



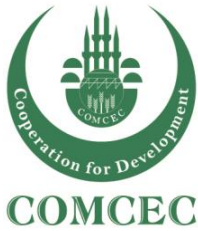
COMCEC

**Standing Committee
for Economic and Commercial Cooperation
of the Organization of Islamic Cooperation (COMCEC)**

**Muslim Friendly Tourism:
Understanding the Demand and Supply Sides
In the OIC Member Countries**



**COMCEC COORDINATION OFFICE
February 2016**



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List of Abbreviations

ASEAN	Association of Southeast Asian Nations
B2B	Business to business
B2C	Business to consumer
CFM	Conceptual Framework for MFT
CRaHFT Model	CrescentRating's Halal Friendly Travel Model
EU	European Union
GMTI	Global Muslim Travel Index
GCC	Gulf Cooperation Council
ITC	Islamic Tourism Centre of Malaysia
MFT	Muslim Friendly Tourism
MTSI	Muslim Travel Shopping Index
NTO	National Tourism Organization
OIC	Organization of Islamic Conference
SMIIC	The Standards and Metrology Institute for the Islamic Countries

Executive Summary

Globally, travel & tourism is one of the biggest economic drivers, which not only creates cultural bonds but also contributes to the economic advancement of the world. Tourism industry contributes nine percent of the global GDP. One out of eleven jobs is related to the travel and tourism industry. In 2014 the revenue generated through this segment was 6 percent of the total world's exports¹.

The growth of the Muslim travelers is a new emerging segment within the travel sector, which will affect the global tourism industry. According to Pew Research, 1 out of 3 people born between 1990 and 2030 will be Muslim. Hence, the Muslim population could increase to 2.2 billion by 2030².

Given the inherent strengths to cater to the Muslim travelers, the OIC member states have a unique opportunity to gain a greater share of this growing segment and increase the overall tourist arrivals to their destinations. Muslim visitor arrivals were estimated to be 116 million in 2014, and are projected to grow to 178 million by 2020. This constitutes around 11.4 percent of the total visitor arrivals projected by 2020. Given that by 2020 the Muslim population will be around 26 percent of the world's population, the Muslim travel market should have sustained growth beyond 2020³. This worldwide growth of the Muslim population in the middle class and younger population has meant that Muslim travelers are becoming a significant segment within the global travel and tourism sector. However, currently only Malaysia, Indonesia and UAE have a National Tourism Organization (NTO) driven program to target the Muslim Friendly Tourism market.

In 2014, Muslim visitor arrivals to OIC destinations were around 64 million, i.e. 55.3 percent of total Muslims travelers. At current growth rates, this is projected to reach 98 million by 2020. However, by implementing the recommendations contained in this study, the member states can expedite this growth to reach higher number of arrivals by 2020. It is recommended to target 100 million Muslim visitor arrivals to OIC destinations by 2020.

Table 1: Inbound Muslim Visitor arrivals for the period 2010 to 2020

	Year 2010	Year 2014	Year 2020	Growth Forecast (2015-2020)
Total Muslim Visitor Arrivals (millions)	98	116	180	54.50
Total Muslim Visitor Arrivals to OIC (millions)	53	64	98	51.87
Total Muslim Visitor Arrivals to non-OIC (millions)	45	52	82	57.75

Source: CrescentRating (2015)

¹ World Tourism Organization (2015); UNWTO Tourism Highlights; Madrid, Spain.

² Pew Research Centre Forum on Religious and Public Life (2014); The Future of the Global Muslim Population; Washington, DC USA, Pew Research

³ Crescentrating (2015); Singapore



The percentage of Muslim visitors to OIC member states in 2014 was 33.8 percent of total arrivals to OIC destinations, and this will increase to 39.1 percent by 2020. The GCC countries remain the largest group of Muslim travelers contributing around 40 percent of the total expenditure. South East Asian countries like Indonesia, Malaysia and Singapore contributed around 10 percent of the total. Iran and Turkey represent 16 percent of global Muslim tourism expenditure. About 37 percent of the Muslim visitor arrivals was from non-OIC countries. These include the UK, Germany, France, Belgium and the US. The top OIC countries in terms of Muslim visitor arrivals are 1. Saudi Arabia, 2. Turkey, 3. Malaysia, 4. United Arab Emirates, 5. Kazakhstan, 6. Tunisia, 7. Egypt and 8. Jordan.

Intra-OIC Muslim visitor arrivals in 2014 was 51 million. It accounted for 80 percent of the total Muslim visitor arrivals to OIC member states. This is projected to increase to 79 million by 2020 and account for 81% total Muslim visitor arrivals. In 2014, 69 percent of total Muslim outbound visitors from OIC countries visited an OIC destination. In comparison, only 30 percent of Muslim outbound visitors from non-OIC countries went to an OIC destination. This is an area that OIC member states should target; the Muslim travelers from non-OIC countries.

The growth of the Muslim travel segment has given rise to a number of terms that have been used to refer to this segment. These include Islamic Tourism, Halal Tourism, Shariah compliant tourism and services, etc. In this study the term “Muslim Friendly Tourism” (MFT) has been used based on the analysis presented in Chapter 1. MFT is defined as “Halal conscious travelers, traveling for any purpose, which is Halal (permissible).”

In order to help OIC member states for building a coherent strategy across the whole value chain of travel services, a conceptual framework for MFT has been presented in the study. This comprises of three components; *faith based needs, demand and supply side themes*.

Six faith based needs have been identified in the study. These are halal food, Salaah (Prayer), water usage friendly toilets, Ramadhan services and facilities, facilities with no non-halal activities and recreational facilities with privacy. This study presents a segmentation of the Muslim travelers into 3 categories based on these needs; strictly practicing, practicing and not practicing.

The key findings in the faith based needs area is the inconsistency in the way halal food outlets are assured halal. Some countries such as Malaysia have a strong halal certification program, which helps visitors to identify the Halal outlets through the display of the Halal logo. However, this is not widespread in most other OIC member states. The recommendation of the study in this regard is to develop and agree on a standard way to identify Halal food outlets in the member states. The Standards and Metrology Institute for Islamic Countries (SMIIC) could play a role in streamlining the identification of Halal restaurants across the OIC member states.

Salaah (Prayer) facilities are generally available in the OIC member states. However, cleanliness, facilities for females and the level of upkeep of the prayer facilities in places such as Highways, Shopping Malls etc. are not consistent across the member states. In most of the OIC destinations, water usage in toilets is generally available. However to ensure an acceptable quality for visitors, it is suggested that basic OIC wide guidelines are implemented for both Salaah facilities and water friendly toilets at tourist hotspots.

As Muslim countries, Ramadhan services and facilities are one of the strengths of OIC member states. As such, Ramadhan based themes could be developed to attract Muslim visitors to the destination. Facilities with no non-halal activities and recreational facilities with privacy are not widespread in most of the OIC member states. There is a sub-segment of Muslim travelers who are looking for such services and facilities. Some OIC member states could look at targeting this sub-segment, as some resorts in Turkey are doing for beach holidays.

The demand side key themes refer to the reasons and motivation for travel. Four main travel reasons have been identified; religious, leisure, business and medical. Majority of Muslim travel is for Leisure (including Visiting Friends and Relatives (VFR)) which accounts for around 75 percent of the travel. Religious travel constitutes around 10 percent of the total Muslim visitors and is primarily Hajj and Umrah travel. Business travel is around 9 to 10 percent while travel for medical or healthcare reasons is less than 1 percent of the Muslim travel market⁴ in 2014.

In terms of the leisure segment, the OIC member states have not fully exploited their inherent strength of having a Muslim friendly environment. These include better productizing the Islamic history and heritage sites/attractions. These are unique strengths of OIC member states that will attract the Muslim visitors.

Supply side key themes refer to the travel hospitality services and facility comprising of transport terminals, transport services, accommodation services, attraction and activities, travel agents and tour operators, human capital and destinations as whole.

For the supply side themes, there is inconsistency in the level of Muslim friendly services offered in the OIC member states. It is recommended that OIC member states adopt, if possible OIC wide guidelines, on the basic services to be offered at airports, transport terminals, transport services, accommodation services, attraction and activities. Guidelines are presented in Chapter 1.

Travel operators in many of the OIC member states are mainly focused on outbound travelers. The inbound travel is taken for granted as Muslim friendly and there is no concrete effort to promote such packages. It is recommended to launch an overall education and awareness program to the travel agents in particular, to exploit the market to its full potential. It is also recommended to create alliances among the travel agents/tour operators to maximize intra-OIC travel.

When it comes to developing human capital to cater the MFT market, there is very little structured approach among the OIC member states. It is recommended that human resource development programs can be put in place as a top priority.

In the study, 5 OIC member states and 2 non-OIC member states were examined as case studies. These involved 3 field-based case studies of Malaysia, Indonesia and Qatar, and 4 desk-based case studies of UAE, Tunisia, Singapore and the United Kingdom. These case studies analyze the different aspects of MFT from both demand and supply sides at the destination.

⁴ Calculated by Crescentrating based on some criteria as well as the World Tourism Organization (2015) data; UNWTO Tourism Highlights; Madrid, Spain, UNWTO.



Malaysia (field-based case study)

Malaysia is one of the main destinations for Muslim visitors from around the world. It has been recognized as the No. 1 ranked destination on the GMTI (2015)⁵. In 2013, it was also in the top 10 of the world in overall visitor arrivals. Muslim visitor arrivals constitute around 22 percent of the total arrivals. The key and unique strength of Malaysian success story on MFT is the commitment of Tourism Ministry as early as 2009 to identify the Muslim market as a priority market. This also led to the creation of the Islamic Tourism Centre (ITC).

The key lesson learnt in Malaysia's success story is that a government led commitment is required to activate the whole industry to make MFT a priority market for the destination. This has led to it now becoming the best destination for Muslim visitors in the world with all facilities, services aligning to cater to this segment.

Indonesia (field-based case study)

Indonesia has a huge potential to develop the MFT market with a wide array of possible tourism products that it can develop. Poor infrastructure remains the biggest obstacle to growth of MFT for Indonesia. Government efforts, combined with investment in the private sector to develop the tourism industry, will be key towards making Indonesia an attractive MFT destination. Providing a cultural experience is a strength in the country's offering of a Muslim friendly tourism. The Ministry of Tourism has also been engaging the industry to develop the MFT market in Indonesia. In November 2015, it launched the Muslim Visitor guide to Indonesia. It has also launched promotional programs with social media influencers to showcase Indonesia as a Muslim friendly destination.

Despite the optimism of officials, there are concerns by some segments of the travel industry that advancement for Islamic tourism could alienate other visitors who want to sunbathe or relax on the beach with a drink. However, the local government insists it can promote "shariah tourism" without affecting the existing industry, and that party hotspots in the area will remain unaffected.

Key lesson learnt from the Indonesian efforts on promoting MFT is that a well thought out plan should be developed and communicated to the diverse local groups and communities when launching MFT. This plan should ensure that MFT market and services can co-exist with other traditional tourism markets and services of the destination.

Qatar (field-based case study)

Qatar is another destination, which has the potential to grow the MFT market. Qatar Tourism Authority's stated aim is to develop the destination with a balance of preserving/showcasing heritage as well as building modern attractions/experiences. MFT is one of the five key areas prioritized for the development of tourism. Qatar currently does not offer the same variety and diversity of activities and leisure attractions as some of its neighbors like the UAE. The government has targeted the meetings, incentives, conferences and exhibitions segment as a source of development.

⁵ MasterCard-CrescentRating (2015); Global Muslim Travel Index 2015 (GMTI); Singapore CrescentRating

Qatar has the basic MFT services such as availability of Halal food, prayer facilities etc. A large majority of hotels offer prayer facilities – such as designated prayer rooms, prayer mats and timetables and Qibla signs marked in rooms – for Muslim guests for prayers. Competition from regional destinations such as UAE is going to be its main challenge.

UAE (desk-based case study)

UAE is one of the fastest growing destinations for Muslim visitors. The continuous investment by UAE, especially by Dubai and Abu Dhabi has made it an attractive destination for Muslim tourists for both enjoying the attractions as well as shopping. Dubai is positioning itself as the “Islamic economic capital of the world” and family travel which includes MFT as one of the key verticals within the initiative. Abu Dhabi is also positioning to be the “halal travel” destination of choice.

Dubai was ranked as the no. 1 shopping destination for Muslims in the Muslim Travel Shopping Index 2015. A good shopping experience in a Muslim friendly environment is definitely a key strength of Dubai. Dubai’s positioning as the “Islamic economic capital of the world” has also energized the many businesses including travel business to look at how become more Muslim friendly.

Tunisia (desk-based case study)

Tunisia’s tourism products are mainly based on its beaches and beach resorts. It is positioned as a sun and sea destination. Tunisia has, nonetheless, a lot more to offer in terms of culture, ecotourism, health & wellness, and even golf tourism, all of which could target Muslim visitors. However, the recent violent incidents at, or close to, tourist hotspots have made it a huge challenge to grow the tourism market in general and MFT in particular in Tunisia. Since the majority of country’s population is Muslim, it has a good foundation and great potential for Muslim friendly services infrastructure as well as Halal awareness.

Singapore (desk-based case study)

The Global Muslim Travel Index 2015 (GMTI 2015)⁶ report ranks Singapore as the No. 1 Muslim friendly destination among the non-OIC countries. With Muslim arrivals constituting around 20 percent of the total arrivals in 2014, it is a good example of how a destination manages the needs of both Muslim and non-Muslim visitors.

The key strength of Singapore lies with its local Muslim population. With around 15 percent of the population being Muslim, Singapore has been able to develop a strong Halal food and Muslim friendly services eco-system. Singapore has one of the strongest Halal certification bodies among the non-OIC countries. Singapore Tourism Board published the Muslim visitor guide in 2010. The key challenge for Singapore is the emerging competition from countries like Japan, Korea and Taiwan targeting the main source market of Singapore; namely, Malaysia and Indonesia.

⁶ MasterCard-CrescentRating (2015); Global Muslim Travel Index 2015 (GMTI); Singapore CrescentRating

The United Kingdom (desk-based case study)

Due to its growing local middle class Muslim population, there are many Halal food outlets and Muslim friendly services across the UK. This has also meant that there is a steady growth of Muslim visitor arrivals to the UK. In 2014, Muslim Visitor arrivals to the UK accounted for 6.6 percent of the total arrivals compared to 6.0 percent in 2010.

The key strength is its local Muslim population. UK has over 2.8 million Muslims people which is a large population for a non-OIC country. This has resulted in the development of a many Halal food and Muslim friendly services. It also has a number of Halal Certification bodies with some of them focusing on Halal restaurant certification.

OIC Clusters

Based on the study analysis, the OIC member states have been grouped into 4 clusters to develop strategies for the MFT target. These clusters are Group A – Leaders, Group B- Best positioned for growth, Group C- Potential for growth and Group D – Need to develop.

Group A cluster includes Malaysia, Turkey and the UAE. They are currently the leaders in attracting the Muslim leisure market. Group B which includes, Saudi Arabia, Qatar, Indonesia, Oman, Jordan and Morocco are well placed to target the MFT market. Group C consists of markets that offer unique opportunities for example Kuwait or Iran. Group D countries will need to look at some niche experiences initially and target a sub-segment of the MFT market.

A SWOT analysis is provided for each grouping. All these groups have the potential to target the MFT market at different levels and with different positioning. In order to leapfrog competition, OIC member states need to look at developing their strategies along the themes such as “Quality Tourism” as well as to develop an eco-system of entrepreneurs and startups in the MFT space.

Challenges facing growth of MFT in the OIC member countries

- **Security concerns;** Many governments have issued travel advisory requesting its citizens not to travel unless absolutely necessary to some of the OIC destinations. Majority of Muslim tourists travel with family and generally want more family-friendly activities such as shopping, sightseeing, theme park, nature reserve or museum.
- **Lack of proper identification of halal food outlets;** A number of OIC member states have not developed a comprehensive identification process which could correctly inform tourist that the food offered at a particularly dining establishment is halal.
- **Limited support and participation from government to promote MFT;** In many OIC member states, the government has not yet engaged the travel industry with the development of MFT. Lack of incentives and motivation by the government to develop the tourism sector will curtail growth of the MFT market.
- **Increasing competition from non-OIC countries;** Singapore, Japan and South Korea are examples for non-OIC countries which are keenly targeting the Muslim tourists. In addition, Australia and Thailand are also seeking to attract the Muslim traveler. In

2014, about 22.5 million tourist traveled from a OIC member state to a non-OIC member state. This means that about one-third of total Muslim outbound tourist from OIC member state travel to non-OIC states. Many countries are lifting visa requirements to facilitate Muslim inbound travel. Both Japan and South Korea has relaxed travel requirements for tourist originating from Malaysia and Indonesia.

- **Islamophobia driven negative sentiments towards Muslim countries;** The recent terrorist attack in Paris, France and California-USA has resulted a negative sentiment against Muslims and Muslim countries.
- **Resistance of some travel stakeholders to develop MFT;** Due to the negative sentiments portrayed by media when it comes to words such as Muslim, Halal, Shariah and Islam, even local travel stakeholders in some Muslim countries are resisting the development of MFT. The main concern comes from a misunderstanding of what MFT is and the perception that it will destroy the traditional tourism in the destination. Better education and awareness of MFT to these stakeholders should alleviate the fears of most of them.
- **Limited availability of attractions including theme parks;** A number of OIC member states does not have high quality tourism infrastructure. This has hampered the growth of not only Muslim tourism but also tourism as a whole.
- **Low air connectivity;** A number of OIC member states are not on major airline routes to major cities of the world.

With a view to addressing these challenges, the study proposed the following recommendations:

- ✓ **Setting an overall MFT market goal to encourage growth in the MFT sector in the OIC member states.** In order to encourage the member states to develop MFT as one of the main segments of tourist arrivals to the country, it is recommended to agree on a goal of attracting 100 million Muslim visitor arrivals to OIC destinations in 2020.
- ✓ **Increasing awareness of the MFT market among the travel industry stakeholders** by rolling out guidelines, workshops, training etc.
- ✓ **Implementing and streamlining the basic MFT related services.** Some actions can be taken to help provisioning of prayer facilities, Halal food outlets and water friendly toilets at airports, highway stops, hotels/resorts, attractions and other travel services. SMIIIC can play a role in this regard. It is suggested that OIC (possibly through SMIIIC or COMCEC) take up the issue of "Muslim Meal" (MOML) with IATA.
- ✓ **Maximizing the inherent strengths of OIC member states.** OIC member states have rich Islamic history, Islamic heritage and Islamic elements of providing hospitality. These inherent strengths can be utilized to provide visitors a unique experience. The countries which have important Islamic heritage in terms of heritage sites, art and religious importance can do more to promote these destinations to the MFT segment.

- ✓ **Capturing opportunities in the niche sub-segment within MFT.** There is a lack of supply for the sub-segment of Muslim visitor who are looking for facilities and services which do not have non-halal activities as well as recreational facilities and services which provide privacy. Some OIC destinations could look at getting a certain percentage of hospitality services catering to this need.
- ✓ **Developing healthcare services and facilities for the Muslim market.** OIC member states could look at identifying strengths of healthcare services among the OIC member states, and develop specialized hubs of healthcare services. This could then lead to a plan to encourage intra-OIC healthcare services.
- ✓ **Developing a MFT alliance.** Travel agents and tour operators are able to play a key role in enabling the growth of the MFT market in OIC destinations. It is possible to launch an alliance of travel agents/tour operators in OIC countries targeting the MFT market.
- ✓ **Developing an environment for innovation and entrepreneurship on MFT related products and services.** The environment in which tourism companies operate is rapidly changing and there is generally more volatility, uncertainty and complexity. In this respect, it is better to develop an incubation setup to encourage startups and entrepreneurs to develop products and services for the MFT market. Such an initiative could also be looked at from ICDB (Integrated Communications Database) perspective.
- ✓ **Developing unique MFT based destination positioning and marketing.** Currently very limited efforts have been made by OIC member states to reach out to the Muslim travelers with a clear MFT-centric destination positioning. Exceptions are Malaysia, UAE and Indonesia. This is a broad area and requires the development of a comprehensive plan to position and promote the OIC destinations as the choice destinations for Muslims, especially the leisure travelers. This entails branding, content development and promotion.

In summary, Muslim tourists globally represent a major niche market—a market that has a younger population, growing middle class and is increasingly asserting its unique needs on the travel, tourism and hospitality market. Though, MFT is still at an early stage. OIC member states have inherent strengths which can be exploited to maximize its share of the market. This will require an extensive private and public sector partnerships / handholding along with a developing a vibrant startup environment to ensure OIC member states are not overtaken by non-OIC destinations in the MFT space.

Introduction

The Muslim population is growing rapidly and is expected to reach 26 percent of the world's population by 2030⁷. The growth of the Muslim population and their increasing disposable income have resulted in a large number of Muslims taking up travel for leisure, business, healthcare and religious reasons. This increase has resulted in Muslim travelers becoming one of the fastest growing travel segments in the tourism industry.

Growth of Muslim Visitor Arrivals and Expenditure

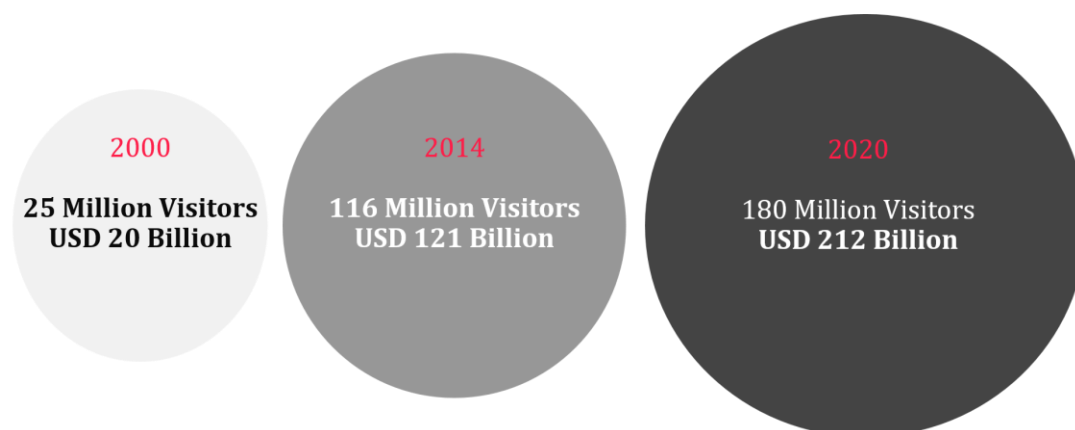
Based on this study, the travel sector represented by Muslim travelers was worth \$121 billion in 2014 and the total number of Muslim visitor arrivals reached to 116 million - representing 10.2 percent of the global visitor arrivals. It is projected that this will grow to 180 million by 2020 and will constitute 11.4 percent of the market with an expenditure projected to be \$212 billion. Figure 1 shows the Muslim visitor arrivals and expenditure for the years 2000 and 2014, and the forecast for 2020.

QUICK FACTS

- 23%** of the world's population in 2014 was Muslim
- 26%** of the world's population is projected to be Muslim in 2030
- 50%** of Muslims are under the age of 25 years
- 70%** of the Arab world population is under the age of 25 years
- 66%** of the Muslim population is under 30 in Europe and North America

Source: CrescentRating (2015); UNWTO Tourism Highlights (2015)

Figure 1: Muslim visitor arrivals and expenditure, 2000 to 2020



Source: CrescentRating (2015); UNWTO Tourism Highlights (2015)

During the last few years, awareness and adoption of faith-based practices by Muslim travelers have also been growing. In the latest survey published in the Muslim Travel Shopping Index (MTSI) 2015⁸, more than 80 percent of the respondents mentioned that having halal food

⁷ Pew Research centre Forum on Religious and Public Life (2014); The Future of the Global Muslim Population; Washington, DC USA, Pew Research

⁸ MasterCard-CrescentRating (2015); Muslim Travel Shopping Index 2015 (MTSI); Singapore CrescentRating

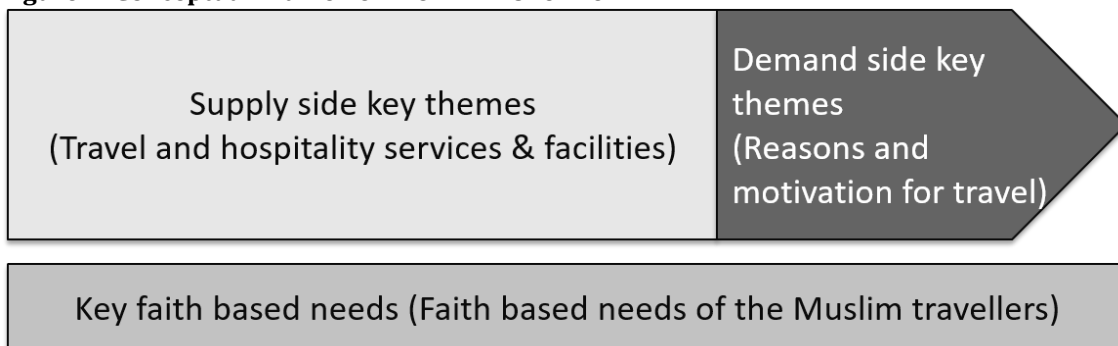
options at a destination is “very important” when choosing a holiday destination. Muslim travelers’ eagerness to explore new experiences and destinations, coupled with increased awareness of faith-based needs, is now driving the global demand for Muslim friendly tourism products and services.

Terminology, Segmentation and Conceptual Framework of MFT

As the growth of the Muslim travel market is a new phenomenon, many different terminology and definitions have been used to refer to this market segment by academics, media and other organizations. A review of the different terminology that has been used, as well as the recommended usage of terms based on the study analysis, is discussed in Chapter 1. In this study, the terms “Muslim Friendly Tourism” (MFT) and “Halal Tourism” will be used to refer to the same definition as described here.

The global Muslim travel market is not homogeneous. As such, a segmentation based on needs as well as a framework to develop Muslim traveler profiles/personas is presented in Chapter 1. The resultant “Conceptual Framework for MFT” (CFM) serves to facilitate execution of strategy by OIC member states to develop this segment. The CFM is based on the following 3 main components as shown below in Figure 2.

Figure 2: Conceptual Framework for MFT Overview



Source: CrescentRating (2015)

Objective of the Study and Methodology

MFT offers a huge opportunity for OIC member states; to increase both intra-OIC travel as well as inbound travel from non-OIC markets. This study examines the current status regarding the demand and supply side of MFT in the member states and provides a framework and recommendations for developing MFT in the OIC member states. Both primary and secondary

DEFINITION

**Muslim Friendly Tourism
Or Halal Tourism**

“Muslim travelers who do not wish to compromise their basic faith-based needs while traveling for a purpose, which is permissible”

or it can also be defined as

“Halal conscious travelers, traveling for any purpose, which is Halal (permissible)”

market research has been conducted to collect information for the study. The primary market research has been mainly focused on direct interviews with various stakeholders across a number of countries. The research takes into account the demand side key themes and supply side key themes along with the key faith-based needs of Muslim travelers, as illustrated below in Figure 3.

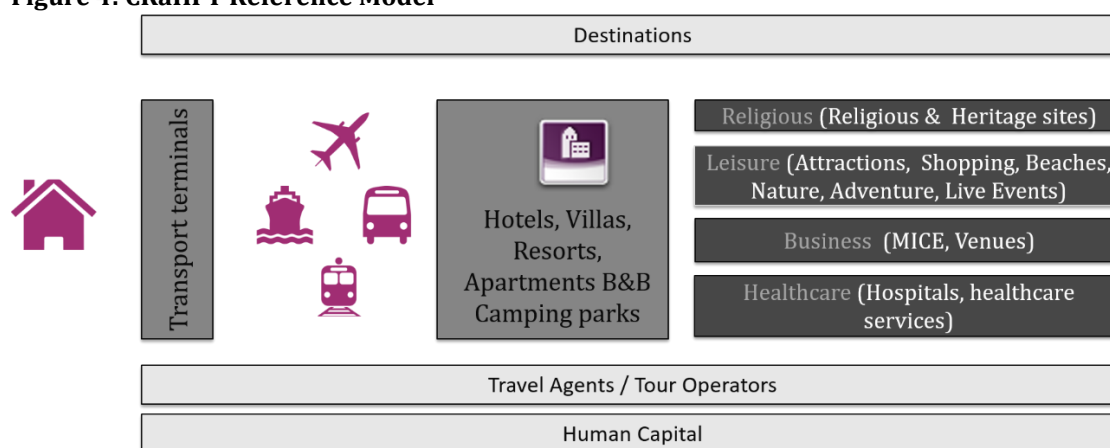
Figure 3: Research Methodology



Source: CrescentRating (2015)

The supply side and demand side themes are derived from CrescentRating’s CRaHFT model shown in Figure 4, which maps the user journey of a typical traveler from leaving home to the activity at the destination. It identifies individual segments in the tourist value chain. The details of the key themes are discussed in Chapter 1.

Figure 4: CRaHFT Reference Model



Source: CrescentRating (2015)

The faith-based needs of Muslim travelers are the unique determinants of this segment. As such, all research has been conducted and considered from the point of view of these needs. These key needs are discussed in detail in Chapter 1.

More than 50 travel industry stakeholders were interviewed either by phone or face-to-face. Face-to-face interviews were conducted at the location of the interviewer. The profile of people interviewed included former ministers of tourism, C-level of executives, senior management and line managers. The business or organizations are represented from tourism ministries and boards, hotels, travel agents, tour operators, theme parks and amusement arcades, restaurants and tour guides in more than 20 countries. The key topics covered in the interview were:

- Does the government have any special initiatives or strategies to spread MFT awareness in tourism sector on both demand and supply side?
- Are there any specific initiatives taken by the organizations in the area of MFT in the last few years?
- Have there been workshops/seminars/training conducted on the awareness of Halal/Muslim traveler needs to staff in your company?
- Are there any plans to take specific initiatives by your company in the area of MFT in the next few years?

Two types of focused group surveys were conducted: One with businesses and the other with consumers. The survey with related industry leaders and influencers from top OIC Member outbound and inbound (non OIC) countries were conducted to identify the market landscape and key local best-practices. There were 30 respondents for this survey.

The consumer survey was to understand the needs and choices they make when planning a trip as Muslim travelers. There were total of 150 respondents. The types of questions asked varied. Below are sample questions asked to selected people:

- What was your experiences visiting a Muslim country? Would you return again?
- What are your opinions/thoughts? Would you recommend a friend?
- What did you like the most/least?
- What is your overall perception? What is adequate: above or below expectations?
- Is there sufficient information on internet for your travelling?
- What is your recommendation/suggestion you would like to offer?

