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THE INFLUENCE OF SHARIA HOTEL INDICATORS TOWARDS ITS COMPETITIVE ADVANTAGE AND GUEST INTENTION TO STAY: AN APPRAISAL

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ABSTRACT

Indonesia, the country with the largest Muslim population in the world, showed an increase in the development of sharia hotels that apply sharia laws and regulations as their operating system. This study aims to explore both hotel executives' and consumers' perceptions of sharia hotels and the impact on creating the hotel's competitive advantage, which will affect guest intention to stay. In-depth interviews were completed with hotel executives of sharia and non-sharia hotels as one group and with sharia and non-sharia hotels guests as the other group. In-depth interviews and thick narratives nuance the research processes and inductive data reduction. The interview data were processed using thematic analysis. Two major themes were revealed from the interviews: governments are relatively slow in certifying standard regulations for sharia hotels and there is still a discrepancy concerning the perceptions among hotel executives and customers about what constitutes a sharia hotel. A clear and comprehensive definition of the sharia concept will make public perceptions, both in terms of hotel executives and hotel consumers, stand on the same ground. A conceptual model has been proposed based on the study findings, expected to enrich the body of literature regarding sharia hotel indicators that need to be taken into account by management to build its competitive advantages. Further research employing a quantitative approach is suggested to validate the underlying factors in the model that influence consumers' intentions to stay at sharia hotels.

Keywords: *sharia hotel, sharia indicators, corporate image, competitive advantage, intention to stay, halal tourism regulation*

Introduction

Indonesia is the world's most populous Muslim country. From the perspective of destination branding, it has an immense potential to fit the market with the idea of halal tourism (Indrawan, 2015). The growth of the Indonesian halal tourism market reached 18% in 2018, where 2.8 million foreign Muslim tourists visited Indonesia, resulting in more than 40 trillion IDR in foreign exchange. In 2019, the Global Muslim Tourism Index (GMTI), an annual index created through the collaboration of Mastercard and Crescent Rating), nominated Indonesia as the "World's Best Halal Tourism Destination" (Reily, 2019). Indonesia's global ranking refers to many tour packages providing Muslim-friendly facilities. Therefore, the halal tourism market is a sector that demands considerable attention and development. The Government of Indonesia has also been encouraging halal tourism since 2012 (Media Indonesia, 2016). Consequently, the Government is developing several halal tourism destinations and industry policies, including establishing the Acceleration Team of Halal Tourism Development (*Tim Percepatan Pengembangan Pariwisata Halal/TP3H*).

As a supporting indicator for Indonesian tourism industry development, it paves the way through the incubation of sharia hotels (Mujib, 2016). In the last three years, they have shown reasonably rapid development with a growth percentage of 175% (CNBC Indonesia, 2019). This indicates the growing potential of halal tourism in Indonesia, which could scale up through regulations and innovations regarding the standards of service quality of the hotels. According to Riyanto Sofyan, the Chairman of the Indonesian Sharia Hotels and Restaurants Association (AHSN), there are approximately 730 halal-based hotels in Indonesia registered as Traveloka partners (CNBC Indonesia, 2019), 75 hotels with halal-certified restaurants (Dara, 2018) and five sharia-certified hotels in the National Sharia Council - Indonesian Ulema Council (Okezone, 2019).

Although the Indonesian government has begun developing halal tourism and promoting Indonesia as a Muslim-friendly tourism destination, Sucipto (2014) revealed that several challenges remain a concern. First, there is a lurking fear for some business owners in Indonesia regarding the usage of 'halal' labels. Second, there remain no standardized regulations concerning sharia laws. Third, from the perspective of human resource quality, Indonesians are not yet qualified for halal tourism. Finally, the public has yet to acquire specific knowledge about sharia tourism (e.g., products, and facilities) given ineffective government-released documents or information.

Despite the burgeoning potential of the halal tourism industry in Indonesia, hotel executives have yet to meet the demands of the halal tourism market. According to the Committee for Economic and Commercial Cooperation of the Organization of Islamic Cooperation (COMCEC, 2016), the inadequacy of the global standard halal certification is the main challenge for developing halal tourism (i.e., Muslim-friendly tourism). This results in hotel executives engaging in the halal tourism industry to define their own, more "personalized" halal guidelines. Many perspectives eventually emerge, stating that halal tourism is only limited to branding, not in the utmost accordance with Islamic rules (El-Gohary, 2016).

On the other hand, the Indonesian government are not yet consistent in making decrees and laws regarding the sharia hotel standardizations. This can be seen, for example, in the abdication of Hilal 1 and Hilal 2 decrees at the end of 2019, which the government had previously issued as a sharia hotel guideline, stipulated by DSN-MUI (National Union Council - Indonesian Ulema Council) in Ministerial Regulation No. 2 in the year of 2014.

Moreover, several players in the hotel industry in halal tourism believe that the existence of sharia hotels is exclusively for Muslim communities (Fitriani, 2018). These diverse beliefs in halal tourism prove the lack of public education regarding the concept of sharia hotels, resulting in an insignificant performance of the hotel industry as a supporting element. Fitriani (2018) also revealed that only a few sharia hotels attempted to proclaim the concept of sharia to the public until the publication of her work.

