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## The Growth of Muslim Friendly and Halal Tourism in Inbound and Outbound Travel Market

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### Abstract

*As the growth of the Muslim travel market is a new phenomenon, many different terminology and definitions have been used to refer to Muslim friendly and halal tourism market segment by academics, media and other organizations. In a general term, Muslim friendly tourism is defined as 'halal conscious travelers, traveling for any purpose, which is halal (permissible)'. The fact is the growth of the Muslim travelers, especially the middle class and younger population, has meant that Muslim travelers are becoming a significant segment, which will affect the global tourism industry. Their eagerness to explore new experiences and destinations, coupled with increased awareness of faith-based needs, is now driving the global demand for Muslim friendly tourism products and services. By reviewing secondary data and conducting interviews, this study aims to investigate factors influencing and constraints impeding the growth of MFT in inbound and outbound travel market in Far Eastern countries. Malaysia's success story on MFT is primarily driven by the government's commitment to identify the Muslim market as a priority market, which allows the country to top the Global Muslim Travel Index for the sixth consecutive year. In another example, the study found that the number of inbound Muslim tourists to Japan has been increasing considerably in recent years, and while the country has only a very small percentage of Muslim population, tourist associations and businesses have ramped up efforts to upgrade facilities and services to cater to Muslim's tourist market.*

Keywords: Islamic tourism, Muslim-friendly, halal tourism

### 1. Introduction

According to many scholars, the religious concept for Islamic tourism has not yet been theoretically articulated, but various opinions and remarks in the discussions on the future of tourism in Muslim countries indicate that this articulation is just a matter of time. At present, the whole idea is based on the conservative interpretation and understanding of Islam and how to merge elements of the conservative Islamic lifestyle with the modern tourism industry, which could present new tourism options and spheres (Al-Hamarneh and Steiner, 2004). In the tourism literature, although the relationship between tourism and religion has been addressed, there remains a shortage of theoretical publications in the area of tourism in the context of Islam.

Religion and religiosity are acknowledged factors influencing human behaviour according to various social settings, yet research that explores relationships between religion, behaviour and tourist destination choice remains highly limited (Din, 1989; Rinschede, 1992; Fleischer, 2000; Howe, 2001; Poria *et al.*, 2003; Weidenfeld, 2006; Weidenfeld and Ron, 2008). Din (1989) argues that social scientists have tended to overlook the importance of religion in tourism studies. When it comes to the relationship between tourism and religion, particularly Islam, the lack of literature is even more obvious, especially regarding Islamic religious attributes and their impact on tourist needs in general and Muslim tourists in particular.

A review of literature on Islamic tourism indicates that the current debate tends to focus on Muslim friendly destination and halal tourism, which will be the primary focus of this study. The economic concept of the two terms not only considers Muslim countries as the emerging tourism market of the future with huge economic, demographic and destination potential, but also focuses on the importance of intra-Muslim tourism for new markets and tourism destinations, including non-Muslim countries. Its precept describes intra-Muslim tourism as new markets to be integrated in the existing tourism strategies of the destination countries.

## 2. Literature Review

Research has been conducted into aspects of the interconnectedness between religion and tourism (Rinschede, 1992; Vukonic, 1996) and parallels are often drawn between the two (Allcock, 1998; MacCannell, 1992; Schmidt, 1980). In the past, tourism is traditionally closely linked to religion which has acted as a powerful motive for travel from the time of early pilgrimages to contemporary journeys to sacred places. Religious buildings, rituals, festivals and ceremonial events are important tourist attractions for those with a casual interest as well as more devout followers of the particular systems of belief represented. The topic thus has a place in the literature that deals with the creation and representation of tourism spaces (Britton, 1991), many of which combine secular and spiritual meanings as evidenced in many countries.

It can be argued that religious tourism, travel primarily motivated by religious reasons, is one of the oldest types of tourism and 'probably as old as religion' itself (Rinschede, 1992, p. 53). Studies of religion and tourism are usually centered on the purpose and impact of tourism activities, destination images, and managing sacred sites (Hattab and Katz, 2001; Jackowski and Smith, 1992; Nolan and Nolan, 1992; Schneider and Sonmez, 1999; Sharpley and Sundaram, 2005; Vukonic, 1992). Rinschede (1992) suggested two temporal forms of religious tourism, short- and long-term. The former includes excursions to nearby pilgrimage centers and religious conferences, usually taking place within a day. Long-term religious tourism can last months - for example, Muslims spending 45 days in Mecca for their Hajj. Today, religious tourism has a broad scope and close ties with population growth and economic development (Jackowski and Smith, 1992).

