Malaysian Hotel Certification in the Islamic Tourism Industry

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Abstract

Shariah compliant hotel is an essential product in Islamic tourism where many activities could be available there. Thus, certification plays a significant role as a symbol of commitment for the hotel operators to comply with the Shariah principles. By using qualitative methodology, this study aims to explore the Malaysian certification bodies that offer Islamic related certificates to the hotel. There is no standardisation on the certification requirements and approach among the certification bodies to certify the Shariah compliant hotel. Thus, the government should introduce a mechanism to monitor certification to the Shariah compliant hotel.

Keywords: Shariah Compliant Hotel; Islamic Tourism; Certification Scheme; Halal Standard

1.0 Introduction

The Islamic tourism industry has tremendously developed around the world. Although the Islamic tourism industry is associated with the Islamic religion, this industry is already well accepted universally where the offering of this niche segment is not only from the Islamic countries but also non-Muslim countries. The countries are actively promoting their Islamic tourism industry as well. Perhaps, this indicates healthy competition among the nations to market their destination as Islamic tourism places. A recent report on the Islamic tourism industry by the CrescentRating (2021) has shown that the Global Muslim Travel Index (GMTI) 2021 ranking of the Islamic tourism destinations based on the regions where the Organisation of Islamic Cooperation (OIC) and the non-OIC countries tend to emulate each other for the Islamic tourism destination marketing mutually. Figure 1.0 shows the top two Islamic tourism destinations based on a regional basis. The ranking is based on the predominant availability of the Muslim people that could probably contribute most to the Islamic tourism industry.

The promotional strategies for Islamic tourism destination marketing are to attract more Muslim and non-Muslim travellers to visit the destination. Malaysian, for instance, has come out with the impactful slogan, “Malaysia Truly Asia”, where Malaysia could promise to offer the best service and facilities to the travellers. This strategy has successfully attracted 25 million tourists yearly and being a leading top tourism destination in Asia (Tourism Malaysia, 2020) and the top Islamic tourism destination in the world (CrescentRating, 2021). Similarly, Taiwan also grabs the opportunity with this development by diversifying the area of the tourism industry for business purposes. With more attractive halal attributes available in Taiwan, this country has introduced the “Salam Taiwan” slogan and campaign to promote their destinations and focused on five categories: culture, shopping, ecology, gourmet and lohas (Taipei Economic and Cultural Office in Malaysia, 2019). Because of this, the Islamic tourism industry has got worldly recognition regardless of any countries although this industry is religious based.
Seemingly, Shariah compliant hotel is a crucial attribute for the sustainability of the Islamic tourism destination. This conforms to the realms of tourism and hospitality itself, even though the scholars have different opinions on the sub-sector on the inclusion of tourism and hospitality (Gheribi & Bonadonna, 2019). Indeed, both industries share similar attributes in terms of the key priority to the accommodation part for the sake of customer's loyalty. On this notion, the need of having the concept of Shariah compliant hotel is at the necessary level where it could instantly facilitate the need of the Muslim traveller to perform their religious obligation comfortably. Therefore, this study aims to explore the Malaysian certification bodies that offer Islamic related certificates to the hotel.

2.0 Literature Review

2.1 The Concept of Shariah Compliant Hotel

The Islamic tourism industry recently got recognition in the twentieth century, where many Islamic tourism products are available at the tourism destination. The awakening of this industry encourages many tourist destinations to start branding their tourism place as an Islamic tourism destination. However, the usage of the terms that associated with this Islamic religion is unstandardised (Khan & Callanan, 2017) where some destination might use halal, Islamic and Muslim friendly terminologies for their branding strategy (Zakiah et al., 2016). Similarly, for the type of hotel that offer services and facilities that are Shariah compliant where the terms like Shariah compliant, Muslim friendly, Islamic, halal are used to attract Muslim travellers to stay at the hotel (Suci et al., 2020). However, the industry practitioners and others have used the associated terms interchangeably based on their interpretation and understanding.

