

# Establishing Shariah-compliance hotel characteristics from a Muslim needs perspective

M.S.Nor Zafir

*Universiti Teknologi Malaysia, Skudai, Malaysia*

**ABSTRACT:** The purpose of this paper is to develop the characteristics of Shariah-compliance hotel (hereafter SCH) from the perspective of Muslim needs. SCH is the newly innovative services introduced by hotels to satisfy the Muslim travelers. Nonetheless, lack of study found in the current literature on SCH characteristics that has been developed base on Muslim needs and implementation of SCH. This study focuses on developing the model of SCH and issues or challenges implementing it. This is a preliminary study and uses in-depth, open-ended interviews through purposive sampling. Interviews were conducted with six experts in the hospitality industry and data were recorded, transcribed and categorized to understand the issues of implementing SCH. The difficulties to obtain Halal certificate and the absence of SCH standard affected the practice of SCH in Malaysia. Along with this, two Malaysian Standard (MS1900:2005 &MS1500:2004) have been identified as a tool to implement SCH.

**Key words:** Shariah compliant hotel, Muslim needs, Halal, Islamic hotel, qualitative.

## 1 INTRODUCTION

Halal revolution created high awareness and demand among Muslim to consume Halal products or Islamic services for example the Shariah-compliance hotel (hereafter SCH). SCH is a new innovative and creative services offered by hotels around the world (Nor et al., 2014). Recently, the existence of Islamic hospitality or Shariah hotel is mushrooming beyond Gulf countries to Asia (Tarrant, 2010). This development can be traced not limited to Malaysia and Indonesia where Muslim are the majority population but to the minority Muslim residents country such as Thailand, Philippine and China (Anonymous, 2011; Lee, 2010).

However, there is lack of comprehensive study found on Halal or Shariah compliance practices in Malaysian hospitality industry (Zailani, Omar & Kopeng, 2011). As such, this study will add significantly on the literature of Shariah-compliance hotel concept in Malaysia. The purpose of this paper are to develop the SCH characteristics based on daily Muslim requirements and to provide better understanding of SCH concept by exploring the issues and challenges in implementing it. This study adopted

purposive sampling technique and in-depth interviews with six experts of hotel industry including government officials, hoteliers and hotel associations that represent hotels industry in Malaysia. The first section will describe the Muslim tourists' needs, SCH development, SCH concept and its characteristics.

## 2 LITERATURE REVIEW

### *2.1 Determining the needs of Muslim travelers*

The needs of Muslim during travelling could be developed base on the Pillars of Islam and the Article of Iman. This is because a Muslim has to perform and belief on the Pillars of Islam and the Article of Iman otherwise it is a sin. As Islam is a way of life, a Muslim is required to perform the religious duties everywhere (Begg, 1997). For example, a Muslim traveler needs to perform his religious routine such as prayer (Salaah) five times a day and consume Halal food during travelling.

On the supply side perspective, hotels could provide Islamic services that comfort the Muslim trav-

elers to carry out their religious duties. For example, the hotel can put up sign on the direction of Mecca in the hotel room, offer prayer mat when checking-in, provide Halal food and information on prayer time (Hashim, Murphy, & Mohammad, 2006). In the view of some experts, the analysis of religious needs is vital for hotels to provide hotel services and create a winning marketing strategy (Delener, 1990; Nazlida & Mizerski, 2010; Weidenfeld, 2005). Thus, it is worthwhile for hotel managers to understand how Muslim should perform their religious routines in order to satisfy their needs during travelling. This knowledge will provide better understanding to the hotel managers on a new service that give greatest impact on potential Muslim travellers' choice. Table 1 presents the suggested hotel services based on Muslim travellers' needs.

Table 1. The hotel services, Muslim needs and related hotel function.

Routine	Hotel services	Hotel functions
<b>Solat Requirements:</b>		
Ablution or Wudu'	Shower hose or bidet in the toilet.	Room
Clean prayer place	Prayer mat on loan or prayer room.	Housekeeping
Covering body part or Awrah	Telekung or kain sarung or prayer cap on loan.	Housekeeping
Solat time	Solat time schedule for easy reference in the room. Azan on the radio or speaker in the room.	Front Office / Housekeeping
Facing Qiblah	Provide Qiblah direction in the room.	Room
Congregational prayer	Provide imam for the 5 obligatory prayers at prayer room/surau.	Management
<b>Siyam or The Fast</b>		
Sahoor (Take food before dawn)	Available food at room service for Sahoor.	Food and Beverage
Break fast	Availability of dates in the restaurant.	Food and Beverage
Taraweeh prayer	Host the congregational prayer of Taraweeh.	Management/Marketing
Studying Quran	Availability of Quran in the room.	Housekeeping
Adab	No adult enter-	Room

