

Halal tourism and new generations: The Indonesian case

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Abstract

Purpose: Firstly, from a theoretical point of view, it is aimed to contribute to the clarification of what Halal tourism is, as a relatively new term. And secondly, from an empirical perspective, to gather an insight into the level of knowledge and mental schemes of a new generation of young people in a Muslim majority country like Indonesia.

Methodology: To achieve the first objective, a literature review is presented. With regard to the second one, a survey among business university students was carried out in the Republic of Indonesia; primary data collected were treated by using univariate, bivariate and multivariate statistical techniques.

Findings: Halal tourism is a field of study in a very early stage. In spite of the ambiguity found, Halal tourism can be considered as the most appropriate to denote services designed to meet the needs of Muslim tourists, in accordance with their religious behaviours. Concerning the empirical study, the mismatches between the literature and the perceptions declared by the sample of higher education students are identified.

Practical implications: The observed lack of knowledge on this market between new generations in Muslim majority countries is clearly an obstacle for its development. Managerial implications for tourism services providers intending to target this segment are also provided.

Originality/value: This work is intended to shed light on the concept of Halal tourism and perceptions about it, in an attempt to fill the gap of the empirical knowledge on this topic. This is the first work targeting university students in a Muslim majority country.

Keywords

Halal tourism; Halal tourism destination; University students; Indonesia

1. Introduction

When working on this topic, the first problem a researcher finds is the confusion caused by a number of terms intended to designate the same concept (Islamic tourism, Sharia-compliant tourism, Halal tourism...). As stated by Maznui (1997, 118), “Islam is not just a religion and certainly not just a fundamentalist political movement. It is a culture or civilization, a way of life that varies from one Muslim country to another but it is spirited by a common core”. As a result, another critical problem arises: the lack of a single and shared interpretation on what Islam requires to tourism services.

Bearing this in mind, this work has two main parts: one in which a synthesis of the state of the art on the scientific research on Halal tourism is presented; and another of empirical nature, aiming to provide an insight about the level of knowledge and mental schemes of the new generation of university students in the world largest Muslim-majority country.

2. Brief literature review

In order to build a theoretical framework, a literature review was completed. According to Fink (1998), this “is a systematic, explicit, and reproducible design for identifying, evaluating, and interpreting the existing body of recorded documents”. Usually, literature reviews have two main objectives: firstly, to summarize the existing research by identifying patterns, themes and issues; secondly, helping to identify the conceptual content of the field under study (Meredith, 1993) and contribute to theory development.

The first evidence that “Halal tourism” is a relatively new and under-researched topic is the very limited number of outputs supplied by Web of Science and Scopus when it is searched in these scientific databases. A total of 22 papers were found adding the results of both databases (21 in the period 2010-2016). More than half (12) have been published in 2016.

3. Fundamentals of our empirical work

3.1. Methodology

Population and sample

Our target population was composed by the undergraduate students enrolled in the Business School of President University (Indonesia) during the 2016-2017 academic year. In this regard, two notes are relevant to be taken into account:

1. Indonesia is a Muslim-majority country, with the single largest population of Muslims in the world, which on its own hosts around 13% of the world's Muslims¹.
2. President University is an Indonesian higher education institution in which the only vehicular language is English. This fact has facilitated the primary data collection in that language.

441 questionnaires (from practically all the elements of the target population) were collected during March 2017, from which 168 declared a level of familiarity with Halal tourism of at least 5 (out of 7). This set was taken as our sample (38% of total).

Instrument of measurement

The questionnaire is structured in six sections:

¹ Pew Research Center (2011). “The Future of the Global Muslim Population”, available at: <http://www.pewforum.org/2011/01/27/the-future-of-the-global-muslim-population/> (retrieved 24 June 2017).

1. Level of familiarity with the concept of Halal tourism.
2. It is devoted to know if some specific training has been received by the respondents.
3. Personal definition of Halal tourism.
4. Informant's opinions on if Indonesia should bet decisively to position itself as a Halal tourism destination.
5. This is the densest one, with eighteen items set on the theoretical background obtained from literature review. The three first items reflect Halal tourism as a three-dimensional construct, formed by its spiritual, ecological and healthy dimensions, respectively. The remaining fifteen ones are intended to draw its profile, with a number of factors of economic and social character.
6. Description of the socio-demographic profile of the sample (gender, age and nationality).

Techniques applied

Univariate, bivariate and multivariate techniques were applied for data treatment.

3.2. Main results

Univariate analysis: descriptive statistics

They have been calculated on the above mentioned 168 observations.

- Gender: 59.5% female; 40.5% male.
- Nationality: 85.7% Indonesian; 14.3% foreigners (11.8% Chinese).
- Age (years): mean 20.8; median 21; mode 20.
- Specific training on Halal tourism: 29.3%
- Indonesia as a Halal tourism destination: 57.1% yes; 32.1% don't know; 10.7% no.