Islam is not intrinsically opposed to tourism, yet international tourism is adversely affected by poor relations between Western and Islamic nations. Islam has been associated with oppression, terrorism conservatism and anti-Western sentiment (Armstrong, 2001), while the West is criticized as an imperialist aggressor pursuing economic, political and social domination (Al Ahmad, 1984; Said, 1979) whose people are infidels of lax morals. Brunei is an exciting example of a 'reluctant tourist destination' whose wealth has undermined any economic incentive to help

protect citizens from its 'worst excesses' and encourage international tourism (Baum and Conlin, 1997, p. 91). About what constitutes compatibility or true Islamic conduct, there is no consensus and this is reflected in the debate about the practice and meaning of Islamic tourism concepts. In this research context, this phenomenon is interesting to be explored further as the prevailing federal government of Malaysia's stance on the management of tourism and Islam, although mindful of local sensibilities, is to satisfy international visitors and not insist on compliance with Islamic strictures (The Straits Times, 2002). Commercial objectives to maximise revenue through providing the leisure environments demanded by the tourism industry may therefore take precedence over religious considerations.

Islam, the world's fastest growing religion (Essoo and Dibb, 2004), should constitute 30% of the world population by 2050 (Huntington, 1996). The existence of about one billion Muslims globally suggests a huge market potential (Sechzer, 2004; Timothy and Iverson, 2006). Islamic tourism is agreed to be a powerful commercial force (Euromonitor, 2008), especially within the Middle East, with excellent prospects (Mintel, 2005). Yet the world's 57 Muslim countries (SESRTCIC, 2006) garner less than 10% of global tourism revenues (Hashim *et al.*, 2007). The four countries that dominate Muslim tourism - Morocco, Egypt, Turkey, and Malaysia - received 17.5 million guests in 2004. There was a call to open and promote Muslim countries' tourism markets, as reflected, for example, by the November 2005 inaugural Tourism Fair of Islamic Countries in Istanbul (Hashim *et al.*, 2007).

Although the term has not been universally defined and accepted, Islamic tourism has been developing rapidly in the last 10 years along three main trajectories: economic trajectory (intra-regional tourism growth), cultural trajectory (inclusion of Islamic cultural and religious heritage sites in tourism programs), and lifestyle trajectory (organization of tourist spaces to match conservative Islamic values) (Duman, 2011). Several authors recount how Islam historically enjoined particular types of travel which have retained an important religious and social function, albeit constantly adapting to the changing world (Ala-Hamarneh, 2008). This research is concerned with modern tourism and the Islamic religion, using the example of Malaysia as a case study to illustrate the problems and opportunities which arise when the two come into contact. Some general observations are to be made about the difficulties of the relationship, and conflicts between religious practices and tourist demands are to be identified, despite the fact that Malaysia was voted as the world's top Muslim-friendly destination according to surveys by Dinar Standard, a leading US-based survey institute for the Muslim travel market, and Crescent Rating, a Singapore-based Muslim travel consultancy firm.

The typology development of Islamic tourism can be likened to the work of Oppermann (1996) who developed a conceptual model of non-urban tourism to distinguish the differences between wilderness tourism, rural tourism, farm tourism, non-farm tourism and natural tourism in protected areas. With the growth of the Muslim travel market, varying terminology and definitions have been used to refer to either the total Muslim travel market or its sub-segments. As Islamic tourism typology is not well understood globally, it is expected that the outcomes of this research would provide a holistic and universal understanding of the term, and not limited to narrow standpoints as currently understood and practiced. As mentioned earlier, the primary focus of this paper is to investigate two main attributes of Islamic tourism: Muslim friendly and halal tourism.