In addition, the study also used surveys conducted by CrescentRating during the last 3 years. The total number of respondents of those surveys exceed 1000.

The field visits were conducted in Malaysia, Indonesia and Qatar. During these visits, in person interviews were conducted as well as on-site visits, to hotels, airports, attractions, travel agents etc.

Generally, religion is not identified at immigration when a visitor enters a country. The arrival statistics available by UNWTO and by the tourism board of the country is by nationality. As such the data for Muslim visitor arrivals is calculated based on CrescentRating's calculation model, which takes into account the percentage of Muslims population in the source country as well as (when required) income disparity among different ethnicities in the source market.

Literature Review

The available literature on MFT is very limited. The main sources of market-oriented literature on the MFT market in the last few years have been from CrescentRating and Thomson Reuters. The academic literature was reviewed and referenced in the study in relevant parts of the study. United Nations World Tourism Organization (UNWTO) literature was also reviewed and referenced in relation to overall tourism trends and statistics.

The following Reports by CrescentRating have been reviewed.

- Global Muslim Lifestyle Travel Market 2012
- Fukuoka City Study
- MasterCard-CrescentRating Global Muslim Travel Index (GMTI) 2015
- MasterCard-CrescentRating Muslim Travel Shopping Index (MTSI) 2015
- Muslim Halal Travel Market Basic Concepts Terms and Definitions, by CrescentRating, August 2015
- eBooks, guides and Rating Standards

Below is a brief summary on the relevance of the above reports to the study.

- Fukuoka City Study. The objective of the Fukuoka study was to enable the Japanese authorities to better understand its current positioning in terms of the MFT market offerings of hotels, restaurants, airports, shopping malls, transport, tourist attractions, mosques and the hospitality industry in general in Fukuoka. The study helped develop the framework for Muslim friendly tourism.
- Global Muslim Lifestyle Travel Market. This study helped in defining the key themes for Muslim friendly travel and faith-based needs of Muslim travelers.

Thomson Reuters State of Global Islamic Economy report defines and provides a view of the Islamic economy as well as its potential to facilitate investments and industry growth. This report was first published in 2013 and then in 2015. The report covers a number of sections from fashion to media and recreation and pharmaceuticals. Travel and Halal food is also covered but is only one section of the entire report.

Islamic Tourism Centre (ITC) of Malaysia has developed tourism guidelines to become a more Muslim-friendly nation. The guidelines – called MS2610:2015 Muslim-Friendly Hospitality Services Requirements – are set up to preserve and protect the integrity of “Islamic tourism products and services”. The ITC report covers the criteria for Malaysia to become Muslim friendly and includes guidelines on prayer facilities at tourist spots and public premises (hospitals, offices, R&R, shopping complexes), access to Halal food for Muslim tourists (including fast food outlets) and hotel services toward Muslim tourists.

Review of Conferences and Exhibitions

Since 2009, the topic of MFT has been covered in many conferences. Initially it has been discussed as one of the topics in general halal and Muslim consumer related conferences. However, in the last couple of years, standalone conferences dedicated to the MFT market have emerged. These include the 1st Organization of Islamic Cooperation (OIC) International Forum on Islamic Tourism on 2-3 June 2014 hosted by Indonesia, the Halal Tourism Conference 2014

hosted in Granada, Spain, which was the first of its kind in a European country, as well as the World Halal Travel Summit in October 2015 held in Abu Dhabi.

Due to growing awareness of MFT, some of the general mainstream travel and technology conferences have allocated panel discussions and presentations on the topic. These include ITB Asia, Startup Asia and ArabNet. A growing number of workshops and conferences have been held in non-OIC countries, which have covered the MFT topic either as standalone workshops or as part of Halal or travel related conferences. These include countries like Japan, South Korea, Australia, New Zealand, etc.

The topics covered in these events initially were related to a basic understanding of the Muslim market size and their faith-based needs. These topics have evolved into discussions on how to attract and cater to this segment with practical solutions. Current topics discussed include standardization issues, overcoming Islamophobia and developing products and solutions to cater to the MFT market.

Review of MFT Policies in the World

The study looked at MFT policies and practices by national organizations. Currently only a few countries have some policies or national level initiatives on MFT. Following is a brief overview of activities by some NTOs.

Malaysia is currently the leading country with a tourism ministry driven program to drive MFT. In 2009, it set up the Islamic Tourism Centre (ITC) under the Ministry of Tourism through a cabinet legislature. ITC has been instrumental in both educating the local service providers on the MFT market and positioning Malaysia as a Muslim-friendly destination. Malaysian Standards body has also worked with ITC to produce the Muslim-Friendly Hospitality Services (MFHS) Standard. MFHS standard is the country's first standard for the MFT sector.

Indonesia is another destination which has been looking to develop a tourism ministry-driven policy to position Indonesia to the Muslim market. There have been several documents drafted on the standards for Shariah hotels, and other related services such as spas, etc.

In the UAE, both Dubai and Abu Dhabi have been launching initiatives to target the Muslim travel market. Through the "Dubai – the Capital of Islamic Economy" (DCIE) initiative, "family travel" has been identified as a key segment to focus. The term "family travel" is used in order to target the Muslim market as well as the wider family-oriented tourist segment. Abu Dhabi has been developing a NTO led initiative to become a "hub" for Halal travel and tourism. The "World Halal Travel Summit" held in Abu Dhabi in October 2015 was a part of this initiative.

In summary, apart from Malaysia, Indonesia and UAE, there have been no major NTO driven initiatives on MFT in OIC countries.

The situation among the non-OIC countries, especially in Asia, is vastly different. In countries such as Australia, Japan, Korea, Taiwan, Thailand and Singapore, the Tourism Ministries have been actively rolling out programs to target the Muslim travel market. These include:

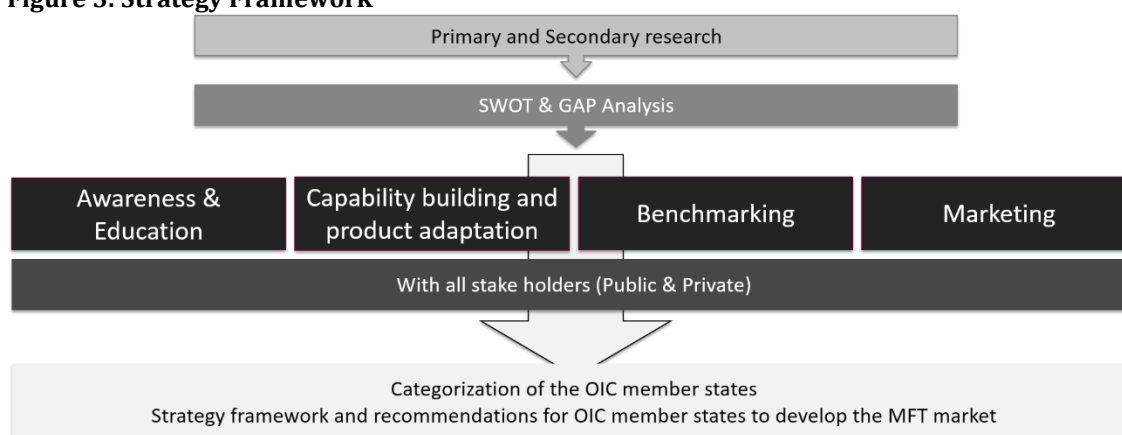
- Commissioning market research on the destinations for suitability for MFT
- Conducting seminars and workshops for the local industry

- Developing Muslim visitor guides
- Strengthening Halal food certification
- Encouraging more Halal-certified food outlets
- Getting prayer rooms at airports

Strategy Framework & Recommendations

The research results have been analyzed using SWOT analysis and Gap analysis. The OIC member states are categorized based on this analysis. Recommendations are presented using the CrescentRating Strategy framework as illustrated in the Figure 5 below.

Figure 5: Strategy Framework



Source: CrescentRating (2015)



Muslim Friendly Tourism (MFT):
Understanding the Supply and Demand Sides
In the OIC Member Countries

Chapter 1 - Muslim Friendly Tourism (MFT) Overview

1.1 What is Muslim Friendly Tourism?

With the growth of the Muslim travel market, different terminology and definitions are used to refer to either the total Muslim travel market or its sub-segments. To better define the terminology, the study found that both a segmentation of the market as well as a conceptual framework for MFT is required. This is illustrated by the varying focuses of the terms used by academics, private & public organizations, and media.

1.1.1 Academic concept of Muslim Friendly Tourism (MFT)

Many academics begin to define MFT by first exploring the elements that comprise tourism and its impact. Below is a grouping on the understanding of MFT by various academic professionals. Their discussion on MFT is based on the impact it has on society.

Islamic Motivation

According to Duman (2011) Islamic tourism can be defined as “the activities of Muslims traveling to and staying in places outside their usual environment for not more than one consecutive year for participation of those activities that originate from Islamic motivations which are not related to the exercise of an activity remunerated from within the place visited”.

Faith-based needs and services

As a niche market “halal friendly” tourism includes; halal hotels, halal transport (halal airlines), halal food restaurants, halal tour packages and halal finance. Therefore, halal tourism consists of different sectors which are related with each other. (Akyol and Kilinc - 2014).

Sureerat (2015) defines Halal tourism as offering tour packages and destinations that are particularly designed to cater for Muslim considerations and address Muslim needs.

Islamic teachings

Fatin Norain Osman (2015) defines Muslim tourism to be based on Islamic teaching that encourages individuals, especially women and children to travel with their muhrim which means that someone who has blood relation with them to provide them with security.

1.1.2 Media understanding of MFT

Acknowledgement of MFT by leading media, such as Wall Street Journal’s (2014) reference to Muslim tourism, is based on the term “Halal Travel”. They tend to indicate that if Halal food is available then a destination is Muslim friendly. These publications’ views are formed on discussions with selected organizations in the travel and hospitality industry. In addition, there is no uniformity of the terminology used across the publications.

Reuters (2014) in their article “Thailand launches Muslim-friendly tourist app” defines MFT as providing hotels and shopping centers with prayer rooms and halal restaurants.

The Guardian (2014) in their article “Indonesia’s Lombok promotes itself as ‘Muslim-friendly’ tourism destination”, defines Muslim tourism as “sharia” tourism. It further states that Muslim friendly destinations are a place with many mosques. Indonesia has 600,000 mosques it writes.

1.1.3 Islamic Tourism Centre of Malaysia

Malaysia is currently the only country with a tourism ministry driven program to drive MFT. In 2009, it set up the Islamic Tourism Centre (ITC) under the Ministry of Tourism through a cabinet legislature.

They have defined Islamic tourism as “any activity, event and experience undertaken in a state of travel that is in accordance with Islam”⁹

1.1.4 CrescentRating’s Glossary of terms

CrescentRating released the first edition of its “Halal Travel Glossary” in 2015. It features a list of over 150 terms and expressions related to the Halal travel market, with an explanation of each term in the context of lifestyle and travel. In order to better contextualize the terms and suggest a more coherent set of definitions, the next sections will first describe and analyze market segmentation and the description of the conceptual framework for MFT. Following that, the study presents the suggested terms and definitions to be used for the MFT market.

1.2 Conceptual Framework of MFT

Based on the study analysis, MFT consists of the following three main components:

1. Key faith-based needs (Faith-based needs of the Muslim travelers)
2. Demand side key themes (Reasons and motivation for travel by Muslims)
3. Supply side key themes (Travel and hospitality services and facilities)

Figure 6: Conceptual Framework for Muslim Friendly Tourism



Source: CrescentRating (2015)

⁹ Islamic Tourism Centre (2014); <http://www.itc.gov.my/>; Malaysia, Ministry of Tourism & Culture

In order to better understand and cater to the MFT market, the use of the following conceptual framework of MFT, based on the three components is proposed and illustrated in Figure 6. This framework allows destinations and services to plan a coherent product adaptation/development strategy aimed at the MFT market. The following sections detail each of these three components.

1.2.1 Why Faith-based Needs?

Faith is increasingly influencing the purchasing decisions of Muslims. This is evident from the fast growth of Islamic industries i.e. Islamic Banking, Halal Food, Islamic Fashion, Halal cosmetics and other related industries. Pew Research report (2012) shows an increasing adherence to the five pillars of Islam by Muslims across 39 countries, as shown in Table 2.

Table 2: General observance of five pillars

	Median Observation across the 39 countries
Declaration of faith in God (Allah) and the Prophet Muhammad	97%
Fasting during day time in the month of Ramadhan	93%
Observing zakat (charitable giving)	77%
Performing salat (five daily prayers)	63%
Pilgrimage to Mecca (hajj)	9%

Source: Pew Research Center's August 2012 report, "The Worlds' Muslims: Unity and Diversity"

This increasing adherence to faith-based needs can be attributed to three main reasons:

Reason #1: "Way of Life"

Muslims see Islam as a "way of life", in which its guidance and values touch upon all aspects of their lives, including consumption behavior. The consumer drivers of the unique Muslim lifestyle are centered on food ('Halal' options), family friendly environments, religious practices, accommodation, gender relation nuances, modest clothing, education, finances, and other areas. Much of these values do have universal appeal, and products and services do not have to be exclusively positioned for Muslims.

Reason #2: Growing income and enabling environment

The recent growth in this faith-based market has also been due to the fact that some of the fastest growing economies today are Muslim majority countries. Bangladesh, Indonesia, Saudi Arabia, the UAE, Malaysia, Nigeria, Turkey and others are some of the fastest growing economies, resulting in a growth of middle-class and high-income earners. This growing income level is driving consumers to assert their unique consumption needs. This trend is being supported by a growing and Halal industry that is being nurtured by the largest Muslim-majority economies of Malaysia, Saudi Arabia and Turkey.

Reason #3: It is already real and growing

In essence, faith as a key market attribute is already real and growing for Muslim consumers. There is also increasing trade among Muslim countries given Muslim market affinities, thus intra-OIC trade has been growing. In travel, as the study will be highlighting later, many Muslim travelers are traveling to Muslim majority countries (e.g. Turkey, Malaysia) given

values based affinity, security, and comfort (e.g. Halal food, family friendly environments, prayer facilities, etc.)

1.2.2 Faith-based needs of Muslim Travelers

Six faith-based needs have been identified as the main areas for Muslim travelers. While the majority of Muslim travelers adhere to some of these needs, the level of importance of them varies among Muslims. A segmentation of Muslim travelers, based on these needs, is presented later in the chapter.

a) Halal Food

Halal food is by far the most important service that a Muslim traveler is looking for when traveling. Acceptability of the different levels of Halal food assurance varies among Muslims. The following Table 3 illustrates the main types of “Halal” assurance provided by food outlets and their acceptability by most Muslims.

Table 3: Halal assurance acceptability

Halal Assurance	Remarks	Acceptability
Halal certified restaurants	Restaurants certified Halal by a Halal Certification Body (HCB). Most HCBs do not certify restaurants that serve alcohol, but some do.	Acceptable for all
Restaurants served by only a Halal certified kitchen	Restaurants served from a kitchen certified Halal by a HCB.	Acceptable for many
Self-assurance – claims to serve only Halal food A. Muslim owned/managed B. Non-Muslim managed	The restaurant management/staff claim all food served in the restaurant is Halal	A. Acceptable for many B. Not acceptable for many
Self-assurance – claims to serve Halal food and non-Halal food	The restaurant management/staff claim that some food served in the restaurant is Halal	Not acceptable for many
Self-assurance – claims to serve only vegetarian or seafood	The restaurant management/staff claim that all food served is vegetarian or seafood	Acceptable for many

Source: CrescentRating (2015) and MTSI (2015)¹⁰

The acceptability also varies depending on the region the Muslim travelers are coming from. Having food outlets with proper Halal assurance that is identifiable by the visitors is the best option sought by Muslim visitors from South East Asia and Western Europe.

Halal certification is generally provided by local bodies. In some OIC member states, Halal certification is regulated by one body that has been authorized to perform certification in the country. Some OIC member states do not have such certification bodies certifying food

¹⁰ MasterCard-CrescentRating (2015); Muslim Travel Shopping Index 2015 (MTSI); Singapore CrescentRating

outlets/restaurants; these are mainly the OIC member states in the Middle East such as Qatar, UAE, Kuwait and Bahrain. There is an emergence of many Halal certification bodies in non-OIC countries, some of which have multiple bodies performing Halal certification.

In the certification of Halal food, there are minor differences among the standards adopted by the certification bodies. Among the main differences is the issue of crustaceans. This has some implications when assuring Halal for Muslim visitors, as it is considered not Halal by some schools of Islamic jurisprudence.

A harmonized Halal standard and a uniform certification process across the OIC member states will greatly help accelerate the adoption of Halal certification by food outlets. The Standards and Metrology Institute for Islamic Countries (SMICC) is a standards body for the OIC member states, which aims to achieve “One Halal’ logo and ‘One Halal’ standard”. SMICC could play an important role in enabling widespread use of Halal certification.

b) Prayer Facilities

Prayer is one of the central elements of Islamic practice and worship and it is the second of the five pillars of Islam. According to the *Pew Research Centre report*¹¹ mentioned earlier, 63 percent of Muslims perform the five daily prayers. While traveling, some of them will combine some prayers and perform them three times a day.

In order to cater to this need, the services and facilities that are frequented by Muslim travelers need to be equipped with prayer rooms ideally with separate space for both males and females. Another important consideration is the cleansing ritual referred to as Wudhu. Wudhu is performed before a Muslim performs their prayers. This requires that the prayer rooms are provided with “foot washing” facilities.

c) Ramadhan Services

Although Muslims are less likely to travel during the month of Ramadhan, there are still many looking to spend this time away from home, especially if this period coincides with school holidays. In addition, an increasing number of Muslims take holiday breaks during the two Muslim festivals. Destinations who wish to target this period need to be able to cater to the special needs during the month of fasting.

The main service that is required to cater to this need is the ability of the hotels at the destination to cater to Halal pre-dawn meals.

d) Water Friendly Washrooms

For Muslims, water plays a key role in purity and cleanliness, both of which are core aspects of the faith. Physical cleanliness is stressed as an essential component of being a Muslim. As such, special attention is given to hygiene in the washroom. This entails the use of water in the toilets, and it is discomfoting for Muslim travelers where the setup for water use is not available. Providing such facilities has become less cumbersome now with the widespread

¹¹ Pew Research Center Forum on Religious and Public Life (2014); The Future of the Global Muslim Population; Washington, DC USA

availability of hand showers, bidets or even Japanese-style toilets. Figure 7 contains pictures of water friendly washrooms.

Figure 7: Water friendly washrooms



Common in Muslim countries as well as South and Southeast Asian countries, the hand shower is a plumbing fixture placed in a holder against a wall by the toilet.

e) No Non-Halal Activities

Muslims consider some activities to be 'Haram' or non-Halal. When it comes to traveling, these are generally centered on requiring a family friendly environment. As such, some Muslims would prefer to avoid facilities that serve alcohol, have discotheques or is adjacent to a casino.

f) Recreational facilities and services with privacy

A sub-segment of Muslim travelers is looking for recreational facilities that provide privacy for males and females. These include the following:

- Swimming pools and gyms that are either segregated or provide different timings for males and females
- Beaches which provide areas for males and females to enjoy in privacy

1.2.3 Segmentation of Muslim Travelers based on Faith-based needs

Muslim travelers are not homogeneous in their adherence to the faith-based needs discussed above. Based on a number of studies that have been conducted, including the surveys conducted as a part of this study, Muslim travelers can be broadly categorized into three major segments. They are as follows:

Segment A – Strictly practicing Muslims. These Muslims are very strict in adherence to all the faith-based needs while traveling. On holiday, they would choose only those services, which provide a very Muslim friendly environment. As an example, they would look for recreational facilities that provide privacy and do not have non-halal activities. They will also look for Halal food that has been assured Halal by either a Certification body or Muslim management.

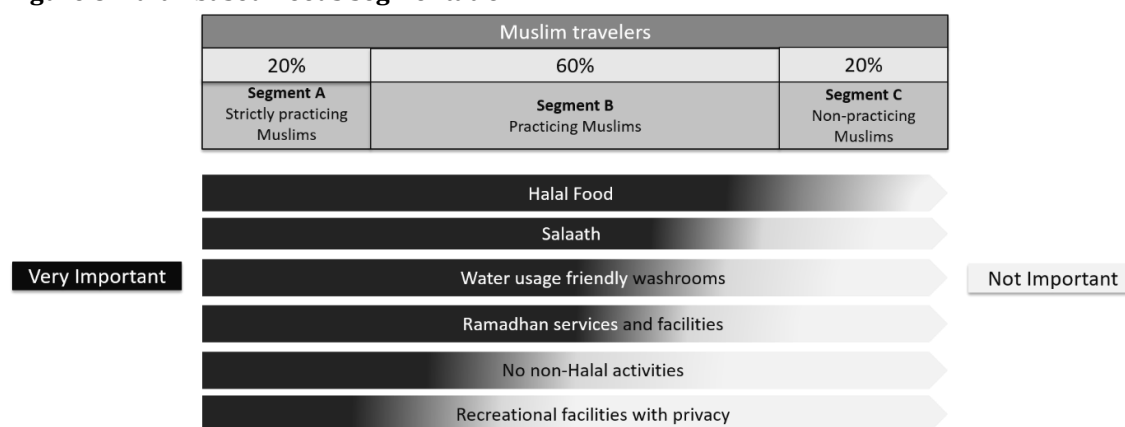
Segment B – Practicing Muslims. These Muslims would generally not compromise on their needs, but will be comfortable with alternatives. Their main concerns will be around Halal food

and prayer facilities. Generally, given an option of a Muslim friendly service and a less Muslim friendly service, most of them will choose the more Muslim friendly service, assuming everything else is the same.

Segment C – Non-practicing Muslims. These Muslim travelers are not considering any faith-based needs while making their travel plans. At most, they will look for food which is pork-free.

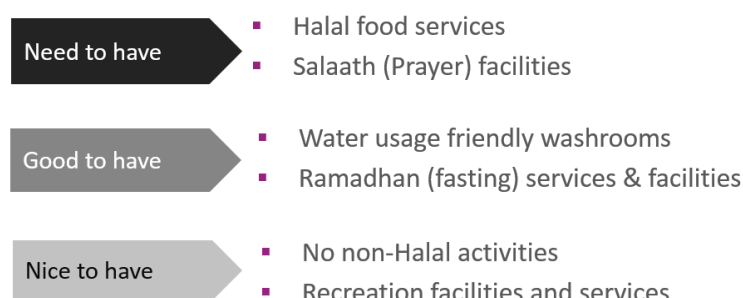
The Figure 8 below gives an approximate percentage of each segment and maps the level of importance of the faith-based needs for each of these segments.

Figure 8: Faith-based needs segmentation



Source: CrescentRating (2015)

Figure 9: Faith base needs categorization



Source: CrescentRating (2015)

Based on the above segmentation and mapping of the faith-based needs, in order to cater to these needs from a supply side perspective, the service providers can look at grouping these needs into “Need to have”, “Good to have” and “Nice to have”.

1.2.4 Demand Side Key Themes (Reasons and Motivation for Travel)

The key themes from the demand side are to be looked at from the perspective of the motivation for travel. Based on a number of interviews with travel agents, tour operators and inquiries on online travel platforms, four broad travel themes are identified among the Muslim travelers. These are religious travel, leisure travel, business travel and healthcare travel. Majority of Muslim travel is for Leisure (including Visiting Friends and Relatives (VFR)). It accounts for around 75 percent of the travel. Religious travel constitutes around 10 percent of the total Muslim visitors and is primarily Hajj and Umrah travel. Business travel is around 9 percent to 10 percent. Travel for medical or healthcare reasons is less than 1 percent of the Muslim travel market¹².

a) Religious Travel

Religious travel for Muslims has always been an integral part of Islamic faith, with a significant demand due to Hajj and Umrah. They can be classified into three areas: Traveling to perform Hajj, Umrah and to other Islamic sites. The **Hajj** is the annual Islamic pilgrimage to Makkah, Saudi Arabia and it is the fifth pillar of Islam. All Muslims are expected to perform Hajj at least once in a lifetime provided he/she is in good health and is able to afford it. The Hajj occurs during the last month of the Islamic calendar— Dhul Hijjah. The Islamic calendar, which is based on the lunar system, has a 12 month cycle, revolving around 355 days; this is around 10 days less than the Gregorian calendar, which is why the Islamic months, including the month of Dhul Hijjah, vary each year. Yearly, the month of Ramadan advances by 10 days compared to the Gregorian calendar.

Umrah is also a pilgrimage to Makkah performed by Muslims. It can be undertaken at any time of the year. It is sometimes called the ‘minor pilgrimage’ or ‘lesser pilgrimage,’ and is not compulsory but highly recommended. The third type of religious travel includes traveling to Masjid Al-Aqsa, Najf, etc. Religious travel is not the focus of this study.

b) Leisure Travel

The majority of the demand spurred in the MFT sector is from Muslims who are traveling for leisure. As such, the main focus of this study is the leisure travel segment. Main motivations for travel currently by Muslims within the leisure travel market are as follows:

- **Sightseeing, Shopping & Dining:** This is currently the main reason for travel among the growing middle class segment of Muslim travelers. This may also include beach holidays. About two-thirds of leisure or vacation travel for Middle Eastern tourists takes place in the hottest summer season and during school holidays from June to August. According to MTSI 2015, Muslim travelers spent USD 32 billion in Shopping and USD 25 billion in dining while traveling.
- **Visiting friends and relatives (VFR):** VFR tourism or VFR travel is a substantial form of travel worldwide. This is especially the case with the Muslim community.
- **Honeymooners:** There is a growing Muslim honeymoon segment emerging.

¹² CrescentRating calculations based on World Tourism Organization (2015); UNWTO Tourism Highlights; Madrid, Spain, UNWTO.

- **Discovering Islamic Heritage and Muslim History:** Traveling with the purpose of exploring Islamic/Muslim Heritage. This is growing due to the increasing interest among young Muslims to re-discover Islamic History. This is one of the key areas that OIC member states can tap into. This is also now positioned as educational trips with religious scholars accompanying the groups.
- **Adventure seekers:** Muslim adventure travelers and thrill seekers are still a small segment of the Muslim travel market, but could grow due to the younger Muslim population.
- **Local cultural Experience:** This includes traveling for community service, stays in local traditional housing, and cultural activities unique to a destination.

The preferences of Muslim travelers on the above motivations differ based on the region they come from and their demographic.

c) Business Travel

Another key theme in the MFT scope is the segment that travels for business. With the majority of Muslim tourists representing growing economies and cash-rich regions such as GCC, there is a segment which is in search for investments and business ties across the world. Availability of business opportunities, especially in developing countries, attracts a large number of business travelers. This segment has also seen growth due to the MICE (Meetings, Incentives, Conferences and Events) sector. Most large travel agents in the GCC countries now have a separate division for MICE.

d) Healthcare Travel

Healthcare travel refers to people traveling to another country for the purpose of obtaining medical treatment in that country. The terms medical tourism or health tourism are also used to refer to this segment. Muslim majority countries with aging populations are becoming attractive markets for healthcare travel. The growth of the Halal pharmaceutical industry and its awareness will also contribute to the further growth of the segment traveling for Medicare purposes.

From a Muslim friendly healthcare perspective, it is about providing services and facilities, which are Muslim friendly at hospitals and other healthcare services. As for medications, while Islam allows for the consumption of non-halal items in matters of life and death, some hospital are looking at providing porcine free products. For example, insulin is usually bovine or porcine based, but KPJ Healthcare, one of the three main hospital groups in Malaysia, offers halal options.

1.2.5 Framework for developing Muslim traveler profiles

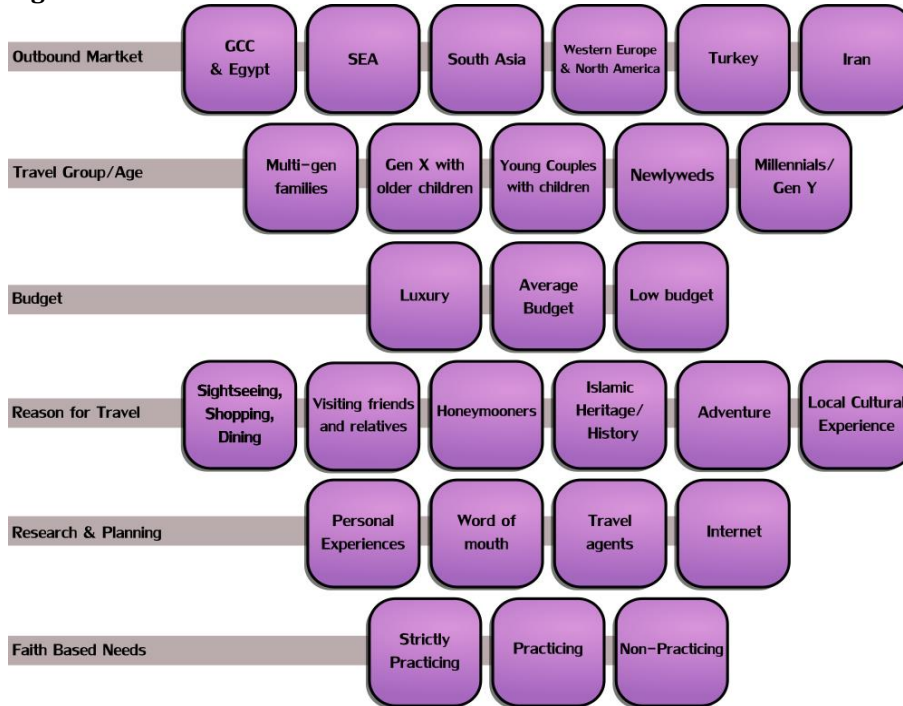
Although Muslim travelers do have strong shared values, especially when it comes to faith-based needs, destinations still need to take into account the rich diversity of Muslims from across the world when targeting this segment. The following are 6 main dimensions to look at when developing Muslim traveler profiles/personas in the leisure segment:

Demographics: 1. Outbound market, 2. Travel Group/Age, 3. Budget

Behavior: 4. Travel motivation/reasons, 5. Research & Trip planning, 6. Faith-based needs

Based on the above dimensions, a number of Muslim visitor profiles can be identified. The Muslim Visitor Profile Framework (MVPF) given on Figure 10, will assist destinations and services to focus certain targeted profiles and reach out to them. Some characteristics of each of these dimensions are explained below.

