

A STUDY OF CONSUMER BEHAVIOUR TOWARDS ISLAMIC HOTEL: ASSESSING ON KNOWLEDGE AND RELIGIOSITY

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ABSTRACT

Islamic Hotel becomes a Blue Ocean strategy for Hotel industry. The demand for this market has been created by changes in consumer behavior. Therefore, this study has been conducted to examine the relationship between knowledge and religiosity on attitude of consumers towards Islamic Hotel. A group of Muslim consumers has been selected and the results show that the consumer's decision on Islamic Hotel is influenced by knowledge and religiosity. The result also shows that there is a significance relationship between knowledge and religiosity towards consumer behavior on Islamic Hotel. The result of this study will help the Hotel provider in promoting their Islamic Hotel and becomes a guideline for government in designing the strategy or method to encourage hotelier to convert their conventional hotel to Islamic Hotel concept.

Keywords: *Islamic hotel, knowledge, religiosity, consumer behavior*

1. Introduction

Tourism industry will be the biggest foreign exchange earner that will surpass the manufacturing sector in the future. The expansion of the tourism industry has contributed to growth in the food and beverage, accommodation, entertainment, and shopping sectors. According to the Global Economic Report, 2014-2015, global Muslim population is expected to grow by about 35% over the next 20 years, rising from 1.6bln in 2010 to 2.2bln by 2030, it is make known that Halal industry offers opportunities to Muslim countries worldwide. This is true when Muslim travellers spend with average ten to fifty percent higher than that of the average leisure or business traveler (Hotelier Middle East, 2008d; Sahafa, 2008b; Rosenberg and Choufany, 2009; Samori and Abd Rahman, 2013).

On top of that, the statistics reported by World Tourism Organization (2010) revealed that Shariah-compliant hotel (SCH) represent almost 10% of the global tourism market in which it represents the global Halal market's worth is \$2tn per year. In other words, the introduction of Shariah-compliant hotel as a new innovative and creative service is crucial to cater the needs of the increasing number of Muslim travelers worldwide. Also, there is a growing demand in hotel industry that provides accommodations that adhere to the Shariah principles.

As mention earlier, hospitality is one of attractive product in tourism industry. In Halal tourism market, Islamic hotel becomes a new product which may increase the value of the industry. This Islamic hotel not only able to capture Muslim market but it also starts being acceptable by non-Muslim consumers. However, Islamic Hotel still in infant phase due to unclear guideline and standards. Most of hotelier apply wait and see behavior due to lack of confidence and understanding on the practice. Therefore, discussion on Islamic Hotel concept and issues need to be done continuously. Hotelier need to understand by having Islamic branding product, their market will be more attractive. The companies complying with Islamic Shariah requirements not only prevent customer churn but also gain the customer influx (Al-Harran and Low, 2008; Lada et al., 2009; Sabri, 2006). To meet the requirements of the market, the researcher identify that there is a need in studying consumer's behavior because by knowing the behavior, then the marketing strategy can be developing. This study focuses on examine the relationship between knowledge and religiosity on attitude of Muslim consumers towards Islamic Hotel. The objective of this study is to measure consumer's behavior to patronize Islamic Hotel. The result of the study hopefully would contribute to future related Halal studies and becomes a reference for industries and government in promoting and developing strategies of Islamic Hotel.

2. Literature Review

2.1 Islamic Hotel

The Islamic hotel is also referring to shariah-compliant hotels, but the term always leads to confusion to the academic world or in the industry. Shariah is an Arabic word which means the path that should be followed by Muslims. Therefore, Shariah-compliant hotel can be defined as a hotel that provides services in accordance to the Shariah principles.

In recent years, it has been observed that there is a growing interest in a new tourism concept such as 'Islamic tourism' or 'halal' hospitality which is similar to the concept of halal food which had been recognized in many countries including those in the Middle East. (World Travel Market, 2007 cited in Battour, Nazari et al., 2010). The growing demand for products and services that comply with Islamic law or Shariah law is obvious and substantial in finances and food both in the past and at present; the trend is moving toward the traveling industry. By definition, Islamic hotels serve halal service to the Muslim travellers. These hotels are not emphasizing on the halal food service only but the operation and the management of the hotel have to organize with Islamic principles. Main indicators of an Islamic hotel are presented below (Henderson, 2010: 248; Rosenberg and Choufany, 2009: 3).

