

LEGALISING A PROPER FRAMEWORK TOWARDS PRACTICABILITY OF SHARIAH COMPLIANT HOTEL: BITING INTO HOTELIERS PERSPECTIVE

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Abstract: Islam as a way of life is no doubt becomes a life's principle of all Muslims. By this, the influence of Islamic principles extend to not only Muslim country's administration, social and politics, but it also indirectly affect recreation and travel policy. Religion, thus influences the operation of the industry, tourism policy-making and destination setting and development. However, there were very limited research and discussion on the chances of developing Islamic principles hotel which is formally known as Shariah-compliant hotel, and what response it would be from the hotel industry players if the government is to formally implement it throughout the nations. In this paper, the aims of the discussion is to investigate on the readiness among hotel industry players on the setting up of Shariah compliant hotel and to relay the real situations of how the hoteliers see the prospect of this Islamic tourism industry in the near future. Using Malaysia as a case study, this paper illustrates the opportunities which arise in delivering of such concept of the so-called an Islamic hotel brands. This study embarks into a qualitative research methodology which involve the exploratory approach involving a semi structured and interview in depth with the direct person in touch with the hotel industry. Three reputable hotels were chosen to share their view namely De Palma Hotel, Tabung Haji Hotel and Perdana Hotel representing both west and east coast of Peninsular Malaysia. The findings of this research positively showed the hoteliers readiness towards this current highlighted idea and agreed with the future bright of this Islamic industry.

Keywords: Shariah Compliant, hoteliers, practicability, halal industry

The development of the halal industry in Malaysia becomes an interesting issue to be looked upon and to have further investigation on how people foresee the prospect of this new industry. Halal industry is a fast emerging sector and has attracted many parties from various areas that include the manufacturer, local and foreign investor, retailer, academicians and many others. With these various parties involvement, the industry requires a strong authoritative body to govern the affairs of halal industry. The Trade Description Act 2011 which creates the by-laws of Trade Description (Certification and Marking of Halal) Order 2011 has vested the power to issue halal certification to the government appointed body mainly Jabatan Kemajuan Islam Malaysia (JAKIM) and to all Islamic authority bodies of each state, formally known as Majlis Agama Islam Negeri. It is also within this power that JAKIM needs to monitor

the preservation of compliance of Halal Certification requirements by the certified products or services. To carry out this duty, JAKIM is vested with a wide power covering the legislative, executive and judiciary role. However by virtue of the provision in the Constitution and the law on the setting up of a government agency, there are still few unresolved issues regarding the status and power of JAKIM in executing the existing assigned duty. In fact, the tourists from Muslim countries have living on the way of Muslims under the practical frame of religious principles strictly. With this reason, whatever actions done in their daily lives whether it will be the subject of the consumption, attire, or daily conducts all must be approved by the religion or famously called as "Halal". Therefore, the food with a symbol of Halal is the food trusted by Muslim that it can be consumed safely. In addition to the food, the

preparation of some operating place of Halal food should be at par with the requirement of Muslim tourists (Jurattanasan & Jaroenwisan, 2014). Having looking to this opportunity and importance of this, Malaysia should have the operating place of Halal facility covering foods, accommodation, travelling and etc. This idea includes all level of hotels and other sort of available accommodation. Aside from bringing some foreign currencies into the country, it causes confidence to the tourists of Muslim Countries in the subject of Halal food service standard for the tourism of Malaysia that it will be the promotion for our country to become the chosen destination for Muslim tourist finally.

It is statistically proven that a total of 176.9 million tourists were recorded in 2015 with a growth of 4.5 per cent compared to 2014. Meanwhile the number of trip increased by 8.1 per cent from 217.5 million trips in 2014 to 235.2 million trips in 2015. A total of 67,842 million was spent for domestic tourism in 2015 and average expenditure per trip rose 0.7 per cent to RM288 comparing to RM286 in 2014 (seeTable 1).