Figure 10: Muslim Traveler Profile Tool



Source: CrescentRating (2015)

Outbound Markets		
<p>Western Europe (UK, Germany and France) and North America (Canada and the USA) Shorter stays</p>	<p>South East Asian Countries (Indonesia, Malaysia and Singapore) Plan their trip in advance They may travel in tour groups or as FIT</p>	<p>South Asian Countries Plan their trips early due to visa restrictions</p>
<p>Turkey Some EU countries have visa requirements for Turkish nationals Preference to use online travel agencies to arrange their travel program and itinerary</p>		<p>Iran Turkey, Malaysia, UAE, Russia and China are leading travel destination for Iranians. In 2014, Turkey's Antalya shores, Dubai and other destinations noticed recovery in arrivals from Iran.</p>
<p>GCC countries and Egypt Stay longer at their destination Book at short notice GCC visitors don't tend to travel in tour groups Prefer five-star hotels and high quality service apartments. They enjoy staying in suites or inter-connecting rooms which allow privacy as well as convenient access to their younger family members. Prefer accommodations in the city center</p>		

Travel Group/Age		
Generation X traveling with older children Travel during school holidays They plan trips early	Young couples with children Travel shorter distances	Newlyweds Assisted trip planning with travel agents Early trip planning
Multi-generation family travelers – Muslim tourists traveling with immediate and extended families are the most common Muslim travel segment. The size of the travel group can be from 5/6 to 10/15 Assisted trip planning with travel agents Apartment-style accommodation preferred Travel during school holidays	Millennials/Generation Y – youth traveling alone or with friends. Although the majority of Muslim tourists used to be male oriented, the female tourist share has risen rapidly and is now highly significant. Educated and with minds of their own, they are not afraid to challenge the status quo. They will seek to question why a particular location does not adequately meet the needs of the Muslim traveler and consequently share their doubts with peers. More informed and brand-savvy, and are very likely to question and demand more in their travels. Likely to book Airbnb Free and easy travelers Young Muslim tourists enjoy fun, freedom and adventure	
Budget		
Luxury travel. Expect a very high level of service and satisfaction in their travel experiences. Book through travel agents Expect airport transfer Fine dining is sought out Shopping would be at major malls for designer apparel and other items	Average budget Book online with preference towards prepaid package tour Preference towards online travel agents offering competitive pricing Airlines offering promotions or deals would be preferred Discounts or vouchers for dining Attractions offering promotions	Low budget Use low-cost/budget airline carrier Homestay/No-frill hotels or stay with friends or relatives Preference is to seek best deals and discounts Unlikely to use travel agents Dining would be at food courts or fast food outlets
Travel motivation/reasons; These areas have been expanded in 1.2.4.		
Sightseeing, shopping and dining	Visiting friends and relatives	Going on a Honeymoon
Discovering Islamic heritage and history	Adventure	Local cultural experience
Research and Trip Planning		
Personal Experiences Familiarity with a country/region via a previous visit	Travel agents For bookings and recommendations	
Word of mouth Personal recommendations of family or friends. Family and friends as key influencers in travel decisions as well as choice of travel agents or online travel sites.	Internet For travel information/recommendations, bookings and prayer times. The overall rate of internet use amongst Muslim tourists is still relatively low. Although internet booking constitutes only a relatively small portion of all bookings, the expected growth rates are very high as Muslim users become increasingly web literate and smart phony savvy.	

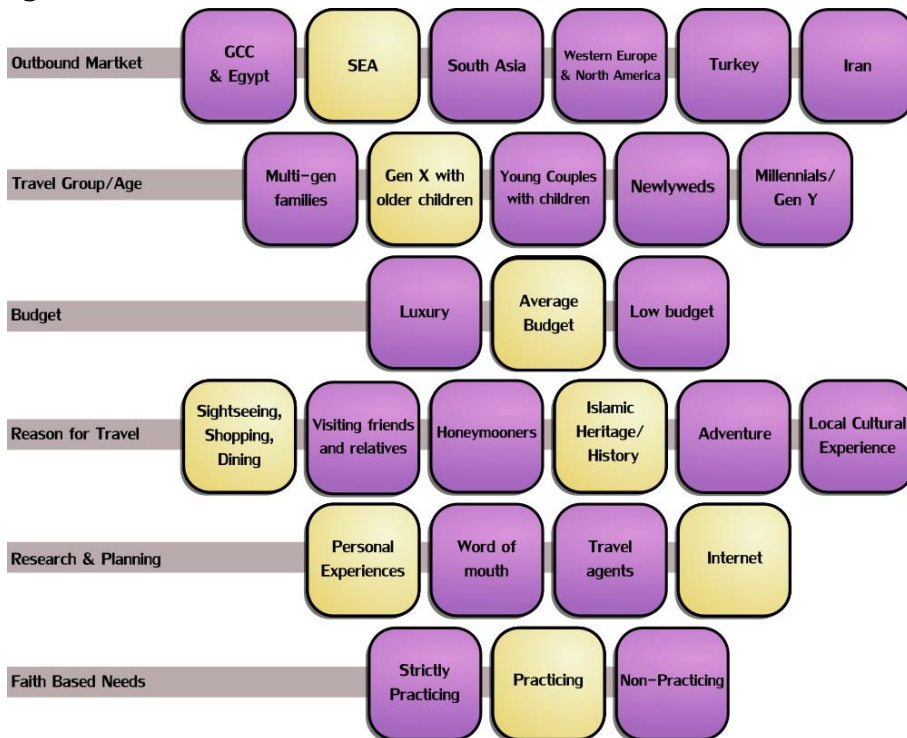
Faith-based needs: Strictly Practicing, Practicing and Non-Practicing. These areas have been expanded on in 1.2.3.

Based on the above framework, different Muslim traveler profiles can be developed and specifically targeted by destinations. Four profiles are given below as common examples.

Profile 1

This is a profile of a Southeast Asian family, including generation X parents and young adult children. This type of family is most likely to be traveling on an average budget, and usually for the purposes of sightseeing, shopping and dining. They would also show an interest in any Islamic heritage at the destination. Trips tend to be planned in advance, to accommodate scheduling around school holidays and work leave. Personal experience factors into planning as there is often a preference for familiar holiday destinations. New locations tend to be researched in depth, with sites to visit planned beforehand.

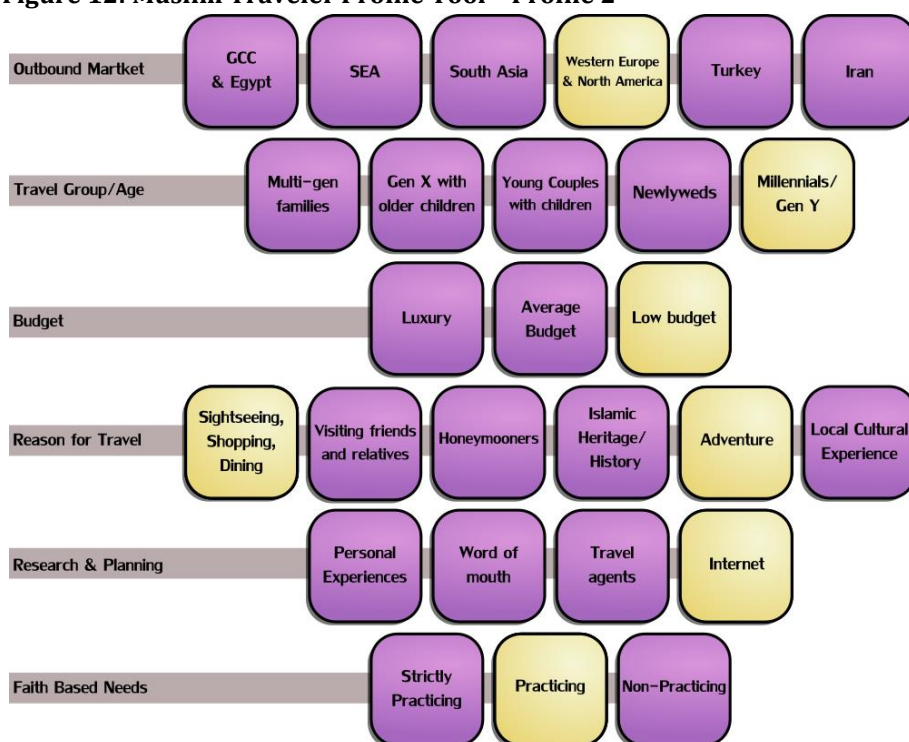
Figure 11: Muslim Traveler Profile Tool – Profile 1



Profile 2

This is a profile of a young generation Y adult traveling with friends, and coming from Western Europe. They are most likely to be traveling on a low budget, and will look for sightseeing opportunities as well as adventure or thrill seeking activities. Most of the information they find on their destination will be from online sources. This type of traveler will often have trips consisting of multiple short stays at various destinations within a country or region, potentially through the use of Airbnb. They tend to be free and easy travelers, who are more prepared to make impromptu changes to their travel plans, with minimal advanced bookings.

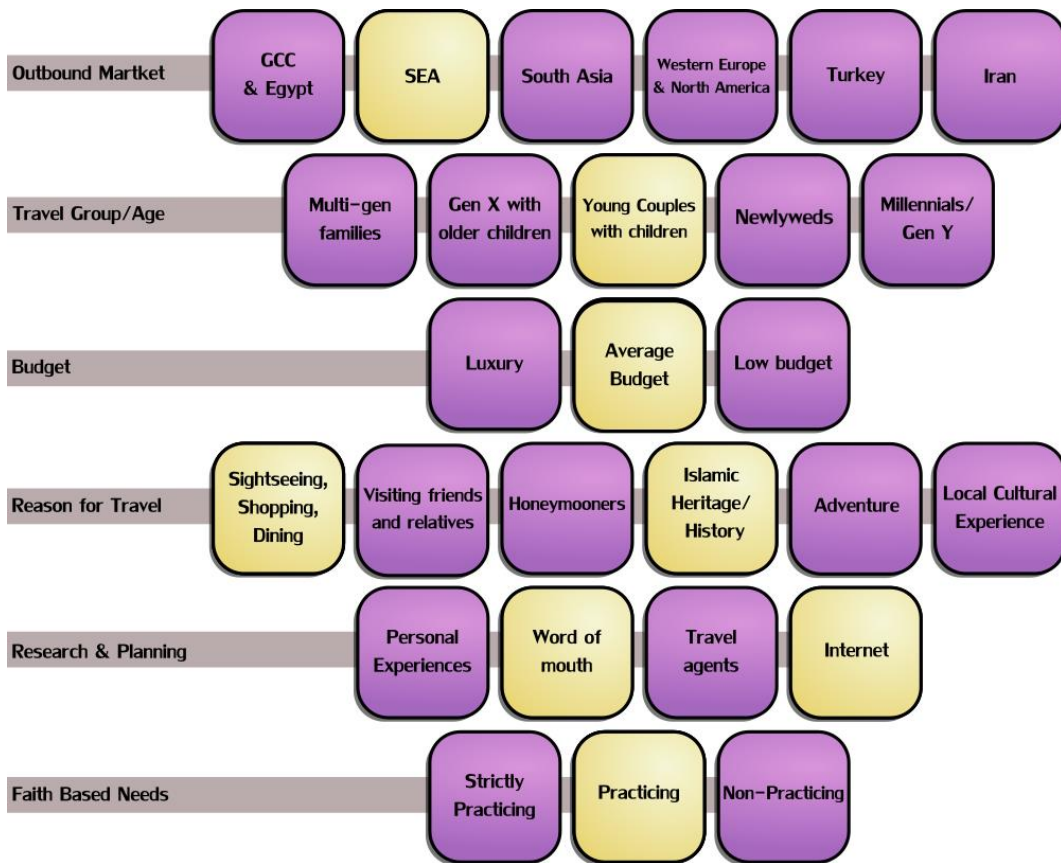
Figure 12: Muslim Traveler Profile Tool - Profile 2



Profile 3

This is a profile of a Southeast Asian generation Y couple with young children. This type of family is most likely to be traveling on an average budget, and usually for the purposes of sightseeing, shopping and dining, and they would also show an interest in any Islamic heritage at the destination. Trips can be planned closer to their timing, mostly booked and researched online. The scheduling of activities and sites to visit is more flexible, due to the nature of traveling with young children. However, due to budgeting and the convenience of tour packages, this traveler profile may also consider tour groups. Word of mouth plays a role in influencing travel decisions, and there is a preference for new and different destinations.

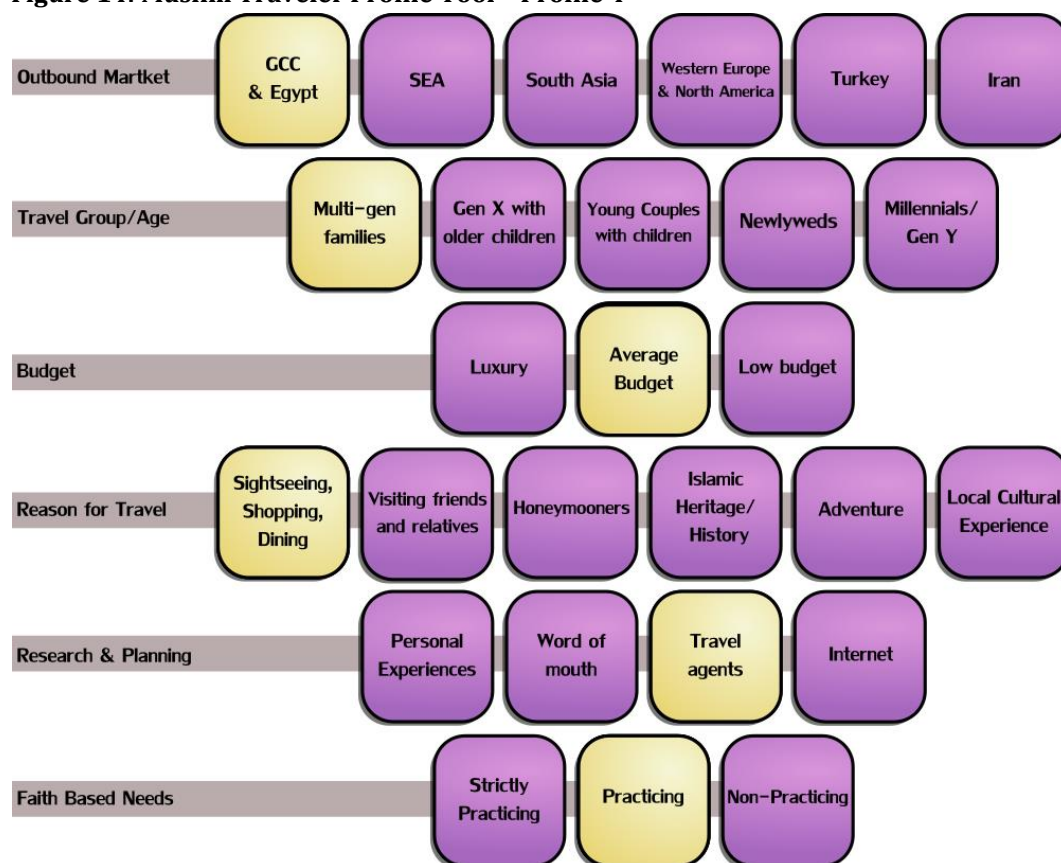
Figure 13: Muslim Traveler Profile Tool - Profile 3



Profile 4

This is a profile of a multi-generational family traveling from the Gulf on an average budget. One of their main considerations is in their choice of accommodation. This is preferred in the form of affordable apartment-style lodgings, due to the size of the travel group as well as the fact that they tend to stay longer at their destination. Travel is generally during school holidays, booked at short notice, and with assisted trip planning through travel agents - although they are unlikely to travel in tour groups. The travel itinerary of families from the Gulf is usually centered around sightseeing, shopping and dining, with less of a focus on Islamic heritage, due to the rich Islamic history of the countries they come from.

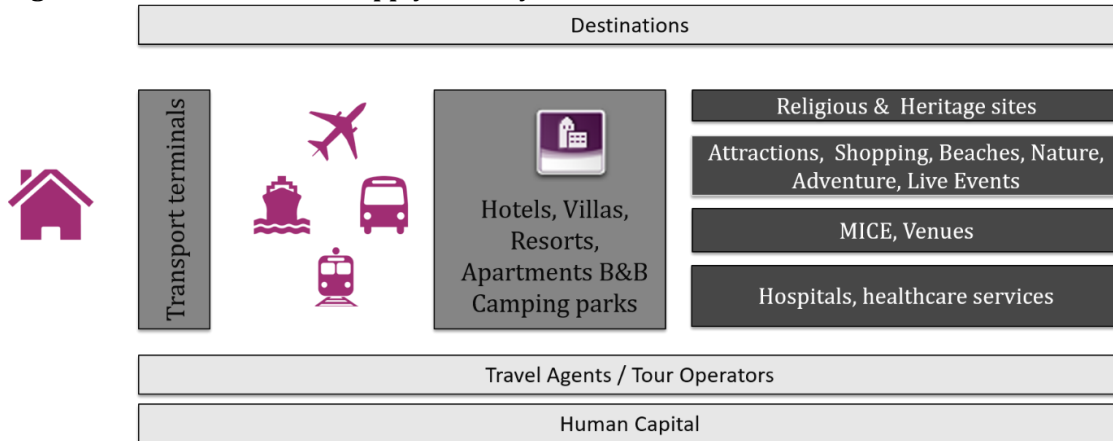
Figure 14: Muslim Traveler Profile Tool - Profile 4



1.2.6 Supply side key themes (Travel & hospitality services and facility)

The key themes from the supply side are to be looked at from the perspective of the traveler’s journey from home to the activity at the destination, based on the reasons and motivation for travel (Demand side key themes). In order to capture all the relevant entities, the supply side key themes are based on the CRaHFT model. Figure 15 outlines the CRaHFT model to be used in the supply side key theme analysis.

Figure 15: CRaHFT Model – Supply side key themes



Source: CrescentRating (2015)

CRaHFT model or CrescentRating Halal friendly travel reference model is used to evaluate destinations supply side key themes. The objective is to enable the destination to better understand its current positioning in terms of the Muslim-friendliness of its offerings of hotels, restaurants, shopping malls, transport, tourist attractions and the hospitality industry. This reference model will act as a guide for the destination to map the total journey across the services provided by the destinations. The reference model will help identify gaps and weaknesses, which are impeding from becoming a Muslim-friendly tourist destination.

Key Guidelines for Supply side themes

The following table summarizes the key themes and the key guidelines based on the faith-based needs and the demand side key themes.

Key Guidelines
<p>Transport terminals</p> <p>These include airports, railway stations, long distance bus terminals and cruise terminals.</p> <p>Key services and facilities needed are:</p> <ol style="list-style-type: none"> 1) Halal food services. They should be clearly identifiable as Halal outlets. 2) Separate male and female prayer facilities including wudhu facilities. In some OIC countries, the wudhu facility and the prayer facility is not connected, which is an inconvenience for the traveler. Ideally, they should be adjacent to each other. 3) Water friendly toilets

At international terminals, these need to be provided both prior to immigration and after immigration.

Transport services

Transport services include Airlines, trains, cruises and long distance bus/car travel.

For Airlines, trains and cruises, the key guidelines are the provisioning of the following:

- Halal food onboard
- For Airlines, catering food at the right time during Ramadhan
- Prayer space
- Wudhu facilities. This may be difficult for airlines to provide, but trains and cruises should be able to provide them.
- Water-friendly toilets in trains and cruises
- Non-Alcohol seats on Airlines. Airline can allocate seats where alcohol is not served. As airlines used to do for non-smoking seats.

For long distance bus/car travel, Highway stops should provide:

- Halal food outlets
- Prayer room with wudhu facilities
- Water-friendly toilets

For Cruises looking to target Segment A of the Muslims, the additional guidelines are:

- No Alcohol served in the cruise
- No gambling and night-clubs on the cruise. Some cruises operators are now allocating specific areas of the cruise to accommodate the requirements of Muslims.

Accommodation services (hotels, resorts, etc.)

From the supply side, Muslim-friendly tourism has been mainly driven by the accommodation sector with hotels, resorts and other accommodation providers taking initiatives to ensure that Muslim visitors are comfortable.

Following are the guidelines for Hotels to cater to the “Need to have” and “Good to have” services:

- 1) Halal food availability
- 2) Rooms marked with the Qiblah direction
- 3) Ability to provide temporary prayer rooms for meetings and events held at the hotel
- 4) Water-friendly toilets
- 5) Ramadhan facilities offered

Catering to the “Nice to have” services will also require the following:

- 6) No non-Halal activities (no alcohol, discotheques or casino)
- 7) Swimming pools and gyms that are either segregated or provide different timings for males and females
- 8) For beach resorts, areas for males and females to enjoy in privacy.

There is also an emergence of “Shariah compliant” accommodation. They not only cater to all the key needs of the Muslim travelers, but also strictly adhere to many other Islamic requirements. This includes adhering to company governance and operations, which take into account various Islamic requirements such as Halal non-interest based financing etc.

Shopping districts/Shopping malls

Shopping is one of the major motives for travel among the Muslim travelers. As such, shopping districts and/or malls need to cater to the needs of Muslims shoppers.

The key guidelines for shopping districts/mall are:

- 1) Availability of Halal food outlets
- 2) Prayer room with wudhu facilities in the shopping district or mall
- 3) Water-friendly toilets

Attractions/Theme parks

Attractions are where tourists spend most of their time outside their accommodation. As such, they need to be equipped with services catering to the Muslims.

Key guidelines for attractions are as follows:

- 1) Availability of Halal food outlets
- 2) Prayer room with wudhu facilities
- 3) Water-friendly toilets

Spas & Wellness centers

Spas and wellness centers are some of the services that visitors to the destination look for.

Catering to the Muslims of Segment A as well as some in Segment B will require the following:

- 1) Separate facilities for males and females
- 2) Male staff attending to male customers, and females attending to females
- 3) Muslim-friendly dress code for staff
- 4) Halal-certified products (as far as possible)

Healthcare facilities and services

For catering to healthcare visitors, hospitals and health clinics need to be equipped with Muslim friendly services.

The key guidelines for hospitals are:

- 1) Halal food availability
- 2) Rooms marked with the Qiblah direction.
- 3) Prayer room for visitors
- 4) Water-friendly toilets

For catering to the Segment A Muslims, the services will also need to cover the following:

- 5) Doctors and nurses of the same gender as the patient
- 6) Halal medications (as far as possible)

It will be also good for the Hospital to have:

- 7) Muslim chaplain service

Conference and Event Venues

Catering to the business visitor segment for conferences and major events will require the event

venue to be able to provide the following services:

- 1) Halal food availability
- 2) Prayer room with wudhu facilities
- 3) Water-friendly toilets

Sports events

Catering to major sports events will require the event venue to be able to provide the following services:

- 1) Halal food availability
- 2) Prayer room with wudhu facilities
- 3) Water-friendly toilets

Travel agents/Tour operators

Travel agents and tour operators play a key role in facilitating travel by Muslims, especially for groups who travel with larger families. In the process of developing tour packages and operating tours for Muslim travelers, tour operators need to be aware of the preferences and unique needs of Muslim travelers.

As such, the key guidelines for Travel Agents and Tour operators are as follows:

- 1) Staff trained to understand and cater to Muslim clients
- 2) Staff trained to look for Muslim friendly services when putting together packages

Muslim Friendly Tour packages/Halal Friendly Tour packages are tour packages that take into account some faith-based needs of the Muslim travelers.

Tour guides

The key guidelines for tour guides wanting to cater to the Muslim market are:

- 1) Trained on faith-based needs of Muslims and other requirements
- 2) Understanding of Islamic etiquettes
- 3) Understanding of Islamic history

Human capital

Human capital is a critical aspect that needs to be developed with knowledge, expertise and training in catering to Muslim travelers in the tourism industry. Even in OIC member states, especially in GCC, where the hospitality segment is largely served by non-Muslim staff, due regard is to be given to human resource development.

The areas for training include:

- 1) Management
- 2) Customer service staff
- 3) Information Centre staff
- 4) F&B staff at hotels and restaurants

Destinations management organizations/administrations

Destinations as a whole need to look at a number of areas to become Muslim-friendly destinations. The *GMTI 2015* study looks at nine criteria in three areas that contribute to the

- overall index score for each destination. These criteria are:
- Suitability as a holiday destination, family friendliness and safety
- Muslim visitor arrivals
 - Family-friendly holiday destination
 - Safe travel environment (both general safety and Islamophobia)
- Muslim-friendly services and facilities available at the destination
- Dining options and Halal assurance
 - Ease of access to prayer places
 - Airport services and facilities
 - Accommodation options
- Halal awareness and reach out to Muslims by the destination
- Muslim travel market awareness and reach out
 - Ease of communication

1.3 Proposed Definition and Terms for MFT

It is evident from the faith-based segmentation of the Muslim travelers that Muslim Friendly Tourism refers mainly to travelers who fall into the categories of Segment A and Segment B.

Based on the above discussions, the terminology referred to in section 1.1 is not suitable. As such, the study proposes the following definitions to capture the whole spectrum of segments and services that are linked to “Muslim Friendly Tourism”. Section below defines the terminology on the overall Muslim/Halal travel market with specific terms.

Muslim travel

- Muslims traveling for any purpose.

Muslim tourism

- Muslims traveling for tourism.

Halal travel

- Muslim travelers, who do not wish to compromise their faith-based needs while traveling for a purpose, which is permissible

or it can also be defined as

- Halal conscious travelers, traveling for any purpose, which is Halal (permissible).

Halal travel is a subset of Muslim travel. However, since the vast majority of Muslims will at least have some form of a faith-based need while traveling, the majority of Muslim travel will fall into the category of Halal travel.

Halal tourism = Muslim Friendly Tourism

- Halal travel undertaken for tourism.
- Halal tourism is a subset of Halal travel.

Islamic travel

- Muslims traveling mainly for religious reasons and/or to visit Islamic religious sites.
- Islamic travel is a subset of Halal travel.

Hajj & Umrah travel

- Muslims traveling for performing Hajj or Umrah
- Hajj & Umrah travel is a subset of Islamic travel. It should be noted that Hajj & Umrah travel makes up most of Islamic travel.

Muslim-friendly destination/Halal-friendly destination

- Muslim friendly destination is a more appropriate term to refer to destinations catering to the needs of the Muslim travelers.

Muslim Friendly Tour packages/Halal Friendly Tour packages

- Tour packages that take into account some faith-based needs of the Muslim travelers.

Halal Tour packages

- Tour packages that ensure all aspects of the itinerary and the activities planned are suitable for Muslims and take into account all the key faith-based needs of the Muslim travelers.

Muslim friendly facility/service

- The service or the facility has taken into account some faith-based needs of Muslim travelers, but not all their needs. Although Halal-friendly facility/service may also convey the same meaning, the term Muslim friendly service/facility is more appropriate.

Halal service/facility

- A service or a facility which caters to all the key needs of Muslim travelers.

Shariah-compliant services/facility

- The service or the facility not only caters to all the key needs of the Muslim travelers, but also strictly adheres to many other Islamic requirements. This includes adhering to company governance and operations, which take into account various Islamic requirements such as Halal non-interest based financing etc.

For OIC member states to capitalize on their strengths and get a major share of the MFT market, it is imperative that all travel stakeholders in the destinations have a good understanding of all aspects of MFT. This chapter has described the key components and terminology related on MFT and could be the foundation for the basic understanding of the MFT market.



Muslim Friendly Tourism (MFT):
Understanding the Supply and Demand Sides
In the OIC Member Countries

Chapter 2: Current Situation of the Member Countries in MFT

2.1 Muslim Visitor Arrivals and Expenditure Review

The travel sector represented by Muslim travelers was worth \$121 billion in 2014 and the total number of Muslim visitor arrivals amounted to 116 million - representing 10.2 percent of the global visitor arrivals. It is projected that the number of Muslim visitors will grow to 180 million by 2020 and Muslim tourism sector will constitute 11.4 percent of the market with an expenditure projected to be \$212 billion. Table 4 shows the Muslim visitor arrivals and expenditure for the years 2000 and 2014, and the forecast for 2020.

Table 4: Muslim Visitor Arrivals (2010 - 2020)

	Year 2010	Year 2014	Year 2020E	Growth Forecast 2015-2020 (Percentage)
Total Muslim Visitor Arrivals (millions)	98	116	180	54.5
From OIC to OIC (millions)	42	51	79	54.1
From non-OIC to OIC (millions)	11	13	19	42.9
Total Muslim Visitor Arrivals to OIC (millions)	53	64	98	51.8
% of Muslim visitors to OIC	53.9%	55.3%	54.3%	
From OIC to Non-OIC (millions)	21	22	40	76.3
From non-OIC to non-OIC (millions)	24	30	42	43.6
Total Muslim Visitor Arrivals to non-OIC (millions)	45	52	82	57.7
% of Muslim visitors to non-OIC	46.1%	44.7%	45.7%	
Total Visitor Arrivals to OIC (millions)	169	190	249	31.1
% of Muslim arrivals	31.1%	33.8%	39.1%	

Source: CrescentRating, 2015

Total tourist arrivals are expected to increase in the OIC countries. By the year 2020 Muslim visitor arrivals would be 98 million into the OIC member states which would be a growth rate of 51.8 percent over the forecast period. Although most of the arrivals would be from OIC member states, travel by Muslim from non-OIC member states would have grown by 42.95 percent over the forecast period. This is an opportunity, which the OIC member states could explore.

Total Muslim Visitor Arrivals to non-OIC member states growth over the forecast period will be 57.75%. Non-OIC member states are actively seeking to attract the Muslim travelers. Singapore, United Kingdom, Germany and France have traditionally attracted the Muslim tourist. Recently Japan, Korea and Australia for example have sought to attract the Muslim traveler. Muslim visitors from OIC to Non-OIC growth rate will be 76.38 percent.

The following Table 5 list the top 15 OIC destinations by Muslim visitor arrivals

Table 5: Muslim Visitor Arrivals to the top 15 OIC Member States for the period 2014

	Country Name	Muslim Visitor Arrivals (Inbound Tourist)	Muslim Visitor Arrivals Expenditure (Inbound Tourist)
1	Saudi Arabia	11.2	\$7,718.1
2	Turkey	7.1	\$6,606.9
3	United Arab Emirates	6.5	\$7,734.2
4	Bahrain	5.9	\$1,175.3
5	Malaysia	5.3	\$4,290.9
6	Kazakhstan	4.3	\$1,456.1
7	Iran, Islamic Rep.	4.1	\$942.5
8	Tunisia	3.0	\$1,316.5
9	Jordan	2.0	\$2,696.4
10	Egypt, Arab Rep.	1.9	\$1,470.4
11	Kyrgyz Republic	1.7	\$293.9
12	Indonesia	1.2	\$1,328.4
13	Morocco	0.8	\$592.1
14	Algeria	0.6	\$70.0
15	Albania	0.3	\$139.1

Source: CrescentRating, 2015

Turkey remains the largest tourist destination for the OIC member state. Increasing marketing activities from the Ministry of Culture and Tourism and improved travel infrastructure such as new airports, new hotel openings and improvements to other travel services have positively impacted the industry. Kazakhstan has had the fastest growth in inbound tourism. A growing economy combined with greater government investment and an improving business environment, resulted in a growing number of inbound tourists. In addition, the government financially supports travel agencies' participation in international tourism fairs.

