

TOWARDS BRANDING MALAYSIA AS AN ISLAMIC TOURISM HUB

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Abstract

This article examines the efforts of an Islamic hotel in branding Malaysia as an Islamic Tourism Hub. The researcher chooses one of Syariah compliance hotel which is ABC Hotel located in Petaling Jaya, Selangor that will concentrate on level of satisfaction among customers by services provided. Based on strategic management tools ABC Hotel has potential to provide service quality that will meet customer satisfaction. The results provide insights on to what extent the services provided by hotel satisfied the patrons who patronage the hotel. In conclusion, it can be summed that generally customers are satisfied with the service quality rendered by ABC Hotel. Nevertheless, there are still areas for improvement to strengthen and increase the service quality delivered. Thus, this result shows that there will be positive impact towards promoting Malaysia as Islamic Tourism Hub. Proposed strategies include increasing promotion efforts through strategic alliance and exhibitions, new services to customers such as package tour, enhance the promotion in cloud computing like social networking and promotion channel such as Booking.com and provide intensive training to hotel staff to increase their efficiency in handling the task. Specifically, these strategies will help Syariah compliance hotel improve the services provided and promoting Malaysia as an Islamic Tourism Hub in general.

Keywords: *Islamic Tourism, Islamic hotel, service quality, customer satisfaction, Malaysia*

KE ARAH PENJENAMAAN MALAYSIA SEBAGAI HUB PELANCONGAN ISLAM

Abstrak

Artikel ini mengkaji usaha-usaha ini adalah hotel Islam dalam penjenamaan Malaysia sebagai Hab Pelancongan Islam. penyelidik memilih satu daripada hotel pematuhan Syariah yang ABC Hotel terletak di Petaling Jaya, Selangor yang akan menumpukan perhatian kepada tahap kepuasan di kalangan pelanggan dengan perkhidmatan yang disediakan. Berdasarkan alat pengurusan strategik ABC Hotel mempunyai potensi untuk menyediakan kualiti perkhidmatan yang akan memenuhi kepuasan pelanggan. Keputusan menyediakan pandangan mengenai sejauh mana perkhidmatan yang disediakan oleh hotel memenuhi pelanggan yang naungan hotel. Kesimpulannya, ia boleh disimpulkan bahawa secara umumnya pelanggan berpuas hati dengan kualiti perkhidmatan yang diberikan oleh ABC Hotel. Walau bagaimanapun, masih ada bidang yang perlu diperbaiki untuk mengukuhkan dan meningkatkan kualiti perkhidmatan yang disampaikan. Oleh itu, keputusan ini menunjukkan bahawa akan ada kesan positif ke arah mempromosikan Malaysia sebagai Hub Pelancongan Islam. strategi yang dicadangkan termasuk meningkatkan usaha promosi melalui pakatan strategik dan pameran, perkhidmatan baru kepada pelanggan seperti pakej pelancongan, meningkatkan promosi dalam pengkomputeran awan seperti rangkaian sosial dan saluran promosi seperti Booking.com dan menyediakan latihan intensif untuk kakitangan hotel untuk meningkatkan kecekapan mereka dalam pengendalian tugas. Secara khusus, strategi ini akan membantu hotel pematuhan Syariah meningkatkan perkhidmatan yang disediakan dan mempromosikan Malaysia sebagai Hab Pelancongan Islam secara umum.

Kata kunci: Pelancongan Islam, hotel Islam, kualiti perkhidmatan, kepuasan pelanggan, Malaysia

INTRODUCTION

Service Quality, Customer Satisfaction and Islamic Tourism

Malaysia is attempting to be a popular Islamic tourist destination in the world owing to its Islamic environment. Malaysia also a multicultural country consisting of three major cultures namely Malay, Chinese, and Indian with a total population of 29,566,417 million of the population as of July 2012. The official religion of the country is Islam while other religions are welcomed as well because of the existence of Buddhists, Hindus and Christians in the country.

In terms of tourist arrivals, Malaysia has been the topmost Muslim tourism destination in the world, having Indonesia and Singapore as its top market countries (Dinar Standard and Crescentrating LLC, 2012). In recent years, it has

been observed that there is a growing interest in a new tourism concept such as 'Islamic Tourism' which is similar to the concept of Halal food which had been recognized in many countries including those in the Middle East. In the tourism industry, Mohd Salleh, Othman & Mohd Noor (2010) cited in Nor Sharul Nizam & Norzaidi Daud (2012) notes that it has been drastically dropped of tourist from the Middle East of UK and US after 11,2000 and shift to other Muslim countries such as Malaysia and hence, Muslim countries becoming increasingly popular destinations for Muslim tourists.

