Analysis of Halal Tourism Development on Economic Development in Indonesia

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Abstract.
Halal tourism is part of the tourism industry that provides tourism services regarding Islamic rules. The rapid development of tourism has led to a new trend of developing halal tourism. However, its development is still experiencing several obstacles and challenges in various regions of Indonesia. This study aims to analyze the development of halal tourism and its impact on economic development in Indonesia. Halal tourism prioritizes fulfilling the basic needs of Muslims in tourist destinations, such as worship, purification, and traveling according to Sharia provisions. Potential trips made by Muslim tourists show a positive increase. The government through the Ministry of Tourism must immediately complete regulations related to the development of halal tourism, as well as produce standardization regarding the concept of halal tourism that will be implemented in Indonesia. Halal tourism development has a significant impact on Indonesia’s economic development. This can be seen from the emergence of various types of businesses in tourist attraction locations, infrastructure improvements to and from tourist attraction locations, the opening of new jobs, and the increase of local revenue in various regions.

Keywords: development of halal tourism, halal tourism, economic development

1. Introduction

Indonesia is one of the largest archipelagic countries in the world which has more than 17 thousand Islands with abundant natural wealth. In terms of utilization, the government sees a great opportunity to increase inclusive development, namely through the halal tourism sector which according to[1] can make a real contribution to society, nation, and state. For example, in terms of increasing visa reserves, import exports, gross domestic product, and job creation. Tourism is a social, cultural, and economic phenomenon that has developed in the world as a result of globalization. In the last decade, this industry has been enlivened by an increase in the number of visits by Muslim tourists in various countries, giving rise to the concept of halal in the tourism industry. This increase is an indicator of halal tourism performance income in a country. On the other hand, the halal tourism industry is a contributor to increasing foreign exchange in a country’s economy.
This is due to the industry's contribution to providing employment that can generate large incomes, both for individual business actors, companies, and the state.

The development of the world of tourism in Indonesia with the concept of halal is becoming a trend and many tourist attractions are competing to make or improve their tourist attractions to become halal tourism so that visiting Muslim tourists will feel safer. The concept of halal tourism itself is not limited to Muslim tourists, but non-Muslims can also visit. Religious tourism is a type of tourism that has a goal, namely to fulfill human spiritual needs in strengthening faith by visiting places that have religious values. Halal tourism has attracted the attention of many groups, both the government, observers, and business people. This is because the tourism sector has considerable and promising economic and business value. In recent years the number of countries developing the concept of halal tourism has continued to increase. Data from the Global Muslim Travel Index (GMTI) states that around 130 countries visited by Muslim tourists consist of 48 IOC/OKI (Islamic Work Organization) countries and 82 non-OIC countries. In ranking the number of visits, Malaysia was ranked first as a Muslim tourist destination, while Indonesia ranked second, equaling Saudi Arabia. Progressive increases from year to year have made the halal tourism market segment certainly attract the attention of business people to invest and continue to strive for product development and innovation.

Halal tourism is a term widely used for Muslim travel, referring to products, holidays, recreation, and social purposes that conform to Islamic teachings. Research on halal tourism shows that what underlies Muslim tourists in traveling is easy access to halal food, halal restaurants, religious practices, and accommodations that conform to halal principles, tours, and other destinations. The trend of world tourism development is currently making the halal, sharia, religious, and Muslim-friendly phase a leading strategy in improving and developing the tourism sector.

2. Literature Review

2.1. Halal Tourism Concept

The main foundation of halal tourism is the Koran surah Al-‘ankabut verse 20 (QS 29:20) which means: “Say working on the earth and pay attention to how Allah begins the creation (of creatures), then

Allah makes the final event. Allah has power over all things”. According to the Global Muslim Travel Index (GMTI, 2018). Halal tourism is tourism carried out by Islamic
principles in which there are Muslim-friendly facilities and services, these facilities and services consist of the availability of clean and comfortable places of worship, and facilities (ablution areas and prayer rooms) (separate for women and men), availability of guaranteed halal food and drinks, adequate public facilities (toilets and clean water), services and facilities during the month of Ramadan as well as gambling and alcoholic beverage activities.