The terms used have had a varying focus based on who is using the term and in which context. In a simple term, halal tourism can be defined as a type of tourism that involves Muslim travelers, who do not wish to compromise their faith-based needs while traveling for a purpose. Battour and Ismail (2015) argue that halal tourism is ‘any tourism object or action which is permissible according to Islamic teachings to be used or engaged by Muslims in the tourism industry’. The definition considers the Islamic law (shariah) as the basis to deliver tourism products and services to the target customers who are mainly Muslims. They claim that the location of activity is not limited to the Muslim world. The definition includes services and products that are designed for Muslim travellers in Muslim and non-Muslim countries. The definition, indeed, considers the purpose of travel as not necessarily religious; it may be any of the general motivations of tourism.

Meanwhile, Muslim friendly tourism implies destinations that cater to the needs of the Muslim travelers. Recently, some practises related to halal tourism have been observed. These practises which are applied in some destinations could be used as a benchmark for other destinations to target Muslim tourists and/or to market the destination as ‘Muslim friendly destination’. They include the growing number of shariah compliant hotels, availability of halal restaurants and halal food, convenience to fulfil religious obligations, gender segregation in the usage of facilities and services, and halal travel packages. The destinations that promote the features could claim to be ‘Muslim friendly’ (Carboni et al., 2014). It can be contested from the preceding discussion that the primary difference between Islamic tourism and halal tourism is from the objective perspective. Islamic tourism is traveling activities that are motivated by purpose or some specific goals, while halal tourism is more towards supporting the economic activities of supply chain in tourism to cater for Muslim needs and, at the same time, support Islamic tourism (Aziz *et al.*, 2015).

### **3. Research Methodology**

The primary purpose of this paper is to investigate factors influencing and constraints impeding the growth of MFT in inbound and outbound travel market in Far Eastern countries. This is part of the bigger attempt to explore the fundamental concepts of Islamic tourism, establish fundamental criteria for classifying different types of Islamic tourism, formulate framework and designate Islamic tourism destinations according to its classification in Muslim and non-Muslim countries. This research is exploratory in nature, and desktop study has been conducted to identify research problems and to refine research focus. Semi-structured interviews were conducted among tourism and religious experts in the first phase of the research to induce data and develop relevant themes relating to Islamic tourism typology, and this paper will only report preliminary findings.

### **4. Discussion**

While there were 1.186 billion international tourist arrivals worldwide, with a growth of 5% in 2015 as compared to 1.133 billion in 2014, only one of the top 10 international tourism destinations in 2015 was a Muslim country. Turkey was ranked sixth globally and recorded 39.5 million international tourist arrivals in that year, -0.8 per cent growth rate from the preceding year (UNWTO Tourism Highlights, 2016). In Asia Pacific, there were over 279 million international tourist arrivals to the region in 2015, an increase of 6.0% over 2014. However, only two countries with Muslim’s majority population made into the top ten destinations in Asia Pacific, which were

Malaysia (ranked fourth with 25.7 million arrivals) and Indonesia (ranked tenth with 10.4 million arrivals). In the same year, there were over 53 million international tourist arrivals to the Middle East, an increase of 2.0% over 2014, which Saudi Arabia and United Arab Emirates topped the list with 18 million and 14.8 million tourist arrivals, respectively (UNWTO Tourism Highlights, 2016).

However, several respondents argued that future trend of intra-Muslim market may change and Islamic tourism and halal travel market will be a lucrative business opportunity for people in tourism, considering the rising influence of Islam globally. This was already evident by the global Muslim spending on travel (outbound) which increased by 7.7% to reach \$140 billion in 2013 (excluding Hajj and Umrah). This was 11.6% of the global expenditure and is expected to reach \$238 billion by 2019. In comparison, travellers from China spent \$160 billion on travel in 2014, while US travellers spent \$143 billion, placing the Muslim travel sector in third place in global travel spending (Thomson Reuters, 2014).

In a related development, it is forecasted that the religious profile of the world is rapidly changing, driven primarily by differences in fertility rates and the size of youth populations among the world's major religions, as well as by people switching faiths. Although Christians will remain the largest religious group over the next four decades, Islam will grow faster than any other major religion. If current trends continue, by 2050, the number of Muslims will nearly equal the number of Christians around the world and Muslims will make up 10% of the overall population in Europe (Pew Research Center, 2015). The Muslim population is expected to increase from 1.6 billion people (23% of the world's population as of 2010) to 2.76 billion people in 2050 (Pew Research Center, 2015).