According to the Tourism Minister, Dato' Sri Dr. Ng Yen Yen, Malaysia recorded an overall growth of 1.2% tourist arrivals with 9,438,592 tourists for the first five months of 2012 as compared to 9,323,827 for the same period in 2011. Due to the variety of Islamic offerings, it seems a good country for the tourists who care about Islamic value not only in their daily life, but also while travelling. ASEAN region still contributed the largest number of tourists to Malaysia with 73.4% of the total arrivals. It has a rich Islamic heritage as well as halal food, Muslim friendly people and wide Islamic environment which provide Muslim tourists with a good Islamic experience.

Malaysia has been making efforts to brand itself as an Islamic and halal hub in recent years. It has formed rules on unacceptable tourist behaviours which are forbidden by Islam (Henderson, 2003), yet some activities such as drinking alcohol, wearing scanty clothing, sun bathing naked, and serving pork in restaurants are found in the country, especially in tourists' places. Most of the previous studies on Malaysia's Islamic environment were limited to halal food and halal hospitality in hotels (Samori & Rahman, 2013; Sripraset, Chainin, & Rahman, 2014). Thus, an investigation into Malaysia's Islamic offerings is needed to understand the country's potentials in branding itself as an Islamic destination for Muslim. Hence this study.

Service quality is the understanding on how the customers perceived the services offered (Jin, 2005; Tafreshi Motlagh, 2010). Meanwhile, according to Suhail et.al. (2007) stated that service quality is not a one-dimensional concept but it involves a set of factors that evaluate customers' perception about the delivered services. In other words, service quality is recognized as a critical item to the success of hotel business as well as a prior condition to gain favorable purchase intentions (Min and Chung, 2002).

Severt et. al. (2007) and Chen et. al. (2007) stated that tourists will measure satisfaction by comparing the expected service with the actual service of the destination. The tourism sector especially in Islamic Hospitality and Tourism sector has customers, which they need to provide them services according to their needs and wishes. John and Damiannah (2003) stated that if the countries plan to acquire succeed in the tourism sector, it should focus on satisfying its customers according to their different cultures.

The Muslim tourists have a manner of culture that identifies their desires and behavior similar to other religion. To give pleasure to the Muslim tourists can

be accomplished by providing the required and desires according to their point of view towards the services process, which was provided by tourism organizations. This means that, customer satisfaction in Islamic Hospitality and Tourism must according to the Islamic law such as providing places for the prayer and to separate the place for male and female besides provides halal food and prohibits the alcohol.

Shahin and Dabestani (2001) said that service quality plays important role in customer satisfaction. Customer will feel satisfy if the service served to them can fulfill their needs and wants. In terms of Islamic hospitality and tourism, customer satisfaction means the hotel that they stay must alignment with Syariah compliant base. The halal food, halal restaurant, prayer room and mosque are some of the elements that can satisfy customers' needs and want. In other words, by considering the importance of service quality it can attract more tourists (Kamndampully and Duddy, 2001). Moreover, Tian-Cole and Crompton (2003) stated that with the improving of those services needed by the customers, managers can satisfy their customers and make them loyal in patronage the hotel. Customers' satisfaction is critical for a hotel's success. Based on the research done by Minazzi (2008), customer satisfaction is the result of comparison between customers' expectations and customers' perceptions. According to Foroza et. al. (2013), satisfaction is essentially connected with satisfying the customers' needs by fulfilling anticipations or post-purchase concerning a particular service. Customers' satisfaction is critical for a hotel's success.

Overview of ABC Hotel

ABC Hotel is one of Islamic hotel which started its operations in 1983 where offered a new era of hospitality with Syariah Compliant way which suitable for all walks of life especially Muslims. Nowadays, ABC Hotel capable in providing facilities for personal and business purposes as compared to the other Islamic hotels with professional staff and friendly customer service, comfortable amenities and quality coupled with affordable prices rise. Another specialty of ABC Hotel is the safety at the hotel also secured with 24 hours security. Besides that, location factor which is close to major cities and business centers makes ABC Hotel is much preferred hotel for customers. At ABC Hotel, the patronage will experience a truly Malaysian welcome with the Syariah compliant way.

Statement of Problem

The service quality performed by ABC Hotel as Islamic hotel become lower compared to the other conventional hotel. It can be proved by the level of patronage among public segment is decrease. It can be a problem to tourism industry since ABC Hotel is well-known among Muslim countries. In addition, it can be

Therefore, this study is guided by four objectives. They are:

1. To determine the customer perception on service quality of an Islamic hotel at ABC Hotel
2. To ascertain the relationship between service quality and customer satisfaction at ABC Hotel.
3. To examine the strengths, weaknesses, opportunities and threats of ABC Hotel as a basis to formulate strategy to improve patronage of hotel.
4. To propose growth strategies that will increase the patronage of hotel.