Muslim visitor arrivals continue to increase in the OIC member states. The overall key trend in visitor arrivals to the OIC member states is that Muslim travel is heavily focused on these top 15 destinations.

Tourism in the OIC member states has a vast potential for development as a sustainable industry. However, considering the modest share of OIC member states in the world tourism market, it seems that the potential has not yet manifested itself in desirable levels of tourism development in many OIC countries, or in the OIC region as a whole. Below is a discussion of tourism trends in the OIC member states.

1. Competition; Asia-Pacific, and in particular South East Asia, is keenly attracting the Muslim tourist. The governments in these countries have developed guidebooks to

help the tourists find, for example, Halal restaurants. Traditionally, the Muslim tourist would travel to OIC countries since Muslim friendly facilities are available. However, with the increased competition from non-OIC countries, the number of Muslim tourists traveling to these destinations are growing.

2. Africa has been left out of the tourism growth. This setback of Africa not keenly attracting Muslim tourism is only temporary.

OIC Regional Grouping Analysis

Table 6 offers the OIC regional group analysis by the three regional groups of the OIC member states, which are the Arab Group, Asian Group and African Group. All the data presented is for inbound tourism only. The year refers to the calendar year. Years 2010 and 2014 are actuals and 2020 forecast.

Table 6: Inbound tourist arrival data to three Regional groups of OIC member states

Year (Inbound Tourism)	2010	2014	2020
OIC			
Inbound Muslim Arrivals (Millions)	52.82	64.32	97.69
Inbound Expenditure by Muslims (US\$ M)	41,209	52,080	95,733
Arab Group			
Inbound Muslim Arrivals (Millions)	34.46	38.70	52.48
Inbound Expenditure by Muslims (US\$ M)	27,679	35,385	66,113
Asian Group			
Inbound Muslim Arrivals (Millions)	17.53	25.16	44.59
Inbound Expenditure by Muslims (US\$ M)	13,099	16,321	28,990
African Group			
Inbound Muslim Arrivals (Millions)	0.83	0.46	0.61
Inbound Expenditure by Muslims (US\$ M)	430	372	629

Source: CrescentRating, 2015

By 2020 the Arab group would have the highest average inbound expenditure by Muslims at US\$1,600.60. In addition, inbound tourist arrivals would be the largest for the Arab group. The Asian group will witness a strong growth in Muslim Arrivals. The forecast growth rate of tourist arrivals from 2014 to 2020 would be 41.7 percent. The African group will also witness strong inbound tourist arrivals over the forecast period. But the growth would be from a relatively low base as compared to the Asian and Arab group. The forecast growth rate will be 44.4 percent.

a) Arab Group

The Arab group is expected to witness strong growth in tourist arrivals over the forecast period. In 2014 the region witnessed 38.7 million tourists. This would climb to 52.5 million by 2020, which translates into a growth of 23.9 percent. The section below reviews the reasons behind this growth. Table 7 shows the OIC Arab Group visitor arrivals to the top 5 countries in 2014.

Table 7: OIC Arab Group Visitor Arrivals (Inbound Tourist) of top 5 Countries, 2014

S/N	Country Name	Total Visitor Arrivals (Millions)	Muslim Visitor Arrivals (Millions)	Percentage of Muslim Visitor Arrivals
1	United Arab Emirates	13.20	6.52	49.4%
2	Saudi Arabia	13.18	11.23	85.2%
3	Morocco	10.45	0.76	7.3%
4	Bahrain	9.27	5.86	63.2%
5	Egypt, Arab Rep.	8.82	1.92	21.8%

Source: CrescentRating, 2015

The Muslim visitor growth will be faster than the total visitor arrivals. In 2014, total tourist arrivals into the Arab group were 82.22 million and by 2020 this would have grown to 96.83 million, which translates into an average yearly growth rate of only 1.2 percent. Hence most of the travel to the Arab group will be from OIC member states. The percentage of Muslim tourist visitors in 2014 was 39.4 percent of total arrivals, and this would increase to 82.5 percent. Hotels and other attractions are focused towards catering to the needs of the Muslim traveler. Shopping is a major activity of the Muslim tourists, especially amongst the Arabs.

b) Asian Group

The Asian group is expected to witness strong tourist arrivals over the forecast period. In 2014 the leading country with tourist arrivals was Turkey followed by Malaysia and Indonesia. Table 8 shows the OIC Asian Group visitor arrivals to the top 5 countries in 2014.

Table 8: OIC Asian Group Visitor Arrivals (Inbound Tourist) of top 5 Countries, 2014

S/N	Country Name	Total Visitor Arrivals (Inbound Tourist) Millions	Muslim Visitor Arrivals (Inbound Tourist) Millions	Percentage of Muslim Visitor Arrivals
1	Turkey	39.28	7.12	18.1%
2	Malaysia	26.43	5.27	19.9%
3	Indonesia	9.33	1.16	12.4%
4	Iran	5.48	4.13	75.4%
5	Kazakhstan	5.29	4.26	80.5%

Source: CrescentRating, 2015

Muslim visitor arrivals to the Asian group are expected to witness a strong increase in the next five years to reach 44.59 million by 2020. Arab tourists and intra-Asian travel amongst the Muslims would be the largest representation of inbound tourism. In 2014, the Muslim tourist arrivals were 25.16 million. This translates into a growth rate of 15.3 percent. Travel to Asia is popular amongst the Muslim tourist. The destination is affordable and provides high value for money as compared to other places around the world.

In 2014 total tourist arrivals into the Asian group was 100.25 million, and by 2020 this would have grown to 140.49 million, which translates into an average yearly growth rate of only 5.9 percent. Hence most of the travel to the Asian group would comprise of Muslims from either Middle East or within Asia. The percentage of Muslim tourist visitors in 2014 was 24.5 percent of total arrivals, and this would increase to 41.5 percent.

c) African Group

The leading tourist destination in the African group is Mozambique. However for many countries in this group, opportunities in the tourism sector still remain largely untapped. Travel warnings issued by several countries to a few of the African group of countries have also contributed to the low volume and slow growth of international visitors. Table 9 shows the OIC African Group visitor arrivals to the top 5 countries in 2014. Most of the Muslim travel in Africa will be internal. Travel by Asian and Arab Muslims will be limited in the next five years.

Table 9: OIC African Group Visitor Arrivals (Inbound Tourist) of Top 5 Countries, 2014

S/N	Country Name	Total Visitor Arrivals (Inbound Tourist) Millions	Muslim Visitor Arrivals (Inbound Tourist) Millions	Percentage of Muslim Visitor Arrivals
1	Mozambique	2.03	0.06	3.1%
2	Uganda	1.28	0.14	10.9%
3	Senegal	1.10	0.06	5.2%
4	Cameroon	1.01	0.01	1.0%
5	Nigeria	0.53	0.08	15.1%

Source: CrescentRating, 2015

Top Muslim Outbound Markets

Malaysia is the leader in the outbound travel market from the OIC member states. Popular destinations for Malaysian tourists remain the ASEAN nations. Indonesia attained the second position for outbound travel. Most travel to countries of relative close proximity to Indonesia, for example Malaysia, Singapore and Australia. However many of them are now venturing further afield to the destinations such as Japan and South Korea. Turkey attained the third position in the outbound travel market amongst the OIC member states. Previously, most of their travel would be to neighboring countries but in the last couple of years, Turkish citizens have traveled to Western Europe and Northern Africa. Table 10 shows the total visitor departure (outbound tourism) of the OIC member states for 2014.

Table 10: Total Visitor Departure (Outbound Tourist) of OIC Member States, 2014

S/N	Country Name	Total Visitor Departure (Million)	Muslim Visitor Departure (Million)	Percentage Muslim Visitor Departure (Outbound)
1	Malaysia	10.1	4.3	42.9%
2	Indonesia	9.8	6.1	61.7%
3	Turkey	7.5	7.5	99.8%
4	Uzbekistan	6.2	5.3	86.7%
5	Saudi Arabia	5.0	4.8	97.1%
6	Iraq	4.2	4.1	96.9%
7	Iran, Islamic Rep.	3.8	3.7	99.7%
8	Azerbaijan	3.2	2.9	89.3%
9	Kazakhstan	3.1	1.9	63.2%
10	United Arab Emirates	3.0	2.3	77.0%
11	Kuwait	2.9	2.5	86.4%

S/N	Country Name	Total Visitor Departure (Million)	Muslim Visitor Departure (Million)	Percentage Muslim Visitor Departure (Outbound)
12	Libya	2.8	2.7	95.6%
13	Pakistan	2.8	2.5	91.6%
14	Jordan	2.4	2.4	98.8%
15	Egypt, Arab Rep.	2.1	2.0	94.7%

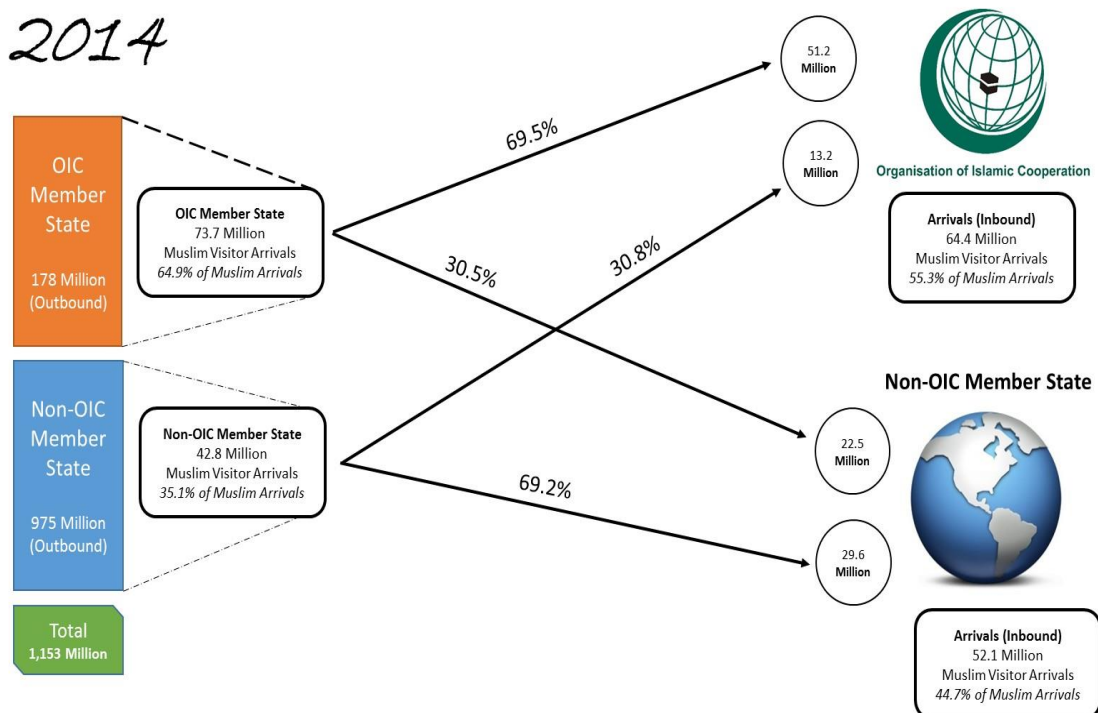
Source: CrescentRating, 2015

Intra OIC Tourism Market Overview

Although competition was relatively strong to attract Muslim tourists from the non-OIC member states, intra OIC tourism demonstrated a sustained growth. Muslim intra-OIC tourist arrivals will grow by 21.8 percent from 2014 to 2020, in comparison to Muslims arrivals from non-OIC markets that will grow by 17.4 percent. This highlights that more Muslims residing in OIC countries are traveling to other OIC countries.

Figure 16 shows a diagrammatic representation of the Muslim arrivals to both OIC and non-OIC member states. This illustrates that non-OIC Muslim market could be a target segment for OIC countries to increase visitor arrivals.

Figure 16: Muslim Arrivals to OIC and Non-OIC member states, 2014



Source: CrescentRating, 2015

2.2 Review of Faith-based Needs of Muslim Travelers in the OIC Member Countries

The developments in the OIC member states with respect to the 6 main faith-based needs are presented here.

2.2.1 Halal Food

Many of the Muslim tourists surveyed and interviewed for this study indicated Halal food as their primary concern when traveling. Most OIC member states have Halal certification bodies. However, their focus is on certifying products and not restaurants. A harmonized Halal standard and a uniform certification process across the OIC member states will greatly help accelerate the adoption of Halal certification by food outlets. The Standards and Metrology Institute for Islamic Countries (SMICC) is a standards body for the OIC member states, which aims to achieve “One Halal’ logo and ‘One Halal’ standard”. SMICC could play an important role in enabling widespread use of Halal certification.

Malaysia is the leading country when it comes to Halal certifying restaurants and food outlets. The Department of Islamic Development Malaysia’s (JAKIM) Halal Hub Department is responsible for awarding certificates. The Malaysian government provides full support in promoting the Halal certification process on products and services (including restaurants).

The Malaysian Halal Standard - “Halal Food: Production, Preparation, Handling and Storage – General Guidelines” was created within the framework of the Malaysian Standards Development system. An increasing number of food outlets, including ones in hotels are getting Halal certified through JAKIM in Malaysia. In recent times, JAKIM has also actively encouraged to get all hotels providing “Ramadhan Buffet” Halal certified. This is followed by Indonesia, the certification body of which is Indonesia Ulema Council (MUI).

Whereas most of the other OIC member states do not have a strong “restaurant Halal certification” culture; the developments in non-OIC destinations are very different. In many destinations such as Singapore, Thailand, South Africa, the UK, USA, Australia, Japan, South Korea etc. a growing number of restaurants are getting Halal certified. This is leading to clear signage at the restaurants displaying their Halal certificates, which helps the travelers.

A wide variety of Halal-certified restaurants are available in Singapore, serving all types of cuisine. Most international food chains in Singapore such as Pizza Hut, Long John Silver, Mc Donalds and Coffee Bean, are Halal-certified, and a quick walk around the streets will offer numerous dining options for Muslims.

Non-OIC NTOs are now publishing “Muslim visitor guides” which list the Halal restaurants in different cities of the destinations. Recently, Tourism Australia, Korea Tourism, Jeju Island and a number of cities of Japan have published such guides. There are also a growing number of mobile applications providing information on Halal restaurants at destinations. These apps include HalalTrip, Zabiha etc. Entrepreneurs from non-OIC countries develop most of these apps.

Kamraan Siddiqui, the Head of National Workforce Development based in Dubai mentioned that *Muslims travelers today are more vocal in expressing their preferences and requirements in*

terms of Halal Food and prayer facilities. Furthermore, the rise of the Muslim traveler has made the travel industry sit up and pay careful attention to meeting the needs of the Muslim travelers. He suggested that OIC member states government develop a universal halal certification program. This would entail dining establishments to display the exact identical Halal logo across the Muslim countries. The advantage is this would greatly aid the consumers. He further added this in the future this could be expanded to maybe some non-OIC member states.

Siddika Jaffer, based in the UK, mentioned Halal food to be a very important consideration for the Muslim traveler. Many destinations across the world have identified this potential and are adapting their offerings to better appeal to the Muslim travel market. One such example is Japan. In a bid to diversify its tourism industry, the Japanese Government is implementing plans to increase the availability of Halal food, and other Muslim-friendly facilities. Siddika envisions the further development of Halal fine dining. Traditionally Halal food was associated with simplicity and the cuisine was limited to maybe Asian or Middle East food. With Japan keen to attract Muslim tourist, Japanese halal food is an option. Perhaps other food including South American Halal food may become available in OIC member states.

Countries need to be innovative to develop their dining industry. Dining has become a very competitive market. Muhammad Kamal, the President of Singapore Halal Culinary Federation, mentioned the example of Malaysia, where the Muslim tourist does not need to be concerned with the dining outlets. However, in some destinations the dining outlets which offer Halal cuisine are not obvious to the tourist. At times they need to make inquiries with the restaurant staff. They may be reluctant to speak with them especially if English is not their primary language. To further develop this Halal market he commented to bring fun and excitement. He suggested that countries could explore the development of a Halal heritage food trails. This could be a novelty. The trail could involve for example tours to various local halal eateries. History of the cuisine could perhaps be highlighted.

Sinan Ozturk, CEO of Kervan, a restaurant chain in South Korea said Turkish food has a good reason to be popular in South Korea both among the tourist and locals. The restaurant has witnessed high demand especially from South East Asian Muslim tourists. Also a musician playing the traditional musical instrument Qanun in the restaurant is highly popular amongst both locals and tourist.

2.2.2 Prayer Facilities

Although there were no major concerns raised by surveyed and interviewed participants on the availability of prayer facilities in OIC member states, there were some concerns raised by interviewees related to the up keeping of those prayer places, especially along highways and Airports.

A recent report addresses such a concern in Saudi Arabia. According to a press release issued by Saudi Commission for Culture and Tourism Heritage (SCTH 2014), *it signed a cooperation agreement with the Roadside's Mosques Charity Association "Masajedna", to support its efforts in the care and preservation of mosques situated at the roadside stations across the Kingdom.*

It quoted its Royal Highness Prince Sultan bin Salman bin Abdul Aziz, President of SCTH, saying "SCTH will coordinate with the Ministry of Municipal and Rural Affairs (MOMRA) to issue

notifications for shutting down of any fuel station on the highways, if its mosques do not meet the stipulated hygiene and services”

Major Historic mosques or mosques with unique architecture are also becoming sites for tourists (including non-Muslims) to visit. Non-OIC destinations have been actively setting up prayer rooms in places like railway stations (Taiwan), shopping Malls (Japan), attractions (Singapore) and at airports. An increasing number of them are also providing facilities for wudhu. All the prayer rooms at Japanese International Airports provide prayer rooms with Wudhu facilities.

Tokyo is now home to more than five prominent mosques - including the biggest mosque in Japan; the Tokyo Mosque built by the Turkish government. All mosques are found at convenient locations and can be accessed easily. Taipei offers two mosques for prayers - including the Taipei Grand Mosque, which is a historic landmark in the country, and the Taipei Cultural Mosque in the Zhongzheng District. Singapore is home to over 70 mosques. These mosques are situated at primary locations and can be spotted easily.

Bilal Domah, a Director at Impact Training Group commented that *for Muslim tourists, the availability of prayer rooms and prayer timings was a consideration in planning their journey. He suggested that perhaps a mobile application which could help identify the location of the nearest prayer facilities. The application could perhaps offer direction on reaching the area.*

2.2.3 Ramadhan Services

OIC member states are well suited for catering to travelers during the month on Ramadhan. The main development in that regard in OIC member states is the increasing number of “Ramadhan Bazaars” and “Ramadhan Buffets” at Hotels. Many hotels and restaurants in countries such as Malaysia, Indonesia and GCC countries offer elaborate iftar menus.

Among the non-OIC countries, only a handful are able to cater to the needs of travelers during Ramadhan. One example is Singapore where, as a part of festive activities for the Ramadan month, there is a night market at Geylang Serai. With more than 1500 stalls set up, this is a highly popular place amongst both Muslims and non-Muslims. A variety of local street food is available and it runs during the whole month of Ramadhan. Australia’s Gold Coast is also attracting Muslim tourists by offering a Gold Coast Ramadan Lounge.

Few tour operators are beginning to design services based on a Ramadhan theme. They believed this has a potential to become a sizeable business, especially if local restaurants could provide iftar packages.

2.2.4 Water Friendly Washroom

It is a Muslim etiquette to use water to clean oneself after going to the toilet. Such facilities are generally available in OIC destinations, although the survey indicates that the cleanliness of some public toilets is a major concern. Such facilities are not readily available in non-OIC destinations, except in some hotels with the use of Bidets. Japan is unique in this regard, as the Japanese use water after the usage of toilet and as such have developed an inbuilt bidet, also known as a washlet, especially designed to address this practice. These Japanese style toilets are beginning to be used by other countries such as Taiwanese hotels.

Kazi Shafiqur Rahman, the CEO of Firnas Airways commented that *prayer rooms need to also have water friendly washrooms. At times this was not readily available.* Mohammed Siddique, a Property Consultancy Manager mentioned that *the nature of Wudhu means it is often difficult to perform in a public bathroom with conventional wash-basins or sinks. He discusses that further improvements could be made in this area.*

2.2.5 No Non-Halal Activities

This is mainly related to having travel services and facilities, which do not have any activities which are regarded as “non-Halal”. As discussed in Chapter 1, a sub-segment of the Muslim travelers looks for such services. These relate mainly to places that do not entertain alcohol, gambling and night clubs/discotheques. The main hospitality service which is related to this are the hotels. In OIC destinations such as Malaysia, Indonesia, Turkey and GCC countries, hotels which cater to these needs are growing. In non-OIC countries there is also an emergence of what is called “dry hotels” which do not serve alcohol. More hotel chains are also removing adult channels from hotel room TV channels. According to the Economist¹³ Hilton Hotels has said it will stop offering on-demand pornography to all of its guests worldwide from next year.

Fouzi Mohideen, General Manager of Gulf Paradise Hotel based in Doha Qatar mentioned that *the Hotel is a “dry”, which means alcohol is no longer available. The aim of the hotel is to be Muslim friendly, providing services and facilities that would meet their needs. To attract the Muslim tourist, the hotel held a Morocco Food festival. This proved to be popular attracting even tourist from neighboring countries. Two Moroccan Senior Chefs were especially flown for the event.*

2.2.6 Recreational facilities and facilities with privacy

A sub-segment of Muslim travelers is looking for recreational facilities that provide privacy for males and females. This is currently focused on gyms, swimming pools and beach areas, which provide privacy for females and males. With regards to beach resorts, currently among the OIC destinations, only Turkey offers a few such beaches. There are a few hotels now in OIC countries offering separate timings or facilities for males and females when it comes to gyms or swimming pools, but they still make up only a handful. None of the non-OIC countries offer any of those services.

Muslim tourists to Asia did not notice hotels or resorts offering these facilities. Hj. Rafek Saleh, IHIA Executive Director (Shariah), International Halal Integrity Alliance observed that *some hotels have specific times which only Muslim women can use for example the swimming pool and other recreational areas. This proved popular with the Muslim tourist.* Rahma Hersi, Managing Partner at Awal Consulting Limited commented that *privacy can be enjoyed by the Muslim tourist if hotels provide such facilities.*

Summarizing the above, Kamraan Siddiqui, Head of National Workforce Development based in Dubai stated that *it is important to examine Muslim tourist habits, practices and disposition towards everyday life. “A one size fits all approach should not be adopted or even considered.” To*

¹³ The Economist (2015); Why Hilton is phasing out on-demand porn in its hotels; August 2015

provide Muslim friendly tourist environment, it is necessary to explore the attitudes and reactions of the Muslims travelers themselves vis-a-vis all spheres of everyday life, including dining and maintaining halal-vigilance, education and dress code. Only with this understanding is it possible to structure implicit and explicit policies towards Muslim friendly tourism.

2.3 Review of Demand Side Key Themes

This section looks at the key developments of mainly in Leisure travel, Business travel and healthcare travel.

2.3.1 Religious Tourism

The main development here is related to developing the Umrah+holiday market. The Umrah travelers are more and more interested in traveling to another destination while on the trip for Umrah. As such a few destinations on the “stop over” path to Saudi Arabia are looking at developing such packages working together with Tour operators. These include Dubai, Istanbul, Amman, Cairo and Jerusalem. Airlines such as Emirates are also looking at tapping into the market.

Karthik Visvanathan, Routes manager at Emirates, *said they along with the Dubai Tourism, are actively pursuing to develop products to target the transit Umrah passengers to do stop-overs in Dubai.*

2.3.2 Leisure Tourism

Most of the Muslims travelers on holiday seek to enjoy themselves akin to other tourists, for instance the culture, shopping, sightseeing and dining experiences; only without compromising their faith. Some of the key drivers for growth in leisure travel are:

1. Continued growth of the Muslim middle class, due to the economic growth in countries like Indonesia, Malaysia, Turkey and GCC countries
2. 2nd and 3rd generation immigrant communities in the west becoming well to do. Especially UK, France & Germany
3. Growing awareness about the Muslim-friendly choices available due to ease of access to information through the internet

Non-OIC destinations are specifically targeting the “Muslim Holiday” market with facilities targeted at this segment. For example, in Singapore, the most major attractions offer both prayer facilities and Halal food for Muslim visitors. At theme parks, gardens, museums and other prominent attractions in Singapore that offer a restaurant or eatery, often offer Halal options or even a separate Halal restaurant option entirely. Many attractions also offer prayer facilities in addition to staff that are capable of catering to specific needs of Muslim travelers.

Apart from Malaysia and Indonesia, there have not been many initiatives in OIC member countries specifically targeting MFT leisure sector. Datuk Ong Hong Peng, Ministry of Tourism and Culture Secretary-General *said that looking at the country’s potentials in Islamic tourism; he projects that the arrival of Muslim tourists can rise up to 30 per cent in the long term, and 25 per cent in the short term. His confidence in this market segment is because of the robust dynamics of*

the Muslim leisure travel and the future opportunity. He further requested that stakeholders make a concerted effort to address this growth prospects.

Zulkifly Md. Said, Director General of Islamic Tourism Centre, Malaysia commented that *hotels and restaurants need to offer Halal food, and prayer rooms such as surau or masjid need to be in proximity throughout the country. He further stated that industry players should step up efforts to promote Muslim leisure tourism as the potential of the huge segment cannot be ignored. His positive views are the results of the development which the country has witnessed.*

Muslim leisure travel will remain the dominant market segment amongst all the types of travel. Industry participants should focus on this area and explore ways in capturing the opportunity.

Fawad Khan of Singapore Airlines based in Jeddah, Saudi Arabia mentioned that *for example local Saudis prefer leisure travel to mainly Indonesia and other South East Asian countries. Bali is a popular destination. Thailand is also a popular destination to some extent because of the beaches. He further elaborated that the average length of travel is about one to two weeks. Saudis prefer to have a point-to-point travel plan without any complications. They would visit a maximum of two cities on the country. Preference is to travel to just one city and return back home.*

2.3.3 Business Travel

Business travel by Muslims is an emerging area¹⁴. It's expected to grow rapidly over the next five years. Business travels also covers meetings, incentives, conferences, and events (MICE) which entails large groups, usually planned well in advance, brought together for a particular purpose. Non-OIC destinations are leading for MICE market. Singapore, Hong Kong and United Kingdom are a few countries which hold a number of business conferences. These countries actively promote themselves to be the leading venue for MICE.

Among the OIC member states, UAE and Malaysia are leading MICE destinations. Zulkifly Md Said, Director General of Islamic Tourism Centre Malaysia mentioned that *the number of Halal conferences were held in the country but more work could be done in this area he commented.*

The Indonesian Director for MICE and Special Interest Promotion - Rizki Handayani commented that *the economic growth of Middle Eastern countries is very good and that they see an opportunity for the MICE industry. Although development will not be immediate, the future for this segment remains strong. However, there are a number of immediate challenges facing this industry. Competition remains a key concern. He suggested that the industry must create its own persona distinct from travel and tourism. Aim is of the industry provide good value for money to stakeholders and others.*

Indonesia Tour and Travel Agencies Association (ASITA) chairman - Asnawi Bahar commented that *he has urged his government to provide certain assistance to this industry. He is of the opinion of strong future growth and development of this market. He mentioned that proving relevance and value is important. Indonesians traditionally have not focused in this segment. Hence their experience is relatively limited as compared to neighboring countries.*

¹⁴ Crescentrating (2015)

Jop Thissen of Excellent Beurzen based in Netherlands, commented that *Muslim business travel has the potential for future growth. Currently the number of events that have been held are limited for the Muslim Business traveler. However, this is expected to change significantly.* He finds that the platform that the MICE industry offers is compelling. The changing trends are clearly indicating that this sector is making a steady comeback. There is once again a renewed demand for exhibitions, meetings and events to showcase latest products or for brainstorming sessions or simply for attracting clients.

2.3.4 Healthcare Tourism

Travel for Healthcare by Muslims is evolving. This area covers travel for critical illness and as well for general health and wellness care. Singapore is a leading destination for critical illness in Asia. Patients from across Asia travel to Singapore to seek medical treatment. Healthcare providers mentioned more patients are arriving from India and China, an addition to the traditional sources such as Indonesia and Malaysia. Two years ago, Russia and the Middle East were identified as growing markets. Now, patients from less developed nations such as Cambodia and Mongolia are also traveling to Singapore. In order to encourage Muslim patients, many Singapore hospitals provide Halal food and prayer rooms.

Malaysia has also developed its Muslim medical tourism market. The country received 882,000 foreign patients in 2014¹⁵. The majority of the foreign patients seeking medical treatments in Malaysia are from Indonesia, with smaller numbers of foreign patients coming from India, Singapore and Japan. Health insurance companies in Singapore have recently permitted their policyholders to be treated in Malaysia where services are cheaper than in Singapore.

When it comes to offering services to Muslim patients, Amiruddin Satar, managing director of KPJ Healthcare based in Kuala Lumpur, Malaysia commented that *for example, insulin, a widely used product in hospitals, may contain bovine or porcine based. Where we can help it, we offer patients halal options. He is of the opinion that Muslim friendly healthcare travel has a good potential in Malaysia.* Jamil Bidin, Managing Director/Chief Executive officer of Halal Industry Development Corp Sdn Bhd (HDC) based in Kuala Lumpur Malaysia mentioned that *they can provide halal pharmaceutical products in Malaysia. He further added that there's a big market and a great opportunity for third party service providers.*

Kazi Shafiqur Rahman CEO of Firnas Airways, views that *there would be very strong growth in the Medical Healthcare tourism market. The increase cost will witness patience seeking lower cost alternatives. In addition, OIC member states can position themselves in providing Halal Healthcare for the Muslim tourist.*

Muslim Healthcare tourism offers a positive opportunity for growth. A few countries may be positioned relatively better than others to capitalize on this opportunity.

¹⁵ MHTC (2014); Malaysia Healthcare Travel Council (<http://www.mhtc.org.my/>) established under the Ministry of Health (MOH) Malaysia; Kuala Lumpur, Malaysia

2.4 Review of Supply Side by Key Themes for MFT

2.4.1 Transport Terminals

Most of the work to improve the services for the MFT market has been at airports. Some destinations have also looked at improving services at Railway stations and Cruise terminals, however it is a low priority for most destinations. Airports are normally the first point of entry into the country. In addition, they are also the last point of departure. As such, the facilities or lack of it has lasting impression on the visitor. The main concerns of Muslim travelers at Airports are the availability of prayer facilities and Halal dining options at the Airport. As such, for the Airports, the focus has been on providing, in both public and transit areas, prayer rooms, proper ablution facilities and Halal food/restaurants.