2.2 Muslim Consumer Behavior

The laws affecting Muslims consumption behavior are governed by the Quranic philosophy of what is permissible (Halal) and what is not permissible (Haram) for a believer (Berry, 2000; Eliasi and Dwyer, 2002). These include adultery, gambling, liquor, pork, interest on money, blood of animals and the meat of animal sacrificed in the name of other than Allah (Al-Bukhari, 1976; Al-Qadawi, 1999; De Run et al., 2010). Even though the descriptions on matter related to Haram is short, it plays an important role in the consumptions behavior of Muslim. The Shariah-compliant faith and ethical values generate specific behavior that requires Halal earning, fairness in

Table 1. Classifying the Muslim Friendly Hotels

Rating	Rating Muslim Friendly Facilities (in addition to other standard facilities in reputable hotel)				
One	Qiblah Pointing Signage; Prayer rug in guest room				
Two	Halal Kitchen/Halal Food	Prayer Room/Surau	Qiblah Pointing Signage; Prayer rug in guest room		
Three	Only Halal Food & Alcohol Free Beverages Served	Dedicated Prayer Room/Surau with ablution space	Qiblah Pointing Signage; Prayer rug in guest room; at least 50% are no smoking guest rooms	Gym & Swimming Pool have dedicated hours for Ladies only	
Four	Only Halal Food & Alcohol Free Beverages Served	Dedicated Prayer Room/Surau with ablution space & resident imam	Qiblah Pointing Signage; Prayer rug in guest room; only no smoking guest rooms	Separate Gym & Enclosed Swimming Pool for Ladies	
Five	Only Halal Food & Alcohol Free Beverages Served	Dedicated Prayer Room/Surau with ablution space & resident imam	Qiblah Pointing Signage; Prayer rug in guest room; only no smoking guest rooms	Separate Gym & Enclosed Swimming Pool, Spa & Health Facilities for Ladies	Shariah Compliant Entertainment & Recreational Facilities for all ages

Source: Ramli (2009).

spending and Halal utility leading to materialistic satisfaction and metaphysic reward (Ghassan, 2015). Consumer behavior also related to consumer utility. Dr. Monzer Kahf highlighted that consumer utility function in Islam consists of two categories of spending which are spending now and spending in the Hereafter. He has addressed the idea of rationality and stated that a Muslim consumer is acting rationally in the usual sense of trying to maximize utility. His utility not only satisfied when he consumes for himself, but also include on what he expends in the way of Allah and in order to help others (Manshur, 2016).

2.3 Knowledge

The emphasis on knowledge can be directly discerned from the elevated status accorded to those who seek, possess, teach and act upon it (Daud, 1989). Knowledge will differentiate individuals with others. According to Islam, those who have knowledge will always have positive fear of God which forms the central principles of Islamic religious life (Daud, 1989). The importance of knowledge also being highlighted in *hadith* narrated by Bukhari: The Prophet (PBUH) said:

“Whoever follows a path in pursuit of knowledge, Allah makes his way easy to paradise”

Research on knowledge has been done before but the focus is more on food. The result from the research has proved that knowledge has a positive influence on attitude towards organic food. Several researchers have reported that greater awareness and additional knowledge concerning organic food has a positive influence on attitudes towards organic food and levels of consumption (Ahlam Nuwairah Ahmad, 2015). From the perspectives of consumer awareness and concerns, Muslim consumers in a mixed religious population (more than one belief) are more sensitive and aware of halal and haram than a country that Muslims are the most majority (everything is assumed to be halal). The investigation of Muslim attitude towards Halal products is important in Islamic societies such as Pakistan, where it is generally assumed that products sold are Halal. Hence, the companies should not get the wrong perception such as all the Muslims think and behave in the same manner or they demand the same products and services (Bakar and Hussin, 2013: 81-82). Increasing level of education and income of the Muslim population has also changed the consumption habits of this social group. Muslim consumers want to remain loyal to their religious requirements. Therefore, the changing habits of the Muslim consumers must be considered by the companies.