Having said that, it is crucial to apprehend the public perception of sharia hotels, especially from the hotel executives and their customers. Our primary concern is assessing what constitutes a standardized sharia hotel, which may accentuate the corporate image formation given its specific attributes and practices in Indonesia. Fortunately, the literature on halal tourism has provided a base guideline to

measure such a standardization. Razalli, Ismail, and Yaacob (2015) propose that the reader assess the quality of an Islamic hotel in terms of Islamic attributes through the Sharia Islamic Hotel Assessment Tool (SIHAT).

Several scholars have carried out studies on the concept of sharia hotels. For example, Majid *et al.* (2013) and Hassan (2015) studied sharia hotels in Malaysia from the consumers' perspectives and the factors influencing their decisions to stay at sharia hotels in Malaysia. Hassan (2015) revealed several factors that influence consumer satisfaction in sharia hotels, namely halal food, Muslim-friendly holiday packages, prayer/worship facilities, general Islamic morality, and religious-affiliated. In contrast to research conducted by Majid *et al.* (2013), which focused on consumer perceptions of sharia hotels in Malaysia, Hasan's (2015) study proposed that customer understanding, customer attitude, customer value, and product innovation played a significant role in influencing consumer perceptions of sharia hotels in Malaysia. Kamarudin and Ismail (2016) studied Muslim tourists' perceptions on the development of halal tourism and its challenges in Malaysia. Their findings argue that Muslim tourists' intention to visit Islamic-based attractions was anchored on their historical values, socio-cultural values, recently improved themes from Islamic perspectives, and volunteering activities towards underdeveloped Muslim areas.

Another study by Duman (2011) focuses on providing an overview of the halal tourism market in Turkey, highlighted how Islamic tourism represented the demand side (the participants and their motivations), while halal tourism on the supply side (the sectors, goods, and services offered for consumption). Therefore, from the managerial point of view, it is crucial for certification and accreditation practices to be held accordingly to provide standardized and excellent halal goods and services for the market demands.

Although there were a significant number of previous studies on tourist perceptions of halal tourism (Kamarudin and Ismail, 2016; Duman, 2011; Battor, Hakimian, Ismail, and Boğan, 2018; El-Gohary, 2016; Jaelani, 2017) as well as specifically of Islamic hotels theme (Majid *et al.*, 2013; Hassan, 2015), there has yet existed a study on the perceptions of Islamic hotel executives about sharia hotels. Adding to this, with the rapid increase in halal tourism development in Indonesia, especially in the sharia hotel industry, the authors stipulate that conducting an in-depth, exploratory study on this matter is both urgent and valuable.

Literature Review

Halal Tourism

Halal tourism is tourism under sharia principles, often referred to as sharia tourism (Djakfar, 2017). The term "halal tourism/Islamic tourism" itself was first globally introduced at the Organization of Islamic Cooperation (OIC) meeting (Kamarudin and Ismail, 2016). In several preceding literature reviews, there are several different definitions and terms related to the concept of halal tourism summarized in Table 1.

Table 1: Halal Tourism Definition

Terminology	Author(s)	Definition
Halal Tourism	Battour <i>et al.</i> (2018)	Under Islamic precepts, any object or action is permitted and involved in the tourism industry.
	Mohsin, Ramli, and Alkhulayfi (2016)	Provision of tourism products and services that meet the demands of Muslim tourists according to Islamic doctrines.
	Halbase (2015)	Offers tour packages and distinct destinations to meet Muslim tourists' concerns and needs.
Islamic Tourism	Duman (2011)	All tourist activities carried out by Muslims come from Islamic motivation and are accomplished under sharia principles.
	Zamani-Farahani and Henderson (2010)	A Muslim travelling activity from one place to another or when the tourists are outside their residence for less than one year, and to engage in religiously motivated activities.

Sharia Compliant Hotel

Sharia hotels or sharia compliant-hotels (hotels that apply the concept of sharia) operate on the Islamic principles by serving, for instance, halal food, no alcoholic drinks, and no foods containing pork. Furthermore, hotel management and operations must uphold Islamic principles regarding its financial arrangements (Rosenberg and Choufany, 2009).

Janitra (2017) reports six basic sharia principles for hotels with sharia operational systems: consumption, entertainment, business activities, ethics, limitations of relationships, and layout arrangements. By performing these six principles, it is expected to create a sharia hotel identity that accommodates sharia principles. Omar *et al.* (2013) declare that there are three main Islamic sharia components, namely *aqidah* (belief), *fiqh* (figures of speech, actions of individuals and their relationship with others), and character (morals and ethics). Conventional hotel management and sharia hotels are classified based on the hotel's corporate vision and mission. Conventional hotels focus on generating profits and increasing customer satisfaction, whereas to be a *mardhatillah* (a blessing from Allah) in every project or planning is the intention of sharia hotels.

Based on the above definitions, sharia hotels are defined as a specific form of accommodation that is managed and operated based on sharia principles or Islamic decrees, in terms of hotel facilities, hotel guests, food and beverages accepted at hotels, hotel staff, hotels' interior and exterior, as well as hotel operational systems, mainly aimed to provide a tranquil and pleasant atmosphere for both Muslim and non-Muslim guests.

