

An Overview On The Growth Of Halal-Concept Hotel Chain's Industry In Malaysia

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Abstract: *The paper attempts to survey the emergence of halal-concept hotel chain in Malaysia by reviewing current project and initiative to set up the blueprint and framework of halal-concept hotel based on the principle of halal toyyiban (allowed and permissible for consumption). Against this backdrop, it looks into current perception and effort to develop shariah-based hotel network and to conceptualize the idea into dynamic embodiment of contemporary Islamic market that reflect a major breakthrough in the industry and marked an important achievement in the halal-business enterprise and current direction of Islamic tourism in Malaysia. The aim of this research is to highlight the significant growth of halal-concept hotel in Malaysia by outlining its origin, conceptual framework and practical orientation, standard practice and basic operation, principal guideline and ethical vision in managing the business, and significant achievement and future challenge and prospect. The study is based on qualitative (narrative) and quantitative (inventories) methods where data is collected from intensive library research and fieldwork. From the discussion, the finding shows that the industry has been targeting to become an alternative to conventional hotel and improving the conventional order and practice of hospitality in line with shariah-based principle, by invoking a Muslim-friendly environment and embark on projecting new innovation to advance Islamic alternative as Malaysia continue to lead this highly competitive market of global halal industry.*

Keywords: *Halal-concept hotel, hospitality and service, Islamic brand, shariah-compliant business*

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1. Introduction

The study brings into focus an informed and comprehensive perspective of Halal hotel industry in Malaysia which addresses several crucial aspects of its background and prospect. It looks into historical backdrop of the flourishing development and breakthrough of Muslim-friendly and Shariah-compliant Hotel provider in Malaysia. Its current excellent rating was driven by Malaysia's competitive edge in global economic prospect. The paper consists of research objectives, research questions, research method and design, literature review, expected outcome and final conclusion.

The following defines some major objectives of research: (1) to outline the aim and objective of developing halal-concept hotel chain in Malaysia (2) to describe the standard practice and principal orientation designate for this project (3) to highlight some differences between shariah-based hotel and conventional secular hotel chains from Islamic principal commitment and viewpoints (4) to discuss the significant contributions of halal-concept hotel in propelling economic growth in tourism sector and in attracting foreign direct investment from larger player in the Middle East especially among the Arab-African countries (5) to identify the problem in managing halal hotel business in contemporary practice of global halal market and economic competencies.

The principal questions addressed in this research were (1) what were the aim and objective of developing halal-concept hotel in Malaysia? (2) what is the standard practice designate for this project? (3) what is the principle different of shariah-based hotel and conventional secular hotel chains from Islamic standpoint and how to accommodate their diverse practices? (4) what is the contribution of halal-oriented hotel in propelling economic resilience and growth and advancing the technologically-related Islamic capital market? (5) how to propel the reputation of Malaysia as major player in halal industry and in attracting foreign direct investment from rich-oil multi-national companies in the Middle East? (6) What is the problem and challenge faced in managing and sustaining the halal-oriented hotel industry?

The high star rating of shariah-compliant hotels in Malaysia (Zulkifly Md Said, 2017) was a testament to its global recognition worldwide which is aligned with recent implementation of MFAR

(Muslim-Friendly Accommodation Recognition) scheme by the Islamic Tourism Centre (ITC) that recognize and label 42 syariah-compliant hotels with its official MFAR logo (Teh Athira Yusof, 2020). It serves as a catalyst to boost the market performance by attracting more Muslims guest and tourist into the country which has registered an increasing trend of numbers internationally “In 2019, Malaysia received a total of 5.33 million Muslim tourist arrival, an increase of 1.45 per cent from 2018 (5.25 million tourists) generating MYR 16.72 billion in tourist receipts which is an increase of 0.72 per cent from 2018 (MYR 16.60 billion” (Teh Athira Yusof, 2020). This MFAR initiative was the first of its kind which has received support from Malaysian Association of Hotels (MAH), Malaysian Association of Hotel Owners (MAHO), and Malaysia Hotel Association (MyBHA)

Toward this aims, the paper determines to conclusively observe and conduct in-depth interview with relevant authorities, especially top managerial staff and officers, and getting feedback from its customers on their overall perception and expectation of the business in term of treatment and hospitality provided. It will also compare the implementation of technically Islamic practice in syariah compliant hotel in other parts of Muslim countries, such as Saudi Arabia, United Arab Emirates, Brunei, and Qatar and the Gulf countries, comparing their governmental practice in increasing revenues by enabling development effort toward future potential growth, ensuring sustainability and inclusivity and promising prospect for capital growth.