Bivariate analysis: statistically significant differences

Together with contingency tables, Chi-square and Mann-Whitney tests were administered conveniently. The items on which statistically significant differences were found (in relation to gender -male vs female- and nationality -Indonesians vs others-) are shown in the following table.

Gender	Nationality
-Training on Halal tourism. -Indonesia should bet decisively to position itself as a Halal tourism destination. -Healthy dimension; level of expenditure; religious and cultural similarities; diversity of origins and needs; adaptations of the offer and certifications; Muslims as target population; religious motivations; particular food and catering services; size and growth expectations.	-Indonesia should bet decisively to position itself as a Halal tourism destination. -Spiritual dimension; healthy dimension; level of expenditure; religious and cultural similarities; diversity of origins and needs; Muslims as target population; religious motivations; welcoming character of the resident population; seasonality mitigation.

Multivariate analysis: factor and cluster analysis

A exploratory factor analysis was carried out on the data matrix composed by the 15 items in section 5 devoted to draw the profile of this market segment, once checked its suitability with tests such as correlation matrix determinant, Bartlett's test of sphericity and the KMO (Kaiser-Mayer-Olkin) index.

As a dimensions reduction technique, a Principal Component Analysis was performed, using the Kaiser method for components extraction and Varimax method for their rotation.

According to this output, the profile of Halal tourism for this batch of higher education students can be built on the following four axes:

- Factor 1 has been called as: "The role of locals and economic impact".
- Factor 2 has been designated as: "Attractiveness and similarities".

-Factor 3 has been named as: “Religious profile”.

-Factor 4 has been titled as: “Cultural integration and attractiveness (size and growth)”.

This rationale has been associated with various clusters of informants. To do so, a hierarchical cluster analysis has been also completed, using the Ward method and the squared Euclidean distance. As a result, and based on the dendrogram, four clusters were identified.

As a final methodological step, a discriminant analysis was executed in order to confirm this clustering, resulting that 92.3% of the original clustered cases were correctly classified.

4. Conclusions, limitations and future research lines

A review of the related literature reflects that the study of Halal tourism is recent. So, we found a total of 22 contributions, being Battour, Ismail and Battour who produced the first relevant article in 2010.

A distinction is made between Islamic tourism, referred to the trip made for religious and pilgrimage purposes and, therefore, associated with acts of faith, and Halal tourism, which is made for recreational, leisure and social reasons. In this sense, the term “Halal” refers to practices allowed or approved in accordance with the Islamic law (El-Gohary, 2016).

In the literature, concepts as Halal, Muslim or Islamic tourism are characterized by a certain degree of ambiguity, although El-Gohary (2016, 127, 130) defends that “it is preferred to use the term “Halal tourism” as the main and only term to brand and describe tourism products and/or activities that have full compliance with the rules and guidance of the Halal concept and Islamic Shariah”. In this sense, Halal tourism can be understood as offering tourist services designed to meet the needs of Muslim tourists in accordance with their religious obligations and practices.

Moving to our empirical research, among the three specified dimensions of Halal tourism, its association with a healthy lifestyle is the strongest one. Second in intensity is its connection with ecological awareness and conservation of the natural environment; finally, its spiritual dimension is also vastly recognized, although with less intensity.

Even in a Muslim-majority country such as Indonesia, only a minority of the university students (41% of Indonesians) has declared to be familiar enough (at least 5 in a scale of 7 points) with the Halal phenomenon, which is consistent with the low proportion who has affirmed to have been trained on this topic (only 20% of those with Indonesian nationality). Nevertheless, most of them believe that their country should bet decisively to position itself as a Halal tourism destination, especially males. Although much more research is needed, in order to clarify the relationship between the perception of Halal tourism and the position towards the development of this market segment, the first signs are evident here.

Two main limitations of this research have to be recognized: the first is the sample size, too small to be able to generalize our findings to the whole population of university students in Indonesia. The second, particularly related to the factor analysis, is the proportion of variance explained which is relatively low for this kind of technique (59% only). Nevertheless, the exploratory nature of this study allow us to present it as a first step forward in this direction, leading to further research avenues in line with overcoming these shortcomings and with the enlargement of its geographical scope.

A final consideration is referred to the managerial implications for those companies (hotel units, etc.) looking for excellence in the provision of their tourism services. This study highlights the chance to expand the service offering to this more and more attractive market niche. Various research methodologies and tools could be used by tourism managers to better understand this segment and its opportunities. Observing the latest trends and studies in this field, a call to the integration of tourism services by value co-creating can be made. Assuming

that Muslim tourists have particular needs, tourist operators must adapt their services offer accordingly. With regard to the Halal segment, a specific study on Halal tourism business ecosystem would be a promising topic in order to understand better the new consumers' needs and to have an opportunity to involve and engage them as value co-creators.

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Biographical sketch

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