A Case Study of Local Non-Muslim Guest Awareness towards Syariah-Compliance in Grand BlueWave Shah Alam

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Abstract: Malaysia has taken vast initiative in introducing Islamic hotels or Halal hotels as another form of tourist services in its initiative to become an Islamic Tourism hub. Among many of these hotels, Grand BlueWave Hotel Shah Alam (GBWHSA) has won the Islamic Quality Standard (IQS) for Hotel Design Award by Universal Crescent Standard Centre (UCSC). This paper discussed issues of awareness and acceptance of the local non-Muslim customers towards Syariah-Compliance practices, specifically in GBWHSA. Self-reported questionnaires were used to gauge the awareness of the customers who have experienced staying at the hotel. Data was analyzed using reliability and regression analysis, as well as descriptive statistics. The findings depicted that the non-Muslim customers were more aware of practices as compared to the concept, which eventually influenced their acceptance towards Syariah compliance. The findings contributed to the Islamic marketing literature in providing an improved understanding on the factors that possibly lead to awareness and acceptance of non-Muslim consumers towards Syariah-Compliant products and services.

Key words: Acceptance, Awareness, Islamic Hospitality, Islamic Quality Standard (IQS), Malaysia, Syariah Compliance


Introduction

Demand for ‘Muslim Friendly services has increased overwhelmingly due to the increasing number of Muslims travelling around the world. Apart from pilgrimage to Mecca and Medina, Malaysia is a country of choice for Muslim tourists, followed by Turkey. Easy access to Halal food has become a major factor for both these countries becoming the preferred places for Muslim tourists to visit (Universal Crescent Standard Centre, 2013). However, UNWTO (2008) stated that apart from Muslim tourists, Malaysia, as well as Turkey and Egypt, have also recorded the highest number of non-Muslim tourists. Statistics hint at the unrealized potential in Muslim and non-Muslim markets and significant obstacles to destination development, although the often substantial scale of domestic tourism should not be forgotten (Zamani & Henderson, 2010 as cited in Bogari et al., 2003). Syariah-compliant hotel concept is defined as a hotel that provides services in accordance with Islamic principles, which are not limited to just providing halal food and drinks, but accounts of various aspects in which it is to ensure

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that the hotel is operating in accordance with Syariah principles (Samori & Abd Rahman, 2013).

Many hotel operators apply Syariah-compliant concept in their line of business operations nowadays due to the influence of international brands that have adapted and adopted such a concept (Che Ahmat, Ahmad Rizuan & Mohd Zahari, 2011). This is because the benefits offered by the Islamic concept are not only limited to the Muslims, but also benefits everyone in striving for continuous quality and healthy lifestyle (Henderson, 2010; Samori & Abd Rahman, 2013; Che Ahmat et al., 2011). However, the implementation of Syariah-compliant hotels is still at the infancy stage (Mohd Yusof & Muhammad, 2013). It is agreed that satisfying the target market of both the Muslims and non-Muslims is a challenging task for the Syariah-compliant hotel operators (Samori & Abd Rahman, 2013).

The challenge is even more significant for four-star and five-star hotels since the provision of high-class bars for the guests’ relaxation was listed as one of their key operation that generates vital revenues (Business Emirates, 2009). Consequently, it justifies the high ratio of profit percentage contributed by the non-Muslim market in the hotel business. The application of Syariah-compliant hotels definitely requires careful consideration, especially in a multi-racial country like Malaysia. Further, it has to be balanced against profit gain and innovative services that address different religious needs (Samori & Abd Rahman, 2013; Md. Salleh, Abdul Hamid, Hashim & Omain, 2014).