Moreover, the government-related tourism agencies have introduced specific terms as a promotional strategy to attract Muslim travellers to the destination. Although several terminologies have been used, all share a similar objective: every aspect of activity in this tourism industry must comply with Islamic law (shari'a). Likewise, the activities must attain the essential values (maslahah) of the ultimate goal of Shariah (maqasid al-Shariah).

Many studies have explored the Islamic attributes of the hotel in ensuring this industry remains sustainable and competitive with the conventional tourism industry. The studies are very significant to establish an ideal Shariah compliant hotel that operates within the Shariah requirements. Among the Islamic attributes at the hotel are in terms of facilities, operation, financing, management and many more. Indeed, the hotel operation has to take this as important consideration because it could protect the right of the Muslim guests and the image of Islam as well.

2.2 The Importance of The Islamic Related Certification

The trending of the Islamic tourism industry as a new attraction in the segment of the tourism industry has encouraged the tourism operators to offer related products to the travellers. This segment is not only focused on Muslim travellers per se but including non-Muslims. A study carried out by Battour et al. (2018) has identified that Islamic tourism products become a choice among non-Muslims due to their uniqueness, and therefore the travellers intend to experience the facilities and services provided there. The travellers' arrival creates competitiveness among the Islamic tourism destinations to promote their places (Musa et al., 2017). Perhaps, the tour operators will do the best strategy to be the leading destinations and remain sustainable for a long-term period.

The organisation of Islamic Cooperation (2017) has emphasised that motivational factors referring to the criteria of the hotels' establishments claiming Shariah compliant are the pull factors for the travellers to visit the destination. For Muslim travellers, the hotel functions as a service provider for fulfilling their basic faith needs as Muslims. Seemingly, the travellers could comfortably perform their religious obligation even though they were away from their homes. Thus, the travellers need to choose a hotel that could fulfil their needs. Indeed, Islamic related certification given to the hotel could be an effort to preserve travellers' needs.
Nevertheless, with the growth of the Shariah compliant hotel in Malaysia, Ahmat et al. (2015) have asserted that the hotel that commonly 5-star hotel is reluctant to be Shariah compliant hotel due to several reasons, for instance, incurred higher costs for the planning, and reduce the revenue at the food and beverages section. But, still, the majority of the 3 to 4-star hotels in Malaysia is more interested in opting for the Shariah compliant hotel concept. Hence, with the availability of several certification bodies in Malaysia, the hotel operator could improve their practices by obtaining the certification to get recognition by the guest to come to their hotels. Eventually, this could help to increase the hotel's commitment to showing best practices of the Shariah compliant hotel to their stakeholders.

With this positive phenomenon, the demand for the Shariah compliant hotel that could provide the basic faith needs of the Muslim travellers is positively increasing due to the religious awareness among the travellers during the journey. The hotel operators are keen to brand themselves as the Shariah compliant hotel or/ and any synonymous terms related to the Islamic religion (Musa et al., 2017; Hyrul et al., 2017). Verily, this could be a push factor for the hotel operator to increase their revenues due to the arrival of the travellers at the Islamic tourism destination.

On this occasion, Islamic related certifications to the hotel are crucial since they could signify the commitment of the hotel operators to follow specific Islamic requirements accordingly. Therefore, many certification bodies are established and available in Malaysia to provide consultancy services to the hotel operators that intend to be known as the Shariah compliant hotel. However, there is a limited study exploring the approaches and scopes of the Islamic related certification bodies to certify the hotel following the specific standard requirements for the certification. Thus, this paper aims to explore Malaysia's Islamic related certification bodies that provide the Islamic related certification to the Shariah compliant hotel.

