

Introducing Shariah Compliant Hotels as a New Tourism Product: The Case of Malaysia

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Abstract

This paper is concerned with the concept of Shariah compliant hotels which are introduced to attract a growing Muslim travelers market. Major attributes of Shariah compliant hotels are investigated based on the available literature and secondary data. The concept of Shariah compliant hotels should be clearly defined and it is suggested that the relevant stakeholders to play important roles in contributing to the understanding of such concept. The idea of setting up of Shariah compliant hotel is very interesting indeed considering the growing population of Muslim travelers. In the case of Malaysia, the concept of Shariah compliant hotel is yet to be explored and warranted further investigation. It is recommended that the setting up of Shariah compliant hotels to be promoted aggressively to stimulate the tourism industry which may be cater to the growing Islamic market especially from the Middle East region.

Keywords: Shariah Compliant Hotels, Malaysia, Tourism Industry, Islamic Tourism

Introduction

According to Pew Research center, Muslim population is expected to be increased from 1.6 billion in 2010 to 2.2 billion by 2030 or an increase from 23.4 percent to 26.4 percent of total world population (Economist, 2011). The increase number of Muslim population globally is contributing to the new tourism trend which increasing tourism between Islamic countries, developing new tourist destinations and offering more tourism products according to Islamic requirements (Dabrowska, 2004). The growth of Muslim traveler markets contributes to the rise of Islamic tourism which has drawn much attention and growing interest by researchers. Due to increasing number of Muslim tourists, it is very important for destination marketers to develop tourism products based Islamic religious requirements (Battour, Ismail and Battour 2010). Shariah compliant hotels are one the products which may be developed to cater to this growing market. Therefore, this paper investigates the concept of Shariah compliant hotels derived from a review of limited journal articles and printed electronic media materials. It is hoped that this paper will give some useful ideals for more extensive research in this area particularly in Islamic tourism given the size and the growth of Islamic population.

Malaysia's Tourism Industry

The tourism industry is recognized as one of the major industries Malaysia in providing foreign exchange earnings and giving employment to the people. Recognized by the government as the second largest foreign exchange earner after manufacturing, the industry is promoted aggressively to the global market. The latest figure provided by the Tourism Malaysia's website indicates that the number of tourist arrivals to the country is increasing yearly as well as the total tourist receipts (Tourism Malaysia, 2010). For example, for the year 2009, tourism contributed 20.6 million tourist arrivals, an increase of 7.2% compared to the previous year. The latest tourist receipts registered for 2009 was over RM53 billion, an

increase of 8% compared to the same period in 2008. This significant economic contribution of the industry to the country has resulted in the government to recognize the fully importance of the industry and to make Malaysia one of the largest tourism marketplaces in the region (Nair and Whitelaw, 2008).

Based on the 10th Malaysia plan, the country is targeted to be among the top ten of the world largest global tourism receipts in 2015. In year 2015, it is projected that the industry's contribution to GDP to increase 2.1 times contributing RM115 billion in terms of receipts and providing employment for 2.7 million job opportunities. To achieve the target, the Ministry of Tourism has developed a strategic transformation plan towards year 2020 where the country is targeted to become a fully develop country. Based on that transformation plan, the tourism industry is expected to achieve a target of 36 million tourist arrivals and RM168 billion in tourism receipts. In the transformation plan, the ministry has identified several key areas to focus on which to provide affordable luxury accommodation, to create family fun activities, to organize more events and entertainments, to create nature adventure products and to provide more facilities for business tourism.

Malaysia's tourism offers many products ranging from natural attractions such as white sandy beaches and national parks to world class shopping destinations. The country's tourism products diversification contributes to the strength of the industry and its current promotion tag line 'Malaysia, Truly Asia' which represents all major civilizations in Asia (Malays, Chinese and Indians) is one of its major unique selling points in promoting multiculturalism and cultural diversity as one of the successful tourism products (Hamzah, 2004).

In order to boost tourists' arrivals and earnings from tourism, Malaysia's tourism is targeting more tourists from the Middle East regions such as from Saudi Arabia, UAE and Iran as well as from other Islamic countries such as Indonesia and Brunei. As a result, tourist arrivals from that region have been growing from year to year. It is reported that the Middle East tourist arrivals to Malaysia grew by 7.8 percent from 245,302 arrivals in 2007 to 246,338 arrivals in 2008 (Tourism Malaysia, 2012). Arrivals from Saudi Arabia, United Arab Emirates (UAE) and Iran rose from 143,683 in 2007 to 172,241 arrivals in 2008, a 20.2 per cent growth. According to Ng Yeng Yeng, Malaysia's Minister of Tourism, many facilities are planned for the convenience of Middle East tourists such as welcome announcement and written messages in Arabic at Kuala Lumpur International Airport (KLIA) and hotel and restaurant providing halal food (Tourism Today, 2011).