Previous studies have looked into Syariah-compliant hotels focusing on several aspects, including guest perceptions (Che Ahmat et al., 2011; Briz & Ward, 2009), awareness (Roslin & Othman, 2010; Che Ahmat et al., 2011), acceptance (Roslin & Othman, 2010; Che Ahmat et al., 2011; Kamarulzaman et al., 2014), as well as opportunities and challenges (Marcus, 2014; Samori & Abd Rahman, 2013; Razalli et al., 2010). Despite all the aspects focusing on the Muslim guests, the awareness and acceptance of the non-Muslim market is still lacking. Moreover, most of the studies in the Malaysian setting were carried out at the De Palma hotel (Md Baharudin, 2012; Mohd Yusof & Muhammad, 2013; Sahida, W. et al., 2011; Che Omar et al., 2013; Che Ahmat et al., 2011). This study, on the other hand, aims to explore awareness and acceptance of non-Muslim customers towards Syariah compliance practices which capitalizes GBWHSA as a study setting.

The GBWHSA’s market segmentation is business travelers, as it is located in a commercial-hub area. Along with the Malaysian government’s mission to make the country a Halal-hub Islamic country, any seminar or conference by the government sector, followed by private sectors is obliged to be held in hotels that have been certified Halal by the Malaysia Department of Islamic Development (JAKIM) in their food and beverage outlets. However, there are non-Muslim business travelers, as well as leisure travelers who sometimes request for non-alcoholic beverages to their room or in the in-house restaurant outlets. Thus, the awareness and acceptance of non-Muslim patrons who stay at the hotel for the seminars or conferences, as well as for leisure purposes, towards Syariah Compliance practices at GBWHSA is unknown (Public Relation Manager GBWHSA, 2014).

The objectives of this study are: (a) to identify the relationship between the non-Muslim customers’ awareness of the concept of Syariah-compliant and their acceptance level, (b) to identify the relationship between non-Muslim customers’ awareness of the practices of Syariah compliance and their acceptance level, and (c) to identify the most influential factors influencing non-Muslim customers’ awareness of the application of Syariah compliance. Hence, the research questions are: (a) what is the relationship between non-Muslim customers’ awareness of the concept of Syariah compliance and their acceptance level?, (b) what is
the relationship between the non-Muslim customers’ awareness of the practices of Syariah compliance and their acceptance level, and (c) what is the most influential factor influencing non-Muslim customers’ awareness of the application of Syariah compliance?

**Literature Review**

*The Concept of Syariah Compliance*

According to Rosenberg and Choufany (2009), the Syariah-Compliant concept was pioneered by the Arabs in the early 2000s, and since then, the concept has been well-established throughout the Middle East. The concept of Syariah-Compliant hotels has also been implemented in Malaysia and a few hotels currently apply the concept, where some have been awarded the ‘Muslim-Friendly’ hotel by UCSC under various classification scale consisting of IQS-1 until IQS-7 as well. As of today, the awareness and acceptance of non-Muslim staff towards Islamic concept hotels practiced is positive. Even though there is a formulation of IQS standards to recognize hotel properties as a ‘Muslim Friendly’ hotel in Malaysia, the awareness of the customers, especially the non-Muslim are still in doubt.

*Non-Muslim Customer Awareness on the Concept of Syariah-Compliant Hotels*

The escalating number of hotel adapting the concept of Syariah compliance and the remarkable increase in demand for Syariah-compliant hotels cannot guarantee the high level of awareness among the customers (Che Ahmat et al., 2011). Information and knowledge play an important role in the customers’ attitudes towards the Syariah Compliant concept (Huang et al., 2006). The introduction of social media applications like Facebook, Twitter, and Instagram, in comparison with the more traditional electronic media help spread the information and knowledge in regards to this concept. In fact, customers themselves must have basic knowledge and understanding of what the Syariah-Compliant concept is all about and it is the hotel operators’ responsibilities to educate their customers with the adequate information regarding the concept to prevent misunderstanding (Che Ahmat et al., 2011). To develop demand for Syariah-compliant hotels, customer awareness of this concept is the first step that must be taken into count.

Briz and Ward (2009) noted that potential customers may not even be aware of the concept or may have the wrong perception even when they are aware, and it is believed that awareness is usually based on consciousness. However, the awareness does not necessarily equate with consumption (decision to stay in the hotel). Besides that, there is an assumption that there are limits to the degree to which foreign tourists should be respectful of local norms and patterns of behaviour (Henderson, 2003). Also, Husain (2007a) claimed that the health approach is becoming more important and can be fully integrated into Syariah-compliant hotel operations. However, there is a concern about the extent to which customers will accept the Syariah-compliant requirements and it has been argued that awareness have important effects on customers’ decision-making process (Macdonald & Sharp, 2000).