The Organization of Islamic Cooperation (OIC) defines halal tourism as a tourist trip that aims to provide tourist services and facilities for Muslim tourists according to Islamic principles. Meanwhile, the Indonesian Ulema Council (DSN-MUI, 2016) states that sharia tourism is a travel activity carried out by a person or group to visit a place for recreational purposes, develop themselves, study the uniqueness of a place, see tourist attractions in a place that lasts for a long period certain time based on sharia principles. Sharia tourism activities must contain two important elements, namely being free from things that smell of shirk and lies as well as creating and adding profit value both materially and spiritually. Halal tourism according to the Ministry of Tourism[2] is an activity that is supported by various facilities and services provided by the community, entrepreneurs, government, and local governments that meet halal requirements. Halal tourism can be used by all groups, both Muslims and non-Muslims because the characteristics of its products and services are universal. Meanwhile, according to [3], halal tourism is every object and behavior of Muslim tourists in the tourism industry that prioritizes Islamic teachings as a guide in tourism.

Halal tourism is not only interpreted as religious tourism, namely visits to places of worship for pilgrimages or other places of worship. But also pay attention to travel etiquette and other facilities. Halal tourism is a complete tour because it includes conventional and religious tourism. Not only that, halal tourism is a more complex tour because it prioritizes halal products and complies with Islamic law. Four main components in Sharia tourism are agreed upon by the Ministry of Tourism and Creative Economy and MUI, namely culinary, Muslim clothing, cosmetics, and hospitality [3]. The four components must be halal certified from LPPOM-MUI. In addition, there are supporting components consisting of Sharia financial services (banking, insurance, pawnshops, leasing, etc.), non-sharia travel, and Sharia flights.
2.2. Halal Tourism Criteria

According to Chukaew (2015), there are eight standard factors for measuring Sharia tourism in terms of administration and management for all tourists which have their characteristics, namely:

- Services to tourists must comply with Islamic principles as a whole
- Guides and staff must be disciplined and respect Islamic principles
- Organize all activities so as not to conflict with Islamic principles
- The building must comply with Islamic principles
- Restaurants must comply with international halal service standards
- Transportation services must have a security protection system
- There is a place provided for all Muslim tourists to carry out religious activities
- Travel to places that do not conflict with Islamic principles

2.3. Main Elements of Halal Tourism Development

According to Cooper, Fletcher, Gilbert, Shepherd, and Wanhill (1998) that the tourism destination development framework at least includes the following main components:

- Objects and attractions include attractions that are mainly based on natural, cultural, or man-made assets, such as events or what are often called special interests.
- Accessibility includes supporting the transportation system which includes transportation routes or routes, terminal facilities, airports, ports, and other modes of transportation.
- Amenities include tourism supporting and supporting facilities which include accommodation, restaurants, details, souvenir shops, currency exchange facilities, travel buses, tourist information centers, and other convenience facilities.
- Supporting facilities (ancillary services), namely the availability of supporting facilities used by tourists, such as banks, telecommunications, post, hospitals, and so on.
- Institutional, namely related to the existence and role of each element in supporting the implementation of tourism activities including the local community as the host.

2.4. Traveler

A person or group of people who travel is called a tourist, if they stay for at least 24 hours in the area or country visited. If they live in an area or country that is visited in less than
24 hours, they are called travelers (excursionists). UIOTO (The International Union of Travel Organization) uses restrictions regarding tourists in general [4]. Visitors (visitors), namely everyone who comes to a country or other place of residence and usually for any purpose except to do work that receives wages. The concept of halal tourism is a process of integrating Islamic values into all aspects of tourism activities. The value of Islamic law as a belief and belief adhered to by Muslims is a basic reference in developing tourism activities. Halal tourism considers basic values ranging from accommodation, and restaurants, to tourism activities which always refer to Islamic norms.

2.5. Economic Development

Economic development according to Meir in Richardson (2002) is a process in which a country or region can increase the per capita income of the population over a long period by observing that the number of people below the absolute poverty line does not increase and income distribution does not increase inequality. Economic development is an effort to raise the standard of living of a nation which is often measured by the level of real income per capita. Economic development aims to increase real national income and to increase productivity. Economic development is also seen as a multidimensional process that covers all aspects and comprehensive policies, both economic and non-economic [5]. Economic development leads to the problem of economic development in autonomous regions.