tainment channel.		
<b>Az-Zakah</b>		
Payment of Zakah	Invite Religious Department to open a collection counter of Zakah.	Management/Marketing
<b>Perform Hajj</b>		
Enhancing knowledge of Hajj	Offer or arrange classes of Hajj to the guests upon request. Brochure of Hajj is available.	Management Marketing
<b>General needs of a Muslim traveler:</b>		
Food	Provide Halal food.	Food and Beverage
Facilities	Separate female and male gym, swimming pool, game room, function room and spa.	Recreation
Room entertainment	Provide appropriate channels for the guest, no adult entertainment.	Room
Recreation	Arrange with travel agent, the Islamic tourism packages.	Marketing

Source: Original

Table 1 shows the guidelines of hotel services compliance to Shariah law. The first column is the religious daily duties that a Muslim has to perform and rules for them to obey base on Al-Quran and Sunnah. For example, solat 5 times a day, fasting during Ramadhan month and segregation between man and woman. The second column presents hotel services that hotel could provide to Muslim guests facilitating their religious routine such as qiblah direction and prayer mat in guest room, availability of Halal food in hotel premise and solat time. The last column shows the supplier of the stated Islamic services.

## 2.2 The evolution of SCH concept

As Islam is a way of life, Islamic hospitality is embedded in Islamic religion, culture and experience. It is extensively practiced and observed in Middle East where Islam is originated. It offers traditional principles and custom for Muslim travelers (Kaaki, 2008).

The concept of Shariah hotel has evolved from fulfilling religious needs to lifestyle option emphasized on family and health oriented (Anonymous, 2009). In Middle East, it is believed that many hotels offer basic Islamic services that address to the Muslim's religious needs since more than 30 years

ago. However, this trend seems to experience a shift from providing basic services to fuller services and extend the target market from only Muslims to non-Muslims by striking on the selling proposition of family and health oriented concept (Henderson, 2010). However there is lack of empirical research and article written on the concept of SCH that acknowledge the underdeveloped concept of SCH (Henderson, 2009; Rosenberg & Choufany, 2009; Wilkinson, 2007).

The literature provides several proposals on guidelines and constructs of SCH. However, the agreement on a common set of construct or guideline does not appear to exist (Abdul Hamid, 2010). Most of the authors provide guidelines that narrowly focused to Shariah-compliant services offered by hotels thus fail to see the actual needs of Muslim guests and ignore the management aspect of SCH. This is due to the scholars' background that none of them are Muslim and most of the writers stay at non-Muslim countries. In addition, the scope of research were limited to Middle East area which consists of minority Islamic population (Henderson, 2010). These guidelines are conceptual thus empirical research on how does the hotel practice Shariah-compliance concept is required so as to provide a strong guidelines for future reference by the hotel internationally.

Therefore, it is important to understand what has been practice by Malaysian hotels in terms of Islamic services to develop a better picture on this matter and give insight on the practice of SCH at the Muslim populated country. This paper report initial findings of SCH practices study and contributes to the Malaysian hospitality industry by providing information on the implementation of SCH by Malaysian hotel.

### *2.3 The growth of SCH*

Several factors have contributed to the growth of Shariah compliant hotels. These include: 1) The increase efforts to develop tourism industry among Organization of Islamic Conference (OIC) countries enhanced travelling within its members; 2) The attractiveness of high spending and lucrative market of Middle East (ME) travelers sparks interest of many hotels to provide Islamic services to fulfill their needs; 3) Stringent security measure and difficulties to get visa approval in the West shifted ME travelers to the East and increase demand on Islamic services in tourism industry; 4) Halal revolution has created high awareness by Muslim on their religious needs therefore it creates an opportunity to serve the Muslim tourist untapped needs; 5) The growth of Islamic banking and finance increase investors' interest to invest in Halal products and services such as SCH; 6) The fast growing Muslim market is estimated at USD\$500 billion annually and Halal market worth

USD\$2.1 trillion in the world increased popularity and visibility of the SCH (Abdul Hamid, 2010; Henderson, 2009, 2010; Kaaki, 2008; Zailani, et al., 2011).

However, according to many researchers the main factor impact SCH development is the absence of SCH standard and requirements (Abdul Hamid, 2010; Birchall, 2009; Henderson, 2010; Rosenberg & Choufany, 2009; Siddiqui, 2011). As argued by Henderson (2010), Rosenberg and Choufany (2009) and Birchall (2009), without the established standard of SCH, the practice of SCH appears different from one hotel to another (Anonymous, 2009).

