

SHARIA HOTELS AND HALAL TOURISM ECOSYSTEM: STRATEGIES TO MAKE INDONESIA THE CENTER OF HALAL TOURISM IN THE WORLD

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Abstract

Indonesia, as a country with the largest Muslim population in the world, has excellent potential to develop halal tourism, with Sharia hotels as the main element of this ecosystem. However, there are several obstacles, such as inconsistent service standards, inadequate infrastructure, limited innovation, and negative perceptions of the competitiveness of Sharia hotels compared to conventional hotels. This gap phenomenon hinders the optimization of Indonesia's position as the center of halal tourism in the world. This study aims to analyze the contribution of Sharia hotels to halal tourism in Indonesia, identify challenges in implementing internationally competitive halal tourism, and formulate strategic solutions to make Indonesia the world's halal tourism center. This research uses a qualitative method with a descriptive-analytical approach. The research data is sourced from statistics, literature reviews, and industry reports. The study results show that Sharia hotels contribute to meeting the needs of Muslim tourists, increasing the country's foreign exchange, and creating local jobs. However, the main challenges include more standardization, promotion, and infrastructure. With the Tawhid String Relationship (TSR) approach, this research offers solutions in the form of educational campaigns, simplification of the certification process, development of Muslim-friendly infrastructure, targeted promotion, and innovation of Islamic values-based services. This research contributes to the development of halal tourism theory by applying TSR and offers practical guidance for stakeholders. The latest research lies in a systematic approach to bridging the gap between theory and practice, thus strengthening Indonesia's position as the world's leading halal tourism destination.

Keywords: Halal Tourism, Sharia Hotels, Tawhid String Relationship, Halal Tourism Ecosystem, Global Competitiveness.

Introduction

Indonesia, as a country with the largest Muslim population in the world, has excellent potential to develop sharia-based tourism. One of the key elements in sharia tourism is the existence of hotels that operate following sharia principles. Sharia hotels not only provide accommodation that meets the needs of Muslim tourists but also play an essential role in driving the growth of the national tourism sector (Nugroho et al., 2019; Ratnasari, 2020). Based on data from the Ministry of Tourism and Creative Economy of the Republic of Indonesia, the Sharia tourism sector is projected to grow significantly, with the contribution to the national GDP estimated to reach Rp 258 trillion in 2023 (Haryanto, 2023; Nahidloh & Qadariyah, 2021). This shows a strong demand and great potential in the tourism sector based on Sharia principles.

Sharia hotels function as accommodations that meet Sharia standards and values, from providing halal food facilities that support worship to friendly service behavior by Islamic teachings (Printianto et al., 2019). This phenomenon has become increasingly relevant with the development of modern Muslim lifestyles and the demand for comfort in travel. Sharia hotels play a crucial role in the development of tourism in Indonesia through the following aspects:

- Islamic hotels attract international Muslim tourists by providing facilities that align with Islamic values. Data shows that in 2018, Indonesia's halal tourism contribution reached 18%, with 2.8 million foreign Muslim tourists generating a foreign exchange of around Rp40 trillion (Suradin, 2018).
- The presence of Sharia hotels that cater to the needs of Muslim tourists contributes to an increase in tourist visits, which in turn increases the country's foreign exchange. The Ministry of Tourism targets 25% of the 20 million foreign tourists in 2019 to be Muslim tourists, demonstrating the significant economic potential of this sector (Aini & Khudzaeva, 2019).
- The growth of Sharia hotels encourages investment in the hospitality and tourism sectors, which ultimately creates new jobs and improves the well-being of local communities. The increase in Sharia hotels in various regions contributes positively to the local economy (Printianto et al., 2019).

- With the development of sharia hotels, Indonesia strengthens its position as the world's leading halal tourism destination. The 2023 Global Muslim Travel Index (GMTI) report places Indonesia first as the best halal tourist destination in the world, beating 140 other countries (Suseno et al., 2023).