*Non-Muslim Customer Acceptance of Syariah-Compliant Hotels*

The attitudes of customers towards Syariah-compliant hotels are measured by their acceptance and keenness to stay (Che Ahmat et al., 2011). It is presumed leisure travelers are more
likely to have a Syariah-compliant hotel as place to stay for family holidays compared to business holidaymakers (Tarrant, n. d.). The perception that the Islamic hotel concept seemed to only appeal to Muslim travelers is therefore terminated when a large number of their customers originated from Germany, Australia, as well as Europe. This does not confirm that the acceptance level of non-Muslims about Syariah-compliant practices, particularly in the Malaysian context, will be the same as the abovementioned statement.

Henderson (2003) mentioned that religion is closely linked to the characteristics of the society in which Islam is the official religion, but not the only religion practiced. This can potentially cause conflict between Muslim and non-Muslim tourists, either internationally or locally. Furthermore, the increasing number of customers at the De Palma showed that the hotel can still make a profit and this is an indicator that the Syariah-compliant hotel concept had been successfully applied. However, there is still doubt as to the extent of the local non-Muslims acceptance of the concept of Syariah-compliant hotel. The growing number of Syariah-compliant hotels influences the hotel operators to apply such a concept in their business and the success of Syariah compliance can be seen through the high frequency of visit from customers.

Research Methodology

This study applied a descriptive cross-sectional method in investigating the local non-Muslim customers’ awareness and their level of acceptance towards the Syariah-compliant practices at the GBWHSA. The unit analysis of domestic or local non-Muslim customers who were selected consists of multi-religions like Hindu, Christians, Buddha, Jews, atheists and other worshipers in Malaysia staying at GBWHSA. Quantitative self-administered questionnaires were used to measure the research instrument. The respondents’ names, addresses, or telephone numbers were not included for privacy concerns.

According to the hotel staff (Public Relation Manager, Personal Communication April, 2015), there are approximately 79.5% of monthly occupancy percentage with expected double occupancy in each room. The ratio of the total population per month is divided approximately into 70:30, where 30% represents the non-Muslim guests. Thus, from the calculation, the average number of non-Muslim population who stay at the GBWHSA is 4,837. Based on the Roscoe (1975) rule of thumb, it is more appropriate for a sample size to be larger than 30, but less than 500. Thus, a total of 300 respondents were selected to participate in this study, so that the results are capable of generalizability.

Sets of close-ended questionnaires were developed and a pilot test or feasibility study was conducted to confirm the validity and consistency of the questions. Quantitative analysis was used, which will provide information on both of the independent and dependent variables, as well as the degree of relationships and the consequence between them. In order for the researcher to identify the research significance, Statistical Software for Social Science Programme (SPSS) was used to examine the statistical data. The reliability of the scale was measured by Cronbach’s Alpha. The instrumentation was adapted from Henderson (2010), Rosenberg and Choufany (2009) and Tarrant (n. d.). The first two parts have been created as independent variables referring to the instruments’ contents which were Part I (concept), Part II (practices), and were measured by a six-point Likert Scale ranging from one (1) with ‘Strongly Disagree’ to six (6) with ‘Strongly Agree’. Part III (acceptance) was created as the dependent variable and measured by a six-point Likert Scale ranging from one (1) ‘Absolutely Not/Low’, to six (6) with ‘Absolutely Yes/High’.
Results and Analysis