2.4 Religiosity

Religion plays an important role in influencing consumer's attitude and behavior due to the nature of human being (Ariffin, 2010). A number of researches have been conducted to study the link between religiosity and consumer behavior with the aim of the conclusion that the correlation is real. In an empirical study of religiosity and consumer behavior among 602 mostly Protestant consumers, Wilkes et al. (1986) reached a significant conclusion that religiosity influences several aspects of consumer's lifestyle, which eventually may affect choices and/or choice behavior. Gayatri et al. (2005) found that a Muslim who holds Islamic cultural values influence his or her evaluation criteria for restaurant, hotel and airlines service quality and in turn, the use of these services. Religiosity has been shown to influence one's makeup and lifestyle, information search, purchase risk aversion, attitude towards advertising, purchasing behavior of major durables and selected aspects of retail store patronage behavior. Supporting with adequate evidence that has been explained above, it shows that religiosity does influence the consumer behavior in making decision.

2.5 Conceptual Framework

This study is designed to examine consumer behavior towards Islamic Hotel. This study adopted and modified Ajzen Theory of Planned behavior (Martin Fishbein & Ajzen,

1975). Based on the framework, there are two independent variables considered for the study which is religious and knowledge. The following relations will be tested:

- H₁: There is a significance relationship between knowledge and intention behavior of consumers towards Islamic Hotel.
- H₂: There is a significance relationship between religiosity and intention behavior of consumers towards Islamic Hotel.

The framework of the study is depicted as Figure 1:

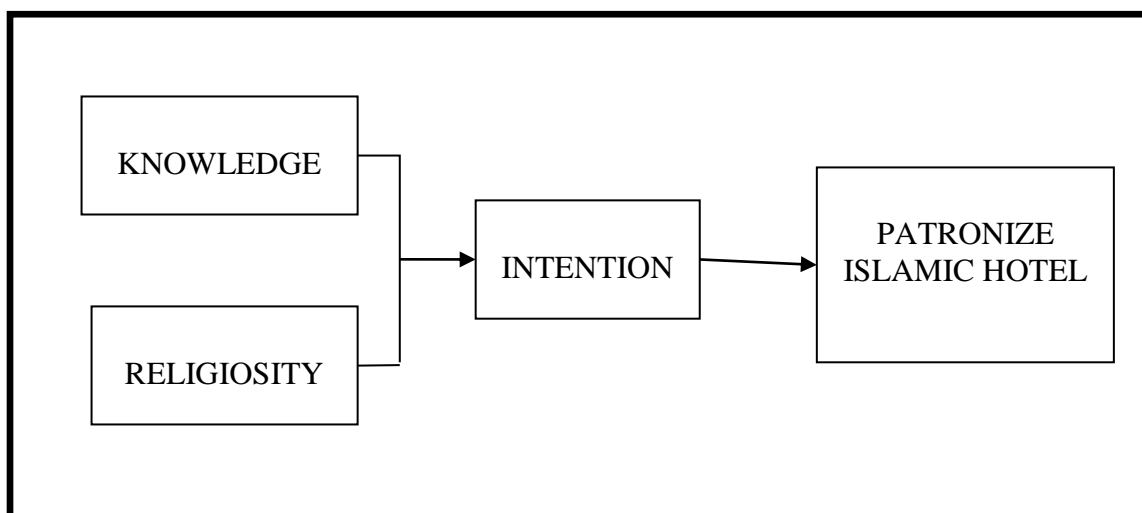


Figure 1

3. Methodology

The methodology employed in the study involved survey method. Researcher had conducted a survey to a group of Muslim's respondent. This criterion is important in achieving the objective of the study. The questionnaire has been divided into four parts where the first part is on demographic, the second part is on respondent knowledge on Islamic Hospitality the third part is on religiosity and the fourth part is on consumer behavior. Researcher has used convenience sampling technique. Data was analyzed using the latest version of SPSS. For the secondary resources, data was gathered from books, newspaper reports, articles, academic journal and other relevant documents related to Islamic Hotel.

4. Findings and Discussion

Consumer behavior is the study of how individuals make decisions to spend their available resources such as time, money, effort on consumption-related items (Kanuk, 1997). There are many factors influence the behavior of the consumer. This study, focus on assessing the consumer behavior by looking to two variables which is consumer knowledge and religiosity. The discussion of the findings is on demographic, consumer knowledge, religiosity, consumer behavior and analysis on relationship.

The reliability test had been conducted to examine the reliability of the questionnaire on knowledge and religiosity to consumer behavior. To do this, researcher use Cronbach's Alpha method.