According to Razalli et al. (2015), the concept of a sharia hotel is reasonably new, so to this present day, there are no comprehensive standards and guidelines to measure what constitutes a sharia hotel. There have been several previous studies by Rosenberg and Choufany (2009), Henderson (2010), and Kana (2011), which suggested general guidelines relating to sharia hotels. However, the guidelines proposed therein were still not thoroughly comprehensive in representing the concept of sharia hotels in general. Therefore, Razalli et al. (2015) propose a measuring tool, which acts as a guideline for assessing the quality of a sharia hotel, called the Sharia Islamic Hotel Assessment Tool (SIHAT). The five main variables measuring the quality of sharia hotels are administrative practices, standard area practices, bedroom practices, service practices, and food and beverage (F and B) practices.

Corporate Image

According to Kotler and Keller (2011), the company image is a general impression of an organization's mind. These authors elaborate that company image is the consumer response to the offers that the company provides and is defined as the value of trust, beliefs, and society's impressions of an organization (Kotler and Keller, 2011).

Kotler and Keller (2011) state four elements in a corporate image. First, personality refers to the company's overall characteristics that consumers understand, such as trustworthy companies or companies responsible. Second, reputation, which is the rights that have been developed by the company and believed by consumers based on their own experiences and other parties. Third, the core values are the values possessed by a company or, in other words, corporate culture, such as management demeanour towards consumers. Last, the corporate identity represents components and facilitation that target the public's recognition of the company, such as logos, colours, and slogans.

Behavioural Intention

Behavioural intention is the desire to recommend and revisit a destination. It is the customer's willingness to share experiences with others through word of mouth and the desire to return to the destination in the future (Jeong, Yu, and Kim, 2019). Zeithaml, Bitner, and Gremler (2003) propose another definition of behavioural intention: the willingness to recommend services to others and the intention to repurchase a product or service. The better the consumers' perception of the product (e.g., the product is of good quality), the more likely they will recommend it to other people, increasing the

possibility of repeat purchases. Zeithaml, Berry, and Parasuraman (1996) suggest that there are four leading indicators of behavioural intention, namely: 1) willingness to give referral; 2) intention to remain loyal; 3) willingness to pay more; and 4) willingness to advocate the brand or company;

Competitive Advantage

Competitive advantage occurs when a company has advantages over its competitors by offering more excellent value to the consumers. These advantages are usually attained by understanding consumers and building strong relationships with consumers (Wang, Lin, and Chu, 2011). Meanwhile, Lancaster (2004) argues how the application of competitive advantage mainly aims to establish a favourable and sustainable position towards market forces that determine industrial competition.

Dess and Lumpkin (2003) further explain how and when a company can provide a sustainable competitive advantage. It is when the company's resources (tangible assets, intangible assets, organization capability) have these four following attributes:

- 1) valuable, namely the company can counterbalance threats and exploit opportunities;
- 2) rare, which is an attribute that no other companies have in general;
- 3) difficult to imitate, which is a unique form, how it assembles, what and how it can be recreated, also there are social complexities that include the company's trust in interpersonal relationships, culture, and reputation; and
- 4) difficult to substitute, that is, no other resources or strategy capabilities of the company are the same.

The attributes above have been refined by Sani, Hassaballah, and Hafiz (2014) into three essential elements of the competitive advantage of a company:

- 1) value, namely how the company's strategy is to attract and place customers;
- 2) rareness, namely how the company responds to changing conditions and can compete successfully in growing its business; and
- 3) inimitability, which refers to how the company manages every functional element of the business and develops the required capabilities and achieves the targeted performance.

Methodology

A phenomenology approach was selected to guide the research process. Therefore, in-depth interviews and thick narratives nuance the research processes and inductive data reduction. Triangulation of data sources from multiple informants involved two groups of interviewees. The first group of informants consists of conventional hotel and sharia hotel executives, and the second group of informants is Muslim and non-Muslim hotel consumers. At the end of the research, the results of the interviews were processed using thematic analysis (Krippendorf, 2004) to cluster significant interview statements into themes and group interrelated themes into a proposed, testable theoretical framework.

Given the phenomenology approach, which addresses the phenomenon being investigated in a real-life situation (Creswell, 2003), a purposive sampling technique is most appropriate. This means that the samples must be qualified to explain the phenomenon from their life or work experiences. The informants were conventional and sharia hotel executives in Indonesia, especially the General Manager and hotel guests (Muslim and non-Muslim) whose hotel visit frequency was at least three times a year. The authors wanted to verify the extent to which hotel executives understand the relationship between sharia hotel concepts and hotel policies, which influenced the hotel's competitive advantage. Therefore, the inclusion of hotels' general managers was required to have a deep understanding of the hotel concept in determining the hotel's policies. The informants of the second group in this research were selected from two types of hotels, namely conventional hotels and sharia hotels. General Managers of conventional hotels were in charge at Primebiz Hotel Surabaya and Mercure Grand Mirama Surabaya whereas the General Managers of sharia hotels were from the Grand Dafam Q Banjarbaru and Grand Dafam Rohan Yogyakarta.

Razali *et al.*'s (2015) Sharia Islamic Hotel Assessment Tool (SIHAT) guided the interview protocol used in this study. Therefore, the indicators from the SIHAT become the discussion topics during the interview process. There are five main factors used to measure the quality of sharia hotels, namely administrative practices, common areas practices, bedroom practices, service practices, and food and beverage (F and B) practices. In addition, the authors also utilized Zeithaml *et al.*'s (1996) concept, dimension, and indicators of behavioural intention adding to the interview protocol.