Two hundred and thirty four (234) responses were received with a 78% of response rate. The majority of respondents participated who in this study consisted of 62.8% females (n=147) and 35.5% males (n=83). The 86.3% (n=201), which is the highest out of the total respondents’ age ranged between 25 to 34 years old, followed by 35 to 44 years old with 10.3% (n=24). The rest of respondents ranging between 45 to 54 years old was 3.4% (n=8) and there were no respondents who were 55 years old and above (n=0). Most of the respondents, at 81.6% (n=191), stayed at GBWHSA for leisure activities, and majority of them were from the central parts of Malaysia, which comprises of Kuala Lumpur or Selangor, with a statistic of 47.0% (n=110). It is important to note here that 65% (n=152), which is more than half of the respondents, have never had the experience of staying in a Syariah-compliant hotel. Factors contributing to the high percentage is due to the possibility that a customer has experienced staying at the Syariah-compliant hotel, but were unfortunately unaware of the existence of the concept. Therefore, the introduction of this Syariah-compliant concept is very important for the hotel operators to introduce to the public. The results in the table also showed that the majority of the respondents have at least a Bachelor’s Degree (n=191), with a monthly income below RM 5000 (n=198).

Correlation analysis was conducted to answer the first and second objectives of the study, which is to investigate the relationship between the non-Muslim customers’ awareness towards concept and practices (independent variables) and the non-Muslim customers’ accept-
ance (dependent variable). Table 1 showed the correlation among the variables and the result indicated that surprisingly there was no relationship between customer awareness in terms of the concept towards customer acceptance. The correlation was not significant since p-value was greater than 0.01 (p-value=.533>0.01). In other words, the more non-Muslim customers were aware of the concept, the more they will accept Syariah compliance. Since the customers were not aware of the concept itself, the acceptance towards Syariah-compliant hotels was impossible. However, the results also portrayed that there was a moderate positive relationship between non-Muslim customers’ awareness in terms of practices towards their acceptance level of Syariah Compliance with a significant correlation (p-value=.000<0.01). In other words, the more non-Muslim customers were aware of the Syariah-compliant practices, the more they will accept the Syariah Compliance application.

In response to the third objective of the study, a standard multiple regression was conducted to find the most influential factor between the concept and practices towards non-Muslim customers’ awareness. Table 2 showed that there was a significant difference in non-Muslim customers’ acceptance (dependent variable) that had been illustrated by the model which consisted of the variables of concept and practices of Syariah compliance (independent variable). The results showed that the value of R-square is 0.183, which brought up that the SCC and SCP (as included in the model) only recorded about 1.83%. This was quite a low result of the customers’ acceptance variance. The researcher does not deny the possibility of factors like education levels and social norms as contributory factors, which were capable of influencing non-Muslim customers’ awareness and their level of acceptance towards Syariah Compliance. The independent variable regarding Syariah-compliant Practices (SCP) was the most significant factor, which was 0.000 level with a Beta value of 0.426 that clearly showed that the concept of Syariah-compliant practices is the main factor leading to the acceptance levels among local non-Muslim customers. This situation happens when the variable had a great impact and contributed to the explanation of the dependent variable from the difference shown by the resulting model.

Discussion and Conclusions

Results showed that the awareness of the concepts and practices concerning Syariah-compliant varied significantly. Non-Muslim customers are basically unclear about the features of the Syariah-compliant concept (Mean=7.06). They were equally unaware of the Syariah-compliant practices (Mean=7.10). Factors that contributed to the low awareness level of the local non-Muslim customers of the Syariah concept and practices was due to the lack of advertising in Malaysia to promote this concept as compared to the government’s initiative in promoting the Halal awareness to Malaysians. The other factor might also be caused by the fact that the Syariah Compliance concept is still new in Malaysia, and only a few of the hotels have been practicing it.

The level of agreement between the respondents’ understanding of concepts and practices has also been investigated. Based on the results shown in Table 3, the statistics showed that on average, the respondents’ awareness of the Syariah-compliant concept was created through the internet (websites) rather than other mediums such as news, advertising, reading materials or word of mouth (SCC4, SCC9, SCC10, SCC11). An increase in media consumption showed an increase in the awareness of Syariah-compliant hotel concept (SCC14).