RESEARCH METHODOLOGY

The data collection method

The study collected data or information from two sources which are primary data and secondary information. Primary data referred to information gathered by distributing the questionnaires to the respondents who stayed at ABC Hotel whereby the secondary data are referred to information gathered by someone else or other sources such as journal and websites. The questionnaire design based on previous study regarding service quality at the hotel which includes four variables of independent variables which are hotel facilities, staff knowledge, staff efficiency and quality of foods and beverages and dependent variable which is customers' satisfaction.

Strategic Management Framework

In the case study of ABC Hotel, the information will be analyzed using the SWOT Analysis, then developed using formulation of strategic management of TOWS Analysis and Ansoff Matrix which are to propose strategies available to the company.

The tools for the research

The tools presented in this framework can help the company to identify, evaluate, and select strategies that can be implemented in order to cater the patronage of hotel. Borza & Bordean (2008) defined that the SWOT analysis is powerful analytical tool in examining organizations and environments based on their strengths, weaknesses, opportunities and threats. The strengths and weaknesses are internal attributes of the organization that are obliging to the achievement of the company objective. The other process of scanning the business environment for threats and opportunities, are related to external element that are destructive to the achievement of the organizations.

FINDINGS AND ANALYSIS

Descriptive Analysis

Based on analysis of factors contribute towards customers' satisfaction at ABC Hotel, it can be described that most of respondents are satisfied with quality of foods at the hotel which indicates the highest average score. According to Abu Khalifah et. Al (2012) stated that quality of foods served is one of the attributes that most affected to the best quality food services in the hotel. The second highest mean score is staff efficiency of ABC Hotel. It can be explained that staff efficiency has connecting to service quality in hospitality industry (Boon-itt and Rompho, 2012).

Furthermore, the factors of hotel facilities that contribute towards customers' satisfaction are room tidiness in the hotel. Dolnicar (2002) further argued that hygiene and cleanliness was one very critical factor for business travellers. Another factor is interior atmosphere in the room at ABC Hotel. Rooms must be suitably furnished and fitted and spaces allocated for prayer (Handerson, 2010).

Based on the analysis of staff knowledge, it can be described that most of respondents are satisfied with knowledge of employees' regarding the roles of Islamic hotel. Timothy and Iverson (2006) stated that the educated staffs in Islamic hospitality roles are highly recommended. The respondents also satisfied with the understanding among employees in guests needs. According to Nor Shahrul Nizam (2012) in his study stated that the hotels need to cater religious needs of tourists. For foods and beverages variable, it can be described that most of respondents are satisfied with the willingness among staff in helping guests. Boon-itt and Rompho (2012) in their study stated that willingness in helping customers is important in defining their capability and skills. The respondents also satisfied with the ability among staffs in build confidence towards customers. According to Na (2010) mentioned that build confident towards customers during their staying at hotel contributed to satisfaction on the service offered.

Pearson Correlation Analysis

Based on the result obtained, it can be postulated that all the correlation coefficients are positively significant at 0.01 level of significance. According to Cohen and Holliday (1982), there is a moderate association between variables which are hotel facilities (.611), staff knowledge (.642), staff efficiency (.602) and foods and beverages (.557) and customers satisfaction at ABC Hotel.

Regression Analysis

Among the four of service quality factors, the hotel facilities (.000) and staff knowledge (.000) were significantly at 0.01 level of significance. Staff knowledge has obtained the highest standardized coefficient beta value which is .300 which implies having the most influence factor towards customer satisfaction on service quality at ABC Hotel. Meanwhile, the hotel facilities scored the second highest of beta value in standardized coefficient where its value is .265. It indicates that hotel facilities at ABC Hotel based on Syariah principles as have been stated by literature. According to Rosenberg and Choufany (2009), hotel facilities for Islamic hotel must be operated based on Syariah rulings.

SWOT Analysis

NO	STRENGTHS (INTERNAL)	NO	WEAKNESSES (INTERNAL)
1	Friendly workplace environment	1	Poor corporate culture
2	Strong brand image in lodging industry	2	Strategic location
3	Strong revenues and profits	3	Lack of staff operation
4	Hotel services improve continuously	4	Lack of varieties of food served by hotel's cafe
5	Islamic Hotel compliance	5	Brand awareness
6	Knowledgeable staff	6	Lack of promotion
	Hotel facilities	7	Staff efficiency
		8	Transportation service
		9	Seasonality in demand
	OPPORTUNITIES (EXTERNAL)		THREATS (EXTERNAL)
1	New potential in Middle East and European market	1	Intense competition in hospitality industry.
2	Tourism promotion initiatives by the Malaysia government	2	Economic uncertainties
3	Favourable government policies	3	Growth in internet reservation channels
4	Growing global Islamic hotel industry	4	Legal and regulatory environment
5	Wider social networking		
6	Malaysia as a hub Islamic Tourism and Hospitality country		