3. Methods

3.1. Types of Research

The method used in this research is a qualitative method with literature review which is a series of activities related to collecting library data, reading and taking notes, and managing research materials. The aim is to reveal theoretical aspects as well as practical benefits, find a basis for obtaining and building theoretical foundations, frameworks, and temporary conjectures or re-research hypotheses. Researcher conducted research by digging up information from various media sources or websites, describing and constructing the existing reality so that it was hoped that the data obtained could be maximized.
3.2. Data Source

Data sources are all information data, whether in the form of real objects, something abstract, data, or phenomena both qualitative and quantitative. The data source in this research was obtained through literature study.

3.3. Data Collection Technique

Data collection was carried out by studying literature through several trusted journals, books, articles to add research data and information.

3.4. Data Analysis Technique

To obtain the necessary data, the results of the data obtained will be categorized and conclusions drawn. Data analysis is translated into an analytical presentation of the articles in systematic and communicative language [6]

4. Results and Discussion

According to Law Number 10 of 2009 concerning Tourism, tourism is defined as various types of tourism activities and is supported by various facilities and services provided by the community, regional government and local government. From an industry perspective, halal tourism is a complement to conventional tourism. Therefore, halal tourism is developed while still prioritizing Islamic and sharia cultural values but not ignoring the uniqueness and originality of cultural values in tourist destination areas [7]. Halal tourism is the activity of tourist visits to destinations and the tourism industry that provides product, service and tourism management facilities that meet sharia requirements. Indonesia won 12 awards from 16 categories up for grabs at the 2016 World Halal Tourism Awards in Dubai. It includes 12 categories:

1) World’s Best Halal Airline: Garuda Indonesia
2) World’s Best Airport for Halal Tourists: Sultan Iskandar Muda International Airport, Aceh Indonesia
3) Best Family Friendly Hotel in the World: The Rhadana Hotel, Kuta, Bali, Indonesia
4) The Most Luxurious Family Friendly Hotel in the World: Trans Luxury Hotel Bandung Indonesia
5) World’s Best Halal Beach Resort: Novotel Lombok Resor & Villas, Lombok, NTB
6) World’s Best Halal Tour Operator: Eiro Tour, Weist Sumatera Indonesia
World’s Best Halal Tourism Website: www.wonderfullomboksumbawa.com, Indonesia
World’s Best Halal Honeymoon Destination: Sembalun Village Area, Lombok, West Nusa Tenggara, Indonesia
World’s Best Hajj & Umrah Operator: ESQ Tours & Travel, Jakarta, Indonesia
World’s Best Halal Destination: Weist Sumatera, Indonesia
Best Halal Culinary Destination: Weist Sumatera, Indonesia
World’s Best Halal Cultural Destination: Aceh, Indonesia

In the 2019 Global Muslim Travel Index report, Indonesia was ranked first as the best halal tourist destination in the world competing with 130 countries, after 5 years of developing tourism in this tourism market. Likewise at the national level, the 2019 Indonesian Muslim Travel Index reports on provinces that have succeeded in developing the halal tourism market in their respective regions and is used as a benchmark for halal tourism development based on predetermined criteria. Of the several provinces designated for developing halal tourism, West Nusa Tenggara, Riau Islands, Nagore Aceh Darussalam, and West Sumatra are considered to have shown progress in developing halal tourism in their respective regions.

The development of halal tourism in Indonesia is carried out through efforts to increase sharia hotel certification, halal certification by LPPOM MUI, synergy with various parties in collaboration with the National Sharia Council (DSN), the Indonesian Ulema Council (MUI) and Business Institutions, certification, HR training, outreach, capacity building, and international promotion of halal tourism (Satriana, 2018). Halal tourism in Indonesia has good economic prospects in the national tourism industry, which aims to provide material and psychological aspects for tourists and contribute to increasing government income. Halal tourism is inclusive for all tourists by prioritizing sharia principles in organizing tourism and environmentally friendly services for tourists (Muslim and non-Muslim). The strategy they are implementing to make Indonesia a mecca for halal tourism is to achieve a tourism competitiveness index with indicators including improving infrastructure, promotional efforts, and improving the quality of human resources, as well as increasing the capacity of tourism industry players [7]. Several provinces whose halal tourism development continues to increase include:

Nusa Tenggara Barat

NTB is the only province that already has regulations regarding the implementation of halal tourism through NTB Regional Regulation Number 2 of 2016 concerning Halal Tourism. This regional regulation was formed by the West Nusa Tenggara Provincial
Government as a legal umbrella for tourists and tourism industry players in organizing halal tourism and fulfilling the obligations of Law Number 10 of 2009 concerning Tourism. This regulation contains basic considerations that demonstrate in-depth legal protection, namely that halal tourism business is a concept that integrates sharia values into tourism activities by providing facilities and services with sharia provisions. This means legal protection for Muslim tourists who have obligations based on religious guidance and do not need to worship while continuing to carry out tourism activities. So that this arrangement, apart from prioritizing aspects of economic benefits, also provides security and comfort services to tourists so that they can enjoy tourist visits in a safe, halal manner and provide convenience for tourists and managers in tourism activities. Lombok has a lot of potential to develop halal tourism to attract foreign tourists, especially from Muslim-majority countries.

The Indonesian Travel Bureau Association (ASIT A) stated that these destinations were prepared for halal tourist attractions such as Sadei Village, Hubbul Wathan Mosque, Karang Bayan Mosque, Benang Kelambu Waterfall, Gili Nanggu, Gili Sudak, Gili Kedis and Sembalun Village. Lombok has several hotels that provide facilities to support the needs of Muslim tourists, such as prayer equipment (mukena, prayer mat, Al-Qur’an) and Qibla directions.

Novotel Lombok Resort and Villa received the World Best Halal Beach Resort award at the World Halal Tourism Award in Abu Dhabi, United Arab Emirates (UAE) in 2016. West Nusa Tenggara has 75 hotel restaurants, 100 non-hotel restaurants, 200 restaurants and 269 MSMEs that have halal certificates in 2016 (Nugroho, 2018). To increase halal tourism in its region, Lombok is very active in carrying out tourism marketing activities at several international events including the World Halal Travel Summit in Abu Dhabi, ECONDE in Malaysia, and the International Tourism Bourse (ITB) in Berlin in 2016. showing the potential of halal tourism in West Nusa Tenggara, starting from destinations, culture, to halal tour packages. Pesona Khazanah Ramadhan is a local level event which is used as a means of tourism promotion. The West Nusa Tenggara Regional Tourism Promotion Agency (BPPD) published the Lombok Halal Guidebook which contains a map of Lombok Island, tourist attractions, tour packages, accommodation and car rental services which make it easier for tourists to travel to Lombok.

Keipulauan Riau

The Riau Islands Province is included in the “Leading Region” for halal tourism development because it is included in the top 3 provinces with the highest 2019 IMTI scores. In 2019, a Memorandum of Understanding was signed between the Ministry of Tourism and the Riau Islands Provincial Government regarding the Development of Halal
Tourism in the Riau Islands Province, which contains information regarding cooperation in preparing strategic plans to accelerate the development of halal tourism, integrating policies in age-related fields, and increasing capacity in the fields of marketing, destination development, and human resources in the field of halal tourism. The Riau Islands Provincial Government has not yet issued regional regulations governing the implementation of halal tourism. In the Strategic Plan and Action Plan for the Review of Halal Tourism Destinations in the Riau Islands Province for 2018-2019, there are superior halal tourism areas in the Riau Islands Province, namely Areia Penyengat Island, Tanjungpinang Gonggong Building, and Nagoya City Center. Areia Jodoh Batam, Areia Lago Bintan, and Area Karimun Java.

Mapping the Leading Halal Tourism Area in the Riau Islands Province has a main market for foreign tourists from Malaysia and Singapore, as well as market potential for foreign tourists from Southern Thailand, Brunei, Turkey and the Middle East Region. Penyengat Island, which is a typical island with Malay history and culture, has been appointed as a pilot project for halal tourist destinations in the Riau Islands Province. This island, which is synonymous with religious tourism and cultural tourism, is considered to have great potential for developing halal tourism in the Riau Islands Province. Based on data obtained from the Strategic Design and Action Plan for the Development of Halal Tourism Destinations in the Riau Islands Province for 2018-2019, business conditions include 10 hotel restaurants, 77 restaurants/restaurants, 77 catering, 7 coffee processing, 310 food products, 48 beverage products, 19 seasoning products, 25 poultry slaughtering products, 47 fish processing products, 23 other products/businesses.