## 3 RESEARCH METHODOLOGY

This preliminary study adopted in-depth, open-ended interviews through snowball sampling to understand the practice and generate a set of SCH attributes in Malaysia. Snowball sampling was applied as the population is small and specialized. The interview process began with two experts in Malaysia's hospitality industry who later recommended other experts to provide more information regarding the subject matter. In total 6 experts from diverse background were interviewed. The interviews were recorded, transcribed and categorized within a week, based on interview questions. The thematic analysis was employed to identify relevant themes after examination of the data. The respondents were asked about their opinion on issues implementing SCH in Malaysia. Several issues emerged and discussed in the next section.

## 4 DISCUSSION

### *4.1 Government regulation*

From the interview conducted, several issues were highlighted by the respondents including the government regulation, the application to get Halal certificate, and the Shariah-compliant standard hotel. The encouragement for hotel to obtain Halal certificate for its restaurant or food and beverage outlet is seen as a good one at the right time. Recently, Malaysian government enforce the regulation that only hotel with Halal certificate for restaurant can cater the government functions. The effect of this is tremendous as many hotels were forced to or would like to obtain Halal certificate for having their restaurant certified Halal enable them to host government events.

### *4.2 Halal certificate*

Delayed process to obtain Halal certificate by JAKIM, a body which is responsible to grant Halal

certification in Malaysia, lower the motivation of hotels to obtain Halal certification. Moreover, the requirements for restaurant to be Halal certified are not friendly to hospitality industry resulting difficulties for hotels to apply. Majority of the respondents have the same opinion that JAKIM needs to simplify the process and requirement obtaining Halal certificate. Respondent A and B highlighted that currently, JAKIM is addressing this issues and continuous discussion among stakeholders of hospitality industry is going on to improve the Halal application system. This move will boost Malaysia image as one of top tourist country among Muslim tourists for example from Middle East.

#### 4.3 Shariah compliant hotel standard

The absence of Shariah-compliant standard is an important category emerged in this study. As respondent B highlighted, “Many hotels claimed that they are SCH without understand the term Shariah itself. They promote SCH as their marketing strategy and not as the genuine concept of the hotels. In my opinion, the SCH concept should be developed base on the Islamic perspective of doing business and not as a tag line in the promotion campaign”. Another respondent explained that, “in our hotel, we adopted two Malaysia Standard such as MS1500:2009 (Malaysian Standard of Halal Food-Production, Preparation, Handling and Storage by JAKIM) and MS1900:2005 (Malaysian Standard for Quality Management System-Requirements from Islamic Perspectives) to implement SCH”. In contrast, respondent E mentioned that, “the Shariah-compliant concept is only applicable in the restaurant”. It is clear that hotels implement varied concept of SCH in Malaysia. Thus, it is timely for a government to consider developing a standard guidelines for SCH.

#### 4.4 Muslim needs perspective SCH model

The respondents were asked on the suitability of SCH model established for this study and majority of them agree it should be based on the Muslim needs. All of the respondents highlighted that the application of MS1500:2009 which is Malaysian Standard of Halal Food-Production, Preparation, Handling and Storage (Halal certification by JAKIM) could be used as a tool to apply SCH into practice. In addition, one respondent suggest that the MS1900:2005 which is Malaysian Standard for Quality Management System-Requirements from Islamic Perspectives could be adopted in implementing SCH in the hotel operation. Thus the development of SCH model in Malaysia should be based on the Muslim’s needs and include several standards like MS1500:2009 and MS1900:2005 as mentioned above.

## 5 CONCLUSION

The universal standard of SCH is urgently needed to encourage more hotels in Malaysia to seriously consider applying it in their operations. The benefits of SCH are many, one of it is SCH could be a competitive advantage for the hotel as the demand on Islamic goods and services are increasing. In addition, the influx of Middle East tourists to Malaysia provides immense opportunities for SCH hotels to be able to attract these tourists staying in their hotels that will increase their profits. As mentioned earlier, the Middle East tourists are a lucrative market because they spend more than other tourists.

Nevertheless, the decision to adopt SCH must be made as according to the hotel’s target market so as not to affect their financial gain. The composition of hotel’s target market should determine whether the hotel should apply basic SCH or full service SCH. Therefore, the application of SCH needs a careful consideration for hotel operated in a multiracial country like Malaysia. Future research may need to address this issue from the perspective of profit gain and innovation services addressing different religious needs in applying SCH in Malaysia

As a conclusion, this paper identified several issues in relation to the practice of SCH including the government regulation, difficulties to obtain Halal certification and the increasing need of SCH standard. This paper ended by proposing the characteristics of SCH for practice in Malaysia. The proposed characteristics of SCH are based on the Muslim travelers’ needs and the hotel services for SCH (Table 2).