Table 2: Cluster of interview questions

No.	Questions	Respondents		References
		Business travellers	Leisure travellers	
1.	Hotel's Profile	✓	-	Developed by the authors
2.	Guest Profile	-	✓	
3.	Sharia Hotel Attributes - Administrative Practices - Public Area Practice - Bedroom Practice - Service Practices - Food & Beverage Practices	✓	✓	Razalli <i>et al.</i> (2015)
4.	Behavioural Intention - Loyalty - Switch - Pay More - External & External Response	-	✓	Zeithaml <i>et al.</i> (1996)
5.	Competitive Advantage - Value - Rareness - Inimitability	✓	-	Sani <i>et al.</i> (2014)

Table 3: Hotel general managers' interview guidelines

No.	Questions	Fundamental Questions	Follow-up Questions
1.	Company's Profile	1. What are the vision and mission of this hotel? 2. What kind of concept this hotel has?	N/A N/A
2.	Sharia Hotel Attributes - Administrative Practices - Public Area Practice - Bedroom Practice - Service Practices - Food and Beverage Practices	1. What do you understand about sharia-based hotels? 2. What do you think about sharia hotels in Indonesia? 3. What is your opinion on sharia certification? 4. Is it deemed necessary for any certain mandatory facilities	a. What differentiates sharia hotels from conventional hotels? (From administrative practice, facilities, service practices, food and beverages) b. To what extent do you understand the application of the sharia concept to Islamic hotels in Indonesia? (From the service system, employee qualifications, and market segmentation) a. What factors play a role in influencing the development of sharia hotels in Indonesia? b. How significantly did these factors affect the development of sharia hotels in Indonesia? a. What is the differentiation between sharia certification and halal certification? b. How much importance do sharia certifications hold for sharia hotels? Why? a. If you pick yes, what are the examples? b. If you answer yes, why is that facility mandatory? c. If you choose no, why do you think so?

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		within the hotels to be there?	
3.	Element of Competitive Advantage - Value - Rareness - Inimitability	1. How do you know whether or not a hotel is a competitor? 2. Is it possible to apply the sharia concept to a hotel only to use it as its competitive advantage? 3. In what ways can a hotel be ahead in Indonesia's competitive hotel industry?	a. (Conventional hotel executives) Do you think that sharia hotels are competitors? Why? b. (Sharia hotels executives) Do you think that conventional hotels are competitors? Why? a. If yes, are you interested in applying the sharia concept to this hotel? b. If it is a no, why so? a. What are the aspects that influence the competitive advantage of a hotel? (In terms of promotion, service quality, and hotel concept)

Table 4: Hotel guests' interview guidelines

No.	Questions	Fundamental Questions	Follow-up Questions
1.	Tourists' Profile	1. How frequently do you stay at a hotel? 2. What is your purpose when you stay at a hotel?	N/A N/A
2.	Sharia Hotel Attributes - Administrative Practices - Public Area Practice - Bedroom Practice - Service Practices - Food and Beverage Practices	1. What do you know about sharia hotels in Indonesia? 2. What do you understand regarding the application of the sharia concept in Indonesia? 3. What do you think about the advancement of sharia hotels in Indonesia? 4. What is your opinion on sharia certification?	a. What do you understand if a hotel has a "sharia" label on it? b. What comes to your mind about the "sharia" label? Is it an advantage or a disadvantage? a. What differentiates conventional hotels from sharia hotels? b. How do you respond to the market of sharia hotels? a. Do sharia hotels have the opportunity to grow in Indonesia? b. If you answer yes, what factors support that growth opportunity? c. If you answer no, what are the obstacles that sharia hotels have? a. What is the differentiation between sharia certification and halal certification? b. How much importance do sharia certifications hold for sharia hotels? Why?
3.	Dimension of Behavioural Intention - Loyalty - Switch - Pay More - External Response - Internal Response	1. What are the factors that determine your stay in a hotel? 2. Do you want to stay at a sharia hotel? 3. Do you prefer sharia hotels or conventional hotels? 4. Would you recommend sharia hotels to others?	a. How significant do those factors determine your decision? (For example, price, amenities, etc.) a. If you say yes, why? b. If you say no, why? a. (Conventional hotels) Why? b. (Sharia hotels) Why? a. If you would, why? If you would not, why? b. To whom would you recommend staying in sharia hotels? Why?

Primary data were collected through in-depth interviews with a total of eight informants. The selection of informants was based on a purposive sampling technique on specific criteria following the objectives of this study. First, the informants were divided into two groups, the group of hotel executives and hotel guests. Each hotel category (conventional and sharia) had two representatives within the first group. All four representatives hold the position of general managers with decades of experience in the hotel industry, which is facilitated as the basis in determining informants. Considering the questions in the interview were regarding the concept of the sharia hotel business and the hotel competitiveness, having the position of general manager affirmed the two required aspects. As for the second group, the informants consisted of two Muslim and two non-Muslim hotel consumers. These four chosen informants were those who actively travel and make use of hotels' accommodation services so that the informants are aware of the hotel product and service attributes, which were the focus of the interview. Some interviews were conducted face-to-face, and some were conducted through online platforms such as Zoom and Google Meet when the Large-scale Social Restrictions (*PSBB*) occurred during the pandemic COVID-19 in Indonesia. The entire interview process was administered in two months.