Table 2. Reliability of Questionnaire on Consumer Behaviour

Variables	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
Consumer Knowledge	.775	.773	6
Consumer Religion Belief	.958	.964	5
Consumer Behavior	.872	.871	4

An Alpha score is 0.773 for consumer knowledge, 0.964 for Religion belief and 0.871 for consumer behavior. Results for all part is above 0.75. This indicates a scale of high reliability which means the questionnaires on knowledge, religiosity and consumer behavior in this study is highly reliable.

4.1 Demographic

Table 3. Demographic Variables of the Respondents

VARIABLES	%
<u>Age</u>	
20-29	52.2%
30-39	30.4%
40-49	17.4%
50 years or above	0%
<u>Gender</u>	
Male	21.7%
Female	78.3%
<u>Marital Status</u>	
Single	56.5%
Married	43.5%
Others	0%
<u>Education</u>	
Secondary	8.7%
Diploma	4.3%
Degree	60.9%
Master	26.1%
Doctoral	0%
Other	0%
<u>Occupation</u>	
Student	52.2%
Manager	8.7%
Executive	8.7%
Entrepreneur	0%
Administrative/Support Staff	13%
Other	17.4%
<u>Experience staying in Islamic Hotel</u>	
Yes	43.5%
No	56.5%
	100%

Demographic data is important in research. It will determine the reliability and validity of the research findings. According to professor David Foot from University of Toronto, understanding demographic forces can help us better prepare for the problems (Elliott, 2010). This study did proper selection of the respondent to make sure the outcomes align with the objective. All the respondents are educated, therefore they will have a better view and thought on Islamic Hotel concept.

Respondent agreed to fill up the questionnaires. Table 3 shows the demographic variables of the respondents. Most of the respondent's age are between 20 to 29 years old (52.2%) and 30-39 year old (30.4%). In term of gender distribution, female respondents contributed to 56.5% whereas 43.5% of the respondents are male. In term of educational background, most of the respondents are undergraduates that count to 60.9% of total respondents. 26.1% of the respondents are master holders, 8.7% secondary whereas 4.3% of the total respondents hold diploma qualification. Respondents were asked whether they have an experience staying at Islamic Hotel. 43.5% have an experience while 56.5% of the respondents do not have an experience staying at Islamic Hotel.

4.2 Consumer Knowledge

The next part of the study is to measure consumer knowledge towards Islamic Hotel. In terms of reasons for visiting or staying at Islamic Hotel, result of the survey indicates that 65% of the respondents choose to stays at Islamic Hotel when visiting their relatives and friends, attending conference and wedding due to facilities and proper information on Islamic information and restaurant provided by the hotel, while 25% said they choose the Islamic Hotel because of the environment is suitable for rest and relaxation. The other 10% said that they want to gain new experience in their vacation.

Table 4. Consumer Knowledge on Islamic Hotel

1	2	3	4	5
Strongly Agree	Agree	Neither Agree nor disagree	Disagree	Strongly disagree

Table 5

Parameter	1	2	3	4	5
Knowledge on Halal Concept	26.1%	34.8%	17.4%	8.7%	13%
Knowledge through advertising	26.1%	21.7%	17.4%	30.4%	4.3%
Knowledge through reading	4.3%	34.8%	34.8%	17.4%	8.7%
Knowledge through friends and relatives	17.4%	30.4%	34.8%	13%	4.3%
Differentiate Islamic Hotel concept with Conventional Hotel	17.4%	26.1%	34.8%	8.7%	13%

For consumer behavior on Islamic hotel which influenced by their knowledge, Result of the survey indicates that 60.9% of the respondents are fully aware with Islamic Hospitality concept. Beside that factor, consumer also get knowledge on Islamic hospitality which is refers to halal food, hygiene and safety environment from advertising and friends who have an experience staying at Islamic Hotel. 43.5% of the respondent able to differentiate what are the things has in Islamic hotel and

conventional hotel. This outcome shows that media and Hotelier play an important role in development of Islamic Hotel which is still in early stage of hospitality product life cycle.

4.3 Religiosity

This study also measures consumer behavior which influence by religiosity. The results show that, most of the respondents know that consuming Halal product is important. They also know that everything that they consumed and do will be asked by Allah.