In terms of awareness of Syariah-compliant practices (Table 4), the focus was on two sections, which is operations and interior design, as listed by Rosenberg and Choufany (2009).
Table 3. Descriptive Analysis for Syariah-compliant Concept (SCC)

<table>
<thead>
<tr>
<th>No</th>
<th>Scale Item</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCC1</td>
<td>I never heard about Syariah Compliant hotel concept</td>
<td>3.64</td>
<td>0.680</td>
</tr>
<tr>
<td>SCC2</td>
<td>I do not know the meaning of Syariah Compliant hotel concept.</td>
<td>3.90</td>
<td>0.750</td>
</tr>
<tr>
<td>SCC3</td>
<td>I fully aware about Syariah Compliant hotel concept.</td>
<td>3.91</td>
<td>0.808</td>
</tr>
<tr>
<td>SCC4</td>
<td>I follow news and developments about the Syariah Compliant hotel concept.</td>
<td>3.87</td>
<td>0.750</td>
</tr>
<tr>
<td>SCC5</td>
<td>I discuss with friends and people around me about Syariah Compliant concept.</td>
<td>3.71</td>
<td>0.819</td>
</tr>
<tr>
<td>SCC6</td>
<td>I read about the problems due to the application of Syariah Compliant hotel.</td>
<td>3.84</td>
<td>0.784</td>
</tr>
<tr>
<td>SCC7</td>
<td>I seek advice from third party whether I should stay in Syariah Compliant hotel or not.</td>
<td>3.91</td>
<td>0.880</td>
</tr>
<tr>
<td>SCC8</td>
<td>I am aware of the Syariah Compliant hotel problems and consequences.</td>
<td>3.83</td>
<td>0.826</td>
</tr>
<tr>
<td>SCC9</td>
<td>I heard about Syariah Compliant through advertising.</td>
<td>3.86</td>
<td>0.830</td>
</tr>
<tr>
<td>SCC10</td>
<td>I know about Syariah Compliant through reading materials.</td>
<td>3.72</td>
<td>0.671</td>
</tr>
<tr>
<td>SCC11</td>
<td>I know about Syariah Compliant through my friends and relatives.</td>
<td>3.80</td>
<td>0.794</td>
</tr>
<tr>
<td>SCC12</td>
<td>I have experience staying in Syariah Complaint Hotel concept.</td>
<td>3.93</td>
<td>0.794</td>
</tr>
<tr>
<td>SCC13</td>
<td>My families or relatives have experience staying in Syariah Compliant hotel concept.</td>
<td>4.23</td>
<td>0.844</td>
</tr>
<tr>
<td>SCC14</td>
<td>Increased in media consumption lead to increase the awareness of Syariah Compliant hotel concept.</td>
<td>4.11</td>
<td>0.693</td>
</tr>
<tr>
<td>SCC15</td>
<td>Exposure to Syariah Compliant concept leads to consciousness.</td>
<td>4.12</td>
<td>0.760</td>
</tr>
<tr>
<td>SCC16</td>
<td>The perceived brand consciousness of parents and friends contributed to my brand consciousness about Syariah Compliant concept.</td>
<td>4.06</td>
<td>0.735</td>
</tr>
<tr>
<td>SCC17</td>
<td>I aware of the existence of Syariah Compliant hotel review in websites.</td>
<td>4.11</td>
<td>0.784</td>
</tr>
</tbody>
</table>

N=234
Results showed that the respondents’ level of awareness were concentrated on interior design elements such as segregated prayer room (SCP8), separated male and female wellness facilities (i.e. hammams or sauna, spas, and gyms) (SCP7), and non-alcoholic menus (SCP1).

Additionally, the regression analysis revealed that the awareness of Syariah-compliant practices in GBWHSA moderately influenced the non-Muslim customers’ acceptance level. Thus, it can be concluded that hoteliers as a whole should escalate the effort of creating awareness and build positive perception towards the Syariah-compliant concept and practices in ensuring customer acceptance. A mutual action and strategy by the Ministry of Tourism & Culture, Malaysia and other related authorities is necessary in highlighting the Syariah-compliant concept and practices as one of the future niche for Malaysia’s tourism industry.

References


the Kingdom of Saudi Arabia. Tourism Analysis 8920: 137–141.