Aceh

Aceh is a province with halal tourism development for foreign Muslim tourists which is considered quite good. As an area nicknamed Veranda Mecca, Aceh implements a strong Islamic culture with a sharia-based system which is part of the daily lifestyle of its people. The Ministry of Tourism is targeting this area as a halal tourist destination that is useful for attracting world Muslim tourists. Aceh’s tourism achievements cannot be separated from Aceh’s success in winning three categories in the 2016 national halal tourism competition, namely “Aceh as a Muslim tourist friendly destination”, “Sultan Iskandar Muda Airport as a Muslim tourist friendly destination”, “Sultan Iskandar Muda Airport as a destination Muslim tourist friendly”. airport”, and “Great Mosque Baiturrahman as the best tourist attraction”. Based on 2017 data from the Ministry of Tourism and BPS, Aceh’s tourism sector is worth around IDR 10.87 trillion, or the equivalent of 8.97% of Aceh’s total economy. This condition shows that the tourism sector in Aceh makes a significant contribution (Satriana, 2018).
Aceh Province as the main halal tourism destination issued Qanun Aceh Number 8 of 2016 concerning the Halal Product Guarantee System. Aceh has Aceh Qanun Number 8 of 2013 which regulates tourism based on Sharia values and Aceh Islamic culture. Aceh also has Qanun Jinayah Number 6 of 2014 as an effort to enforce Islamic law as well as support halal tourism programs. The Aceh government plans to organize halal tourism events by holding several cultural events, such as the Aceh Coffee Festival, Aceh Food Festival, Aceh Tourism Ambassador Celebration, Aceh Traditional Horse Racing, and others. Aceh government created new brands to improve the image of Aceh Halal Tourism, such as “Aceh Halal Tourism”, “Aceh Light” and “Great Aceh Through Various Tourism Enchantment”. However, based on a survey of tourism-supporting infrastructure in 2016, Aceh is not yet included in the top 5 cities with the best tourism-supporting infrastructure. Tourism infrastructure in Aceh has not been improved much, especially to match the number of Muslim tourists. In supporting the implementation of halal tourism, the HR training agenda related to halal tourism is implemented by the Aceh Government not only in Banda Aceh, but also in almost all districts/cities, such as Takengon, Tamang, and others [8]. The HR development program carried out is not based on the goal of responding to the challenges of the halal tourism industry so that the program only produces output but does not produce maximum outcomes.

Sumatera Barat

As a region that has the cultural icon “Adat basandi syarak, syarak basandi Kitabullah” West Sumatra has the potential to develop the halal tourism market.

They consider Islamic law as guidelines and guidelines shared by Muslims as basic guidelines in developing tourism activities in this province. Recognition as a halal tourist destination was handed over on October 7 2016 at the Sapta Pesona Building during the 2016 Halal Tourism Award celebration. This was expressed and conveyed directly by Menparekraf Arief Yahya who visited West Sumatra in the Coordination Meeting of the West Sumatra Provincial Government with districts and cities throughout West Sumatra regarding “Future Potential of the West Sumatra Tourism Economy”. On that occasion, West Sumatra was designated as a world-class halal tourist destination, apart from Lombok and Aceh, because it won the “World’s Best Halal Culinary Destination” and “World’s Best Halal Destination” awards at the 2016 World Halal Tourism Award in Abu Dhabi. On December 7, 2016. West Sumatra has huge potential for halal tourist destinations.