3.0 Methodology
This study is qualitative research whereby the researchers have chosen an explanatory type of research design to explore the available certification bodies that offer the Islamic related certification to the Shariah compliant hotel. About this, only certificates that are provided by the Malaysian certification bodies were included in this study like MS 1500: 2019 - Halal Food-General Requirements (Third Revision), MS 1900:2015 Shariah Based Quality Management System and MS 2610:2015 – Muslim Friendly Hospitality Services – Requirements where there were several certification bodies involved in issuing the related certification such as Department of Islamic Development Malaysia, JAKIM and Department of State Religious Affairs (JAIN) / State Islamic Religious Council (MAIN), SIRIM QAS, Islamic Tourism Centre. And other relevant agencies. Besides, the website particularly the Standard Malaysia and other relevant agencies that are offering for the certification were explored to gather the data. Therefore, to achieve the study's objective, a document analysis technique was selected to gather authoritative data including government websites, journal articles, and recent reports related to Islamic tourism and Shariah compliant hotel. After that, the data was analysed by using content analysis technique.

4.0 Result and Discussion
Based on the exploration, the finding of the study is highlighted as follows;

4.1 The Adoption of related Malaysian Standards for The Shariah Compliant Hotel
The adoption of the standard is significant to the organisational bodies to ensure the management practices are systematically following the prescribed methods or procedures. According to the Department of Standard Malaysia (n.d.), the advantage of having a recognised standard will increase the confidence of the stakeholders and improve the efficiency of the process involved in the company. Other than that, standards could guarantee the quality of the product at the national level and in the international. With the growth of the Shariah compliant hotel concept today, many hotel operators are interested in having Islamic related certificates for their company. Similarly, the hotel's Islamic related certification standards are being offered to the hotel operators considering the need to have the certificate because the increasing demand from the hotel operators is positively increasing. A study conducted by Samori & Sabtu (2014) have denoted that Muslim traveller tend to stay at hotels that provide halal services and facilities to them. In this regard, the certification is crucial as impactful evidence to build the clients' trust in the hotel status. In a nutshell, Islamic related certification standard is an essential element for the hotel operator for the profitable growth of their company.

This study has identified three Malaysian standards that are available and ready for the applicants from the hotel to apply for their certification as the hotel runs the business following Islamic law, namely MS 1500: 2019 - Halal Food-General Requirements (Third Revision), MS 1900:2015 Shariah Based Quality Management System and MS 2610:2015 – Muslim Friendly Hospitality Services - Requirements. These standards were published by Standard Malaysia, owned by the Ministry of International Trade and Industry (MITI) under the Malaysian government. The related Islamic standards published by Standard Malaysia are not mandatory for the hotel operators to opt for, but it is on voluntary certification (Jais & Azizan Marzuki, 2018). However, the applicability of the certification standard may vary subject to the regulatory requirements in Malaysia.

In this regard, every standard has its coverage, and it tends to be different in terms of its requirements. Thus, non-standardisation practices could happen among the hotel (Pamukcu & Sarisik, 2020). Since these standards are not compulsory for the Shariah compliant hotel to incorporate in the hotel management, thus it leads to the non-standardisation among the Shariah compliant hotel. The different practices happen due to every hotel has an interest in the adoption of the certification scheme. Consequently, the approaches among the hotel operators could be different due to the various standards that they adopt at the same time by the hotel operators. With this scenario, the implementation of Shariah compliant hotels might be different because of the variant certification standards and the number of certifications received by hotel operators.
4.2 Certification Bodies for The Malaysian Certification