Table 1: Key statistics of domestic tourism, 2014 and 2015

Key statistics	2014	2015	Annual percentage change (%)
Number of visitors (million)	169.3	176.9	4.5
Number of trips (million)	217.5	235.2	8.1
Total expenditure (RM million)	62,151	67,842	9.2
Domestic visitors (RM million)	55,539	60,541	9.0
Households visited (RM million)	6,612	7,301	10.4
Average trip per visitor	1.28	1.33	3.9
Average length of stay	2.60	2.30	-11.5
Average expenditure per trip (RM)	286	288	0.7

Source: Department of Statistic Malaysia

Figure 1: Number of domestic visitors by type of visitors, 2014 and 2015



Source: Department of Statistic Malaysia

A total of 176.9 million domestic visitors were recorded in 2015 of which 114.2 million were excursionist, while the remaining 62.7 million were tourist. The number of excursionist and tourists increased by 5.2 per cent and 3.3 percent respectively compared to previous year of 2014 (Figure 1).

LITERATURE REVIEW

The Concept of Shariah Compliant Hotel

Shariah-compliance hotel (SCH) can be defined by means of a hotel that providing you with services based on the Islamic law and guidelines (Shamim, 2009). The SCH is an all-incorporating idea that goes beyond the serving of halal food and drink but includes all aspects a hotel's operation procedures that would be managed based on Shariah / Islamic law claimed by Zulkifli et al., (2011). The Islamic law is the source of direction for the SCH. The Islamic law is the principles of which are created upon the Qur'an, the Sunnah and the Fiqh. SCH specifically outlined by Henderson (2010) is when services offered and financial transactions are established completely on the principles of Shariah and not only restricted to serving halal food and beverages but to put in practice all factors that have been considered for environment, health, safety, and the economical of all mankind, regardless of race, faith, or culture.

Development of Shariah Compliant Hotel in Malaysia

In Malaysia, the hotel sector has continued to grow since 1994 (Yuhanis, 2007). Continuous

growth of tourism industry in Malaysia has increased the number of hotels in Malaysia. De Palma hotel, Ampang is one of the hotels that comply with the Islamic concept. It offers 204 rooms and suites equipped and decorated with modern features. It also has Islamic floor on level 6, businesses floor on level 7,8,9,10,11. Then the Islamic floor at level 6 has specific Islamic room type that has been open for service since 2010. On April 2011, the Halal Journal Award 2011 awarded the recognition to the hotel as “The pioneer Hotel in Shariah Compliant” (Zulkifli et al., 2011).

Meanwhile, Perdana Hotel Kota Bharu is the one luxury hotel located in the heart of Kota Bharu Kelantan. It strategically located nearby the shopping areas, local attractions, commercial district, government offices and hospitals (Abu Karim et al., 2017). In addition, the operation is based on two Malaysian Halal Standards which is MS1900:2005 for Quality Management System and MS1500:2004 for Halal food management. All activities been monitored by Sharia Compliance Manager (SCM) to make sure there is no non-halal activity are conducted.

Current Framework

Henderson (2010), stated that there are no formal criteria for SCH but only broad agreement about a set of attributes made by industry practitioners and analysts. Rosenberg & Choufany (2009), divided the SCH into three divisions specifically on operations, design & interior and financial. Although, there are no written formal requirements or classifications for SCH currently exist, but it seems that the development and operation of SCH are similar with the operation of the standard hotel (Rosenberg and Choufany, 2009). In the same perspective, Henderson (2010), proposed attributes of SCH, these attributes includes:

- No alcohol
- Halal food only
- Quran and prayer mats available in each room
- Beds and toilet positioned so as not to face the direction of Mecca
- Bidets in the bathrooms
- Prayer rooms
- Appropriate entertainment
- Predominantly Muslim staff
- Conservative staff dress
- Separate recreational facilities for men and women
- Guest dress code
- Islamic funding
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SCH is one of the hotels which provide the halal services to the Muslim travellers. This type of hotel is not only limited to serve Halal food and beverages but the operation throughout the hotel would also be managed based on Islamic principles (Samori & Rahman, 2013). Food and beverage products served in a restaurant have to be Halal. All animals such as chicken and cow must be slaughtered according to Shariah principles. All food ingredients must be Halal and go through Halal compliant process. Each kitchen in the hotel or restaurant should have halal certificate endorsed by Department of Islamic Development Malaysia (JAKIM). Furthermore, the utensils and equipment in the premises should also free from any haram stuff. No alcoholic drinks should being served in the premise or restaurant. Malaysia Standard prescribes practical guidelines for the preparation and handling of Halal food and to serve as a basic requirement for food product and food trade for business in Malaysia. According to DSM, 2009, the second revision MS 1500:2009 stated all the procedures in preparing, handling, storage and producing the halal food, started from slaughtering, the hygiene and sanitation aspect in preparation food, the processing food and handling, distributing and lastly serving to the customer. In order to provide halal food, it should be stored, transported, displayed and sold with the labelled of Halal and segregated with the non-halal food product (Zulkifli et al., 2011).