West Sumatra Province is supported by facilities supporting the halal tourism industry such as the availability of sharia and non-sharia hotels, comfortable prayer room
facilities, and the availability of halal culinary places that pamper tourists. Tourism is one of the most potential sources of Regional Original Income (PAD) for the province of West Sumatra. Apart from being a source of regional income, tourism also provides an effective link in its ability to make other businesses a source of community income. Apart from that, the tourism sector is one of the potentials that contains a people’s economy that is able to improve community welfare and regional development as a whole and as a whole. The development of halal tourism provides an opportunity to improve the community’s economy and increase the number of tourists visiting tourist attractions. The concept of halal tourism based on One Village One products in West Sumatra is carried out by promoting regional potential to promote local uniqueness so that it becomes an icon of each region so as not to take away the market share of tourists who come such as Pagaruyung Palace which is OVOP (one village one product) based on the history of the halal tourism concept.

5. Conclusion

Halal tourism is a new tourism concept that has a promising market share for many countries in the world, including Indonesia. Indonesia has started developing halal tourism 5 years ago, by designating several provinces that have the potential to develop halal tourism. According to Law Number 10 of 2009 concerning Tourism, tourism is defined as various types of tourism activities and is supported by various facilities and services provided by the community, regional government and regional government. 12 categories took part in the 2016 World Halal Tourism competition and won awards. The development of halal tourism in Indonesia is carried out by efforts to increase sharia hotel certification, halal certification by LPPOM MUI, synergy with various parties in collaboration with the National Sharia Council (DSN), the Indonesian Ulema Council (MUI) and the business world. institution. Certification), HR training, outreach, capacity building, and promotion of halal tourism internationally.

West Nusa Tenggara is the only province that already has regulations regarding the implementation of halal tourism through NTB Regional Regulation Number 2 of 2016 concerning Halal Tourism. To increase halal tourism in its region, Lombok is very active in carrying out tourism marketing activities at several international events including the World Halal Travel Summit in Abu Dhabi, ECONDE in Malaysia, and the International Tourism Bourse (ITB) in Berlin in 2016. Regional Tourism Promotion Agency (BPPD) West Nusa Tenggara publishes the Lombok Halal Guidebook which contains a map
of Lombok Island, tourist attractions, tour packages, accommodation and car rental services that make it easier for tourists to travel to Lombok.

The Riau Islands Province is included in the “Leading Region” for halal tourism development because it is included in the top 3 provinces with the highest 2019 IMTI scores. A Memorandum of Understanding has been signed between the Ministry of Tourism and the Regional Government of the Riau Islands Province regarding the Halal Tourism Development Plan in the Riau Islands Province which contains information regarding cooperation in preparing a strategic plan to accelerate the development of halal tourism, integrating policies in relation to age, and increasing capacity in the marketing sector, destination development, and human resources in the field of halal tourism.

Achievements in the tourism sector in Aceh cannot be separated from Aceh’s success in winning three categories in the 2016 national halal tourism competition, namely “Aceh as a cultural destination friendly to Muslim tourists”, “Sultan Iskandar Muda Airport as the best friendly airport for Muslim tourists”, “Sultan Iskandar Muda Airport as the best Muslim tourist friendly airport”. , and “Masjid Raya Baiturahman as the best tourist attraction”. Aceh government created new brands to improve the image of Aceh Halal Tourism, such as “Aceh Halal Tourism”, “Aceh Light” and “Aceh Great Through Various Tourism Enchantments”.

West Sumatra has been designated as a world-class halal tourist destination, apart from Lombok and Aceh, since winning the “World’s Best Halal Culinary destination” and “World’s Best Halal destination” awards at the 2016 World Halal Tourism Award in Abu Dhabi. The concept of halal tourism based on One Village one products in West Sumatra is carried out by promoting regional potential to promote local uniqueness so that it becomes an icon of each region so as not to take away the market share of tourists who come such as Pagaruyung Palace.

The government, through the Ministry of Tourism, must immediately finalize regulations regarding the development of halal tourism so that industry players feel comfortable in implementing the halal tourism concept. Advocacy to explain the importance of halal certification for tourism industry products and players in the development of halal tourism in Indonesia.

The quality of human resources who will be involved in developing halal tourism must continue to be improved, especially regarding understanding the concept of halal tourism, how to dress, communicate, and of course foreign language skills which must be taken into consideration. Building agreement in understanding the concept of halal tourism.
tourism for all stakeholders involved, so that there are no double interpretations in understanding the concept of halal tourism.

References