Most OIC destinations provide all the necessary airport services and facilities at the airport for Muslim travelers. However, in some OIC destinations, the neatness of the prayer facility is not as good as the newer facilities offered at non-OIC based Airports. In an interview with Ahmad Nazri Hamzah, Senior Manager of Commercial Services at Malaysia Airports Holdings Berhad mentioned the following developments in relation to the airports in Malaysia:

1. *No pork based dishes are served in the Airport food outlets.*
2. *They are encouraging all the food outlets to get Halal certification from the local certification body.*
3. *All the airports provide proper facilities for prayers including Wudu facilities.*
4. *Generally, there is a Mosque nearby the Airport where Friday prayers are conducted.*
5. *During certain months where there is a huge influx of Arab Visitors Airport announcements are done in Arabic as well. There is also signage in Arabic in KLIA. He mentioned that the purpose of adopting this approach is to provide a feeling of being at home in their travel to Malaysia.*

The non-OIC countries have made significant development in their airport services. Many destinations, especially in Asia, are providing prayer facilities at the Airports. Most of them are multi-faith rooms, but in some cases provide wudu facilities as well. Following are some of the developments in transport terminals of non-OIC destinations.

- In non-OIC destinations, an increasing number of airports are now providing multi-faith prayer rooms. However, many airports still lack proper ablution facilities.
- There is generally a lack of Halal food outlets at non-OIC Airport. This is also now changing since more airports are adding Halal-certified restaurants.
- Where there are Halal food outlets, there is generally a visible identification showing the food is halal.
- The Singapore Changi Airport offers excellent prayer facilities for Muslim passengers in all terminals with separate areas for males and females. It has been ranked in the Top 10 Halal Friendly Airports in non-OIC member countries by CrescentRating (2013).
- Japan Chubu Airport will open prayer rooms and offer Halal food for Muslim travelers to coincide with the start of a new route to Malaysia.
- Narita, Kansai, New Chitose and other airports in Japan have similar prayer spaces for Muslims

- Announcement by Orlando Airport last month to build multi-faith prayer room with facilities for Muslims
- Taipei, Taoyuan International Airport - Taiwan's largest airport - offers two a designated prayer area for Muslims available at the transit area and are accessible 24 hours. Halal-certified restaurants and outlets are also available.
- Taipei railway station opened a prayer room this year

Manager at Fukuoka Airport

The airport views Halal food, is that they have a restaurant serving non-pork/no alcohol menu. However, if they do see enough demand, the airport would consider having one of their own restaurants made more "Muslim-friendly" by learning from such restaurants at other airports in Japan. They will welcome any collaboration with the authorities in terms of conducting seminars and training to better understand this market segment.

2.4.2 Transport Services

Transport services that were looked into include Airlines, Trains, and Highways. As for Airlines, the requirement from Muslim travelers is on Halal food, prayer information, services during Ramadhan and the issue of seating next to passengers consuming alcohol. Airlines have been providing "Muslim Meals" under the meal code "MOML". However, there is concern among Muslim travelers that the definition of MOML does not adequately define "Halal food". Following are definitions of MOML from some Airline websites:

Cathay Pacific: MOML – Moslem Meal - Containing no pork and pig by-products, gelatine, non-white fish meat from species without scales or fins, alcohol and flavouring extracts with alcohol.*

** All meals on flights to and from Indonesia, Malaysia, Maldives, Middle East and Pakistan are prepared according to the Halal method.*

Singapore Airlines: No alcohol, pork, pig by-products, ham or bacon is used in the preparation of this meal. Its preparation and cooking style may vary.

The above does not clearly capture the requirement for food to be Halal, as does for example the definition for Kosher food.

Cathay Pacific: KSML - Kosher Meal - Prepared according to Jewish dietary law and purchased from reputable manufacturers.

Some OIC based full service airlines like Qatar Airways, Emirates, Etihad Airways, Turkish Airlines, etc., do state "All meals served are Halal"

Etihad Airways: All meals we serve are Halal, prepared in strict compliance to halal requirements. There is no need to specifically request this as all our meals are suitable for Muslims.

Turkish Airlines: All meals served on Turkish Airlines flights are included in the category of Moslem Meal (MOML) and are in accord with Islamic religious beliefs.

Recent developments in this area include increasing number of Airline caterers getting Halal certification for their kitchens.

As for allocating a place in the Aircraft for prayers, Saudia is the first airline to do so. The prayer “room” is located in the rear side of the plane. The airline has removed three middle rows of economic class passenger seats to provide the space. Some Airlines such as Emirates, Saudis, Qatar provide the prayer direction information on their In-flight entertainment system. They also have dedicated channels to listen to the Quran.

Most OIC based Airlines do cater to the needs of Muslim travelers during the month of Ramadhan, by announcing Iftar and Sahoor times as well as providing meals around those times. Currently many airlines do not provide selection of a seat which could be next to a non-alcohol drinking person.

Fawad Khan of Singapore Airlines (SIA) based in Jeddah Saudi Arabia mentions *SIA has a positive outlook towards Muslim tourist and would not discriminate against any religious denomination. He did talk about islamophobia given the recent developments. However, he stated that SIA are indifferent on the religious affiliation of the passenger.*

Azman Ahmad, GM Product Management for Saudia, mentions that *the Airlines have been active in looking at providing Muslim friendly services to the passengers. Apart from the prayer space, they have a dedicated channel for Quran reading/recitation. They are also looking at providing prayer time information.*

Jamel Gamra, former Minister for Tourism Tunisia commented *that transportation service providers especially in Tunisia continues to welcome the Muslim tourist. He further added that more needs to be done to ensure the service providers offer Muslim friendly facilities. Tunisair popular flight routes are Turkey, Morocco and Egypt. Airline provides Halal food to all its passengers.*

Bangladeshi businessman Kazi Shafiqur Rahman founded Firnas (airline), *aims to provide full halal services (no alcohol, halal food only etc.) to a number of Islamic destinations. Likely initial destinations include, Sylhet in Bangladesh, Pakistani capital Islamabad, Jeddah in Saudi Arabia, and Tehran. Firnas planning head Abdul Roqueeb said in an interview, "incumbents had faced a lack of competition in catering to the Muslim needs.*

In December 2015, Malaysian airline Rayani Air was launched as the first Shariah-compliant airline. Rayani Air took off from the capital Kuala Lumpur to the resort island of Langkawi. “We are the first Malaysian airline to be Shariah-compliant based on guidelines by relevant authorities.” the company’s managing director Jaafar Zamhari told Malaysia’s Star newspaper. “We are proud of this.”¹⁶

In OIC destinations, where there are long distance train services, generally there is no issue with Halal food or prayers. However, in non-OIC destinations, there is still need for development. Most OIC destinations do have prayer facilities and Halal food at Highway stops. However, the quality and the cleanliness of the services in some places are not up to desirable standards. Malaysia has been actively ensuring the Highway stops are provided with the right services. As observed during the field visit to Malaysia as part of the study, some of the features of Malaysian highways are:

¹⁶ Yahoo News (2015)

- Prayer facilities: at all the stops along the Highways, it has very well maintained prayer areas, separately for males and females. Most of them are exceptionally well maintained with very comfortable wudu facilities. In other countries where they do have places for salaah along the roads, most of them do not take the same care as taken by the Malaysian highway operators in making the prayer places clean for both males and females.
- The washrooms are clean and are generally fitted with hand showers with separate well-maintained facilities for males and females. In some places you could even find showers.
- All the stops have food outlets which serve Halal food. Most of them are food court like facilities. However, some stops have restaurants as well. In general, all of them serve Halal food at reasonable prices.

2.4.3 Accommodation Services

This section examines the accommodation services and their ability to cater to the needs of the Muslim tourist. Many hotels including in non-OIC member states are targeting the Muslim travelers. Several hotels both in OIC and non-OIC destinations are including Muslim-friendly amenities in rooms, such as Qurans, prayer carpets, Arabic-language TV channels and qiblah direction marking, which indicates the direction of Makkah.

In many OIC destinations such as Malaysia, UAE, Turkey, Indonesia, Qatar, Brunei etc., the Hotels which call themselves as “Halal Hotels”, “Muslim Friendly Hotels” or “Sharia-compliant hotels” are growing. These hotels provide services ranging from “Need to have”, “good to have” to “nice to have” described in Chapter 1.

Mostafa A. Soud, Executive Assistant Manager for Retaj Hotels and Hospitality based in Doha Qatar mentioned *that his hotel chain is completely halal. No alcohol is available at any of his hotel chain. In addition, smoking is not allowed. He added that their aim is to build multiple hotels to attract Muslim holidaymakers.* Sofyan Hotels in Indonesia’s calls itself as a “Shariah-compliant hotel”. According to Mr Riyanto Sofian, *it is managed in compliance with the Islamic Shariah principles.*

The development of accommodation services in non-OIC destinations is very uneven. However, many seminars and workshops conducted in places like Japan, New Zealand and Australia to educate the Hoteliers. A few international chains of hotels are actively pursuing plans to attract the Muslim tourist.

Chris Nader, Vice President of Shaza Hotels based in Dubai, mentioned that *they have a very ambitious development growth in the next three years and would like to see a Shaza Hotel in the major cities of the OIC countries. The challenge according to him is that not enough investors are looking at owning hotels that cater to this market. Questions arise for the investors are whether the absence of alcohol means less profitability. However, the opportunity is very strong as more international hotel brands are seeing the potential of this market. He expects Shaza will soon face competition in the luxury segment.*

Riyanto Sofyan, Chairman of Sofyan Hospitality made the following comments of the *challenges in adopting the sharia principles. Applying Sharia principles in business involves discarding any unethical elements. “When we adopted the Sharia practices most of the people were surprised*

and thought that we are crazy. They were asking if we were building a mosque or a hotel". In addition, challenges were not just from outside but inside. Inside, the family was not unanimous in our decision to adopt Sharia practices for the hotel. The greatest challenge came from hotel employees. In Indonesia the Hotels largest shareholder are the employee.

Hugo Gerritsen, Area General Manager, Dorsett Grand Subang Malaysia is *targeting the Muslim traveler. They have improved the cuisine in their restaurants. Dining is an important consideration for the Muslim traveler. He further elaborated that Muslim travelers' average stay in the Hotel has become relatively shorter. Normally they opt to travel in Malaysia to about two or three destinations. Sales and marketing team are trying to design packages to cater to their travel needs.*

2.4.4 Attraction and Activities

This section examines the attraction and activities, including theme parks. Traditionally the number of Halal food outlets were relatively limited. In the last few years this has changed. Even non-OIC countries have Halal dining outlets in their theme parks.

A number of attractions especially in Malaysia are Muslim friendly. Sunway Lagoon in Kuala Lumpur Malaysia has dedicated prayer facilities for male and female. In addition, restaurant or eatery, offer Halal options or even a separate Halal restaurant option entirely. In the developing OIC countries, the attractions are not as well developed as compared to the developed OIC destination attractions.

Attractions and amusement theme parks in non-OIC countries are also beginning to offer prayer rooms and halal food. Most Singapore attractions have Halal food outlets. Universal Studio in Singapore also has a Prayer room. Hong Kong Disneyland added Halal-certified food for Muslim guests. In Taiwan restaurants in some amusement parks, such as Leofoo Village Theme Park in Hsinchu County, now provide halal restaurants. In addition, some restaurants in the theme park have arrow signs pointing to Mecca for Muslim daily prayers and proper washing facilities.

Mohamed Firhan Abdul Salam Area Director, Middle East & Africa, Singapore Tourism Board mentioned that *in non-OIC countries like Singapore their biggest concern is dining at the theme parks. Muslim tourists seek to patronage eateries that have the Halal logo. In Singapore there a number of restaurants that are halal certified and displaying their logo. Other countries in the OIC member states should suggest their dinning establishment to prominently display their Halal logo, mentioned Firhan.*

Fawad Khan of Singapore Airlines based in Jeddah and Saudi Arabia mentioned that *theme parks should increase their shopping experience for the Muslim tourist. Shopping is a major activity for example amongst the Arabian travelers. They prefer to purchase quality mechanise as souvenirs. These memorabilia's would be given as gifts to friends and relatives when they return home. Also it serves as a reminder to their place of visit.*

Hugo Gerritsen, Area General Manager, Dorsett Grand Subang Malaysia mentioned that *there is a need to design program to cater to the entire family which includes in broad terms the farther, mother and their children. The ladies prefer a shopping outing. Hence located close to shopping*

malls is a strong asset. The children in the family would enjoy gaming arcades or theme parks. The men would opt maybe for a golfing program or a drink at coffee shop.

2.4.5 Travel agents and tour operators

Travel agents / Tour operators area has seen lot of developments in the recent past with regard to the MFT market. In OIC member states many established tour operators are now beginning to look at MFT as a specific product. Traditionally travel agents specialized in pilgrimage tours to Mecca are also now looking at developing/providing products for the MFT market. There are also new smaller players emerging who are only focused on the MFT market. Some major online travel platforms also look to cater to this segment.

Travel agents in non-OIC destinations are also beginning to offer Muslim friendly tour packages. These travel agents aim to promote Muslim tourist arrivals by providing necessary facilities and arrangements. They are as follows;

1. Halal food is prioritized in these Halal tours and agents work with restaurants to arrange Halal meals.
2. Mosques and prayer rooms are also arranged during the tour.
3. When such facilities are not available, agents are capable of enquiring with shops, restaurants, parks, hotels, and outlets to provide private prayer places.

There are a few travel agents in Japan that offer tour packages to Muslim travelers – such as Miyako International Tourist Co. Ltd. and Feel Japan with K Co. Ltd. Many Muslim-friendly tour packages in offered by agents provide extensive tour coverage of Tokyo and Osaka.

Fawad Khan of Singapore Airlines based in Jeddah and Saudi Arabia mentioned *that the younger generation use social media and perform searches on the web. Recommendation from friends and relatives is a major factor in determining a particular place of travel. They prefer web search material in Arabic. Generally, tour operators and travel agents are the channels used by the Saudis for purchasing holiday products when they travel with family. They like to have their entire trip pre-planned before they embark on their journey.*

Tourists crave novel experiences in new destinations. Thus, there exists a need for a well-designed tourist itinerary that would create a lasting impression. This also helps OIC Member states strategically gain a competitive advantage. Tour guides play an important role in this regard. As such, tour guides knowledge of the Muslim community is important in serving the needs of the Muslim traveler.

Mr Zulkifly Md Said, Director General of Islamic Tourism Centre Malaysia mentioned *the tourist guides assigned to Muslim tours needs to be educated on the needs of a Muslim traveler. This is something which the ministry of tourism of culture Malaysia together with ITC and the relevant stakeholders are looking at coming up with additional modules to help the tourist guides to understand this segment better.*

Nabeel Shariff, Director at Serendipity Tailormade mentions that *in many countries shopping is of key consideration amongst the Muslim tourist. Tour guides knowledge on the local shopping scene and availability of items that would appeal to the Muslim tourist is favored by the Muslim traveler.*

2.4.6 Human Capital

Among OIC destinations, there have not been lot of focus on development of human resources to cater to the MFT market.

Riyanto Sofyan, Chairman of Sofyan Hospitality, *is critical that the OIC destination countries needs to make a concerted effort to enhance the quality of their customer service staff. Indonesia for example already has a population which is 88 percent Muslims. He adds that they should not become complacent. To tap into the potential of the local and global tourism market, more effort should be done to develop human resources. The challenge the hospitality industry faces in Indonesia is that they are complacent in the delivery of customer service. What is needed is to understand the importance of individualistic needs and provide tailor made experience. Innovation in customer service is a necessity.*

Hugo Gerritsen, Area General Manager, Dorsett Grand Subang Malaysia mentions that *staff training is an ongoing process. Hotel staff are required to take a short exam every quarter to determine their attitude towards exemplary customer service. Customer service is one of the key differentiating criteria in this highly competitive industry he mentioned. If they fail the exam, they need to enroll on a program.*

2.4.7 Destinations

There is very little effort currently by the OIC countries to earnestly promote itself as a “Muslim Friendly destination”.

Most current NTO driven efforts are centered around Malaysia, UAE and Indonesia. Although Turkey gets high number of Muslim visitors, it is due to its heritage and private enterprise driven initiatives. Only Malaysia and very recently Indonesia has issued guidelines to develop the MFT market in the country.

This is in contrast to the effort by non-OIC destinations. Many of them are developing strategies to attract the Muslim travelers. Some of the activities are:

- Tourism Australia developed a “Muslim Traveler Guide”.
- Singapore released a Muslim visitor guide as well. It has been anyway popular because of its abundance of Halal dining options and its establishment of a dedicated Halal certification body.

Zulkifly Md Said, Director General of Islamic Tourism Centre Malaysia commented that *Tourism Malaysia has commenced marketing and promotion of Malaysia in the Middle East and West Asia market describing the country to be suitable for Muslim tourist and that it offers only Halal activities. Tourism Malaysia is communicating that Malaysia is a destination that is well prepared with relevant facilities and services for the needs of Muslim travelers.*

Mohamed Firhan Abdul Salam Area Director, Middle East & Africa, Singapore Tourism Board mentions that *the government needs to move beyond promoting tourism. Currently government tourism boards are helpful when approached. The next step is to become facilitators. This involves becoming though leaders and setting the standards.*

2.5 Mapping and Positioning of the OIC Member States in Terms of MFT

To optimize the development of strategy, a differentiated approach towards different markets will be needed to be adopted. The current positioning of OIC member states in MFT can be categorized in to 4 clusters; Group A: Leaders, Group B: Best Positioned for Growth, Group C: Potential for Growth and Group D: Need to Develop as shown in Table 11

Table 11: Grouping of 57 OIC member states into 4 clusters

Group A - Leaders	Group B - Best Positioned for Growth	Group C - Potential for Growth	Group D - Need to Develop	
Malaysia	Saudi Arabia	Brunei	Kazakhstan	Syria
Turkey	Qatar	Tunisia	Bangladesh	Yemen
United Arab Emirates	Indonesia	Kuwait	Algeria	Afghanistan
	Oman	Iran	Azerbaijan	Guyana
	Jordan	Bahrain	Pakistan	Suriname
	Morocco	Maldives	Kyrgyz	Benin
		Egypt	Senegal	Burkina Faso
		Comoros	Uzbekistan	Cameroon
		Turkmenistan	Tajikistan	Chad
			Lebanon	Cote d'Ivoire
			Albania	Gabon
			Nigeria	Gambia
			Mozambique	Guinea
			Djibouti	Guinea-Bissau
			Iraq	Mali
			Libya	Niger
			Mauritania	Sierra Leone
			Palestine	Togo
			Somalia	Uganda
			Sudan	

Source: CrescentRating, 2015

Group A - Leaders

The first cluster of markets consists of those that traditionally have sizeable contribution to tourism receipts and there would be a need to continue defending this base for top source markets. Even within this base a differentiated approach could be adopted. This group of 3 countries are currently leading the MFT market. They have been the biggest beneficiaries of the growth in the Muslim travel market.

SWOT Analysis for Group A

Table 12: SWOT analysis of Group A

Strength	Weakness
<ul style="list-style-type: none"> Advanced tourism infrastructure Malaysia and Turkey have tourism products to cater to a wide range of themes (shopping, dining, beaches, heritage, etc.) 	<ul style="list-style-type: none"> Growing security concerns in Turkey Recent Airline incidents in Malaysia
<ul style="list-style-type: none"> Rich Islamic artefacts around the country including mosques, Islamic architectural beauty, and museums of Islamic art, especially in Turkey. 	<ul style="list-style-type: none"> High temperature in Summer in UAE
<ul style="list-style-type: none"> Access to a wide variety of Halal food for Muslim tourists (including fast food outlets) 	<ul style="list-style-type: none"> No proper identification of Halal food outlets in UAE and Turkey
<ul style="list-style-type: none"> Availability of prayer facilities at tourist spots and public premises (hospitals, offices, shopping malls, theme parks) 	<ul style="list-style-type: none"> No government led initiative in Turkey to promote MFT
<ul style="list-style-type: none"> Availability of Muslim-friendly travel packages including those of seasonal festivities i.e. Ramadhan, Eid-ul-Fitr 	
<ul style="list-style-type: none"> Strong promotional campaigns 	
<ul style="list-style-type: none"> Visa free or Visa on arrival for many nationalities 	
<ul style="list-style-type: none"> Strong focus on MFT through ITC in Malaysia and through DIEC initiative by Dubai 	
Opportunities	Threats
<ul style="list-style-type: none"> Growing Muslim travel market 	<ul style="list-style-type: none"> Competition from countries such as Singapore, Japan and S. Korea which are keenly targeting the Muslim tourist
<ul style="list-style-type: none"> Younger generation of Muslims keen to connect with the rich past Islamic heritage (Turkey) 	<ul style="list-style-type: none"> Negative word of mouth due to the economic problems in some countries
<ul style="list-style-type: none"> Development of new Islamic tourism products based on the “Heritage or Education” themes 	<ul style="list-style-type: none"> Islamophobia driven negative sentiments towards Muslim countries
<ul style="list-style-type: none"> Muslim tourists are keen to visit “Muslim-friendly destinations” with good tourism products 	
<ul style="list-style-type: none"> Providing educational understanding for students from Islamic countries 	

Group B – Best Positioned for Growth

The second cluster of markets demonstrates strong growth potential that can be unlocked with increased investment. These countries have the most of the basics in place. Qatar, Indonesia, Oman, Jordan and Morocco are well positioned to grow their market share of Muslim travelers.

Saudi Arabia can target the Muslim market by enticing the Umrah travel to extend their stay in KSA for tourism/holiday.

SWOT Analysis for Group B

Table 13: SWOT analysis of Group B

Strengths	Weakness
<ul style="list-style-type: none"> All are Muslim dominant countries hence general awareness and understanding of tourism-friendly product and services. 	<ul style="list-style-type: none"> Limited availability of attractions including theme parks.
<ul style="list-style-type: none"> With the exception of Indonesia, all countries are located in relatively close proximity to one another. Travel could encompass multiple countries by the tourist. 	<ul style="list-style-type: none"> High summer temperatures (in middle eastern countries)
<ul style="list-style-type: none"> Arabic is the dominant language spoken in almost all the counties with the exception of Indonesia. 	<ul style="list-style-type: none">
Opportunities	Threats
<ul style="list-style-type: none"> High growth market. 	<ul style="list-style-type: none"> Growing competition from non-OIC member states.
<ul style="list-style-type: none"> Average age of the tourist in these countries would be in the 20s to 40s age group. Hence social media platforms would be important in planning their travel. 	<ul style="list-style-type: none"> Negative market perception of economic instability.
<ul style="list-style-type: none"> Becoming a family destination because of its affordability. 	
<ul style="list-style-type: none"> Muslim culture and experience. Attractive to especially the young adults interested to learn about Islamic heritage. 	
<ul style="list-style-type: none"> Development of Islamic tourism based on Education themes. 	

Group C – Potential for Growth

The third cluster consists of markets that offer unique opportunities for example Kuwait or Iran. Tunisia and Egypt, which have been traditional tourism markets are having safety concerns. If these concerns are removed, they will perform as well as the group C countries. Iran has the best potential within this group to grow its tourism market and also grow its share of the Muslim travel market if the sanctions are removed. Brunei, Kuwait, Bahrain and Maldives can grow their market share by a better reach out to the Muslim market.

SWOT Analysis for Group C

Table 14: SWOT analysis of Group C

Strengths	Weakness
<ul style="list-style-type: none"> • Destination countries provide high value for money. For example a 5-star accommodation would be affordable to the middle class Muslim tourist. Also variety of accommodation meeting even budget conscious travelers. 	<ul style="list-style-type: none"> • Low Air connectivity. The destination countries are not on major airline routes to major cities of the world.
<ul style="list-style-type: none"> • Tourism travel is throughout the year. Tourists range from young teenagers to senior citizens. 	<ul style="list-style-type: none"> • Lack of a service culture. Some countries are not attuned in offering high customer service.
<ul style="list-style-type: none"> • Good sightseeing especially of the natural scenic beauty of the country. 	<ul style="list-style-type: none"> • Lack of conferences, workshops and marketing campaign held in the country to create awareness
<ul style="list-style-type: none"> • High availability of Halal food since all most all are Muslim dominant countries. Good understanding the Muslim travel needs. Variety of dining options. 	
<ul style="list-style-type: none"> • Relatively easy visa requirements. Price of visa is fairly competitive as compared to other countries. 	
<ul style="list-style-type: none"> • English language widely spoken. Communication is possible perhaps even with the locals. 	
<ul style="list-style-type: none"> • High number of Mosques within close proximity. 	
Opportunities	Threats
<ul style="list-style-type: none"> • Major expansion of tourism infrastructure expected in the next five years. For example, airport facilities and services to be expanded and upgraded. 	<ul style="list-style-type: none"> • Safety of travel is a concern. Especially in Tunisia and Egypt. Visa requirements for travel to Iran could perhaps be a challenge.

Group D – Need to Develop

The fourth cluster are markets that need to develop. Currently their infrastructure is not ready and there may be concerns regarding safety of the traveler as well.

SWOT Analysis for Group D

Table 15: SWOT analysis of Group D

Strengths	Weakness
<ul style="list-style-type: none"> • Countries provide high cultural heritage and experience. 	<ul style="list-style-type: none"> • Low tourist arrivals. Many countries have travel embargo.
<ul style="list-style-type: none"> • Unknown destinations. Can create eagerness to explore 	<ul style="list-style-type: none"> • Unsafe travel environment.
<ul style="list-style-type: none"> • High Muslim travel market awareness. Good availability of Halal cuisine. 	<ul style="list-style-type: none"> • Low air connectivity.
<ul style="list-style-type: none"> • Ease of access to prayer facilities. 	<ul style="list-style-type: none"> • Airport services and facilities not fully developed.
	<ul style="list-style-type: none"> • Not a family-friendly destination.

Opportunities	Threats
<ul style="list-style-type: none"> Expansion of tourism infrastructure. Countries actively seeking to attract Muslim tourists. 	<ul style="list-style-type: none"> Strong competition from Group C countries which could possibly provide a similar experience to the tourist.

2.6 Key Challenges in Development of MFT in OIC Destinations

a) Security concerns

Travel to a few countries could be a potential security risk. Many western governments have issued travel advisory requesting its citizens not to travel unless absolutely necessary. Majority of Muslim tourists travel with family and generally want more family-friendly activities such as shopping, sightseeing, theme park, nature reserve or museum.

b) No proper identification of Halal food outlets

A number of OIC member states have not developed a comprehensive identification process which could correctly inform tourist that the food offered at a particularly dining establishment is Halal. For example, Bali, Indonesia is popular with visitors from nearby Muslim countries such as Malaysia, as well as countries from the Middle East. Although Bali is a predominantly Hindu island, it's part of Indonesia which has the biggest Muslim population in the world. Though there are only 4 percent of Muslim population on the whole island, however about 20 percent of Denpasar (its capital) is Muslim, therefore confirmation is required whether the dining establishment is halal. Also not all the Halal dining places display the Halal logo certificate.

c) Limited support and participation from government to promote MFT

In selected OIC member state the government has not yet engaged with the development of Muslim friendly tourism. Lack of incentives and motivation by the government to develop the tourism sector will decrease growth of the MFT market.

d) Increasing competition from non-OIC countries

Singapore, Japan and S. Korea for example are keenly targeting the Muslim tourist. In addition, Australia and Thailand are also seeking to attract the Muslim travelers. Halal dining establishments are available in many of the major cities of these countries. In 2014 about 22.5 million tourists travelled from OIC member state to non-OIC member state. This means about one-third of total Muslim outbound tourist from OIC member state. Many countries are lifting visa requirements to facilitate Muslim inbound travel. Both Japan and South Korea has relaxed travel requirements for tourist originating from Malaysia and Indonesia.



e) Islamophobia driven negative sentiments towards Muslim countries

The recent terrorist attacks has resulted a negative sentiment against Muslims.

f) Resistant from some travel stakeholders to develop MFT

Due to the negative sentiments portrayed by media when it comes to words such as Muslim, Halal, Shariah and Islam, even local travel stakeholders in some Muslim countries are resisting the development of MFT. The main concern comes from a misunderstanding of what MFT is and the perception that it will destroy the traditional tourism in the destination. Better education and awareness of MFT to these stakeholders should alleviate the fears of most of them, if not all.

g) Limited availability of attractions including theme parks

A number of OIC member states does not have high quality tourism infrastructure. This has hampered the growth of not only Muslim tourism but also tourism has a whole.

h) Low Air connectivity;

A number of OIC member states are not on major airline routes to major cities of the world. This could be due to low passenger traffic.

Chapter 3: Success Stories on MFT

Four desk-based case studies and three field-visit based case studies were conducted. The case studies were selected based on the following criteria.

Table 16: Criteria for selecting case studies

Geographical location	Countries located at different regions in the world. There would also be a mix of OIC and non-OIC member countries.
Economic development	The economic environment of the country affects its tourism market and growth. Countries were selected based on the diversity of their GDP and economic strength.
Tourist attractiveness:	A combination of visitor arrivals, number of tourist attractions and safety levels in the country. Case study countries selected to maintain the diversity of these criteria.
Muslim friendly infrastructure	The level of supply side key themes catering to the faith-based needs of the Muslim travelers.
Halal awareness	These criteria evaluate the prevailing diversity in the levels of Halal awareness and reach in the countries.

Malaysia, Indonesia and Qatar were selected for the field visit case studies. Whereas Singapore, United Kingdom, UAE and Tunisia were selected for the desk-based studies. The following tables rate the countries (1 for lowest and 4 for highest) based on the aforementioned criteria.

Table 17: Field-visit case countries and their ratings

Geographical Location	Indonesia OIC country, South East Asia	Qatar OIC country, Arab Group	Malaysia OIC country, South East Asia
Economic Development	3	3	3
Tourist Attractiveness	4	3	4
Muslim Friendly Infrastructure	3	4	4
Halal Awareness	3	3	4

Table 18: Desk-cased countries and their ratings

Geographical Location	Singapore Non-OIC country, South East Asia	United Kingdom Non-OIC country, Europe	UAE OIC Country, Arab Group	Tunisia OIC Country, Arab group
Economic Development	4	4	3	2
Tourist Attractiveness	4	3	2	2
Muslim Friendly Infrastructure	3	2	4	4
Halal Awareness	3	2	3	3

3.1 Malaysia

Tourism is a huge sector of the Malaysian economy. United Nations World Tourism Organisation (UNWTO) listed Malaysia as the 12th most visited country in 2014. South-East Asia was again the fastest growing sub-region both in the region and in the world according to UNWTO. Malaysia competes with Thailand and other countries in the region in attracting inbound tourism. Malaysia is ranked amongst the best destination in the world for Muslim travelers by *GMTI 2015*. The country has shown consistent growth in visitor arrivals in recent years and is a popular place for international Muslim tourists. Table 19 shows the Muslim visitor arrivals and expenditure for the years 2010, 2014 and projection for to 2020.

