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# Night Markets: A Bigger Role to Play in Tourism

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Introduction

Night markets offer unique cultural and life experiences to visitors, including international tourists. They are considered one of the main attractions in many countries, particularly in Asian economies such as Malaysia. This is primarily due to several reasons, including socialising needs, understanding new places and cultures, the inclusion of new types of products, and obtaining authentic experiences in individual countries<sup>1</sup>. Besides, night markets also allow easier bargaining opportunities and offer a wide variety of choices at mostly affordable prices.

Historically, night markets in Malaysia have existed since preindependence times, albeit limited in number. Back in the 1960s, night markets were mostly found in city centres and tourist hotspots like Kuala Lumpur (KL) and Selangor. Views are short opinion pieces by the author(s) to encourage the exchange of ideas on current issues. They may not necessarily represent the official views of KRI. All errors remain the authors' own.

This view was prepared by Nur Sofea Hasmira Azahar, a researcher from the Khazanah Research Institute (KRI). The author is grateful for the valuable comments from Dr Mohd Amirul Rafiq Abu Rahim

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<sup>&</sup>lt;sup>1</sup> Kalnaovakul and Promsivapallop (2021)

Currently, rapid urbanisation coupled with supportive policies and initiatives have resulted in the expansion of night market businesses in the country<sup>2</sup>—the sector already accounts for the largest share of informal businesses, at least in KL (34%).

Table 1: Number and share of hawkers in Kuala Lumpur, by type of license

Type of license	Number	Share (%)
Temporary permit	211	0.7%
Private hawker centre	313	1.0%
Restricted time	322	1.1%
Others*	525	1.7%
Late-night bazaar	603	2.0%
DBKL hawker centre	2,101	6.9%
Open market	3,074	10.0%
Roadside stalls	3,890	12.7%
KL Madani temporary license	4,099	13.4%
Market with buildings	5,111	16.7%
Night market	10,401	33.9%
TOTAL	30,650	100.0%

Source: DBKL (n.d.)

## The untapped tourism potential of night markets

Although tourists have played a role in the development of night markets, few studies have explored their significance as a potential driver of international tourism. In particular, how much do night markets contribute to the tourism sector? In the attempt to investigate this further, the latest statistics have shown a substantial rise in tourist arrivals to the country as Malaysia recovered from the Covid-19 pandemic. For instance, between 2022 and 2024, tourist arrivals increased by an average of approximately 7.5 million (Figure 1), after a major slowdown in arrivals in 2021 due to the movement control order (MCO) and the closure of the country's borders.

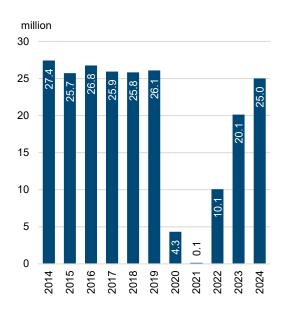
Moreover, international research indicated that some of the popular keyword searches among tourists on destination websites often include "shopping" and "culinary experiences"<sup>3</sup>. This trend closely aligns with Malaysia's tourism landscape, where the top three categories of tourism expenditure are shopping, accommodation, and food and beverages (Figure 2). Based on these developments, night markets could be one contributor to spending on food and beverages, as well as shopping.

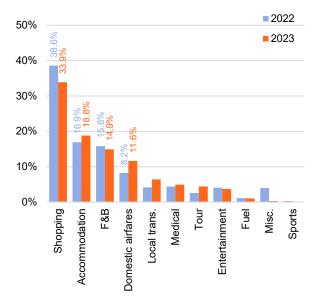
<sup>&</sup>lt;sup>2</sup> KRI (2025)

<sup>&</sup>lt;sup>3</sup> Wahyuningrum, Oktavilia, and Utami (2020)

Figure 1: Tourist arrivals in Malaysia, annual

Figure 2: Breakdown of tourist receipts in Malaysia, annual





Source: CEIC, Tourism Malaysia

As highlighted in our discussion paper<sup>4</sup>, lessons can be learned from a case study on the *Lorong Tuanku Abdul Rahman* (TAR) night market—a prominent urban night market that is frequently visited by locals as well as tourists. The study discovered that this particular night market is enabled by a set of factors, such as the host surroundings and the place where it operates, or in other words, space availability must be complemented with a strategic location<sup>5</sup>.

