use a mediated relationship instead of a direct one. In addition, the subjective norm was equally significant in affecting attitude, albeit its relationship with intention was found to be partially mediated.

## 5. CONCLUSION

This study attempted to determine the key motives of private lodging entrepreneurs to continue using the homestay terminology in the names of their lodging houses by utilizing the theory of planned behaviour. Regret, as an additional variable to the model, was found to significantly predict the continuance intention. In short, the research model has satisfactorily explained the ultimate dependent variable with more than 65% variance being explained. In addition, among the seven hypothesized relationships, only two were not supported from the findings.

For pragmatic considerations, in as much as most of the respondents in our study were not regretful of their actions, the related authorities might use rules and regulations to penalise and deter the opportunistic use of the homestay terminology. In addition, these private lodging operators can be seen as 'morally blind' because of following what others are doing. Therefore, increasing the awareness among them and the public can mitigate this problem and at the same time avoid misunderstanding of the actual homestay industry. Through well-planned measures, the actual homestay industry can be protected, while, at the same the ability of individuals to seek to seek income from renting out rooms is not jeopardized.

The research setting for the study was a 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 nation. Nevertheless, Terengganu is one of the popular tourist destinations in Malaysia, and, as such, the selection of its capital city in our study was justified to provide a glimpse of the phenomenon. Furthermore, we also suggest that future research studying the effect of the moral norm in a similar research setting should use the descriptive norm instead of the subjective norm to examine the possible effects of being morally blind. Finally, the study's findings were based on a modest sample size of 132 responses. Future research may verify the findings of this study by employing a larger sample and use a more robust analysis such as co-variance structural equation modelling.

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