Table 19: Muslim visitor arrivals to Malaysia for the period 2010 to 2020

Year (Inbound Tourism)	2010	2014	2020
Inbound Muslim Visitor Arrivals (Millions)	4.64	5.27	6.59
Inbound Expenditure by Muslim Visitor (US\$ Millions)	3,427	4,290	5,228

Source CrescentRating, 2015

Muslim visitor arrivals are expected to witness a strong increase in the next five years to reach 6.59 million by 2020. Malaysia has successfully positioned itself to be ideal for Muslim family tourism. Government authorities are branding their destination to offer "Muslim friendly tourism". The country Muslim friendly tourism program has succeeded in attracting more Muslim tourist. In 2014 the Muslim tourist arrivals was 5.27 million. This translates into a growth rate of 4.4 percent. The Muslim visitor growth will be faster than the total visitor arrivals.

The percentage of Muslim tourist visitors in 2014 was 19.9 percent of total arrivals and this would increase to 21.7 percent as of 2020.

Malaysia receives a good number of inbound tourist from the GCC countries each year. Ahmad Nazri Hamzah, Senior Manager of Commercial Services at Malaysia Airports Holdings Berhad, mentioned that *from their point in their entry into the country Arabs are welcomed. Announcements are made in Arabic and the signages are also in Arabic. In addition, all F&B outlets at the airport are Halal, although halal certificate from the Department of Islamic Development Malaysia (JAKIM) is not always displayed.*

Faith-based needs of Muslim Traveler

a) Halal Food

Halal food can be readily found across the country and an increasing number of restaurants have Halal certification. Easy access to Halal food has been one of the top reasons that Muslim travelers feel at home in Malaysia. There are many Halal restaurants in the city offering all types of cuisine from Malaysian to Korean, Japanese to all types of fast food. Food courts in major shopping malls offer a selection of food from all over the world.

The Department of Islamic Development Malaysia (JAKIM) uses MS 1500: 2004 as the basis for issuing halal certificates for products and services under its responsibilities as the country's sole halal certification body today. The key strength of Malaysia when it comes to Halal food is its wide implementation of Halal certification for restaurants. The restaurants, which get Halal certification, are clearly identifiable through the display of its halal logo.

b) Prayer Facilities

There are thousands of mosques located in Malaysia. Most shopping malls have Halal restaurants as well as prayer rooms to ensure an enjoyable shopping experience for Muslim shoppers.

c) Ramadhan Services

Malaysia is one of the best destinations to spend Ramadhan. Many Muslim friendly services are available in the country. A number of Muslim tourists spend their Ramadhan in cities such as Kuala Lumpur and Penang. Penang is a state in Malaysia located on the northwest coast of Peninsular Malaysia, by the Strait of Malacca. These cities offer Ramadhan night markets with street food and with Hotels offering Iftar buffets.

d) Water friendly Washroom

Across the country, most Hotels and public toilets are water usage friendly.

e) No Non-Halal Activities and Recreational facilities and facilities with privacy

There are growing numbers of facilities, especially Hotels which are catering to this need. Zulkifly Md Said, Director General of Islamic Tourism Centre Malaysia commented *that Malaysian hotels are now more focused on the sensitivities towards the needs of a Muslim traveler. The Ministry of Tourism and Culture of Malaysia is looking at coming up with additional guidelines in this area of non-halal activities.*

Demand Side Analysis

a) Leisure Travel

Key source markets for leisure tourism for Malaysia is the neighboring countries Indonesia, Singapore and Brunei. It also attracts a sizeable number of tourists from the GCC countries for leisure travel. Malaysia has many leisure products, from shopping, dining, and sightseeing to beaches. Competition in attracting the Muslim tourist remains strong from Singapore, Indonesia and also non-OIC member state countries like Japan and Korea.

b) Business Travel

Malaysia is a major MICE destination in the region with many major conferencing and event venues. It has also been a major venue for Islamic or halal themed global events. KLCC and World Trade Centre are two of the major venues in Kuala Lumpur. It is also a regional financial

and service center, which attracts businesses. Many major multi-nationals have regional headquarters in KL.

c) Healthcare Travel

Medical tourism is a significant sector of Malaysia's economy, with an estimated 1 million traveling to Malaysia specifically for medical treatments alone in 2014, contributing around US\$200 million in revenue to the economy. Malaysia is reputed as one of the most preferred medical tourism destinations especially amongst the Muslim travelers because it provides modern private healthcare facilities and highly knowledgeable medical professionals.

In 2014, Malaysia was ranked the world's best destination for medical tourism by the Nomad Capitalist. Malaysia was also included in the top 10 medical tourism destinations list by CNBC.

Supply Side Analysis

a) Transport terminal services (airports, cruise terminals, railway stations, etc.)

Kuala Lumpur International Airport (KLIA) is the major airport of the country located on the outskirts of Kuala Lumpur. The airport offers Muslim friendly facilities ranging from prayer area to halal dining. Many Muslim tourists are clearly visible at the airport. Ahmad Nazri Hamzah, Senior Manager of Commercial Services at Malaysia Airports Holdings Berhad commented that *the Middle East tourist prefer Malaysia because of the similarity in religion and availability of halal food. Hence creating the correct ambience at the airport is necessary. In KLIA majority of the 45 food & beverage, outlets are halal.*

b) Transport services (airlines, cruises, railways, etc.)

Malaysian airlines is the country's national carrier. AirAsia and Malindo Air are the country's budget airlines. All provide Halal food. The leading OIC member state destinations from Malaysia are Indonesia, United Arab Emirates, Bangladesh, Brunei and Qatar. The total weekly flights to Indonesia are about 392.

c) Accommodation services (hotels, resorts, etc.)

Accommodation facilities in Malaysia are mostly Muslim friendly. Many hotels are specially targeting Muslim tourist originating from either the GCC or South East Asian countries. The guest registration form in PNB darby park, a Hotel in Kuala Lumpur also has the following condition *"I hereby declare that the person(s) who is sharing with me is my mahram"*

The Grand Bluewave Hotel Shah Alam which is located in Kuala Lumpur, offers halal-certified food. Other halal-friendly facilities include availability of the Quran, in-room Qiblah signage, prayer mats and a women-only level located on the 17th floor of the hotel. In addition, the hotel is alcohol-free and provides recreational facilities like swimming pools and gyms with timings for female only use. The hotel also has separate prayer rooms for males and females as well as separate spa facilities. Some of the Hotels also have a religious scholar overseeing there "Halal" related services.

d) Attractions & Activities (shopping, beaches, sightseeing etc.)

Almost all attractions in the country offer Muslim friendly environment. Halal food and prayer facilities are available at the attraction.

e) Travel agents/Tour operators

There are many Muslim tour operators providing Muslim friendly holidays to Malaysia. H.E Dato' Nazirah Hussain, Malaysian Ambassador to Thailand mentioned that *the Muslim tour packages, for example, are one of the products that can be promoted extensively. With Islam as the official religion and with over 60 percent of the population Muslims, Malaysia has the potential to be the preferred Muslim-oriented destination for tourists. She views that developing tour packages catering to the needs of Muslims would increase inbound tourism into the country.*

Mr Zulkifly Md Said, Director General of Islamic Tourism Centre (ITC) Malaysia says *that tour guides need to take the initiatives in understanding the Muslim travelers. It's beyond just the Mecca prayer direction in the room. Customized tours need to include the places the group would like to visit and the activities of interest.*

f) Human capital

Islamic Tourism Centre (ITC) has continued to roll out extensive workshop and seminars to educate the all stake holders in the travel industry. Zulkifly Md Said, Director General of Islamic Tourism Centre Malaysia says that *training programs need to be developed and offered to Hotels and other service providers. Well trained staff will further the development of the Muslim friendly tourism. The training should cover many areas and not just customer service. Topics may include amongst others, the promotion, marketing, sustainable tourism and community tourism. Also technical tours to this programme will expose participants to various products and services and facilitate discussion with industry participants.*

g) Destinations

Most Arab and also Asian Muslim tourists enjoy the modern shopping environments in Malaysia especially for luxury goods. Tourism Malaysia has started to adopt a strategy to encourage the Middle East tourists to go beyond the Klang Valley. It has begun to show its positive results where according to Malaysian Association of Tour and Travel Agent (MATTA), the Middle East tourists have now started traveling to destinations like Langkawi and Penang. The average length of stay of these Arab tourists in Kuala Lumpur has also shortened from two weeks to only seven or eight days.

Mohammed Ali Alali, a petroleum engineering student from Dammam, Saudi Arabia, went there on honeymoon with his bride to Malaysia, mentioned that, *"It's not that far from Saudi Arabia and it's less expensive to travel here rather than Europe. It's also an Islamic country so that helps in many ways, like to find a mosque and Arabic food."*

Zulkifly Md Said, Director General of Islamic Tourism Centre Malaysia mentioned *that more could be done to further promote Muslim tourism. He suggested that this could be undertaken in collaboration with OIC member states. The suggestions are as follows;*

1. OIC lanes at immigration for OIC passport holders instead of having to queue up under the foreigner section.
2. Special promotions for example hotel or airline that can offer the private sector from the OIC member countries to visit member countries.
3. One-day conference or seminar examining how OIC can contribute to encourage travel within member countries.

SWOT Analysis for Malaysia MFT

The Table 20 provides a SWOT analysis of Malaysia MFT.

Table 20: SWOT Analysis of Malaysia for MFT

Strength	Weakness
Visa free travel extended to a number of nationalities	Limited, recreational facilities and swimming pools for men and women
Water friendly washroom facilities	Tourist concentrated on 2 or 3 cities, Kuala Lumpur, Penang and Langkawi
MFT education program. Constant training on the principles and practices.	Low- keyed advertising for dominant Islamic places such as Kedah and Kelantan
Availability of prayer facilities at tourist spots and public premises (hospitals, offices, R&R, shopping malls, theme parks, offices)	“Aged” of the Malaysian tourism products
Access to a wide variety of halal food for Muslim tourists (including fast food outlets)	
Malaysian hotels’ services for Muslim tourists (ability to cater to the needs of the Muslim tourist)	
Malaysia’s stability and safety	
Availability of Muslim-friendly travel packages including those of seasonal festivities e.g. Ramadan, Eid-ul Fitr	
Muslim-friendly healthcare facilities throughout the country	
Rich Islamic artefacts around the country including mosques, Islamic architectural, and museums of Islamic art	
Islamic funding and financing.	
Opportunities	Threats
Become a success story for other OIC countries to draw example	Competition from Islamic countries such Indonesia, non-OIC countries
Branding and positioning Malaysia in MFT	Other threats are mainly macroeconomic threats and not directly related to MFT
Development of new MFT products	
Providing educational facilities for other OIC Islamic countries	
Enhancing potential travelers’ awareness about Islamic offerings of Malaysia through media and travel agents	
Highlighting Islamic-based attractions such as the Pasar Siti Khadijah (Kota Bharu, Kelantan) and the Islamic Museum in Kelantan (Muzium Islam), and the Islamic Civilization Park in Terengganu	

Summary

The key and unique strength of Malaysian success story on MFT is the commitment of Tourism Ministry as early as 2009 to identify the Muslim market as a priority market. This also led to the creation of the Islamic Tourism Centre (ITC). It is a commitment that has been embraced by many travel service providers. The country has made strong efforts in making the destination a competitive holiday option for Muslims. Muslim tourism is not about changing or creating new products and services. Instead, destinations would only need to make adaptations and adjustments to fully accommodate the needs of Muslims. MFT is a concept that Malaysia discovered earlier than others.

This commitment also has led to rolling out extensive education programs across the industry and developing guidelines and standards for the key services. This has led to the implementation of most basic services such as halal food, prayer rooms and water friendly toilets across all facilities. They have been also very well maintained.

One of Malaysia's advantages is visa-free access where Arabs and Gulf States nationals do not require visas to visit Malaysia and they can stay for a maximum of three months in the country. Most Arab and also Asian Muslim tourists also enjoy modern shopping environments in Malaysia especially for luxury goods.

Key challenge facing Malaysia in terms of the MFT market is the growing competition for the same source markets in the region. Malaysia could not rely solely on the current trend of foreign arrivals as factors such as the changing tourists needs and other Asian competitors are among challenges that need to be confronted to further empower the industry. This is crucial if the desire to become the ultimate tourist destination in Asia is to be realized.

Based on research globally, "new tourism" is beginning to take up the demand characteristics such as quality products and experience, free and independent travelers (FIT) as opposed to mass tourism, use of new technologies in information seeking and distribution, maximize yield not volume, environmental concern and protection and direct marketing. Thus, Malaysia has to enhance the tourism industry in the future in order to remain competitive and ensure what it offers fulfils the global demand of the Muslim tourism industry.

The key lesson learnt in Malaysia's success story is that a government led commitment is required to activate the whole industry to make MFT a priority market for the destination. This has led to it now becoming the best destination for Muslim visitors in the world with all facilities, services aligning to cater to this segment. The other lesson from Malaysia is that it was committed to promoting itself as a Muslim friendly destination.

3.2 Indonesia

Tourism in Indonesia is an important component of the Indonesian economy as well as a significant source of its foreign exchange revenues. Indonesia is the world's most populous Muslim-majority nation, at 87.2% in 2010. The country is a popular tourist destination; from natural beauty, historical heritage to cultural diversity are key attractions. The tourism sector is ranked as the 4th largest industry. Singapore and Malaysia are the top two sources of visitors to Indonesia. Indonesia was ranked 6th world-wide in the Global Muslim Travel Index (GMTI) 2015.

Muslim Tourist Arrivals

The number of Muslim arrivals at Indonesia has increased slightly in recent years. Table 21 shows inbound tourism for the years 2010 to 2020.

Table 21: Muslim visitor arrivals to Indonesia for the period 2010 to 2020

Year (Inbound Tourism)	2010	2014	2020
Inbound Muslim Visitor Arrivals (Millions)	0.90	1.16	1.74
Inbound Expenditure by Muslim Visitor (US\$ Millions)	984	1,328	1,795

Source: CrescentRating, 2015

Indonesia is expected to witness an increase in the inbound Muslim tourist arrivals. The overall tourism receipt of Indonesia has also increased in a steady pace. Based on estimation, the receipt from Muslim tourism is around US\$ 1.78 billion in 2020. Muslim visitor arrivals are expected to grow in the next five years to reach 1.74 million by 2020. In 2014 the Muslim tourist arrivals was 1.16 million. This translates into a growth rate of 11.4 percent. The percentage of Muslim tourist visitors in 2014 was 13.3 percent of total arrivals and this would increase to 17.7 percent in 2020.

Faith-based needs of Muslim Traveler

a) Halal Food

Halal certification of restaurants is not as established in Indonesia as in Malaysia. Most local foods are considered halal. However, in many places, there are no clear identification of Halal food outlets. This has created some anxiety among Muslim visitors, especially those from South East Asia, who are very conscious when it comes to Halal food. There has been discussion at the government level to better streamline the Halal certification program.

Indonesia Ulema Council (MUI) is Indonesia's top Muslim clerical body. The council comprises all Indonesian Muslim groups including Nahdlatul Ulama (NU), Muhammadiyah. It was founded in 1975 as a body to produce fatwā and to advise the Muslim community on contemporary issues. Halal certification is currently issued by MUI. Halal certificate is a requirement to get government permit for halal labeling on the packaging of a product. During the last few years, increasing number of halal food outlets are getting Halal certification from MUI.



b) Prayer Facilities

There are many mosques in Indonesia, approximately 800,000 nationwide. Shopping malls, theme parks, airports, etc. all have prayer rooms. Even some restaurants have prayer rooms for diners to pray.

c) Ramadhan Services

Indonesia being a predominantly Muslim country, is a comfortable destination for Muslim during Ramadhan. However, there has not been much focused outreach to attract Muslim visitors to Indonesia during Ramadhan.

d) Water friendly Washroom

This facility is not widely available in the hotels. A few hotels are now beginning to provide rooms with their attach bathrooms having water friendly facilities.

e) No Non-Halal Activities and Recreational facilities and facilities with privacy

There are growing number of facilities, especially Hotels who are catering to this need. Sofian Hotel group has more than 10 hotels which it calls as “Shariah compliant” hotels.

Demand Side Analysis

a) Leisure Travel

Leisure is the majority of travel into Indonesia. Shopping, sightseeing and dining are a few key attractions in this regard.

Islamic culture is prominent in Sumatra, and a few of the remaining sultanate palaces can be seen in Medan and Tanjung Pinang. As such Islamic heritage tourism is also popular, especially among Indonesian Muslims and Muslims from neighbouring countries such as Malaysia, Singapore and Brunei that share a common Southeast Asian Islamic heritage. The activity is usually linked with “ziyarat” (visits) to historical Islamic sites, such as historical mosques and tombs of venerated Islamic figures.

b) Business Travel

This is an emerging sector for Indonesia. The country is attempting to grow the MICE market segment. Indonesia is also eager to develop the Muslim Lifestyle related events. The annual Indonesia Halal Expo is a 4-day event and was held this year was from 30th September to the 3rd October 2015 at the Jakarta International Expo (JIExpo). These kinds of events attract the Muslim travelers. In 2014 a conference was held on the Soft Launching on Enhancing Sharia Tourism in Indonesia, Surabaya. Indonesia is also positioning itself to be a hub for Islamic fashion. This could lead to events related to this segment.

c) Healthcare Travel

Indonesia is currently not known as a medical tourism destination. Many wealthy Indonesians have opted for medical treatments overseas for critical illnesses. However, Indonesian hospitals have been gaining more confidence and are constantly improving.

Former Tourism Minister Mari Elka Pangestu claimed *that Indonesia can become an international health destination because of its abundant natural beauty, with a huge potential to attract tourists looking for low-cost health and medical care.*

Supply Side Analysis

a) Transport terminal services (airports, cruise terminals, railway stations, etc.)

Named after Indonesia's first president, the Jakarta Soekarna-Hatta International Airport caters well to the needs of a Muslim traveler. Soekarno-Hatta International Airport is the largest airport in Indonesia and it is located in Jakarta. Being a Muslim country, it is "assumed" most food is Halal. As such not many food outlets are certified Halal by the certifying authority (Majlis Ulema Indonesia - MUI). However, in the recent years there have been a number of food outlets that have been halal certified and display the Halal sign.

All terminals have prayer rooms both in the transit area and public area. In terminal 2 there are more than one prayer room in both the public areas and transit areas. They cater to the needs of both male and female worshippers and a partition separates the male and female sections of the prayer rooms. Separate toilets and ablution facilities are also provided for males and females next to the prayer rooms. The interior of the prayer rooms is bright, spacious and adorned with decorative glass. All prayer rooms are open to worshippers 24 hours a day. The signs to the prayer rooms (Musollah) are easily noticeable.

b) Transport services (airlines, cruises, railways, etc.)

Garuda Indonesia which is the national carrier adequately caters to the needs of the Muslim travelers. In addition, the airline is well connected offering a number of direct flights to OIC member state countries.

c) Accommodation services (hotels, resorts, etc.)

Indonesia has a wide variety of hotels from offering budget to luxury accommodation for the Muslim traveler. Increasing number hotels is now providing the basic halal food and prayer information. Most hotels also have water friendly toilets. Not many hotels provide "Nice to have" features. To cater these needs there is an emergence of what is in Indonesia termed as "Shariah-complaint" hotels. One such group of Hotel is Sofian Hotel group. This Hotel group was awarded the "Best Family Halal Hotel" at the "World Halal Travel Awards"

Riyanto Sofyan, Chairman, Sofyan Hospitality mentioned that *Indonesia had positioned itself to increase the tourist arrivals especially from the GCC group of countries. However, the approach that they adopted was to better understand hotel guest and their unique requirements. A set of guidelines we adopted and became part of our standard operating procedure. Hotel staff was subsequently trained. This is an example of an approach which Sofyan hotels took. Riyanto*

commented that although the restaurants in the hotel had halal certificates a character, a sense of identity was necessary.

In Lombok, hotels are also promoting themselves as Islamic, with nine so far having gained coveted Shariah certification. The system of stars for conventional hotels is enhanced. Shariah accommodation is labeled with the crescent moon, a symbol associated with Islam, with the best receiving three. A hotel must have signs pointing towards Mecca and copies of the Koran in its rooms, as well as a kitchen where halal food can be prepared, to gain its first crescent moon.

d) Most Attractions & Activities (shopping, beaches, sightseeing etc.)

Most Shopping Malls and attractions do offer Halal food and prayer rooms. However, there are almost no beach resorts that offer private beaches as the ones offered in some parts of Turkey.

e) Travel agents/Tour operators

Indonesia outbound tour operators are now looking at providing Muslim friendly inbound packages to Indonesia. It is still not widespread.

Irawan Surya Kusuma, Founder & CEO at Trip on Halal based in Jakarta mentioned the following points on the tour operators:

- *No player really dominates the global Muslim travel niche. The opportunity is strong and many vendors are participating in various market segment areas.*
- *Although there are a couple of other players in the region with the same focus as Trip on Halal there is market opportunity for both payers to coexist.*

His comments highlight the potential growth opportunity. Even as number of vendors increase, the chance for future growth remains strong.

f) Human capital

In Indonesia there is relatively good knowledge and expertise towards catering to the Muslim traveler. There are also increasing number of workshops targeted at educating the industry on the MFT market. However, as the case across the OIC destinations, there is no structured program to develop human resources to cater to the MFT sector.

g) Destinations

The Ministry of Tourism and Creative Economy and the Indonesian Ulema Council signed a MOU to make Indonesia a premier destination for Muslim friendly tourism. Also the government is very supportive in promoting Indonesia as a Muslim travel destination. It has produced tourist guides promoting Indonesia as a 'Muslim friendly destination'. It highlights the country's best 'sharia' tourism destinations and notes there are more than 600,000 mosques in the archipelago.

Indonesia is another country apart from Malaysia which has issued a set of guidelines covering Hotels, Spas and restaurants for catering to the MFT. These standards have not yet been aggressively promoted.

SWOT Analysis for Indonesia MFT

The Table 22 provides a SWOT analysis of Indonesia MFT.

Table 22: SWOT analysis of Indonesia

Strength	Weakness
Wide range of tourism experiences with availability of prayer facilities at tourist spots and public premises	Not enough signage of halal restaurants
Well-developed attractions and entertainment options offering shopping and outdoor activities in parts of Indonesia	Not enough promotion of Indonesia as a Muslim friendly destination
Emerging “Sharia compliant hotels”, ability to cater to the needs of the Muslim tourist	
Value for money destination in offering family Islamic tourism	
Opportunities	Threats
Branding and positioning Indonesia in Islamic tourism	Competition from Islamic countries such as Malaysia which offers an established tourism infrastructure
Engaging news media and to increase awareness about MFT offerings of the country	Low air connectivity to major destinations of the world
Development of MFT infrastructure to support tourism across the archipelago in partnership with multinationals organizations and other countries	Low cost carriers have not established air routes to major international cities
Themed campaigns for example tropical destinations with white sand beaches and blue sky, for Muslim families	Use of the word “Shariah” is scaring people perhaps of its connotation. Might slow down the growth of MFT in Indonesia
Development of cultural tourism and heritage	

Summary

Tourism in Indonesia is an important component of the Indonesian economy as well as a significant source of its foreign exchange revenues. The country has much to offer to the tourist; from natural beauty, historical heritage to cultural diversity. The tourism sector is ranked as the 4th largest industry. Singapore, Malaysia, China, Australia, and Japan are the top five sources of visitors to Indonesia. Indonesia is a majority Muslim country. Hence, many of its existing facilities and infrastructure is Muslim friendly.

Providing a cultural experience is strength in the country’s offering of a Muslim friendly tourism. Lombok is at the center of an Islamic tourism drive in Indonesia, which has the world’s biggest Muslim population and is hoping to boost the number of visitors from wealthy

Middle Eastern countries. Other parts of Indonesia are hoping to benefit from the initiative as well. Aceh province, in western Indonesia and the only part of the country to enforce Islamic Shariah laws, and the capital Jakarta are both seeking to lure Middle Eastern tourists, who often bring many family members. While aiming to continue to attract Western tourists who flock to its pristine beaches, the island is also seeking to promote its Islamic heritage, from numerous places of worship to shrines dedicated to ancient Muslim preachers. Leisure travelers enjoy a cultural experience especially with an Islamic heritage focus.

The Ministry of Tourism has also been engaging the industry to develop the MFT market in Indonesia. Although it started much later than Malaysia in terms of developing the MFT sector, it has been progressing well. In November 2015, it launched the Muslim Visitor guide to Indonesia. It has also launched promotion programs with social media influencers to showcase Indonesia as a Muslim friendly destination.

Some of the challenges Indonesia's tourism industry faces include the development of infrastructure to support tourism across the archipelago, and the impact of tourism development on the life of local people. Despite the optimism of officials, there are concerns by some segments of the travel industry that advancement for Islamic tourism could alienate other visitors who want to sunbathe or relax on the beach with a drink. But the local government insists it can promote "shariah tourism" without affecting the existing industry, and that party hotspots in the area will remain unaffected.

Key lesson learnt from the Indonesian efforts on promoting MFT is that a well thought out plan should be developed and communicated to the diverse local groups and communities when launching a MFT program/strategy. This plan should ensure that MFT market and services can co-exist with other traditional tourism markets and services.

3.3 Qatar

Qatar's is another destination, which has the potential to grow in the MFT market. Qatar Tourism Authority stated aim is to develop the destination with a balance of preserving/showcasing heritage as well as building modern attractions/experiences. It is one of the five key areas prioritized for the development of tourism. Qatar currently does not offer the same variety and diversity of activities and leisure attractions as some of its neighbors like the UAE. The government has targeted the meetings, incentives, conferences and exhibitions segment as a source of development. Other niche tourism segments receiving special focus include cultural tourism and sports tourism.

The number of Muslim arrivals to Qatar has increased largely in recent years. In comparison with 2010, the total number of Muslim visitors in 2014 has increased by almost four times. Table 23 shows inbound tourism for the years 2010 to 2020.

Table 23: Muslim visitor arrivals to Qatar for the period 2010 to 2020

Year (Inbound Tourism)	2010	2014	2020
Inbound Muslim Visitor Arrivals (Millions)	0.87	1.49	2.76
Inbound Expenditure by Muslim Visitor (US\$ Millions)	1,895	5,368	19,021

Source: CrescentRating, 2015

Muslim visitor arrivals are expected to nearly double in the next five years to reach 2.76 million by 2020. In 2014 the Muslim tourist arrivals were 1.49 million. The Muslim visitor arrival growth rate will be about the same as the total visitor arrivals. The percentage of Muslim tourist visitors in 2014 was 52.0 percent of total arrivals and this would be the same over the next five years. Qatar is expected to attract Muslim tourist from the GCC region.

Dr. Hamad bin Abdulaziz Al-Kuwari, Minister of Culture, Arts, and Heritage, commented *that Muslim tourism would expand as QTA placed emphasis on culture of Qatar, for example the Museum of Islamic Art. The national strategy is to strengthen the tourism industry and turn Qatar into a cultural centre in the Gulf. A recent event held with focus on the youth was the Fourth Arab-European Youth Forum to foster dialogue between these different cultures.*

Faith-based needs of Muslim Traveler

a) Halal Food

Except for a few places, all food served is considered Halal in country as a whole.

Monitoring of restaurants in Qatar is done by Qatar Supreme Council of Health, Department of Health Outlets and Food Control, as part of an ongoing inspection campaign to improve health and hygiene standards in eating outlets across Qatar. Members from the health control department of Doha Municipality, accompanied by Internal Security Force (Lekhwiya) officers, conduct spot checks on dining premises. Mohamed Al



Sayed, Head of Food Monitoring at Doha Municipality, mentioned that operators will be fined, if standards are not maintained.

b) Prayer Facilities

In general, there is no issue to find a place to pray. Qatar has totally 1,227 mosques, more than any other GCC country.

c) Ramadhan Services

Doha is a lively city during the fasting month of Ramadan. As a Muslim majority country the whole work and lifestyle schedule switches to alternative timings for the month. Restaurants, malls, sightseeing places will operate on a different time. Food is available for Iftar and Suhoor in major restaurants. Some of the tourist places open during the night. All Masjids will have many individual and collective activities.

d) Water friendly Washroom

Most hotels are equipped with bathrooms that are water friendly.

e) No Non-Halal Activities

Qatar is a Muslim-majority country with Islam as the state religion. The local population, made up of Qataris, are all Muslims although there are high numbers of foreign workers in Qatar. Sharia law is the main source of Qatari legislation according to Qatar's Constitution. In practice, Qatar's legal system is a mixture of civil law and Sharia law. As such most facilities including Hotels do not serve alcohol nor have night clubs.

f) Recreational facilities and facilities with privacy

Muslim tourists that seek recreational facilities providing privacy for males and females may find this in a few selected hotels. These hotels could have different timing for example in the use of their gym facility.

In 2014, Qatar launched a modesty campaign to remind tourists of the modest dress code. Female tourists are advised not to wear leggings, miniskirts, sleeveless dresses and short or tight clothing in public. Men are advised against wearing only shorts and singlets.

Nasser Al Maliki, Public Relations Officer for Doha commented that *the amount of immodest clothing is growing in public places, especially shopping malls. Such foreigner behavior conflicts with our traditions. Hence, modesty in dress needs to be observed strictly in Qatar.*

Demand Side Analysis

a) Leisure Travel

This is the largest segment of travel. Under the five-year development plan of the Qatar Tourism and Exhibitions Authority (QTEA), the government aims to increase tourism. With the

expected increase of visitors, the government expects the growth in hotel rooms by almost 400 percent.

In addition, Doha International Airport (NDIA) capacity has been increased to 24 million passengers. The country is positioning to witness growth of Muslim travelers from mainly the GCC countries. It has adopted a Muslim friendly culture.

b) Business Travel

This is the segment which the government is actively seeking to grow further in the next few years. QTA has developed and launched a brand entitled “Qatar Business Events” to grow the Muslim business travel market segment. Previously there were only few conferences, workshops and other educational activities related to Halal food, Halal travel, and Muslim consumers held in the country. Hamad Al-Abdan, Director of Exhibitions at QTA commented that *the business events tourism sector is set for expansion. The capability of the country's event management services has been enhanced, exhibition capacity of QNCC (Qatar National Convention Centre) has been expanded and recently opened Doha Exhibition and Convention Centre.*

c) Healthcare Travel

The Muslim medical tourism market is in the developmental stage. The Weill Cornell Medical College Doha is the first American medical school ever set up overseas. However, this college is a teaching institution established in 2001. Qatar has become the gateway for many Arabs from Saudi Arabia and Dubai who wish to undergo cosmetic surgery and other surgeries. An area which Qatar aims to grow its Muslim tourism market is in robotic surgery.