Islamic Tourism in Malaysia

Based on the abovementioned background, it is very timely for Malaysia to developed Islamic tourism more seriously to cater to the Islamic market. The tourism activities among Muslim countries should be promoted so that at the same time there will be cooperation between Muslim countries in terms of economy, social and cultural development. The meaning of Islamic in the context of tourism is first, the revival of Islamic cultures and the spread of Islamic values; second, economic benefit for Islamic societies; and third, the strengthening of Islamic self confidence, identity and beliefs in the face of negative stereotyping in comparison to other cultures and lifestyles (Al Hamarneh and Steiner 2004). Introducing the Shariah compliant hotel is one of the many ways to stimulate the Islamic tourism and Malaysia should be at the forefront in introducing such concept. Recognised as a progressive Islamic country, Malaysia should aggressively promote Islamic tourism by introducing the Shariah compliant hotel. The Shariah compliant hotel concept gains recognition throughout the Middle East region especially in Saudi Arabia where most hotels are operated according to an Islamic legal framework (Rosenberg and Choufany, 2009).

Nevertheless, in the case of Malaysia, the concept of Shariah compliant hotel is yet to be explored and warranted further investigation. Despite Malaysia is recognized as one of the modern Islamic countries, operating a Shariah compliant hotel here is still a novel idea. However, De Palma Ampang, a hotel

owned by state of Selangor claims that it is a fully syariah compliant hotel. This hotel is open for both Muslim markets as well as Non Muslim, local and international visitors. The examples of Islamic conducts currently being practiced by the hotel are Islamic dress code policy for Muslim female staff, larger prayer halls, full time imam and religious teachers services, and wholly Islamic floor with appropriate facilities. Other than that, the hotel also does not serve alcoholic drinks and fully serve halal food certified by local Islamic religious council, the hotel also offers meeting packages that provide zam-zam drink, dates and raisin as snacks. Meeting rooms are also provided with dua' and hadith prayer books for participants. The amenities offered are in line with the Islamic tradition and from the sunnah of the Prophet Muhammad s.a.w. By offering such amenities, this hotel provides alternative for Muslim travelers to relax their minds and the same time learn how to reflect and strengthen their faith. For Non Muslims, it is a viable alternative to seek new experience by staying at a hotel which does not serve alcoholic drinks and lead to a healthy lifestyles.

The Concept of Shariah Compliant Hotel

There are specific criterias for hotel sector to be complied with in order to qualify for a Shariah compliant hotel. For example, a Shariah compliant hotel does not serve alcoholic beverages and serve only halal food. However, there are also other requirements to be strictly observed such as the hotel must have separate entrance for women, separate recreational facilities such as swimming pool and fitness center for separate genders. In addition, a Shariah compliant hotel also is required to pay zakat in due time and the sources of its financial assistance is from Shariah compliant banking system alone. In short, Shariah compliant hotels and their operation must reflect the Shariah values. However, there is misconception among public to believe that a hotel is a Shariah compliant hotel if it does not serve alcohol beverages and serve halal food. It is not that simple.

As previously mentioned, the Shariah compliant hotels must follow the overall Islamic values which include from sources of capital to their daily operation. It is necessary to rectify the misconception a by establishing a certificate of Shariah compliant hotels produced by government body such JAKIM in the case of Malaysia. The growth of Islamic products therefore is not limited only to halal food and banking system but also can be extended to other hospitality products such as hotels. However, there is a question of the acceptance among non Muslims on this Shariah compliant hotel. Due to the unfavorable images among Non Muslim towards Islamic countries such as being extremism in terms of punishment and violating women rights, it is a challenge for marketing this product to a wider market. However, there are certain policies which may attract certain markets to patronize Shariah compliant hotels. For example, alcohol drinks prohibition within hotel property as well as non smoking policies may promote healthy lifestyles among hotel guests. These policies may be used as a unique selling proposition to convince a broad market segment.