Since the early 2000s, the Sharia hospitality industry in Indonesia has shown significant development. Hotel Sofyan, which was established in 1971, became a pioneer in the transformation towards a sharia concept in the 1980s. This can be shown by increasing the number of sharia hotels in Indonesia (Maghrifani, 2018). Data from the Indonesian Sharia Hotel Association shows that the number of Sharia hotels in Indonesia is increasing rapidly, from 250 units in 2019 to more than 1,000 units in 2023 (Alam et al., 2023). This increase reflects the positive response from industry players to the growing market demand. Cities such as Jakarta, Yogyakarta, and Bali are now starting to have more Sharia accommodation options that offer various conveniences for tourists, such as worship halls, halal food services, and suitable activities (Supaijo et al., 2023). Moreover, the presence of Sharia hotels in these locations increases accommodation options and contributes to the development of the local economy by creating jobs and supporting small businesses in the vicinity (Fantony et al., 2023; Halim & Baroroh, 2021).

Although the potential for developing sharia hotels in Indonesia is vast, several gap phenomena must be considered to ensure this sector can develop optimally. One of the problems that often arises is the availability of consistent facilities (Alim et al., 2023). Although the number of Sharia hotels continues to increase, not all hotels meet the expected standards. Some hotels may claim to be Sharia hotels (Sulong et al., 2024). However, they may only partially provide services and facilities following Sharia values, such as ensuring that the food served is halal or providing adequate worship facilities (Nugroho, Mor, et al., 2024; Suseno et al., 2023). This is often a source of disappointment for guests who expect an experience fully compliant with Sharia principles. In addition, the need for more education and training for hotel staff is a significant challenge. Many staff working in Sharia hotels need a deeper understanding of what Sharia services mean, so they cannot provide a satisfying experience for guests (Hapsin, 2023; Jihad et al., 2022). Service delivery can only meet expectations with proper training, creating a gap between what guests want and receive.

Furthermore, there still needs to be more innovation in the products and services offered by Sharia hotels. Many entrepreneurs in this sector adopt traditional business models without exploring new ways to attract Muslim tourists (Mahliza et al., 2021; Nugroho, Briandana, et al., 2024). This creates a gap in the competitiveness of Sharia hotels against conventional hotels. For example, developing unique experiences that combine local culture with sharia values is still rare. Negative perceptions can also be a barrier to the growth of sharia hotels. Some assume these hotels are less competitive than conventional hotels regarding facilities, services, and prices. These misconceptions often hinder travelers' decisions when choosing accommodation, so education and campaigns to increase understanding of the benefits of Sharia hotels are crucial. In addition, challenges in regulation and standardization are also worth paying attention to. The need for clear regulations regarding the definition and criteria of Sharia hotels makes it easy for many hotels to refer to themselves as Sharia accommodations (Nugroho, Cetin, et al., 2023). The absence of official guidelines or certifications creates confusion among consumers, making it difficult to determine which hotels meet the Sharia criteria.

Furthermore, uneven infrastructure development can also hinder the development of this sector. In some significantly underdeveloped areas, the tourism infrastructure still needs to be improved. This can reduce the attractiveness of Sharia hotels and hinder accessibility for tourists who want to enjoy the services offered.

Following the phenomenon and phenomenon of the gap, the formulation of the problem in this study includes the following:

- How does the existence of sharia hotels through the concept of the halal tourism ecosystem contribute to the development of the tourism industry in Indonesia?
- What are the challenges of implementing halal tourism that is internationally competitive?
- What is the solution to make Indonesia the center of halal tourism worldwide?
- Therefore, based on the formulation of the problem, the objectives of this study include the following:
- Netting the existence of Sharia hotels through the concept of a halal tourism ecosystem contributes to developing the tourism industry in Indonesia.
- Identifying the challenges of implementing halal tourism that has international competitiveness.
- Identifying solutions to make Indonesia the center of halal tourism worldwide.

Furthermore, this study contributes significantly to the development of halal tourism theory by expanding the understanding of the concept of halal tourism and its application in Indonesian tourism. In addition, in practice, this research provides valuable insights for stakeholders, including hoteliers, governments, and local communities, on the importance of developing and implementing consistent standards in Sharia hotel operations. The latest in this study can be seen from a systematic approach to analyzing the dynamics of sharia hotels' development in the halal tourism framework in Indonesia.