With the huge economic, demographic and destination potential of Islamic tourism and halal travel market, many countries, both Muslim and non-Muslim, are gearing their efforts to fulfil the requirements of the Muslim travel market. Malaysia, for instance, continues to top the Global Muslim Travel Index (GMTI) by Crescent Rating in partnership with Master Card for the sixth consecutive year in a row. The country has consistently been able to maintain its standing amongst the main three themes of family-friendly holiday and safe travel destination, Muslim-friendly services and facilities at the destination, and halal awareness and destination marketing. United Arab Emirates has overtaken Turkey to take the second position, while Indonesia has improved its ranking to move to the fourth place in 2015 (Tourism Review, 2016).

The key and unique strength of Malaysia's success story on Muslim friendly and halal tourism is the commitment of Tourism Ministry as early as 2009 to identify the Muslim market as a priority market. This also led to the creation of the Islamic Tourism Centre in the same year. The key lesson learnt in Malaysia's success story is that a government led commitment is required to activate the whole industry to make Muslim friendly tourism a priority market for the destination, with all facilities and services aligned to cater to this segment (COMCEC, 2016). Other key strengths include its large Muslim population base, a strong halal certification body, and diverse natural and man-made tourism resources.

In another example, the study found that the number of inbound Muslim tourists to Japan has been increasing considerably in recent years, and while the country has only a very small percentage of Muslim population, tourist associations and businesses have ramped up efforts to

upgrade facilities and services to cater to Muslim's tourist market. Among the non-OIC countries, Singapore retained its top position in the Global Muslim Travel Index, but Japan continued to improve its overall ranking to eighth place in 2015 (Tourism Review, 2016). In the past, Japan was perceived as unpopular tourist destination due to language barrier, cultural difference with the Muslims and higher appreciation of Yen currency. Further, the country is located quite a distance from primary Muslim markets, especially Southeast Asia, Middle East and North Africa. As the country is more open to tourism and Islam, Japan has eased visa entry requirement among many Muslim countries and is preparing to receive 1 million Muslim tourists during Olympics 2020.

A review of secondary data and interview findings reveal that some of constraints and challenges facing the growth of Muslim friendly and halal tourism in both OIC and non-OIC countries include: security concerns due to political instability in some of the OIC destinations; lack of strong and centralised halal certification bodies especially in non- OIC countries; limited support from government and resistance of tourism stakeholders to promote this niche of tourism; increased competition from non-OIC countries to target Muslim markets; Islamophobia and negative sentiments toward Muslim countries, and low air connectivity due to a number of OIC member states are not on major airline routes (COMCEC, 2016). In a nutshell, Muslim tourists globally represent a major niche market - a market that has a younger population, growing middle class and is increasingly asserting its unique needs on the travel, tourism and hospitality market. Though, Muslim friendly and halal tourism are still at an early stage, both OIC and non-OIC member states have inherent strengths which can be exploited to maximize its share of the market in the future.

## **5. Conclusion**

Islamic tourism can be defined as tourism mainly by Muslims, although it can extend to unbelievers motivated to travel by Islam, which takes place in the Muslim world (Ala-Hamarneh, 2008; OIC, 2008; Henderson, 2009). Purposes are: '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' (Ala-Hamarneh, 2008, p. 2). Islamic tourism is agreed to be a powerful commercial force (Euromonitor, 2008), especially within the Middle East, with excellent prospects (Mintel, 2005).

It is hoped that this research would provide a new impetus for the healthy growth of Islamic tourism on a global scale that would help promote not only a deeper understanding of Islam and its civilization which is characterized by unity in diversity but also a deeper mutual understanding between the world's cultures and civilizations that is so essential to world peace. In Islamic intellectual tradition, the Islamicity of things is judged in the light of two principles: tawhid-compliance at the level of ideas and beliefs and shariah-compliance at the level of practices and ethical values. These two principles determine the scope of Islamic tourism. The universality would help guarantee the broad scope and the global significance of Islamic tourism.

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