Shariah compliant hotels are guided by the Islamic law, the precepts of which are founded upon the Qur'an, the Sunnah (the practices and sayings of Prophet Muhammad PBUH), and Fiqh (jurisprudence, the opinion of Muslim legal scholars). According to Henderson (2010), the industry practitioners and analyst have comes out with a set of Shariah compliant hotel attributes which are as follows (noted that these attributes have some modification from the authors):

- Must have prayer rooms either at the lobby or certain floor. The size of this room must be suitable enough to accommodate Muslim for congregation prayer at one time.
- No alcohol to be served or consumed on the premises.
- Halal food (slaughtered in the name of Allah and excluding all pork products and certain other items).
- Quran prayer mats and arrows indicating the direction of Mecca in every room.

- Beds and toilets positioned so as not to be face the direction of Mecca.
- Bidets in bathrooms to accommodate Muslim for ablution and any other activities related to religion.
- Appropriate entertainment (no nightclubs or adult television channels).
- Predominantly Muslim staff.
- Separate recreational facilities for men and women including swimming pool, gym, spa etc.
- All female floors for certain floor which separate them from floors for male and family.
- Guest dress code must be posted at the hotel entrance or lobby.
- Islamic funding (hotel financed through Islamic financial instruments).
- Art not depict human or animal form.
- Copied of Quran or Quran with translation in every hotel room.

Apart from these attributes suggested by Henderson (2010), the author has suggested numerous attributes need to be addressed in regards to Shariah compliant hotel are as follows:

- Islamic staff dress code requirements.

A man must always be covered in loose and unrevealing clothing from his navel to his knee (this is the absolute minimum covering required). While, a Muslim woman must at least cover her hair and body in loose and unrevealing clothing, obscuring the details of her body from the public. The wisdom behind this dress code is to minimize sexual enticement and degradation in society as much as possible for both men and women. Obeying this dress code is a form of obedience to God. Islam forbids any sex appeal and physical allurements outside of marriage. In contrast, Islam encourages sex appeal and physical attraction for both men and women within the privacy between married couples.

- Printed prayer schedule in every hotel room. This schedule must be regularly updated (monthly or weekly) and must be from a legitimate Islamic religion council such as Islamic Development Department (JAKIM) or any state religion council.
- Music background such as Quran recitation or nasyid (the generic Malay term for Islamic religious songs) at the lobby, restaurant, elevators and public area. Nevertheless, such hotel wishing to play copyright music in public will generally require the consent (or licence) of the copyright owner before doing so. 'In public' means, broadly speaking, to an audience outside of his/her domestic or home circle. If such hotel does not obtain the required license they may risk infringing copyright.
- Akhlaq-trained staff. Akhlaq can be defined as a code of conduct for an Islamic way of life. The purpose of this spiritual training is to nourish and develop moral virtues among hotel staff. The akhlaq training must be implemented regularly in order to inculcate the innate quality fitra among hotel staff.
- Shop selling Islamic related products such as Islamic books, CDs, Islamic attire, halal food and beverages or any other products that can be deemed as Islamic.

In a nutshell, in order to be considered a Shariah compliant hotel, it should ensure that the whole hotel system starting from the operation, design of the hotel to the hotel financial system. The hotel must be in line with the Islamic rules and principles as outlined in the Quran, Hadith (the practices and sayings of Prophet Muhammad PBUH) and the opinion of Muslim legal scholars.

Conclusion

The concept of Shariah compliant hotel is very unique and it needs to be promoted not only towards the Muslim market but also non Muslim. However, the market needs to be clearly defined in order to effectively promote such product. There are various market segments for the hotel industry such as leisure travelers and business travelers. Both markets have their own needs and requirements when selecting a place to stay. For example, for Muslim travelers who travel with family may prefer to choose a hotel that does not have bar or lounge that serve alcoholic drinks and that serve completely halal foods.

Nevertheless, the concept of Shariah compliant hotel requires further explanation in terms of its definition and attributes. Many guest and hotel operators are expressing their concerns regarding Shariah compliant hotels especially in terms of standardization and what constitutes a Shariah compliant hotel. This ill defined concept of Shariah may lead to confusion and frustration among their important stakeholders such as hotel owners, managers and hotel guests. In the case of Malaysia, to expand the idea of setting up Shariah compliant hotel requires a team of religious advisors providing guidelines or set of manual for a hotel to be awarded as an Islamic hotel. With the well acceptance among Muslim and non Muslim towards the Islamic products such Islamic banking and Investment, it is hoped that such practices can be extended to the hotel sector as well with the rising demand of Islamic tourism.

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