Supply Side Analysis

a) Transport terminal services (airports, cruise terminals, railway stations, etc.)

Hamad International Airport was opened in 2014. Prayer rooms can be found throughout the passenger terminal. They offer separate areas for men and women, and include dedicated ablution facilities.

In addition, Qatar aims to develop a cruise tourism sector targeting the GCC countries. QTA hosted the Seatrade Middle East Cruise Forum where stakeholders gathered to discuss the future of cruising in the Arabian Gulf. Hassan Al Ibrahim, Chief Tourism Development Officer mentioned that he sought to “lay the ground work” for the cruise industry sector.

b) Transport services (airlines, cruises, railways, etc.)

Qatar Airways is one of the leading airlines in the world. Qatar Airways provides Halal food services on board with all meals served are suitable for Muslims and an airline special meals website page.

c) Accommodation services (hotels, resorts, etc.)

Qatar offers Muslim friendly facilities in most of its hotels. The restaurants in the Hotel provide Halal meals. However, three-quarters of Qatar's 127 hotels are in the luxury sector. This segment of the market has grown by almost 20 percent year on year over the past three years, and half of the 124 planned hotels in Qatar are expected to be for the luxury and upscale sector. Qatar is expected to review the three- and four-star hotel market. A large majority of hotels offer prayer facilities – such as designated prayer rooms, prayer mats and timetables and Qiblah signs marked in rooms – for Muslim guests for prayers. Some Hotels also offer coach services for Friday prayers.

Ahmed Khorshed, regional sales & marketing for Retaj also based in Doha said *demand for 'dry' hotels in Qatar was booming. He commented that it was very hard to predict if there would be a need for creating such a hotel in Doha. But they have found that the demand for 'Islamic' hotels is more than regular hotels. For example, 2014 occupancy in Doha hotels is 63 percent, whereas the occupancy at Retaj hotels is 87 percent.*

d) Attractions & Activities (shopping, beaches, sightseeing etc.)

Qatar provides family friendly activities. Almost all the activities provide Muslim friendly facilities. The main attraction in the city of Doha is the Museum of Islamic Art. The BBC travel guide claims that, Qatar is the most happening place in the Middle East. Doha has become one of the main cities in the GCC for shopping.

e) Travel agents/Tour operators

Currently there are about 165 tour and travel operators in Qatar. Most are focused on providing outbound tour packages.

f) Human capital

The staff at the major hotels and restaurants is very well trained. They are polite and courteous. They have a basic knowledge of catering to Muslims. However, as the case across the OIC destinations, there is no structured program to develop human resources to cater to the MFT sector.

g) Destinations

Hassan Abdulrahman Al-Ibrahim Chief Tourism Development Officer at Qatar Tourism Authority based in Doha, Qatar commented *that Qatar as Muslim country is Muslim friendly. Muslims are already travelling to Muslim countries hence the necessary service infrastructure is already in place. For example, he stated that halal restaurants are numerous in Muslim countries. The challenge, he commented is to reach out to the Muslim traveler. Each country needs to develop their own unique strategy.*

Hassan mentioned that Qatar is positioning as a destination offering heritage and modernity. The profile of the Muslim traveler is different from a decade ago. Hence understanding the Muslim tourist has become very relevant to best cater to their taste.

There are some attempts to raise the profile of country’s tourism sector such as promoting and funding programs including sports, education, authentic Qatari and Arab cultural experiences and the nation’s “sun and beach” asset. However, marketing campaign or strategies targeted at Muslim travelers is not evident. Through this focus, Qatar appears to be carving out a niche in the region that avoids competing head-to-head with other destinations such as Dubai, Bahrain and Oman.

SWOT Analysis for Qatar MFT

The table 24 provides a SWOT analysis of Qatar MFT.

Table 24: SWOT analysis of Qatar

Strength	Weakness
<ul style="list-style-type: none"> • Parts of Doha has world class infrastructure – West Bay 	<ul style="list-style-type: none"> • Most of the tourist are from OIC countries in particular the GCC
<ul style="list-style-type: none"> • World class Islamic Museum 	<ul style="list-style-type: none"> • Not well known for its tourism products and services
<ul style="list-style-type: none"> • Good connectivity and major transit hub Doha due to Qatar Airlines 	<ul style="list-style-type: none"> • Limited experience in serving the Muslim traveler
	<ul style="list-style-type: none"> • Tourism Experiences mostly concentrated in Doha
	<ul style="list-style-type: none"> • Extreme temperature during summer
Opportunities	Threats
<ul style="list-style-type: none"> • Stopover packages for Qatar Airlines especially Umrah 	<ul style="list-style-type: none"> • Competition from UAE
<ul style="list-style-type: none"> • Hosting the World cup 	
<ul style="list-style-type: none"> • Promote as both a MFT heritage destination as well as a modern city destination 	

Summary

Qatar has also the basic MFT services such as availability of Halal food, prayer facilities etc. A large majority of hotels offer prayer facilities – such as designated prayer rooms, prayer mats and timetables and Qibla signs marked in rooms – for Muslim guests for prayers.

Geographical location could be either a boon or bane. The boon is that it is located in the Middle East and surrounded by other countries where the majority of its population are Muslims. Hence, travel could perhaps be relatively hassle-free. The bane is attracting the Muslim tourist. Many countries for example Dubai offer similar infrastructure and facilities to the Muslim traveler. Qatar needs to explore avenues on how best to provide a unique and Qatari experience to the traveler. There is also a lack of inbound tour operators focusing on the MFT theme. Currently the number of tour packages to Qatar is limited.

3.4. United Arab Emirates

UAE is one of the fastest growing destinations for Muslim visitors. The continuous investment by UAE, especially by Dubai and Abu Dhabi has made it an attracting destination for Muslim for both enjoying the attractions as well as shopping. Dubai positioning itself as the “Islamic economic capital of the world” and family travel which includes MFT is one of the key verticals within the initiative. Abu Dhabi is also positioning to be the “halal Travel” destination of choice. Dubai has emerged as an important tourist destination in the global tourism map. The region has become an epicenter of attraction for business people, tourists and shoppers.

Muslim visitor arrivals have reported a good growth over the past five years. Table 25 shows inbound tourism data from 2010 to 2014 and the projections for 2020.

Table 25: Muslim visitor arrivals to United Arab Emirates for the period 2010 to 2020

UAE Year (Inbound Tourism)	2010	2014	2020
UAE Inbound Muslim Visitor Arrivals (Millions)	3.63	6.52	13.13
UAE Inbound Expenditure by Muslim Visitor (US\$ Millions)	3,757	7,734	12,947

Source: CrescentRating, 2015

UAE is expected to witness the fastest growth in inbound Muslim visitor arrivals over the forecast period, at 13.4 percent as compared to the other six country case study research. In 2020 the total inbound tourist arrivals will be 13.13 million to the UAE. This translates into 61.2 percent of all arrivals into the country to be Muslim tourist. Visitors into UAE come principally from Arab countries, especially Saudi Arabia, Europe (25 percent) and Asian countries (20 percent). Dubai and Abu Dhabi were the two leading destinations in terms of tourist arrivals into the UAE.

The main factors for tourism growth were government initiatives and continuous efforts to promote country’s travel and tourism on both the domestic and international levels. It is expected that the travel and tourism sector will continue to grow over the forecast period (2015–2020) supported by government’s significant efforts to promote tourism, develop tourism infrastructure, and participate in international events and promotional campaigns in key source countries in particular GCC nations. Emirates operating out of Dubai is also a major contributor to the visitor growth to UAE.

Faith-based needs of Muslim Traveler

a) Halal Food

Emirates Authority for Standardization and Metrology mentions – *“Issued by the 19 Council of Ministers Resolution No.10 of the national legislative system for Halal products in January 2014; the Emirates Authority for Standardization and Metrology has now introduced a special 'Emirati system' for the control of Halal products. This system comprises of basic elements pertaining to Halal products, destination certificates and accreditation bodies such as the Halal certification mark that constitutes the optimal model to ensure the sequence of processing, and obtaining Halal products.”*

The above is still about the control of food products entering the emirates and claiming to be Halal. This is especially the case for meat. However currently there is no widespread use of Halal certification for food outlets, although most food outlets in UAE are “assumed” to be Halal.

Nabil Molla, secretary general of GCC Standardization Organization (GSO), said the *UAE’s halal standards and mark are likely to be adopted at a GCC level. The GSO’s vision is to become the pioneers of standardization and excellence, both regionally and internationally. Through the facilitation of trade, the aim is to eliminate trade barriers.*

Noaf Al Naqbi, Head of the Certification and Accreditation Section at the Dubai Accreditation Centre under the Dubai Municipality, commented that *the center offers training on halal requirements on certification and awareness sessions for slaughterhouses and food manufacturers.*

b) Prayer Facilities

Prayer facilities can be found with ease almost anywhere in UAE. Shopping malls, theme parks, hotels etc. all have allocated prayer rooms for males and females. Dubai Mall is one of the world’s largest shopping malls - prayer rooms for men and women are located throughout the Mall. The Sheikh Zayed Grand Mosque, is the largest in the United Arab Emirates and eighth largest in the world.

c) Ramadhan Services

Dubai hotels and beach resorts promote great offers and room rates combined with various added value services during Ramadhan. In addition, shopping malls, restaurants and various retail outlets also have in the fasting month special deals, discounts and other promotions. Unique to Dubai is in the month of Ramadhan many hotels build in their lawn or foyer a “Ramadan tent” or “Ramadan café” for the festivities.

Ramadan tent plays an important part in providing services in the month to Muslims. The aim is to create an atmosphere or ambience of friendship. Various Muslims and even non-Muslims which may include hotel guest would have their dinner in these tents. Both Iftars and Suhoors are offered to all hotel guests in these tenets. Normally the hotel would bundle this meal into the room rates. On average, hotels charges about US\$30 to US\$60 per guest for an Iftar meal.

Ramadhan services are well promoted. Many hotels promote their Ramadan Iftar meals on various websites, for example Expat Echo Dubai (www.expatechodubai.com) provides a comprehensive listing of Iftar and Suhoor meals in Dubai for Ramadan. Dubai’s best Ramadan tents (www.visitdubai.com/en/articles/dubai-best-ramadan-tents) contains a list of the leading Ramadan tents in the country.

Salah Ibrahim Sharaf, Executive Director of Sharaf Group mentions that *understating the Muslim traveler needs is important towards providing Muslim friendly services. Dubai in his opinion has developed an interesting and necessary approach in its offering of Ramadhan services.*

d) Water friendly Washroom

Hotels room washrooms and public toilets are water usage friendly across the Emirates.

e) No Non-Halal Activities and Recreational facilities and facilities with privacy

There are a growing number of hotels in the UAE which do not serve Alcohol, and claim all food is Halal. A few international chains of hotels that are located in UAE have adopted a Muslim friendly policy. These hotels would for example have different timings for the use of their recreational facilities.

Dr Khalid Bin Abdul Aziz Al Janahi, Advisor, Dubai Islamic Economy Development Centre, mentioned *that UAE is positioned itself to be a Muslim friendly family destination. Hence, hotels and public recreational venues are starting to offer facilities with privacy.* His comments are concurred by Ahmad Belhoul, CEO of Strategy and Tourism Sector Development at Department of Tourism and Commerce Marketing, Dubai (DTCM) where he mentioned *that his organization will focus on positioning and promoting the country as a family, event and business destination.*

Demand Side Analysis (Reasons and Motivation for travel)

a) Leisure Travel

Leisure travel represented the majority of travel to UAE. The growth of leisure travel into UAE is summarized below:

- The growth was largely driven by the UAE's efforts to attract tourists by investing in tourism infrastructure such as theme parks, shopping malls and stadiums.
- It is also emerging as the global aviation hub due to Emirates airlines operating out of Dubai which, contributed to building two world-class airports in Dubai (Dubai International and Al Maktoum International).
- UAE is also continuously enhancing its position as a family destination, for example by opening the Yas Waterworld, a waterpark. Both Abu Dhabi and Dubai has number "Leisure" products in the pipeline that will further enhance its position as a Leisure destination. These include Dubai Safari Park, Dubai Opera House and Dubai Parks & Resorts' including Legoland Dubai, and Bollywood Parks Dubai
- Dubai is renowned as a shopping destination. The city's retail offering, includes for Dubai Mall, The Galleria, the World Trade Centre Mall, and Yas Mall.
- In addition, the visitor arrival growth could also attribute to the development of LCC (low cost carriers). The number of seats sold by LCCs has increased, in particular as Flydubai and Air Arabia established themselves in the market.

Chiheb Ben-Mahmoud, Head of Hotels and Hospitality for the Middle East and North Africa (Mena) region at Jones Lang LaSalle said that *sporting events contribute greatly to strengthening the UAE status as a tourist destination. For example, Tennis, Golf and Sailing are major international sporting events. In addition, Chiheb commented that VFR tourism (visiting friends and relatives) is a growth driver for leisure tourism in UAE.*

Abu Dhabi is also positioning to attract the family travelers. The Emirate witnessed the opening of Louvre Abu Dhabi in Saadiyat Cultural District in 2015. In addition, the Zayed National Museum is due to open in 2016.

Sharjah in the recent past has also been conducting halal conferences and MFT has been discussed in a number of them. It is positioning itself as the “Sharjah Islamic Culture Capital.”

b) Business Travel

UAE has become a regional hub for meetings, incentives, conventions and exhibitions. Most regional MNC headquarters are located in Dubai. It is now hosting a number of major international exhibitions and events.

It continues to attract major international events. The city hosts the Arabian Travel Market (ATM) which is the market leading, international travel and tourism event annually at the Dubai World Trade Centre. The major food exhibition “Gulf Food” also organized in Dubai.

Abu Dhabi Tourism and Culture Authority (TCA Abu Dhabi) is also actively promoting Abu Dhabi as a business travel destination. Founded in 2005, Abu Dhabi National Exhibitions Company wants to be the most successful exhibition, conference and events center in the region. Apart from owning Abu Dhabi National Exhibition Centre and Al Ain Convention Centre, it also owns the ExCeL London, the largest exhibition venue in London.

Abu Dhabi is also positioning itself as the “Halal Travel” destination of choice in the region. As a part of that initiative, the inaugural World Halal Travel Summit” was held in October 2015.

c) Healthcare Travel

The government introduced a medical tourism visa to help the advancement of this market segment. Aim of the new visa is to remove existing barriers and enable the further growth of the health and wellness sector. Foreign medical practitioners and medical specialist are now able to work in UAE for a limited period of time. The advantage of this is to facilitate access to international medical professionals. The result of these changes could aid the growth in the number of tourist seeking medical services in the country.

According to government sources, UAE aims to attract about half a million medical tourists by 2020 and increase the medical tourism contribution to the economy by US\$708 million. Medical infrastructure is expected to be developed around 4 public hospitals, 18 private hospitals and increase in the number of healthcare staff in the private-sector by 3,800.

OIC countries which the private hospitals in UAE will target include Kazakhstan, Uzbekistan and Gulf States. Treatments to be offered include plastic surgery, orthopedics and sports medicine, dental procedures, ophthalmology, and dermatology.

Supply Side Analysis (Travel and hospitality services and facilities)

a) Transport terminal services (airports, cruise terminals, railway stations)

Almost all the transport terminals including the airports in Dubai and Abu Dhabi provide Muslim friendly services. In addition, the restaurants at the airport provide Halal friendly meals. However, there is no clear signage to identify the Halal outlets at the Airport. Dedicated prayer rooms are available at the air terminals.

b) Transport services

The national airlines, Emirates Airlines and Etihad Airway, offer Halal food on board. All meals served are assured to be suitable for Muslims. However, alcohol is served on board the plane. Currently no prayer space is available on the airlines.

c) Accommodation services (hotels, resorts)

A number of hotels in Dubai offer Muslim friendly services. Most hotels now provide the basic services such as Halal food, Qiblah markings in rooms, prayer rooms in the hotel. Some hotels are also now not serving alcohol and also have notices in the room to request for a quran or prayer mat if required. UAE also boast a high percentage of its accommodation as “Apartment Hotels”. This caters well to the Muslim family travel market, especially for the large families from other GCC countries who travel to UAE. Some Hotel also have designated “ladies only” floors.

Jaya Raj , Head of Revenue and Distribution at Hospitality Management Holdings (HMH) based in Dubai UAE, mentioned that *the group is targeting the Muslim traveler. HMH group has over 20 hotels and resorts across the Middle East and North Africa. They have an alcohol-free policy. She believes that respect for local culture is integral to the business.*

Al Jawhara Group in Dubai positions itself as a “Halal Hotel”. All hotels have strict policies when it comes to not allowing alcohol brought into the hotel. In addition, it only allows married couples to stay in the hotel. Khaled Kamal, the General Manager of Al Jawhara Garden Hotel, says that *they want to position the hotel as a family friendly hotel so that not only Muslims will be able enjoy the services but also non-Muslims who look for a family friendly environment.*

d) Attractions & Activities (shopping, beaches, sightseeing)

UAE in general and Dubai in particular continues to build attractions and Shopping Malls. As for shopping, the Muslim Travel Shopping Index 2015, ranked Dubai as the top Shopping destination. As far as MFT is concerned, all attractions, shopping malls etc. do provide the needed services such as halal food, prayer facilities etc. There are number of parks and beach which are designated for “women only” during certain days of the week.

e) Travel agents / Tour Operators

The current focus of the travel agents in the UAE is on offering Muslim friendly outbound tour packages. There is no focus on providing “Muslim friendly” travel packages to the UAE. This

may be due the perception that UAE as a whole is Muslim friendly and as such there is no necessity to particularly develop Muslim centric products.

As for the outbound market, a number of small and big players have been developing products. Dnata, one of the biggest travel operators in UAE, announced in October 2015 that it is launching a series of Muslim friendly tour packages to different parts of the world. Deborah Bevan, Manager of Gulf Ventures which became part of Dnata in 2006, mentioned that *they offer a comprehensive range of leisure services, to the Muslims outbound market.*

Irfan Ahmad, CEO and founder of Irhal.com, which is a travel platform targeting the Muslim market, mentioned that *online travel agents are gaining market share in the UAE. He mentions the following;*

- *Though offline agents account for the overwhelming majority of transactions across all categories of the travel and tourism market in the UAE, online agents continue to record strong levels of growth.*
- *By using social media and the internet and companies do not only promote their products, but also increasingly, encourage purchases by offering promotions and deals only available online.*
- *Given the high level of penetration of the internet and social media in the UAE, online sales are expected to continue to grow.*

f) Human Capital

As in all other OIC member states, there has not been a comprehensive training approach to travel industry to cater to the MFT market.

g) Destinations

The UAE's tourism industry continues to benefit from the country's political stability. As a whole destination, UAE is considered a very Muslim friendly destination. It is ranked no. 3 in the Global Muslim Travel Index 2015.

Focused efforts to develop the Muslim tourist market remains strong through the "Dubai the Islamic Economy Capital" initiative. By 2020 the percentage of Muslim visitors would be 61.2 percent of the total inbound tourism into the country. The political problems in some key regional tourist destinations is resulting in a significant increase in the number of visitors to the UAE as traditional visitors to those regional destinations increasingly choose the UAE as an alternative destination for their holidays.

Strengths and challenges for the UAE's MFT segment

From a MFT point of view, the launching of UAE's launching of its "Capital of the Islamic Economy" initiative in 2013 will strengthen its position. The initiative is based on 7 verticals. One of them is "Family Travel", which is a positioning that has been taken to cover MFT as well.

The Dubai Islamic Economy website (<http://www.iedcdubai.ae/>) states the following:

“The Dubai Islamic Economy Development Centre (DIEDC) was established in 2013 by Dubai Law 13 of 2013 and under the supervision of His Highness Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai, to develop and promote Dubai as the global capital of Islamic economy.

The global tourism industry has begun to recognize the growing opportunities of the family tourism market, and Islamic tourism in particular. Local economists consider the family tourism sector to be among the most promising ones for future travelers. “

Shopping experience is a key strength of Dubai. The Dubai Shopping Festival is a month-long festival held during month of January each year. During the festival the entire emirate becomes one massive shopping mall.

Emirates like Abu Dhabi, Ajman and Fujairah have slowly been increasing their share of international arrivals year-on-year, though apart from Abu Dhabi, these other Emirates continue to currently account for a negligible proportion of international arrivals in 2014. Majority of arrivals are to Dubai. The challenge is to develop the other emirates in attracting more tourists. Qatar is also gaining prominence in the tourism map. United Arab Emirates also faces competition from less expensive destinations such as Lebanon and Egypt.

3.5 Tunisia

Muslim Tourist Arrivals

The overall tourism receipt of Tunisia has reached US\$ 3.6 billion in 2014 and contributing 7 percent of total Tunisia GDP. Based on estimation, the receipt from Muslim tourism is around US\$ 1.5 billion. Table 26 shows the inbound tourism to Tunisia. The data from 2010 to 2014 are actual and the forecast is from 2015 to 2020.

Table 26: Muslim visitor arrivals to Tunisia from 2010 to 2020

Year (Inbound Tourism)	2010	2014	2020
Inbound Muslim Visitor Arrivals (Millions)	3.08	2.97	3.03
Inbound Expenditure by Muslim Visitor (US\$ Millions)	1,551	1,316	1,122

Source: CrescentRating, 2015

The country does provide Muslim family friendly attractions and activities, which encompasses mainly historical sites and coastal resorts. The below are key statistics on Muslim arrivals into Tunisia.

- Although the inbound Muslim visitors are expected to grow over the forecast period, the expenditure per visitor will decline by 2.5 percent. By the year 2020 Muslim visitor arrivals will be 3.03 million.
- The average Inbound Muslim Visitor Expenditure is relatively low at US\$443 in 2014. By 2020 the inbound Muslim tourist expenditure will be US\$370.
- Nearly 50 percent of all inbound tourist to the country are Muslims. The average expenditure by the Muslim tourist is higher than as compared to the general tourist expenditure. Tunisia could further improve its Muslim friendly facilities to cater for the expected growth of Muslim tourist arrivals in the next five years. In 2014 total Muslim arrivals into Tunisia were 2.97.

Jamel Gamra Minister of Tourism Tunisia mentioned that the *country witnessed about 35 percent of the hotels either closing operations or downsizing. However, the country is highly optimistic that it would recover. Positive plans are in place to attract the Muslim tourist. The country plans to develop Muslim friendly facilities and service. In addition, Medical tourism is an area which the country is exploring. Having some of the oldest educational institutions, it could also look at making them attracting for Muslim to visit.*

Faith-based needs of Muslim Traveler

a) Halal Food

Tunisia has good foundations and great potential for further developing Muslim-services infrastructure as well as Halal food and awareness. The country has been ranked in the top ten best destinations for Muslim tourists worldwide. Although the Halal certification process is still being finalized, halal food is available almost all restaurants and dining outlets. Muslim population percentage in the country is 99.8 percent. It means that Tunisia has nearly 11 million Muslim people in 2014.

b) Prayer Facilities

Tunisia has plenty of mosques and prayer facilities located in main areas of every cities. Here are some examples in Tunisia's main cities:

- In the old city of Tunis, the Medina, Zaytuna Masjid is the largest and is one of the main landmarks in the city.
- Sousse has a number of ancient Masjid with the main being the Great Masjid built in 850A.D. It is located in the centre of the city.
- In Sfax, there is the Great Masjid, founded in 849AD and rebuilt in the 10th/11th century.

c) Ramadhan Services

Many restaurants offer Ramadhan services which includes Iftar buffet dinner. A number of tourist travels to the country to spend their fasting month. After Iftar a variety of food stalls scattered outside the mosques provide local street food.

d) Water friendly Washroom

A few hotels are beginning to provide rooms with attach bathroom that are water friendly.

e) No Non-Halal Activities & Recreational facilities and facilities with privacy

There are no Hotels, beaches or other tourism services which caters to the needs of some Muslims looking for such facilities. Tunisia is ideally positioned to look a small section of its facilities offering such services.

Demand Side Analysis

a) Leisure Travel

This is the majority of travel into Tunisia. Holidays at various beach resorts and dining are a few key attractions. Muslim tourists from neighboring countries (e.g. Algeria and Libya) have holiday frequently in Tunisia. However, the recent security-related problems have impacted its tourism market.

b) Business Travel

Current climate does not favor the business travel market. When the country becomes more stable, it could look at developing the MICE sector.

c) Healthcare Travel

The number of Muslim tourist traveling to Tunisia for health tourism was growing at a steady rate. Increasing number of medical tourists is visiting Tunisia every year. The majority come from Libya because of the relatively better level of care available in Tunisia. and the current state of Libyan healthcare. Libyans regularly visit private Tunisian hospitals for check-up, with their government helping pay the professional fees for the medical service. Cosmetic surgery and dental treatment are reasons the country attracts many patients. Health Minister

Mohamed Salah Ben Ammar commented that the medical services rendered is amongst the best in North Africa, offering high value for money.

Jamel Gamra Minister of Tourism Tunisia mentioned that *the country is keenly exploring Healthcare products and how it could improve and positively impact health tourism. Some facilities have expressed a desire to participate in the activity.*

Supply Side Analysis

a) Transport terminal services (airports, cruise terminals, railway stations, etc.)

The largest international airport in Tunisia is Tunis Carthage Airport. It has many Halal restaurants and prayer rooms. There are separate prayer rooms within the airport after and before security sections. Ablution could be done in the rest rooms. Passenger traffic has reduced at the airport.

b) Transport services (airlines, cruises, railways, etc.)

Tunisair, Nouvelair Tunisia, TunisAir Express and Tunisavia are some of the airline companies operate in the country.. Tunisia adequately caters to the needs of the Muslim travelers flying into the country on the national carrier Tunisair in which. O only halal food is offered.

Jamel Gamra Minister for Tourism Tunisia mentioned that *he is eager on establishing air-connectivity with the GCC countries. If direct flight connections were offered between two countries then tourist could perhaps easily travel. He further added that working with regulatory authority to increase the connections was in progress.*

c) Accommodation services (hotels, resorts, etc.)

Tunisia has a wide variety of hotels, offering budget to luxury accommodation. Its beach resorts are popular in attracting Muslim tourist. Hotels offer basic services to Muslim such as Halal food. Eateries might not display the Halal logo as they offer services to the non-Muslim tourist as well. A number of restaurants in Tunisia are beginning to provide Ramadhan services which may include buffet meals to be taken after iftar.

d) Attractions & Activities (shopping, beaches, sightseeing etc.)

Tunisia's main attractions are the beaches. However, there are almost no beach resorts that offer private beaches as the ones offered in some parts of Turkey.

Wahida Jaiet, Director at the Tunisian National Tourist Office (TNTO), said that *the country still has the sandy beaches and thousands of years of history that have attracted Muslim visitors for many years, but add to that the fascinating culture and a renewed sense of optimism that you can't help but share, and there really is more to celebrate in Tunisia than ever before. The government remains very supportive in attracting the Muslim tourist.*

e) Travel agents/Tour operators

Not many inbound tour operators have been focusing on the MFT market.

f) Human capital

In Tunisia, there is an awareness and knowledge on how to cater towards to the Muslim traveler due to it being a Muslim country. However, there are no structured programs to educate the industry and hospitality staff on the MFT market.

g) Destinations

Tunisia is a preferred travel destination by Muslims because of the following reasons;

- ✓ Very friendly and courteously people
- ✓ High Muslim-friendly services and facilities available
- ✓ Great halal dining

A new tourism plan unveiled in 2014 calls for promoting Tunisia as a new beach destination and targeting new markets - notably the Persian Gulf and Asian countries - while keeping a focus on the traditional European market. In addition, the plan involves developing Muslim friendly facilities. Also there would be a change in priorities, variation of the tourism product and the use of new technologies in marketing.

The Tunisian government recognizes that the tourist industry has far to go on the road to recovery. Officials have assured the sector that marketing campaigns aimed at promoting Tunisia's new image would help bring back tourists. They remain committed in developing the Muslim friendly facilities towards attracting more Muslim tourist.

Jamel Gamra Minister of Tourism Tunisia said that *the main tourist markets were Europe and Arab countries. The key tourist attractions were beach holiday and cultural sightseeing, dessert adventure and health and wellness. He is keen in actively promoting an adventure holiday to the tourist from the GCC countries. The promotion needs to feature the difference the Muslim tourist will experience and would not be available in their country.*

Strengths and challenges for the Tunisia's MFT segment

Tunisia's tourism products are mainly based on its beaches and beach resorts. It is positioned as a sun and sea destination. Tunisia has, nonetheless, a lot more to offer in terms of culture, ecotourism, health & wellness, and even golf tourism, all of which could target Muslim visitors. However, the recent violent incidents at, or close to, tourist hotspots has made it a huge challenge to grow the tourism market in general and MFT in particular in Tunisia. The majority of country's population are Muslims. Hence it has a good foundation and great potential for Muslim friendly services infrastructure as well as Halal awareness.

3.6 Singapore

Singapore is one of the most successful destinations which has been able to cater to the needs of both Muslim and non-Muslim travelers. The success on the MFT market is mainly due to its proximity to Indonesia, Malaysia and Brunei as well as having a large local Muslim community. The local Muslim population constitutes around 15% of the total population. This has also meant that sizable population of Singaporeans do have a better understanding of the some of the faith-based practice and needs of the Muslims.

Muslim Tourist Arrivals

Muslim visitor arrivals have reported a good growth over the past four years. Table 27 shows inbound tourism data from 2010 to 2014 and the projections for 2020.

Table 27: Muslim visitor arrivals to Singapore for the period 2010 to 2020

Year (Inbound Tourism)	2010	2014	2020E
Inbound Muslim Visitor Arrivals (Millions)	2.35	3.14	5.19
Inbound Expenditure by Muslim Visitor (US\$ Millions)	3,643	5,159	9,923

Source: CrescentRating, 2015

Below are a few highlights of the Muslim tourist arrival data;

- Forecast growth of inbound Muslim visitors over the next five years will be 9.3 percent. This reflects the increasing initiatives and strategies by the government and other travel industry players to attract the Muslim tourist. Singapore is expected to continue attracting the Muslim tourist. The total Muslim visitor arrivals by 2020 will be 5.19 million compared to 3.14 million in 2014.
- The growth of inbound Muslim visitor expenditure over the next five years will be 12.0 percent. Muslims are expected to spend higher on accommodation and shopping. Their duration of stay in Singapore would be on average longer than other tourist. In the year 2020 Muslim tourist is expected to spend average of US\$1,912, compared to US\$1,643 in 2014.
- In 2014 Muslims accounted for 24.6 percent of total arrivals, this is expected to increase to 27.2 percent over the forecast period.
- The country is recognized for its safety, continued upgrading and enhancement to existing attractions, building new attractions, Halal dining experience, ease of access to prayer spaces and shopping.