TOWS Analysis

	<p>STRENGTHS:</p> <ol style="list-style-type: none"> 1. Friendly workplace environment 2. Knowledgeable employee 3. Strong brand image in tourism industry 4. Strong revenues and profits 5. Hotel services improve continuously 6. Islamic hotel compliance 7. Hotel facilities 	<p>WEAKNESSES:</p> <ol style="list-style-type: none"> 1. Poor corporate culture 2. Strategic location 3. Staff Efficiency 4. Lack of varieties of food served by hotel's café 5. Brand awareness 6. Lack of promotion 7. Lack of staff operation 8. Transportation service 9. Seasonality in demand
<p>OPPORTUNITIES:</p> <ol style="list-style-type: none"> 1. New potential in Middle East and European market 2. Tourism promotion initiatives by the Malaysia government 3. Favorable government policies 4. Growing global Islamic hotel industry 5. Wider social networking 6. Malaysia as a hub for Islamic Tourism and Hospitality country 	<p>SO STRATEGIES:</p> <p>Provide more Islamic facilities (S4 - S6, O2- O4)</p> <p>Provide staff training (S2 - S6, O4)</p> <p>Provide motivational package (S2 - S4 S6, O3)</p>	<p>WO STRATEGIES:</p> <p>Intensive training (W1 W3, O1 O4)</p> <p>More promotion to be conducted (W5 - W6, O6)</p>

<p>THREATS:</p> <ol style="list-style-type: none"> 1. Economic uncertainties 2. Intense competition in hospitality industry 3. Growth in internet reservation channels 4. Legal and regulatory environment 	<p>ST STRATEGIES:</p> <p>Engage with consultant (S3 - S4, T1 – T2)</p> <p>Provide a good and interesting website (S3 S4 S6, T2 T3)</p>	<p>WT STRATEGIES:</p> <p>Strategic location to be identified (W2, T2)</p> <p>Provide variety of food (W4, T2)</p> <p>Good promotion to be implemented in order to attract more customers (W6, T2)</p>
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The TOWS matrix has indicated several alternative strategies for ABC Hotel such as;

- a) Market Penetration
- b) Market development
- c) Product Development
- d) Marketing strategy

RECOMMENDATIONS

The researchers recommend growth option for ABC Hotel is based on ANSOFF Matrix. Thus, ABC Hotel can use market penetration as short term strategy in order to promote the hotel extensively. Proposed promotion must provide interesting package to create attractiveness to the promotion. The package that can be applied include bundle the hotel rate with food and beverages credit or event and entertainment tickets. It means the front desk plays important role in informing customers who come regarding the package offered. ABC Hotel also can promote this package through exhibition held by hospitality and tourism organization such as Tourism Malaysia. MIHAS and MATTA Fair are annually exhibitions that always catch eye of the people around the world due to the nature of exhibition itself which is promoting halal and Islamic compliance products and services.

On the other hand, ABC Hotel may apply product development strategy as medium term strategy where this hotel can introduce new service to the customers as one way to bring in the good image in providing best service. ABC Hotel can provide new service to customers such as package tours. It can be done by forming a strategic alliance with renowned tour agencies which can offer good package too for traveler or customers like Travel Agency. ABC Hotel and Travel can collaborate in order to gain customers from abroad or local people to travel and at the same time stay at the hotel. This collaboration gives benefits for both parties which are customers and service providers where customers will feel much easier

and worthwhile in travelling. As a result, this package tour can attract more customers to stay at ABC Hotel as well can enjoy the trip with travel agency. .

Furthermore, ABC Hotel may use market development as long term strategy in order to expand its existing services provided into new geographically market. It can be achieved by expanding the promotion in cloud computing such as social networking and promotion channel like Booking.com. In previous time, ABC Hotel creates promotion on its website and certain promotion channel only. Nowadays, it is crucial for ABC Hotel to expand it online promotion to enhance the connection with people easily and closely. It is because most customers would prefer for online reservation and they will find the trusted promotion channel to help them. It is because as a customer goes online to a website offering different flight and hotel bookings like Booking.com or Hotels.com they make a reservation there but do not pay the reservation to the website but to the hotel. The hotel then pays a commission to the website.

CONCLUSION

It can be concluded from the analysis that the service quality is importance to determine the level of satisfaction among customers in branding Malaysia as Islamic tourism hub. It is hoped that these findings can bring an idea for Islamic hotel in performing the services very well parallel with syariah compliance.

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