Results/Findings

The authors categorized the results based on two groups of informants. The data analysis for the first group of informants, which consisted of hotel executives, initiated the 104 coding, which resulted in 13 categories, and five major themes for the second group of informants, which consisted of hotel guests/consumers, the data analysis initiated 91 coding, which resulted in 15 categories, and five major themes. In line with this, the results also elaborated on how each theme played an essential role in explaining management's perspectives (both conventional and sharia hotel executives/business people) and consumers' perspectives (Muslim and non-Muslim) toward the corporate image of sharia hotels in Indonesia, its influence on competitive advantage, and the intention of hotel consumers to stay overnight.

Table 5: Revealing themes of hotel executives and hotel consumers

No.	Hotel Executives	No.	Hotel Guests
1.	The comprehensive understanding of the "sharia" concept.	1.	Consumers' perception of sharia hotels.
2.	The circumstances of sharia hotels in Indonesia.	2.	The practice of certification regarding sharia hotels.
3.	Sharia certification in Indonesia.	3.	The development of sharia hotels in Indonesia.
4.	The attributes of sharia hotels.	4.	The attributes of sharia hotels.
5.	Sharia hotels' competitiveness.	5.	Consumers' behavioural intention towards sharia hotels.

Because the established themes have similar meanings, the authors decided to combine the discovered themes of hotel executives and consumers to avoid creating any repetitive meanings to simplify the analysis and discussion at the next stage. The following table is the result of the themes association of hotel executives and hotel consumers:

Table 6: Themes combination of hotel executives and hotel consumers

No.	Themes Combination
1.	The comprehensive understanding of the sharia concept.
2.	Sharia certification in Indonesia.
3.	The development of sharia hotels in Indonesia.
4.	The attributes of sharia hotels.
5.	Sharia hotels' competitiveness.
6.	Consumers' behavioural intention towards sharia hotels.

Discussions

Theme 1: The Comprehensive Understanding of the Sharia Concept

Due to obscure government regulations in Indonesia, understanding the sharia concept, which influenced hotel executives and Muslim and non-Muslim domestic tourists as hotel consumers, was still lacking. This notably lacking definition of the sharia concept, particularly in the application of sharia hotels, pushed hotel executives to create their understanding of the said concept. Therefore, due to different levels of understanding regarding the sharia concept, the naming applied to sharia hotels also varied.

In general, the concept of sharia, mainly understood by hotel executives and hotel consumers, was the utilization and application of Islamic rules in sharia hotels. This was in line with the notion of sharia hotels or sharia-compliant hotels, in which hotels operational policies were based on Islamic principles by serving halal food, no alcoholic drinks, and no foods containing pork. Furthermore, hotel management and operations must uphold Islamic principles regarding its financial arrangements (Rosenberg and Choufany, 2009).

Indeed, assuming that the informants' understanding of the sharia concept was still different, then the same concept applied to its utilization to sharia hotels. Therefore, these diverse opinions in understanding the concept affected the condition of sharia hotels in Indonesia and eventually the development of sharia hotels.

Table 7: Sample of quotes representing “variety of understanding of sharia concept”

Quotations
“The truth is, what I know recently is that the concept of ‘halal’ is more ‘Muslim friendly’, according to the previous tourism minister. Indeed, the broad meaning of the said term has been conveyed, but the classification is still unsettled.” (I2, HK)
"... The Indonesian Ulema Council itself has not issued any regulations on sharia hotels. As for sharia banking, they have already issued the regulations, but no information or regulations yet regarding sharia hotels." (I3, HS)
"Hotels that operate based on Islamic rules but not sure how it has supposed to be in an exact manner." (I5, KM)
“Hotels for Muslim people.” (I8, KN)

Theme 2: Sharia Certification in Indonesia

Not only was the definition of the concept of "sharia" unclear, but sharia certification in Indonesia also gave an equivocal output. To make matters worse, there was not even a single regulation from the Indonesian Government regarding assessment criteria for sharia certification. The only certified certification within Islamic regulations is the Halal certification issued by the Indonesian Ulema Council (MUI). Ultimately, hotel executives used this halal certification as a reference in managing sharia hotels. Eventually, this diverse understanding of the sharia concept led to the conflicting application of the said concept from one sharia hotel or another. This phenomenon was in line with the claim of Razalli et al. (2015), who argued that the concept of a sharia hotel was pretty new. Therefore, to this day, there were yet no comprehensive rules or established guidelines for sharia hotels.

Based on the results of the interviews, some hotel executives opinionated that the institution, which was responsible for sharia certification and its relation to sharia hotels, had not established any concrete certainty. Moreover, although the Government had been promoting the concept of sharia in recent years, its actual applicability was still in question.

Table 8: Sample of quotes representing “sharia certification in Indonesia”

Quotations
"For me, I lean more towards standardization, which must be clarified immediately; that is urgent. Therefore, all sharia hotels in Indonesia will have the same SOP, so it does not vary from place to place, because later, it will not be good." (I4, HS)
"There should have been a special institution that focuses on this matter. As far as I know, Indonesian Ulema Councils (MUI), yes, but now it seems that it has changed again. The problem is, earlier, there were no specific criteria for what a sharia hotel should be. I have not seen that (utilization) in Indonesia." (I2, HK)

Theme 3: The Development of Sharia Hotels in Indonesia

The authors ascertained that both hotel executives and hotel consumers had to contradict opinions regarding the development of sharia hotels in Indonesia. From the perspective of hotel executives, who engaged in conventional hotels, they felt that sharia hotels were yet to be developed and had little potential in the future. In contrast, the executives of sharia hotels felt that sharia hotels were currently growing; besides, there were quite a lot of enthusiasts. In line with this assumption, sharia hotel executives also thought that sharia hotels have great potential in the future. This claim was supported by the fact that the majority of Indonesian are Muslims.