2. Materials and Methods

The study is based on qualitative (narrative) and quantitative (inventories) methods where data is collected from intensive library research and fieldwork. It reviews extensive works on halal-related subjects especially on the theme of standardization of Islamic-practice in syariah-compliant hotel in Malaysia. The fieldwork will practically look into the operation at selected Muslim friendly halal-brand hotel premises such as De Palma Hotel Ampang & Shah Alam; TH Hotels & Residences; RAIA Hotel & Convention; Perdana Hotel Kota Bharu; Hotel Midaris (Syariah) Kuala Lumpur; Oyo Green Home Hotel Syariah Sepang; Movenpick Hotel & Convention Centre KLIA; Ibis Styles Sepang KLIA; PNB Perdana Hotel & Suites on the Park (awarded ‘world best halal apartment’ 2016 at the World Halal Tourism Summit 2016); Adya Hotel Langkawi; Grand BlueWave Hotel Shah Alam; Klana Beach Resort Port Dickson; Mardhiyyah Hotel & Suites Shah Alam and other domestic budget-hotel chains in Malaysia.

3. Results and Discussion

In the context of global halal industry, the creation of significant profit forthcoming from Shariah-compliant hotels sectors has bring highly resounding and reputable impact to the industry which is considered as its most lucrative products. Nevertheless, from a range of 5,520 international and local hotel chain in Malaysia, only 10 per cent are complying with Shariah principles and requirement (Che Musa Che Omar, Noormuthaah Mohamad Ali Adaha, 2019). The criteria for Islamically-compliant hotels has been consistently upgraded that enjoyed the highest rate, among the Middle Eastern guest and tourist. The standard being developed since it introduced this kind of Islamically-oriented hotels offering a range of diversified and holistic treatment of services and management tailored to the need of Muslims customers.

The star rating attributes to syariah-compliant hotels in Malaysia was designed to suit with contemporary demand which requires certain measures to be fulfilled – (1) restaurants serving halal and non-halal food must have separated kitchen, storage facilities, washing amenities, utensils and equipment (2) Qibla sign has to be displayed on ceiling of every room (3) water hose/bidet to be provided for ablutions (4) separate compartment of halal and non-halal food (5) provision of surau (prayer rooms) (Zulkifly Md Said, 2017).

In principle, this is necessary considering the prospect of guest looking for room facilities perfectly equipped and provided with utilities for ablution, and embedded with prayer mat, prayer room (musolla), the Muslim kits, Qibla direction, Holy Quran, and proper Islamic code of dressing that adhered to Islamic Quality Standard (IQS) and specifically meet the Shariah requirement. In their endeavor to provide convenient accommodation the hotel operators and hoteliers had promised an array of access to a quality and sanitized stays.

Shariah hotels, with reference to the fatwa of the National Shariah Council, concerning guidelines for promoting tourism based on Shariah principles, were technically understood as hotels that adhered to Islamic syariah system in their operation and activities. This concept applied to various aspects of hotel service, i.e., providing halal food and drink (non-alcoholic), menu content the certified halal

designation, facilities and places for worship, and its equipment in each room. In addition, several principles were also considered where guests must be separated between mahram (guardianship or family member) and non-mahram (non-relatives with whom marriage is lawful, in this one has to observe the hijab). Often, Shariah hotels always equipped with adhan reminder (prayer times), and ablution kits in keeping with Muslim lifestyles. This in distinction from conventional hotel practice, that provides standard service following general convention or international hotel standards.

In perspective, and keeping with this increasingly bright prospect of halal-service industry, the global focus on Islamic product and service continues to be highly attracting especially on halal food, Islamic banking (Norzafir Md Salleh, 2014) and shariah-compliant hotel. In response to the fast growing and compelling demand for Islamic oriented hotel business, innovative services were developed and implemented aligned with Islamic criteria and its holistic practice and regulation which carrying out the halal guideline in the adoption and development of Shariah-based hotel industry.

The halal-compliant hotel brand delivers competitive edge of Shariah compliant accommodation for guest and tourist (Noor Sufiawati Khairani, Noriah Ismail, Emelin Abdul Wahid, Mohamad Zaki Razaly, Noraizah Abu Bakar, 2021). It consistently deployed strategic features of competitive advantage of Islamic hospitality offering highly promising prospect of defining concept of Islamic quality management in hospitality industry that surprisingly impacting the tourism sector as it is universally accepted and tailored to different needs and interest (Zakiah Samori, Fadilah Abd Rahman, 2013).

4. Conclusion

The development of Islamic hospitality industries and shariah-compliant hotel brands has provided an ample opportunity for the industry players to upgrade their products and services into arguably key Islamic business of enriching experience in the internationally recognized and globally competitive brands of halal hub industry. Malaysia's resilience economy and its efficient offers and packages marked its deployment as the leading powerhouse of global shariah-compliant hotel provider that cater to the need of diverse framework of industry and background. It does provide Islamic funding to finance Islamic financial instrument including Islamic hotels as outlet selling Islamic product and services. Considering this prospect hoteliers should look forward to collaborate with the growing number of homegrown Shariah-compliant hotel player to enhance the industry and maintaining key standard of operation as catalyzer of shariah service and management and the making of future prospect of attracting international and domestic support.

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