Practicability of Shariah compliant hotel

Recently, Muslim travellers looking for and concern about halal issues especially for food serve and accommodation. As far as Islamic tourism and Halal hotel is concerned, Malaysia has the potential development of Islamic tourism and hospitality industry as Malaysia has the arts, heritage and unique culture of the Malay Muslims (Samori & Rahman, 2013). According to Dewan Ekonomi (2010), Malaysia is listed in the Lonely Planet which is the world's major publisher of travel guides for 10 destinations to visit in 2010. Through

the current situation and data given, it shows that the tourists from Muslim countries have higher purchasing ability and this will gain the countries they will visit and offer Muslim-friendly. Furthermore, almost all of the federal government of the Arab countries had marketed Islamic tourism among the population and it is the need for Malaysia to grab this opportunity by providing a variety of Muslim-friendly facilities.

METHODOLOGY

This study adopts a qualitative research method engaging the doctrinal study using the content analysis approach on the relevant laws and regulation namely the Federal Constitution, Trade Description Act 2011 and Trade Description (Certification and Marking of Halal) Order 2011. The data collection involved a semi structured interview with the targeted hoteliers who are very well-known with the compliant towards shariah characteristic in managing their day to day hotel operation. The data gathered from the doctrinal study was later processed using the Atlas Ti software while the data collected from

the semi-structured interview was later transcribed and analysed.

RESULTS AND DISCUSSION

Table 2 shows the findings from the interview conducted in the exploratory study. As this is the exploratory study, therefore the study has interviewed 3 hotels to get the managers' inputs as to whether these hotels are shariah compliant. The findings are shown in Table 2. Implementation of shariah compliant hotel is very significant contribution in the hotel business sector in this century.

As a whole, the three hotels, namely De Palma Hotel, Perdana Hotel and Tabung Haji Hotel understand as to the meaning of the shariah compliant. The obvious similarities for the three hotels concerned is the implementation of the display of the verses of the Quran at the every floor. This shows that the said three hotels understand the concept of the shariah compliant in the hotel business. Besides, these

Table 2: Findings from the interviews of managers conducted in Hotel

No	Scope of Discussion	De Palma Hotel	Perdana Hotel	Tabung Haji Hotel
1	The meaning and understanding of shariah compliant	<ul style="list-style-type: none"> • Providing a surau (a house of worship for Muslims) that can perform the Friday and congregational prayers. • Hotel surau which is active with reminder, forum, night devotion & congregational prayers. • Breaking of fast, terawih prayer and taking post midnight meal in the month of Ramadan • Friday prayer at the hotel surau • Providing an Islamic floor at the second floor. • Listening to the recitation of the verses of the Holy Quran and Hadis for 24 hours continuously. 	<ul style="list-style-type: none"> • Paying of business tithe. • Providing Quran, prayer mat, prayer clothe, sarong in every hotel room. • Sounding of the recitation of the Quran for one hour for the guests present during the month of Ramadan before the commencement of the breaking of fast gathering • Inviting of external male Quran reciters to together perform the terawih prayer. • Arrangement of event for congregational dawn prayer at Masjid Muhammadi. • Providing guests with free transportation to and from masjid. 	<ul style="list-style-type: none"> • Providing swimming pool for Muslim women, babies, children and adults. • Halal (legitimate according to Muslim law) not only pertaining to food but also concerning to the arrangement of tables and in the rooms. • Providing prayer mat, Quran and soap, tooth brush that must be of halal. • Does not sell beers • Ensure that all revenue is halal.
2	The body that issue, monitor and enforce the laws	<ul style="list-style-type: none"> • Department of Islamic Development Malaysia (JAKIM) • Selangor Islamic Religious Department 	<ul style="list-style-type: none"> • Department of Islamic Development Malaysia (JAKIM) • Kelantan State Department of Islamic 	<ul style="list-style-type: none"> • Department of Islamic Development Malaysia (JAKIM) • Department of