From the perspectives of Muslim and non-Muslim hotel consumers, the informants deemed that sharia hotels had not developed sufficiently in Indonesia. Even intriguing, the informants rarely heard of the existence of sharia hotels. One of the exciting findings from an interview with one of the non-Muslim hotel consumers is that sharia hotels should be put to an idle state or nullified. After all, the existence of sharia hotels in Indonesia might be interpreted as a form of exclusivity because the majority of Indonesian are Muslim. This claim was in line with a prior study, which stated that from the hospitality industry sector in halal tourism, there are still people who judge the existence of sharia hotels is exclusively for Muslims (Fitriani, 2018). The informant felt that sharia hotels and conventional hotels should be treated as equal because apparently, both Muslim and non-Muslim people tended to prefer conventional hotels to sharia hotels.

Table 9: Sample of quotes representing “the development of sharia hotels in Indonesia”

Quotations
"If you say that sharia hotels are now growing, I do not think so. I think the image of Islamic hotels is obstinate and difficult to accept." (I2, HK)
"I believe this will be a great potential and become the segment of choice because Indonesia has a large population that requires certain accommodations followed by special requests, especially in terms of sharia, which is very promising. Moreover, the majority of the Muslim population in Indonesia." (I4, HS)
"I think not yet (developed). There are not so many sharia hotels that I seem to know..." (I5, KM)
"Honestly, to this day, I do not understand sharia hotels. In my opinion, sharia hotels are not (developed) yet." (I7, KN)

Theme 4: The Attributes of Sharia Hotels

This time, the theme discusses the attributes of sharia hotels. The variety in understanding that each informant had regarding sharia hotels made the informants' knowledge, and expectations of the attributes of sharia hotels also differ. In this study, sharia hotel attributes were measured using a measurement tool called the Sharia Islamic Hotel Assessment Tool (SIHAT), which was proposed by Razalli *et al.* (2015). In this instrument, there are five variables to measure the quality of sharia hotels, namely, administrative practices, common areas practices, bedroom practices, service practices, and food and beverage (F and B) practices.

In general, the attributes of sharia hotels in the viewpoints of conventional hotel executives and sharia hotels were similar. For example, the completeness of worship facilities was one of the main attributes of a sharia hotel. The other supporting facilities, such as administrative practice, general area practice, bedroom practice, service practice, and food and beverage practice, tended to vary. Unlike the conventional hotel executives, who explained the attributes of sharia hotels rather generally, sharia hotel

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executives were encouraged to explain the details of the attributes of sharia hotels according to each hotel's Standard Operating Procedure (SOP).

As seen from the viewpoints of Muslim and non-Muslim hotel consumers, most of the informants were clueless about the attributes of sharia hotels within a sharia hotel. Furthermore, judging from the measuring instrument of sharia hotel attributes, the level of understanding of Muslim and non-Muslim hotel consumers mainly depended on administrative practices and food and beverage practices. The informants conceded that there were particular rules for pair guests, in which they must go under different administrative practices (check-in) from the ones in conventional hotels. In addition to that, since sharia hotels used the sharia label, the informants of hotel consumers were also undoubtedly positive that the food and drinks served were halal.

Still, for general area practice, bedroom practice, and service practice, Muslim and non-Muslim hotel consumer informants had different opinions. However, it was worth mentioning that many of the emerging assumptions were not from the informants' personal experience but rather from the informants' imagination and understanding of the said concept, which was still subjectively insignificant. This confirmed that Muslim and non-Muslim hotel consumers demanded more education and knowledge respecting sharia hotels and their attributes.

Table 10: Hotel executives and hotel consumers' perception toward sharia hotel attributes

SIHAT	Hotel General Managers		Hotel Guests
	Conventional	Sharia	
Administration Practices	✓	✓	✓
Bedroom Practices	✓	✓	
Common Area Practices		✓	
Service Practices		✓	
Food and Beverage Practices	✓	✓	✓

Theme 5: Competitiveness of Sharia Hotels

Based on the interview results, the theme of the competitiveness of sharia hotels also contributed to this research. The focal difference lies in the utilized concepts between sharia and conventional hotels, which might cause potential competition. Regardless of the informant's position as a sharia or conventional hotel executive, each informant had their notion regarding the competition between sharia hotels and conventional hotels. Some informants deemed that sharia hotels could be the competitors of conventional hotels and vice versa. Interestingly, other informants assumed that there was no competition between sharia hotels and conventional hotels.

Moreover, the authors also found that the lack of promotion carried out by sharia hotels impacted the competitiveness of sharia hotels either directly or indirectly, which led to the lack of public awareness of the development of sharia hotels in Indonesia. Therefore, the informants suggested that hotel executives and hotel consumers have several alternative forms of promotion media to increase the competitiveness of sharia hotels in Indonesia. The forms of promotion offered by the informants were offline and online, while it was recommended that the focus of the promotional media were social media, television, and radio.