Table 6. Religious Belief

Parameter	1	2	3	4	5
Well informed every product purchased must be Halal	82.6%	4.3%	0%	4.3%	8.7%
Well informed that matters of Halal are important	87%	4.3%	0%	4.3%	4.3%
Realized everything that we do will be asked by Allah	87%	4.3%	0%	4.3%	4.3%
Avoid place which provide alcohol	73.9%	4.3%	13%	4.3%	4.3%
Felt calm when selecting Halal product or services.	87%	4.3%	0%	4.3%	4.3%

Respondents also being examine regarding the religious factors that they consider while choosing Hotel. Results from the survey indicates that 50% of the respondent choose hotel because of Halal food while 20% because of clean room and 15% because of the availability of prayer facilities and accessibility, accuracy and reliability of the information. This result has in common with findings of a study on Halal food that was done by Ahlam Nuwairah et.al, 2015, where the results indicates that religiosity have high influential towards behavior on Halal Food (Ahlam Nuwairah Ahmad, 2015).

Table 7. Religious Factors that being Consider While Choosing Hotel

Variables	Percentage (%)
Halal food	50%
Friendly staff	0%
Prayer facilities	15%
Staff dress code	0%
Clean room environment	20%
Facilities offered	0%
Information is accessible, accurate and reliable	15%
Religious factor is not my main concern	0%

4.4 Relationship Analysis between Consumer's Behavior on Knowledge and Religiosity

The first test is to measure whether there is a relation between consumer knowledge on Islamic Hotel to consumer behavior when choosing hotel.

Table 8. Correlation Analysis between Consumer Knowledge and Consumer Behavior

		Fully aware on Halal concept in Hospitality	If choose Islamic hotel i feel that i'm support Islamic Hospitality industrty
Fully aware on Halal concept in Hospitality	Pearson Correlation Sig. (1-tailed) N	1 45	.512** .006 45
If choose Islamic hotel i feel that i'm support Islamic Hospitality industrty	Pearson Correlation Sig. (1-tailed) N	.512** .006 45	1 45

** . Correlation is significant at the 0.01 level (1-tailed).

These results indicate that as knowledge on Islamic Hospitality increases, the consumer behavior also increases, which is positive correlation. As the r value reported is positive and $p < 0.01$, there is a positive correlation between two variables and null hypothesis can be rejected. This shows that there is a significant relationship between consumer behavior and knowledge.

This implies that as consumer have more knowledge on Islamic Hotel such as in terms of facilities, hygiene, halal food either from mass media, through reading or people around them, they will have positive behavior towards Islamic Hotel.

The second test is to examine relationship between consumer behavior and Religiosity.

Table 9. Correlation Analysis between Consumer Behavior and Religiosity

		Every product that purchased must be Halal	If choose Islamic hotel i feel that i'm support Islamic Hospitality industrty
Every product that purchased must be Halal	Pearson Correlation Sig. (1-tailed) N	1 45	.620** .001 45
If choose Islamic hotel i feel that i'm support Islamic Hospitality industrty	Pearson Correlation Sig. (1-tailed) N	.620** .001 45	1 45

** . Correlation is significant at the 0.01 level (1-tailed).

Correlation between Religiosity with consumer behavior towards Islamic Hotel also positive which is 0.620. The Sig.(1-tailed) is 0.001 which is less than 0.05. This shows that there is a significant correlation between religiosity and consumer behavior towards Islamic Hotel.

This implies that religious belief will influence the consumer's decision making in choosing Islamic Hotel when they travelling.

5. Conclusion

As a preliminary study, this paper has achieved the objective in determining the consumer behavior towards Islamic Hotel. From the findings, the consumer behavior towards Islamic hotel shows a positive signal. As this study focus on assessing knowledge and religiosity, the result indicates that consumer knowledge on Islamic hospitality especially in Islamic Hotel is keep growing from time to time. Consumer may get the information from various sources such as mass media, through reading and word of mouth. Therefore, hotelier needs to provide more information on their Islamic hotel as this factor will encourage consumer to choose their hotel while travelling. Beside the knowledge, religiosity also plays an important role. Awareness and understanding on the need of Halal or supporting Islamic products will help in creating the demand for Islamic hotel. Although this study shows positive relationships between consumer behavior with knowledge and religiosity, Hotelier still need to improved their services which is not only on the kitchen but on overall practice. In Islamic hotel industry, the focus is not only on the practice but it also covers operational, professionalism and governance. Further study on this topic need to be done as this study only conducted to small sample due to time constraint. Researchers predict that result will be more attractive if the sample size increase. However, this result can be a reference for industry to learn the behavior of their consumer while they decide on their marketing strategy.

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