First of all, a famous certification adopted by the Malaysia hotel is MS 1500, where the majority of Malaysian hotels who claim as the Shariah compliant hotel has applied for this certification program. The recognised Malaysian government authority could only offer the MS 1500 certification in Malaysia, namely Department of Islamic Development Malaysia, JAKIM and Department of State Religious Affairs (JAIN) / State Islamic Religious Council (MAIN) (Muahmed & al., 2014). The scope of certification provided to the hotels is under the food premise certification scheme, which is clearly stated in the Manual Prosedur Persijilan Halal Malaysia, (Domestik), 2020 (Department of Islamic Development Malaysia (JAKIM), 2020). Currently, this certification at the Malaysian hotel only covers premises or areas (restaurants and kitchens), where the certification fee is based on the star rating. This certification is standardised since JAKIM and JAIN/MAIN have solely recognised certification bodies (CBs) for this halal certification. Whatever matters related to this certification are protected under several Malaysian laws and regulations like Trade Description Act 2011 and Food Act 1983 and related laws to halal. Therefore, stringent monitoring and compliance made by the government to the stakeholders and the availability of the rules make the certification process is more transparent to the client. In addition, this could avoid conflict of interest among the stakeholders since the certification issuer is from independent bodies that are not profit-making based companies.

Unlike the MS 1500, the MS 1900 were used by the SIRIM QAS to certify the hotel. The criteria of the certification are also different where the certificate focuses on the Islamic quality management in which the standard used is not limited to the hotel but including to all corporations that intend to recognise them as the company that embedding the Shariah elements in their management (SIRIM QAS International, n.d.). On this occasion, the approach of the certification standard focuses on the whole aspects, including structures, processes and operation of the hotel. Since the certification is not mandatory, it is up to the hotels to apply for this certification.

For the MS 2610, three institutions currently offer certification services based on this standard: SIRIM QAS, Islamic Tourism Centre (ITC) and International Institute for Halal Research and Training (INHART), which belonged to the International Islamic University Malaysia (IIUM). In terms of the scope of this standard to the hotel, the certification is only limited to the accommodation where the remaining requirements of the standard are to the tour guides and tour package (MS 2610: Muslim Friendly Hospitality Services -Requirements, 2015). Based on the exploration of the information available at the websites of the related CBs, there is limited information on the certification approach except for the ITC. This certification is called Muslim-Friendly Accommodation Recognition (MFAR) that adopts the standard and the Muslim-Friendly Accommodation Recognition: Application Guidelines and Procedures (Islamic Tourism Centre, 2020). Similarly, it goes to the practice of INHART but, the approach is different. By having said that, the recognition as the Shariah compliant accommodation from the various parties involved will lead to the multiple methods to recognise as the accommodation that conforms to the Shariah principles.

In Malaysia, the certification bodies are not strictly having a proper procedure from the government to establish their company for certification by using a particular standard like MS 1900 and MS 2610. Based on the investigation, four organisations have provided the certification scheme to the hotel that would like to be certified as Shariah compliant hotel. There are pros and cons of having many certification bodies to recognise the practice of Shariah compliance. The advantage of having many certification bodies is that it would create healthy competition among the CBs to offer the best services to the client. Consequently, it is easier for hotel operators to choose which CBs suit their needs and requirements. However, a previous study has shown that the openness of the Malaysian government to let the private CBs offer the certification will lead to the abuse of complying with the Shariah and legal requirements if there is no any related laws and regulation to monitor the CBs for the certification except for the MS 1500. After all, it just only based voluntarily. Since the certificate is business-driven, therefore the Shariah non-compliance risk could be there. With the less regulated thus, it could increase the flexibility of the hotel to certify their hotel based on their interest.

5.0 Conclusion & Recommendations

Malaysian certification for the Shariah compliant hotel is not under one CB whereby four institutions act as the certification bodies to certify the hotel. However, the area and scope of each standard used for the certification may vary, and this has led to the Shariah compliant areas, and aspects of the Shariah compliant hotel could be different either wholly or partially based on the outlets or spaces. Since there is no regulatory requirement regarding the usage of the terms related to the Shariah compliant to the hotel, a proper monitoring control from the government onto the CBs and the hotel itself is urgently needed to ensure the practices are following the Shariah principles. Therefore, it is suggested for the government at the federal level to establish a supervision unit to cater the practice of the CBs regardless the CBs owned by the government or non-government institution to avoid any fraud could happen.

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