In a prior study by Sani, Hassaballah, and Hafiz (2014), there are three critical elements in a company's competitive advantage: value, rareness, and inimitability. Following establishing competitive advantages, one of the informants in the conventional hotel group revealed that there had to be a point of difference before determining the target market. This point supported the element of competitive advantage in the rareness section.

Table 11: Sample of quotes representing “the competitiveness of sharia hotels”

Quotations
"... In my opinion, sharia hotels do not (have anything to do with conventional hotels) because of their different market share. After all, if they are full (occupancy), they will also look for conventional ones." (I1, HK)
"All hotels are competitors for us. Whether their concept is sharia or conventional, they are competitors because the offered products are similar, for example, rooms, food and beverage, and meetings." (I3, HS)
"I think we will do a lot of collaboration. Sharia hotels will support the conventional ones, and conventional hotels will also support the sharia ones. So, we work in synergy with one another, and if there is a sharia hotel consumer who wants to stay at a conventional hotel, we can give references. Moreover, when our hotel's occupancy is full, we can provide other hotel alternatives. Vice versa." (I4, HS)
"...we should develop this sharia conducive more welcoming and communities friendly." (I3, HS)

Theme 6: Consumers' Behavioural Intention toward Sharia Hotels

The focus of this theme is the intention of consumer behaviour towards sharia hotels. In this theme, the consumers' behavioural intention referred to both Muslim and non-Muslim hotel consumers staying at sharia hotels. According to Zeithaml, Berry, and Parasuraman (1996), there are five dimensions of consumers' behavioural intention: loyalty, Switch, Pay More, External Response, and Internal Response.

Reflecting on the results of interviews, the consumers' intention in determining their decision to stay was subject to several factors, such as the level of comfort, safety, familiarity, and price. The level of comfort and security arose from the completeness of facilities and service systems in the hotel. Additionally, informants claimed to feel more comfortable with hotels where they previously stayed due to the familiarity they got. Consequently, this affected guests' intention to move to another hotel or stay at the same hotel.

Several dimensions of consumers' behavioural intention are Switch and Loyalty. All informants, familiar with conventional hotels, regardless of their religion, would be more likely to feel inconvenienced if they had to stay at a sharia hotel. Thus, if the informants had to choose, they were more likely to stay at their usual conventional hotels. Hence, this proved that informants tended to be loyal to conventional hotels. However, this did not rule out the informants' probability of staying at sharia hotels. This indicated that Muslim and non-Muslim hotel consumer informants had the prospect to switch to a sharia hotel, although the informant was loyal to conventional hotels.

Correspondingly, informants were also influenced by another dimension of behavioural intention called Pay More (the willingness to pay more). Interestingly, some informants declared in the interviews that the pricing factor was not crucial in determining their decision to stay overnight in a hotel. It followed that most informants would recommend staying in sharia hotels to their Muslim colleagues, yet they would not recommend staying in sharia hotels to their non-Muslim counterparts.

Table 12: Sample of quotes representing “consumers' behavioural intention toward sharia hotels”

Quotations
"Honestly, I feel awkward staying at sharia hotels because I feel there are rules and regulations that I must follow. It is different from conventional hotels where we have more freedom there." (I8, KN)
"Even though I am Muslim, I am already used to staying in conventional hotels, so I may feel uncomfortable staying at sharia hotels." (I5, KM)
"If it is me, I want to (stay at a sharia hotel) because I am curious. I want to know how sharia hotels utilize Islamic rules and how profound it is." (I7, KN)
"However, for non-Muslim friends, I will not recommend it because I do not think they will be comfortable staying at sharia hotels either. For my Muslim friends, I will highly recommend them staying in sharia hotels because it is assured and convenient." (I6, KM)

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Based on the results of the interviews and the findings of this research, the authors proposed a conceptual model (Figure 1) that described the relationship between hotel consumer perceptions (Muslim and non-Muslim) and perceptions of hotel executives (conventional hotels and sharia hotels) along with their roles on competitiveness and intention to stay.