Singapore tourism sector is becoming competitive. Mohamed Firhan Abdul Salam, Middle East & Africa Area Director for Singapore Tourism Board, commented that *Arab tourists from Middle East region to Singapore would spend about 2 to 3 nights on Sentosa Island then move their stay to a hotel on Orchard road for an equivalent duration stay. Singapore is also a favored destination due to its shopping experiences, with the latest designer fashion wear available much earlier than in other destinations.*

John Conceicao – Director of strategic planning and innovation, Singapore Tourism Board said *that Muslim visitors are important to Singapore tourism, with many coming from our top key markets Indonesia and Malaysia, and increasingly from the Middle East.*

Faith-based needs of Muslim Traveler

Singapore caters well for Muslims when it comes to their basic faith-based needs.

a) Halal Food

Singapore is highly mature in their understanding of Halal requirements. In fact, most Singaporeans are familiar with the term Halal. As such it has by far the best Halal food availability among the non-OIC destinations. MUJIS (Majlis Ugama Islam Singapura) administers and regulates Halal certification in Singapore. It issues individual Halal certificates to restaurants, food stallholders, food companies or any other eating establishment that complies with the terms and conditions of its Halal certification system.

Singapore has more than 10,000 Halal certified food outlets. There is a Halal certified or Muslim managed food outlet almost everywhere in the island. Abdul Rahim Saleh, Chief Executive Officer at Warees Halal Limited said; *Halal certification is part of the Singapore Brand.*

In some food courts, there is also clear signage to return cutlery to Halal and non-halal counters.

The majority of the Muslim population feels that Singapore currently has adequate services and facilities to cater to the Muslim visitors, especially when it comes to food.

b) Prayer Facilities

There are ample prayer facilities in Singapore. There are about 70 mosques in the country. In addition, small prayer rooms can be found at some selected shopping centers. Some major attractions such as the Universal studios provide prayer rooms.

c) Ramadhan Services

Muslim visitors to Singapore should not find it difficult during the month of Ramadhan. Some Hotels will cater to the sahoor and iftar needs. Some Hotels have special promotions of Halal buffet's during Ramadhan. There is also a "Ramadhan bazaar" which not only caters to the local population but also has become a tourist attraction.

d) Water friendly Washroom

A few hotels are beginning to provide rooms with attached bathrooms that are water friendly. Although not widely available, hotels are receiving inquiries as to whether they have water friendly washrooms.

e) No Non-Halal Activities & Recreational facilities and facilities with privacy

There are no Hotels, beaches or other tourism services which caters to the needs of some Muslims looking for such facilities.

Demand Side Analysis (Reasons and Motivation for travel)

a) Religious Travel

There is no inbound travel to Singapore for religious reasons.

b) Leisure Travel

This is the majority of travel into Singapore. Shopping and dining are some of the key attractions.

Indonesian Muslims are one of the largest visitors to Singapore. This is aided by budget airline flights from Singapore to Surabaya and Jakarta. In addition, many Muslim tourists from Indonesia travel frequently to Singapore for the shopping and entertainment. Visiting family and friends is also an important reason for their travel to Singapore. A number of Indonesian Muslims have investment in Singapore. This could be a holiday apartment or investment in the country. Visitor arrivals from Malaysia to Singapore grew strongly with a compound annual growth rate (CAGR) of 9 percent over the period 2010-2014. The growth in visitor arrivals from Malaysia coincided with the opening of air routes between Kuala Lumpur and Singapore to Low-cost Carriers (LCC). So popular were the LCCs that they overtook Full Service Carriers (FSC) as the choice mode of air travel to Singapore.

The top considerations when visitors from Malaysia plan for a holiday are travel budget and the availability of travel promotions. Due to these travel promotions by airlines, Malaysians generally plan their trip in advance to take advantage of the low fares.

The proliferation of the Internet has also changed the way visitors from Malaysia plan and book their trips as they now use the internet to get ideas and information for travel destinations and activities. This is especially so for Malaysians when they travel to Singapore, as there is a strong reliance on online sources, particularly social media, for recommendations and places to visit.

Fawad Khan of Singapore Airlines based in Jeddah and Saudi Arabia mentioned that *the issues hampering the inbound tourism market into Singapore from the Middle East was the visa requirements. Singapore government started enforcing strictly the requirement of a Letter of Introduction (LOI) for Saudi national seeking a visa to Singapore. This LOI is a sponsorship letter from a Singaporean to a Saudi tourist responsible for their travel into the country. Without this letter a visa would not be issued.*

Any Singapore Citizen or Singapore Permanent Resident who is at least 21 years old can act as a local contact. If they are not able to furnish a LOI from a local contact, then they may approach the Singapore Embassy to issue a LOI to support their visa application.

In contrast nationals from United Arab Emirates do not require a visa for travel to Singapore.

According to a comment made by Mohamed Firhan, *Arabs are increasingly performing price comparison between destinations before selecting a holiday. With the recent currency turmoil, Malaysia emerges as a very competitive location. However, many Arabs are of the opinion that Singapore provides a better tourism experience.*

c) Business Travel

This is a fast growing market segment due to the MICE (Meetings, Incentives, Conferences and Events) activities. Singapore is renowned in this area with many international conferences happening throughout the year.

Singapore is a well-established premier financial hub for Asia. In addition, the government has taken a strong vision to establish Singapore as a global financial centre. Over the years, the government has provided critical support and a wide range of opportunities and incentives for financial institutions to expand and grow their businesses in Singapore. This has helped Singapore attract a number of business travelers. Muslim businessmen travel often to Singapore particularly from the GCC and South East Asian region. They have investments in the country. This is because Singapore has a strong, efficient and transparent legal and judicial framework, presenting a favourable regulatory and business environment with a high degree of banking confidentiality.

Singapore has two major conference venues. The large capacity of the venues enables the country to host a number of major conferences and event. Two venues are as follows;

- Suntec Singapore Convention & Exhibition Centre. The Urban Redevelopment Authority (URA) mentioned Suntec City as one of the largest commercial developments in Singapore. The convention centre has a total of 100,000 square metres of space.
- Singapore Expo. The Singapore EXPO is the largest convention and exhibition venue in Singapore covering over 10 exhibition halls.

Major events that were held in Singapore include amongst others the Youth Olympics games, SEA games and Food Expo. Other major events continue to attract Muslim tourist from the region and the GCC countries. A website (www.yoursingapore.com/mice/en/events-calendar.html) contains a comprehensive listing of all events.

Muhammad Kamal President of Singapore Halal Culinary Federation mentioned that *he is keen to have a Halal Food Festival to help the Muslim business tourism market. Currently a food festival is held in July which coincides with the Great Singapore sale. This food festival is endorsed by the Singapore Tourism Board (STB).*

d) Healthcare Travel

The number of Muslim tourists traveling to Singapore for health tourism is growing at a steady rate. International patients travel to Singapore each year for a whole range of medical care from health screenings to high-end surgical procedures in specialties such as cardiology and pediatrics. In 2014, medical expenditure generated from travelers was approximately US\$610.1 million.

This is because the hospitals provide experienced healthcare professionals with the latest equipment. The challenge is that the price of the healthcare facility in Singapore is higher as compared to that available in neighboring countries such as Malaysia and Thailand.

Most hospitals are able to provide Halal food, as well as have some space for prayers.

Supply Side Analysis (Travel and hospitality services and facilities)

a) Transport terminal services (airports, cruise terminals, railway stations, etc.)

The main airport in Singapore is Changi Airport. Prayer rooms are available in all the Terminals (1, 2 and 3) within the Transit areas. Although they are multi-faith prayer rooms, they cater to the requirements of Salaah with wudu facilities and male and female prayer areas. The directions to the prayer rooms are clearly marked. The only drawback is the unavailability of prayer rooms in the public area of the terminals. All three terminals have food outlets in both in the transit and public areas which are certified by the local certificate body MUIS.

Muslim tourists made some comments on the transport terminals:

- *A Singapore tour guide said that he is thankful for Singapore Changi Airport catering to the needs of the Muslim tourist. It demonstrates warmth to the Muslim traveler.*
- *A Changi Airport official said that as awareness of the need to cater for Muslims is slowly growing we have actively sought to cater to their needs.*

b) Transport services (airlines, cruises, railways, etc.)

Singapore Airlines, the national carrier of Singapore does cater Halal food. Singapore Airport Terminal Services Limited (SATS Ltd), is the ground-handling and in-flight catering service provider at Singapore Changi Airport. SATS has a separate Halal kitchen where food is prepared for the Muslim traveler.

c) Accommodation services (hotels, resorts, etc.)

Singapore has a wide variety of hotels, offering budget to luxury accommodation. In addition, some restaurants in hotels now offer halal food. They might not display the Halal logo because these restaurants could serve alcoholic beverages. A number of Hotel restaurants in Singapore are beginning to provide Ramadhan services which may include buffet meals to be taken after iftar. Even some restaurants in five star hotels offer a wide selection of cuisine for the Muslim traveler in Ramadan.

IE Singapore's regional director for North Asia Pacific, Mr Lee Hoi Leong *commented on the accommodation services the country offered. He said that Muslim travelers are the largest under-served niche market for the tourism industry. Multi-ethnic Singapore has an innate capability to cater to the lifestyle of the Muslim community in a Muslim-minority country.*

Mohamed Yusof Hamzah, Director of Business Strategies at Royal Plaza on Scotts based in Singapore mentioned that the following steps were undertaken to attract the Muslim tourist.

- *During Ramadhan, he mentioned that the hotel offers Sahur that starts from 3 am.*
- *Dates are served at the start of dinner buffets during this period.*
- *Qurans and Qiblah signs are in each of our 511 rooms, with Prayer room in the Hotel and Salaah timings available upon request.*

He commented further that the small touches make Muslim tourist stay with the hotel more comfortable.

d) Attractions & Activities (shopping, beaches, sightseeing etc.)

Muslim travelers visiting an attraction in Singapore would find them to be very Halal friendly. Halal food is generally available in all the major attractions. Some attractions like Universal studios also have prayer rooms.

e) Travel agents/Tour operators

Most travel tour operators can make sure that Muslim visitor coming through them are catered with Muslim friendly services.

f) Human capital

Singapore is fortunate that although it's a non-OIC member state there is a high level of awareness, knowledge and expertise towards catering to the Muslim traveler. Muslims and non-Muslims alike are fairly familiar with the unique needs and preferences required by Muslim travelers. MUIS conducts many programs in the Halal food area. However it does not have specific programs to develop human resources for the MFT..

g) Destinations

Singapore is a preferred travel destination by Muslims because of the following;

- Family friendliness and safety
- High Muslim-friendly services and facilities available
- Good Halal awareness and reach to Muslims

Singapore was ranked one of the safest cities in the world by the Safe Cities Index published in Economic Intelligence Unit. With a significantly large Muslim population, Singapore is also very safe for Muslim travelers. In addition, the Singaporean government demonstrates high maturity, tolerance and responsibility towards all religions. Another appeal is that Singapore is the city to be if you are a foodie, according to Shahrizal Salleh (Chef Bob) of Sedap Corner Asian Fare & Grill. Thankfully, halal restaurants are aplenty and easy to find in Singapore.

Due to cultural similarities, OIC Asian-grouping countries generally view Singapore as a preferred travel destination. The OIC Asian group continues to be the top five contributors in terms of visitor arrivals into Singapore.

Strengths and challenges for the Singapore's MFT segment

Singapore has been successful in attracting both Muslim and non-Muslim visitors to the island. The *GMTI (2015)*¹⁷ report ranks Singapore as the No. 1 Muslim friendly destination among the non-OIC countries. With Muslim arrivals constituting around 20 percent of the total arrivals in 2014, it is a good example of how a destination manages the needs of both Muslim and non-Muslim visitors.

The key strength of Singapore also lies with its local Muslim population. With around 15% of the population being Muslim, Singapore has been able to develop a strong Halal food and

¹⁷ MasterCard-CrescentRating (2015); Global Muslim Travel Index 2015 (GMTI); Singapore CrescentRating



Muslim friendly services eco-system. Singapore has one of the strongest Halal certification bodies among the non-OIC countries. Singapore tourism board published the Muslim visitor guide way back in 2010. The key challenge for Singapore is the emerging competition from countries like Japan, Korea and Taiwan targeting the main source market of Singapore; Malaysia and Indonesia.

3.7 United Kingdom

The UK is the second most visited destination by residents of the UAE with the number of visits doubling in the last ten years. Leisure visits predominately take place in July to September. London in particular is a popular destination for tourists- with shopping, entertainment and dining being the main attractions. UK has over 2.8 million Muslim people which is a large population for a non-OIC country. Table 28 provides the inbound tourism to the United Kingdom between 2010 and 2020.

Table 28: United Kingdom inbound tourism from 2010 to 2020

Year (Inbound Tourism)	2010	2014	2020
Inbound Muslim Visitor Arrivals (Millions)	1.70	2.08	2.47
Inbound Expenditure by Muslim Visitor (US\$ Millions)	2,442	3,312	4,058

Source: CrescentRating, 2015

Below are a few key points on Muslim tourist arrivals;

- The inbound Muslim visitors' growth was at 3.0 percent. Muslim tourist prefers travel to UK because it caters well to the basic needs such as Halal food and prayer facilities.
- By 2020 the total number of Muslim visitor arrivals will be 2.47 million. In 2014 Muslim arrivals were 2.08 million.
- By the end of this decade a Muslim tourist average expenditure will surpass the US\$1,642. This would be higher than the general tourist expenditure. Attraction, sightseeing and shopping are the key activities for tourist traveling to UK.
- In the next five years as a percentage of total inbound Muslim tourist will account for 8.4 percent of total arrivals. This translates into almost one in ten tourist traveling to UK would be a Muslim. Amongst all the EU countries this could be one of the highest percentages. Tourists from the Middle East strongly favor travel UK.

Faith-based needs of Muslim Traveler

a) Halal Food

Halal food is readily available throughout the country. Most local Halal restaurants and eateries in United Kingdom also maintain their own websites and have established a good online reputation. Furthermore, a few online directories are also available, providing Muslim travelers useful information on where to find Halal food. The two halal authorities are mentioned below:

- The Halal Food Foundation (HFF), website (www.halalfoodfoundation.co.uk), is a non-profit, registered UK charity. Their aim is to make the concept of 'halal' more accessible and well known to the public through training schemes, workshops and educational material.
- The Halal certification body is one of the main sources of information – halalfoodauthority.com. Halal Food Authority (HFA) is an independent, voluntary, non-profit, organisation operating as a commercial wing of a registered charity under Islamic supervision of halal inspection audit principle rules recognition registration and certification its halal compliance.

Restaurants are beginning to display Halal logo to attract Muslims tourists.

Kazi Shafiqur Rahman, Co-Founder of Sunnamusk, mentioned in reference to displaying the Halal Logo, he expressed determination to continue to display it despite many non-Muslims viewing Halal food as being only for Muslims.

b) Prayer Facilities

There is a great deal of mosques scattered across the United Kingdom. London is a huge metropolitan city and is divided into several areas. The city is home to over 345 Mosques and it is estimated that London probably has the largest number of Mosques than any other city in the western world. Birmingham has a considerable Muslim population with over 154 Mosques in the city.

c) Ramadhan Services

Ramadhan services are well observed in the various Mosques. Iftar is provided to all and most participate. The younger Muslims prefer to dine with their friends at restaurants. This has prompted restaurants to start offering special iftar menus which includes a buffet.

d) Water friendly Washroom

Only a few hotels are beginning to offer rooms with attached bathrooms that are water friendly. This is not widely available. However, tour operators and starting to make inquiries as tourists are asking for this option.

e) No Non-Halal Activities

The Muslim traveler considers a few activities to be "Haram or non-Halal". Hence, they prefer to avoid facilities that serve alcohol, for example bars. Muslims tend to avoid Casinos. The United Kingdom has a large number of bars and other such establishments for drinking are part of the UK culture. Muslim tourists are beginning to inquire if their hotel is located in close proximity to drinking places.

f) Recreational facilities and facilities with privacy

Muslim tourists that seek recreational facilities providing privacy for males and females may find this in a few select hotels. However, this is not a wide practice offered by boutique hotels. Most hotels do not offer this service.

Demand Side Analysis

a) Leisure Travel

For Muslim visitors, leisure travel is the main tourist market of the United Kingdom, with shopping, entertainment and dining being a few key attractions. The United Kingdom is well positioned to witness further growth of Muslim tourists because of the friendly facilities and services provided to the traveler.

b) Business Travel

This is a fast growing market segment due to the MICE (Meetings, Incentives, Conferences and Events) industry. The United Kingdom is renowned in this area. The key market driver is the business opportunities. The UK property market attracts the Muslim business traveler. A number of Middle East residents have property in London.

Bilal Domah, Co-Founder and Director of the Halal Tourism Conference, mentioned *that the United Kingdom businesses needs to seriously look at Muslims Business travel because it is growing so rapidly. It provides a great opportunity for every industry participant. Hence with events targeting the Muslim business traveler, tourism is expected to advance further.*

There are also growing number of Muslim Lifestyle events held now in the UK. United Kingdom hosted the Muslim Lifestyle Expo (MLE). This is a premier B2C event. The main objective of such a forum is to increase awareness especially amongst the non-Muslims.

c) Healthcare Travel

The number of Muslim tourists traveling to United Kingdom for health tourism is growing at a steady rate. The reason for this growth is the relatively mature state of the healthcare industry in UK. In addition, the hospitals provide experienced healthcare professionals with the latest equipment. The challenge is that the price of the healthcare facility in United Kingdom is higher as compared to that available in the neighboring countries of France and Germany. Both these countries' medical services and facilities could be considered to be on par with UK. Muslim medical tourism is expected to grow in the next five years. However, the growth is from a low base.

Supply Side Analysis

a) Transport terminal services (airports, cruise terminals, railway stations, etc.)

Most airports in the UK have prayer facilities. Most of them are multi-faith prayer rooms. There are no prayer rooms at major railway stations. As for Halal food, there are a few Halal food outlets now at the major international airports in the UK.

b) Transport services (airlines, cruises, railways, etc.)

United Kingdom adequately caters to the needs of the Muslim travelers flying into the country on the national carrier British Airways. Halal food is available upon request. Most long distance train services do not necessary offer Halal food options, although vegetarian choices are generally available.

c) Accommodation services (hotels, resorts, etc.)

The United Kingdom has a wide variety of hotels, ranging from budget to luxury accommodation throughout the country. In addition, some restaurants in hotels now offer halal food with some receiving their groceries from halal certified suppliers.

Some hotels and restaurants are also offering Iftar meals, which include buffet meals to be taken after breaking fast. A few restaurants in five star hotels offer a wide selection of cuisine for the Muslim traveler in Ramadan.

d) Attractions & Activities (shopping, beaches, sightseeing etc.)

The Muslim travelers, visiting an attraction in United Kingdom would generally find Halal food or vegetarian choices. Most do not provide prayer facilities.

Nabeel Shariff, Director at Serendipity Tailormade based in London, *said that wearing the Hijab at tourist attractions in United Kingdom is common. There is no discrimination at all by either the locals or non-Muslim tourist.*

e) Travel agents/Tour operators

Currently not many Tour operators are offering Muslim Friendly Tour packages to the UK. There are a few UK based outbound travel agents who offer out bound Muslim friendly packages. They could eventually offer UK inbound packages as well. A number of major tour operators like Kuoni are beginning to develop UK inbound packages to cater to Muslims.

f) Human capital

United Kingdom is fortunate that although it's a non-OIC member state there is high knowledge about the Muslim lifestyle due its large Muslim population. Although Muslim tourists may be served in restaurants by non-Muslims in the country they are fairly familiar with the special needs and preferences required by Muslim travelers. However, there are no structured programs to develop human resources specially to cater to the MFT segment.

g) Destinations

United Kingdom is a preferred travel destination by Muslims because of the following;

- Variety of activities which is offered throughout the country
- Understanding and respect of the Muslim traveler
- Good availability of Halal food

With a significantly large Muslim population, especially in the cities of Bradford, London and Manchester the destination attracts many visitors. In addition, the National Tourist Board for England a non-governmental organization supported through a grant from the Department for Culture, Media and Sport (DCMS) is very supportive in attracting the Muslim tourist into the country.

UK makes a great travel destination for Muslims due to the growing awareness for the need of at the destination. Many restaurants have gone out of their way to ensure halal food availabilities all year round, in order to cater for Muslim visitors, especially from the Middle East who regularly visit the country. Additionally, a few cities with large Muslim populations in UK are renowned for a particular food theme. Bradford is popularly known as the curry capital of Britain.

The large number of luxury retailers present in the UK is a strong attraction. Tourists from the Middle East region enjoy shopping at luxury retailers. In addition, the ability of many Muslim tourists from Middle East and Asia to speak English also facilitates trips to the UK. Leisure visits predominately take place in July to September.

Strengths and challenges for the UK's MFT segment

The UK has had strong tourism growth, especially since hosting the London Olympics in 2012. Due to its growing local middle class Muslim population, there are many Halal food outlets and Muslim friendly services across the UK. This has also meant that there is a steady growth of Muslim visitor arrivals to the UK. In 2014, Muslim Visitor arrivals to the UK accounted for 6.6 percent of the total arrivals compared to 6.0 percent in 2010.

The key strength is its local Muslim population. UK has over 2.8 million Muslims people which is a large population for a non-OIC country. This has resulted in the development of a many Halal food and Muslim friendly services. It also has a number of Halal Certification bodies with some of the focusing on Halal restaurant certification.



Muslim Friendly Tourism (MFT):
Understanding the Supply and Demand Sides
In the OIC Member Countries

Chapter 4: Conclusion and Recommendations

While a few OIC destinations such as Malaysia, Turkey and the UAE have done relatively well in recent years, the tourism industry continues to evolve and is becoming more challenging in tourism sector for the Member Countries. The MFT market offers a huge opportunity for the OIC member states. OIC destinations have unique inherent strengths to cater to this segment. With the growth of the MFT market, these strengths can now be further productized to capture a major share of the Muslim visitor arrivals. However, with increasing competition from non-OIC destination, it is evident from the study that OIC member states need to accelerate the strategy development and execution in order to be leaders in the MFT segment. The implementation of the following recommendations will allow OIC member states to better position them in the MFT market and gain a higher share of the Muslim visitor arrivals. These recommendations cover areas which are directly related to MFT segment.

4.1 Setting an overall MFT market goal to encourage growth in the MFT sector in OIC member states

64 million Muslims visited OIC destinations in 2014, which was around 33.8% percent of the total arrivals to OIC Destinations. It is projected to reach 98 million by 2020. In order to encourage the member states to make MFT one of the main segments of tourist arrivals to the country, a new target at the OIC level can be defined (e.g. goal of attracting 100 million Muslim visitor arrivals to OIC destinations in 2020). Achieving this will require closer cooperation among the OIC member states in implementing the recommendations mentioned below.

4.2 Increasing awareness of the MFT market among the travel industry stakeholders

As MFT is a relatively new concept within the travel sector, understanding the MFT market and its key components is critical for the development of this segment in the OIC member states. Currently, except for a few countries, awareness workshops and training of hospitality staff on the MFT market has been very weak in the OIC destinations. This has also led to inconsistent use of terminology and definitions to refer to the different aspects of MFT. In order to increase awareness, the following actions are recommended:

- Standardize and publish a guide on the terminology used in the MFT segment in all the major languages of OIC member states.
- At the destinations, roll out market awareness and customer service training programs for the travel and hospitality professionals on all aspects of MFT.
- Develop an accreditation program on MFT for travel industry staff.
- Engage with local universities and educational institutions to develop MFT related programs.
- Every citizen in the OIC member state is a potential tourism host and advocate, especially given the increasing interest by visitors for local experiences. As such, awareness of MFT market should extend as much as possible to the local communities through social media and other traditional media such as radio, print and television.

4.3 Implementing and streamlining the basic MFT related services

Halal food, prayer facilities and water friendly toilets are three basic faith based needs of Muslim travelers. As for Halal Food, except in a few countries, there is no clear identification of Halal food outlets in OIC member states. As such, there is no consistent way for Muslim travelers to identify Halal food outlets across OIC member states. Prayer facilities are generally available. However, cleanliness and upkeep needs consistency. The area of concern is also the location of wudu facilities further away from the prayer room in some destinations. Water friendly toilets are generally available. However, upkeep is not consistent. As for Airlines, there is a concern among some Muslims that “Muslim Meal” (MOML) meals do not adequately define what a Halal meal is. Further, only Saudia provides a prayer space onboard the plane. In order to streamline these basic services, the following actions are recommended. Some of these actions can be undertaken in close cooperation and coordination with SMIIC.

- Establish Halal certification system/body in OIC member states, where there is none currently. Further, an OIC wide guideline for identification of Halal food outlets/restaurants needs to be implemented.
- Issue guidelines on proper labelling of food at supermarkets and convenience stores to clearly identify Halal food.
- Publish guidelines for the provisioning of prayer facilities, Halal food outlets and water friendly toilets at Airports, Highway stops, hotels/resorts, attractions and other travel services
- OIC (possibly through SMIIC or COMCEC) may take up the issue of “MOML” with IATA

4.4 Maximizing the inherent strengths of OIC member states

OIC member states have rich Islamic history, Islamic heritage and Islamic elements of providing hospitality. These inherent strengths can be utilized to provide visitors a unique experience. The countries which have important Islamic heritage in terms of heritage sites, art and religious importance could do more to promote these destinations to the MFT segment. The following actions are recommended in order to maximize this strength of OIC destinations:

- Develop a plan to identify, develop and promote all potential Islamic heritage/historical products. These include historic mosques, gardens, forts, monuments, landmarks, museums, educational centers etc.
- Increasingly younger Muslim travelers are seeking to travel for Islamic education and knowledge. By initiating educational programs/tours around the topic of heritage sites, Islamic educational training programs, conferences and youth-centric educational programs will further attract the younger Muslim travelers.
- Develop OIC wide guidelines for Mosque tours
- Develop programs to attract Muslim tourist both from OIC and non-OIC countries during Ramadhan.
- Not many OIC destinations are targeting the Umrah market for stopovers. This could be developed as a specific theme.
- In Islam, guests are welcomed and shown kindness regardless of whether they are relatives, friends, neighbors or strangers. The sharing of food among Muslims is a very important feature of their social life. This aspect could be built into local experience “tourism product”.

- Develop local precincts/enclaves which have an Islamic/Muslim influence as a “tourism products”. Example; Singapore has developed Kampong Glam which highlights the Muslim Malay community and its heritage and history to the country.

4.5 Capturing opportunities in the niche sub-segment within MFT

There is a lack for supply for the sub-segment of Muslim visitor who are looking for facilities and services which do not have non-halal activities as well as recreational facilities and services which provide privacy. Thailand, a non-Muslim majority country, has taken the exceptional step of introducing the concept of Muslim-friendly spas that conform to ‘Halal regulations’ in a bid to lure tourists from the Middle East. Some beach resorts in Turkey have targeted this segment with family beach areas. Some OIC destinations could look at getting a certain percentage of hospitality services catering to this need. These include facilities providing swimming pools, spas, hammams and Gyms with privacy as well as Hotels that do not serve alcohol.

4.6 Developing healthcare services and facilities for the Muslim market

Traveling for healthcare is one of the growth markets. This covers both, travel for critical illness and general wellness. Except for Malaysia, which is positioning itself for this segment, other OIC destinations have not actively promoted itself as a medical tourism destination for Muslims. From non-OIC countries, Thailand has been actively promoting the healthcare services to the Muslim market, especially to GCC countries. OIC member states could look at identifying strengths of healthcare services among the OIC member states, and develop specialized hubs of healthcare services. This could then lead to a plan to encourage intra-OIC healthcare services.

4.7 Developing an MFT alliance

Travel agents and tour operators are able to play a key role in enabling the growth of the MFT market in OIC destinations. However, the current focus by the travel agents in OIC member states is primarily focused on outbound. Further, the few players who are focused on inbound MFT market are SMEs. The tour package offerings of them are also not consistent. They will also not be able to compete with global players when they enter MFT market. In order to strengthen this area the following actions are recommended:

- Launch an alliance of Travel Agents/Tour operators in OIC countries targeting the MFT market.
- Develop programs to help offline travel agents in OIC member states to go online and integrate new technology.
- Implement a program to educate the Tour operators and Travel agents to market the Muslim friendly products of the destination.
- Develop suggested Muslim friendly itineraries for Muslim travelers for each of the OIC destinations as well as multiple OIC destinations. Convert them to sellable tour packages with the help of Tour operators

4.8 Developing an environment for innovation and entrepreneurship on MFT related products and services

The environment in which tourism companies operate today is rapidly changing and there is generally more volatility, uncertainty and complexity. New technologies have created new industries and disrupted old ones. The “sharing economy” players like Airbnb and Uber are disrupting business models and OIC needs to become innovators in this space. Companies need to innovate to remain competitive and relevant. In this regard OIC member states either at OIC level or at national level need to initiate programs to encourage entrepreneurship and innovations, especially in the digital space. This could include the following:

- Develop an incubation setup to encourage startups and entrepreneurs to develop products and services for the MFT market. Such an initiative could also be looked at from ICDB(Integrated Communications Database) perspective.
- Establish a “Tourism Technology Fund” to encourage technology innovation and adoption in the tourism sector.
- Establishing platforms for prototyping and test-bedding of new technologies, development of technology products or services with a clear MFT focus.

4.9 Developing unique MFT based destination positioning and marketing

Currently very limited efforts have been made by OIC member states to reach out to the Muslim travelers with a clear MFT centric destination positioning. Exceptions are Malaysia, UAE and Indonesia. This is a broad area and requires the development of a comprehensive plan to position and promote the OIC destinations as the choice destinations for Muslims, especially the leisure travelers. This entails branding, content development and promotion as suggested below:

- Develop a unique branding/slogan targeted at the Muslim Market, positioning OIC member states as a Muslim friendly holiday destination. This should convey the message of OIC destinations as providing a unique experience for Muslims travelers and hassle free destinations when it comes to faith based needs of Muslim travelers. There could be a OIC wide slogan as well as destination specific slogan.
- Apart from a few OIC countries, the status of online information and website are not state of the art. All OIC member states need to enhance the information/marketing content including Muslim visitor guides for both online and offline use.

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