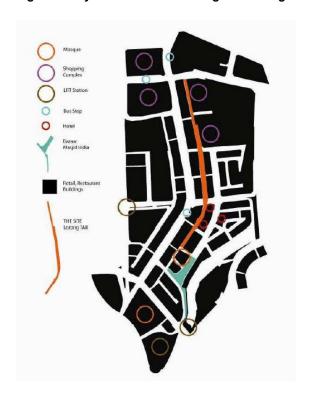
This then means that several aspects must be considered in the planning of night market establishments that are intended to attract visitors beyond the locals. These include accessibility to public transportation like Light Rail Transit (LRT), Mass Rapid Transit (MRT), and buses, parking facilities, and supporting facilities like accommodations (e.g., hotels), toilets, and prayer rooms to accommodate different needs and requirements. These are crucial not only for the consumers but also for the vendors who need to transport their goods to the night market premises.

For example, the success of Lorong TAR night market can be attributed to its proximity to major attractions like Petaling Street, *Dataran Merdeka*, *Masjid Jamek*, Central Market, and shopping malls (Figure 3). Furthermore, the ample number of parking facilities within nearby shopping complexes, alongside accessible public transportation, has enhanced visitors' convenience and supports hawkers in conducting their businesses smoothly.

<sup>4</sup> KRI (2025)

<sup>&</sup>lt;sup>5</sup> Zakariya and Ware (2010)

Figure 3: Layout of the surroundings of Lorong Tar night market







Source: Zakariya and Ware (2010)

This is just one notable example among many night markets. Across Malaysia, pockets of efforts have surfaced to promote tourism through night markets. For example, in Selangor, the state government has proposed improving night markets as part of tourism development by reviewing their locations and layout<sup>6</sup>. One such initiative involved the night market in Taman Sri Muda, Shah Alam, which was identified for its potential as a tourist attraction due to its diverse range of products, accessibility via public transport, and rich multicultural character<sup>7</sup>. Similarly, in Kota Kinabalu, Sabah, there have been initiatives to expand night markets as part of the strategies to attract more tourists to the city<sup>8</sup>.

These examples reflect increasing efforts by state authorities to integrate night markets into tourism planning. They also suggest that the thriving of night markets is dependent on strategic planning or layout to ensure several benefits like convenience and accessibility, not only for the hawkers, but also for the visitors. As such, this indicates that there is still room to explore and tap into this area of opportunity.

At the same time, the overall experience offered to the consumers also matters. A study on three tourist-oriented night markets in Taiwan found that factors such as attractive pricing and good-tasting food were key reasons tourists chose to return<sup>9</sup>. Furthermore, this qualitative study also

<sup>&</sup>lt;sup>6</sup> Priya and Wahab (2023)

<sup>&</sup>lt;sup>7</sup> Abd Aziz and Lye (2011)

<sup>8</sup> Sabah Media (2023)

<sup>&</sup>lt;sup>9</sup> Kuo, Chung, and Kuo (2012)

revealed that each night market displays its own distinct characteristics that appeal to different segments of tourists. For example, Garden Night Market attracted visitors because of its unique and flavourful snacks, and friendliness of its vendors; Fong-Chia Night Market stood out for its creative merchandise and innovative food offerings; and Shih-Lin Night Market was ranked the most popular among young visitors due to its vibrant atmosphere and trendy product selection for this age group<sup>10</sup>. This implies that the variety of selections at different night markets can significantly influence tourists' preferences and loyalty, as different markets cater to diverse tastes, interests, and demographic profiles.

### **Concluding thoughts**

While night markets are deeply embedded in Malaysian culture and social life, their potential as a driver of economic growth remains under-recognised. Despite their widespread and longstanding presence, they are often overlooked in formal discussions of national development and tourism strategy. As such, greater acknowledgement and support are needed to elevate night markets beyond their traditional role, positioning them as key contributors to the national economy. If not, we risk sidelining a key component of the informal economy, missing opportunities to uplift microentrepreneurs, and losing a cultural asset that strengthens community ties, as well as attracts both local and international visitors.

One viable pathway is unlocking the potential of night markets through tourism which already contributed about 15% to Malaysia's gross domestic product (GDP) in 2023<sup>11</sup>. Countries like Taiwan have successfully leveraged their night markets as iconic tourist attractions, generating substantial economic benefits. Malaysia could adopt a similar approach by investing in infrastructure upgrades, improving vendor quality, and promoting certain night markets with unique characteristics to represent multiracial Malaysia as cultural and culinary destinations. Perhaps, these efforts could be strategically aligned with Visit Malaysia 2026, which celebrates the richness of Malaysian culture, and supported through the Budget 2025 allocation of RM550 million for the tourism sector. By uplifting the status of night markets, it could eventually create a multiplier effect that extends beyond tourism, spurring job creation and stimulating growth beyond tourism, including hospitality, transportation, and food industries.

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<sup>&</sup>lt;sup>10</sup> Ibid.

<sup>&</sup>lt;sup>11</sup> DOSM (2024)

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