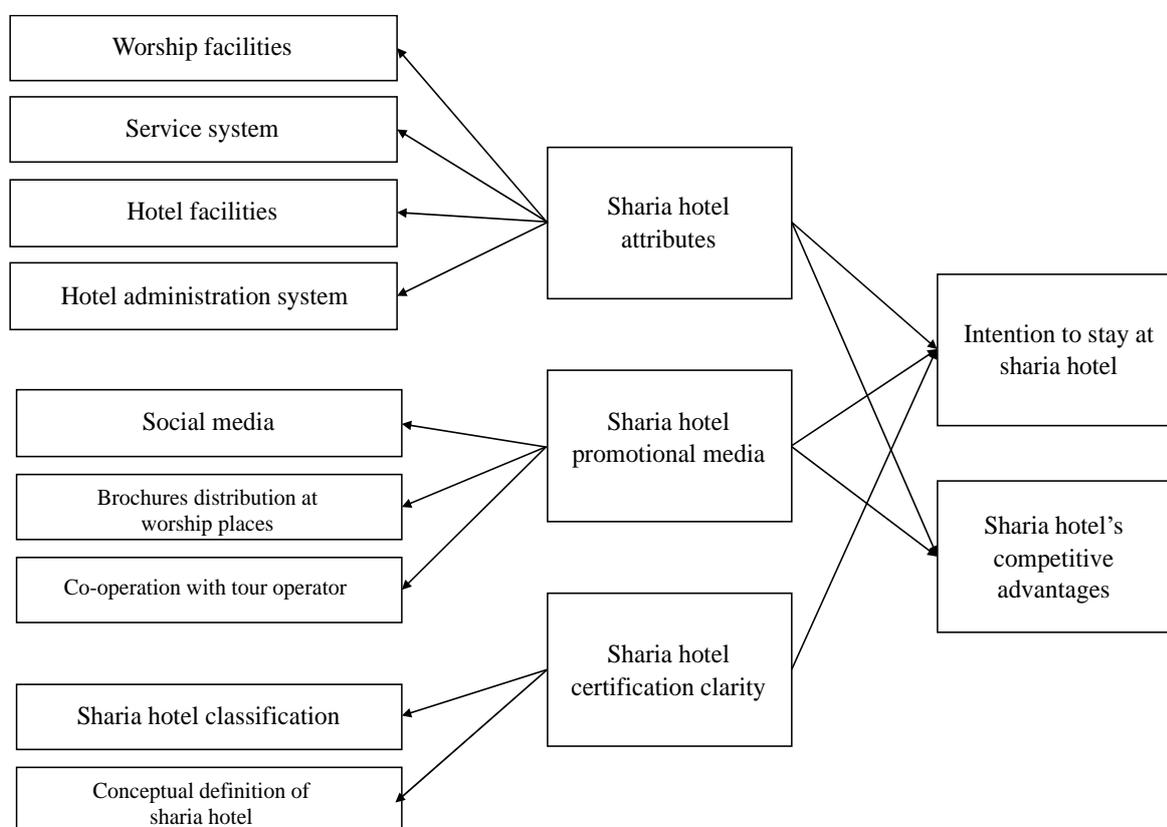


Figure 1. Proposed conceptual model of the relationship between hotel consumer perceptions (Muslim and non-Muslim) and perceptions of hotel executives (conventional hotels and sharia hotels) along with their roles on competitiveness and intention to stay

The proposed conceptual model shows that factors that significantly influenced consumers' intentions to stay in sharia hotels and the competitiveness of sharia hotels in Indonesia are the completeness of the attributes of sharia hotels, sharia hotels promotional media, and clarity of sharia hotel certification. However, it is worth mentioning that the finding in this study juxtaposes the attributes of sharia hotels in the Sharia Islamic Hotel Assessment Tool (SIHAT). The completeness of the sharia attributes in this study comes from worship facilities, service systems, hotel facilities, and administrative systems.

Likewise, the factor of sharia hotel promotion media plays a role in consumers' intentions to stay and increases the competitiveness of sharia hotels by directly impacting public awareness of sharia hotels. The next factor concerning consumers' intentions to stay, and the competitiveness of sharia hotels, is the clarity of sharia hotel certification. Thence, sharia hotel certification is deemed significant for the development of sharia hotels. By having clear regulations and rules regarding the utilization of the sharia concept in sharia hotels, hotel executives can establish the quality of sharia hotels accordingly. The clarity of the sharia hotel certification includes the classification of sharia hotels and the definition of the sharia concept. This research suggests that a clear and comprehensive definition of the sharia concept will make public perceptions, both in terms of hotel executives and hotel consumers, stand on the same ground.

Conclusion

Based on the results of the interviews, sharia hotels in Indonesia were assured of having the opportunity to develop likely. Although there were conflicting opinions from both sides (conventional and sharia hotels' executives), the notions of hotel consumers (Muslim and non-Muslim) stated otherwise. For instance, having a high level of curiosity toward sharia hotels could play a supporting factor in the development of sharia hotels in Indonesia. Therefore, this was a golden opportunity for sharia hotel executives to establish top-notch sharia hotels and give their best in promotions so that the hotel consumers would not only come and spend the night to satisfy their curiosity but also because sharia hotels offered more "values".

The authors also remarked that in broad terms, the aspects assessed by the informants (hotel executives and hotel consumers) were mainly about worship facilities, service systems, hotel facilities (public areas, bedrooms, food and beverage), and administration. Both from the perspectives of hotel executives (conventional and sharia hotels) and hotel consumers (Muslim and non-Muslim), the first thing that the informants noticed in a sharia hotel was the completeness and quality of the provided worship facilities. This finding could be valuable as a reference and consideration for the Indonesian Government in decreeing rules or certification for sharia hotels in Indonesia.

Finally, the authors invite and encourage future studies in halal tourism, more specifically in the context of Sharia Hotel. These can range from extended exploratory studies to uncover emerging themes and or concepts to quantitative approaches that confirm the findings from the first studies. The use of a qualitative method acts as a confirmation of the findings that have been found in this study. Also, further research should validate the factors that determine consumers' behavioural intentions to stay at sharia hotels and the factors that affect the hotel executives' behavioural intention in determining policies related to embracing the sharia concept as a competitive advantage through quantitative research. On the subject of qualitative research, it is about confirming the factors that have been found by the authors related to consumers' intention to stay towards sharia hotels and the competitiveness of sharia hotels in Indonesia. In the end, quantitative research will likely have more respondents so that the results found in this study can be validated more.

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