		(JAIS) • Department of Consumer	Affair (JAHEIK)	Health • Terengganu State Secretary Office (SUK)
3	Problem and challenges	<ul style="list-style-type: none"> • The opinion of the society and the outsiders pertaining to the shariah compliant concept. • Many people do not understand the “syubhah” concept and difficult to change their opinion. • Accreditation from JAKIM because the hotel has been compliant with more guidelines imposed by ITC (Islamic Tourism Center). 	<ul style="list-style-type: none"> • The question pertaining to the preparation of alcoholic drink, providing of pub or bar for foreign tourists. • Having limitation of swimming pools separating the swimming pools between male and female. 	<ul style="list-style-type: none"> • Complaints from guests in the Trip Advisor and online. • Foreign tourists who do not understand the culture and regulation of Malaysia. • Complaints about the liveband at the Tabung Haji hotel. • Demand for the provision of alcoholic drink for foreign tourists.
4	Income and promotion	<ul style="list-style-type: none"> • Profit is from investment, sponsorship and companies that make events and charity at the hotel. 	<ul style="list-style-type: none"> • Profit is from investment, sponsorship and companies that make events and charity at the hotel. 	<ul style="list-style-type: none"> • Profit is from investment, sponsorship and companies that make events and charity at the hotel.
5	Contribution and proposal	<ul style="list-style-type: none"> • To extend their existing surau. • To establish their branch hotel in Kedah • To add more Islamic floors and the practice of prayer reading. 	<ul style="list-style-type: none"> • To expand and spread more the hotel concept that provide courses on hotel industry, hotel management and products. • Establish an Islamic hotel chain officially as model for Islamic hotel chain. 	<ul style="list-style-type: none"> • To have the Mosque Programme • To allow the public to utilise the surau for dawn prayer lecture for free.

three hotels also enhance the activities of the month of Ramadan whereby every hotel would invite Imam from Pusat Tahfiz to lead the prayers for the whole of the month of Ramadan.

While in the aspects of the bodies that issue, monitor and enforce the laws on these three hotel should be referred to Department of Islamic Development Malaysia (JAKIM). As for De Palma Hotel the body that should monitor and enforce the laws is Selangor Islamic Religious Department (JAIS), while Perdana Hotel is Kelantan State Department of Islamic Affair (JAHEIK) and Tabung Haji Hotel Terengganu is Department of Health and Terengganu State Secretary Office (SUK).

For the implementation of the Shariah compliant there are some problems and challenges that should be facing by these three hotels. For Perdana Hotel and Tabung Haji Hotel, the main challenge is the enquiry and demand for the provision/preparation of alcoholic drink, providing of pub or bar for foreign tourists. While for De Palma Hotel the challenge that they are facing in that there are many people who do not understand the “syubhah” concept and difficult to change the mind set of the society and the outsiders concerning of the conceptually shariah compliant hotel.

From the aspects of revenues and promotions, the three hotels procure profits from investments, sponsorship and companies that stages events and charities at the said hotels. Lastly in the aspects of contributions and proposals, De Palma Hotel and Perdana Hotel

have expanded and established branch hotels as well as official model chain Islamic hotels. While Tabung Haji Hotel is planning to spread more the function of the surau for the public utilization

CONCLUSION

Malaysia as an Islamic country should implement the Shariah compliant hotels in total as this is one of the requirements for the current tourists. However it cannot be denied that Malaysian hoteliers are prepared to implement the Shariah compliant hotels. Islamic tourism can be implemented favourably if the hoteliers observed and understood the concept of entertaining tourists, especially the foreign tourists. This is because, the hotels that implement shariah compliant not only able to enhance increase in economy of the hotel tourism industry but also has proven that, the prospect of the shariah compliant tourism hotel industry could be accepted by the foreign tourists. As such, the hoteliers implementing shariah compliant hotels should be wise in their management and entertaining foreign tourist who checked in their hotels. The wisdom in the entertaining and managing of foreign tourists not only able to upgrade the shariah compliant hotels image but also able to erase the negative look and perception of the society towards shariah compliant hotels.

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