Table 2. The proposed characteristics of SCH.

Muslim Travellers’ Needs (Customer focus)	Hotel Services (Shariah-compliant)
1. Obligatory Religious Activities <ul style="list-style-type: none"> <li>• Solat Requirement</li> <li>• The Fast or Siyam</li> <li>• Az-Zakah</li> <li>• Perform Hajj</li> </ul>	1. Special services for religious activities: <ul style="list-style-type: none"> <li>• Shower hose, Prayer mat, mosque location, prayer dress, solat time, Qiblah, Imam.</li> <li>• Sahoor and Break fast food, Taraweeh, Quran.</li> <li>• Payment of Zakah</li> <li>• Knowledge of Hajj</li> </ul>
2. General needs of a Muslim traveler: <ul style="list-style-type: none"> <li>• Food</li> <li>• Facilities</li> <li>• Room entertainment</li> <li>• Recreation</li> </ul>	2. Services for general needs: <ul style="list-style-type: none"> <li>• Halal food</li> <li>• Separate male and female.</li> <li>• No adult entertainment</li> <li>• Islamic tourism packages</li> </ul>

<p>3. General rules for Islamic values in hotel management:</p> <ul style="list-style-type: none"> <li>• Management</li> <li>• Finance</li> <li>• Operation</li> <li>• Interior design and decoration</li> </ul>	<p>3. Hotel Management practice:</p> <ul style="list-style-type: none"> <li>• MS1900:2005 &amp;MS1500:2004</li> <li>• No Riba</li> <li>• Dress code, Separate floor or for male and female</li> <li>• Toilet face away from Kaaba, no art deco on human part</li> </ul>
--	---

Source: Original

- Weidenfeld, A. 2005. Religious needs in the hospitality industry. *Tourism and Hospitality Research*: 6(2): 143-159.
- Wilkinson, G. 2007. Dry hotels - old hat or new fad? Arabian Business.com.
- Zailani, S., Omar, A., & Kopeng, S. 2011. An Exploratory Study on the Factors Influence the Non-Compliance to Halal among Hoteliers in Malaysia. *International Business Management*: 5(1): 1-12.

## REFERENCES

- Abdul Hamid, I. 2010. Islamic compliance in hotel and restaurant business. Paper presented at the *Asia-Euro Conference: Transformation and modernisation in tourism, hospitality and gastronomy*.
- Anonymous 2009. Demand for Shariah-compliant hotels rising. Emirates 24/7.
- Anonymous 2011. CrescentRating: "Halal Friendly" Hotel Rating System. <http://dinarstandard.com/marketing/muslim-travel-guides>,
- Begg, M. 1997. Islam and travelling. 13 July 2011, from [www.islamiccentre.org](http://www.islamiccentre.org)
- Birchall, L. 2009. Laying down sharia law. *Hotelier Middle East.com*. Retrieved from <http://www.hoteliermiddleeast.com/5750-laying-down-sharia-law/1/print/>
- Delener, N. 1990. The effects of religious factors on perceived risk in durable good purchase decisions. *The Journal of Consumer Marketing*: 7(3): 27-38.
- Hashim, N.H., Murphy, J., & Mohammad, N. 2006. Tourism and Islam: Understanding and embracing opportunities. *From The Experts*. Perth.
- Henderson, J. C. 2009. Islamic tourism reviewed. *Tourism Recreation Research*: 34(2): 207-211.
- Henderson, J. C. 2010. Sharia-compliant hotels. *Tourism and Hospitality Research*: 10(3): 246-254.
- Kaaki, L. 2008. A halal environment: Demand for Islamic hotels on the rise. *Arab News*. Dubai.
- Lee, G. 2010. Manila hotel 1st to get halal certificate. *Manila Bulletin*. Manila.
- Nor Zafir, .M.S., Abu Bakar, A.H & Hashim, N.H. 2014. The practice of Shariah-compliant hotel in Malaysia. *International Journal of Trade, Economics and Finance*: 5(1): 26-30.
- Nazlida, M., & Mizerski, D. 2010. The constructs mediating religions' influence on buyers and consumers. *Journal of Islamic Marketing*: 1: 124-135.
- Rosenberg, P., & Choufany, H. M. 2009. Spiritual lodging- the Sharia-compliant hotel concept. *4Hoteliers*.
- Siddiqui, R. 2011. Opinion: Shariah compliant hotels. *Halal Focus*. Kuala Lumpur.
- Tarrant, C. 2010. Middle East hotel guests express high interest in sharia compliant hotels. United Kingdom: BDRC.