Literature Review

The theory used in this study is the Tawhid String Relationship (TSR) theory. The Tawhid String Relations (TSR) theory is a conceptual framework that integrates Islamic principles with economic aspects and social life, especially in the context of halal tourism and the existence of Sharia hotels (Diani & Nugroho, 2024). This theory applies Islamic values from the Qur'an and Hadith to achieve community welfare (maslahah). Rooted in the principles of tawhid, TSR emphasizes the unity and interconnectedness between all aspects of life, including the relationship between humans, God, and the environment (Istianah & Nugroho, 2024). In halal tourism, TSR underlines the importance of creating a tourism experience that meets Muslim tourists' material, spiritual, and social needs. Every element in the travel experience, from accommodation and food to social interaction, must reflect Islamic values. Thus, halal tourism is not just an option but a necessity that is in line with Islamic teachings. Some key components of TSR in halal tourism include the Qur'an and Hadith, the primary sources of knowledge that provide appropriate behavioral guidelines in tourism—for example, halal principles in food and beverages and ethics in interacting with others (Nugroho, Utami, et al., 2023). In addition, *ijtihad*, as a reasoning process carried out by scholars and tourism practitioners, is essential to find solutions to the challenges faced in the halal tourism industry. *Ijtihad* allows the adaptation of sharia principles in a modern, ever-changing context.

The main goal of applying TSR in halal tourism is to achieve prosperity for all humanity. This includes tourist satisfaction and positively impacting local communities and the environment. In practice, tourism service providers, such as Sharia hotels, halal restaurants, and travel agents, are expected to apply the principles of fairness and equality in the services provided to all tourists. They should also avoid practices contrary to Islamic values, such as *riba* in financial transactions, and contribute to developing the local economy by empowering local communities and supporting small businesses. The relevance of TSR in the social life of halal tourism is critical. Every individual and organization must create an environment that actively supports mutual welfare. It includes education and dissemination of knowledge about Islamic principles in tourism so that tourists and service providers can understand and apply Sharia values. Applying moral and ethical values in every transaction and interaction creates a more meaningful tourist experience. In addition, support for social initiatives aimed at improving the quality of life of local communities, such as training programs for workers in the tourism sector, is needed.

On the other hand, in recent years, the Indonesian government has been working to improve infrastructure, accessibility, and sharia-friendly services in various tourist destinations where Indonesia, with the largest Muslim population in the world, has excellent potential to become a global halal tourism hub (Lestari et al., 2022). The Indonesian government has set a strategic vision to make the country a top destination for international Muslim tourists. This step aims to increase the country's foreign exchange and strengthen Indonesia's position on the world tourism map. The Government of Indonesia emphasizes the importance of utilizing Indonesia's great potential as a global halal industry market. With a Muslim population of 236 million, Indonesia has a strategic opportunity to become the center of the world's halal ecosystem.

Sharia hotels and the halal tourism ecosystem are critical elements integrated into global tourism development based on Islamic values. Sharia hotels provide a place to stay and reflect the application of Sharia principles in all aspects of their operations, from service facilities to the atmosphere presented. By meeting Muslim tourists' spiritual and material needs, Sharia hotels have become an integral part of the broader halal tourism ecosystem.

The basic concept of a Sharia hotel is to offer a stay experience that is in harmony with Islamic values. This includes providing certified halal food, the direction of the qibla in the room, the Qur'an, prayer mats, and facilities that facilitate worship, such as prayer rooms and informed prayer times (Pamukçu & Sarıışık, 2020). In addition, Sharia hotels avoid elements that are contrary to religious rules, such as the provision of alcoholic beverages, gambling, or content that does not follow Islamic norms. Ethical values such as trustworthiness, honesty, and not harming others are the basis for managing Sharia hotels.

The halal tourism ecosystem includes an environment that supports Muslim tourists in carrying out worship and meeting the needs of Sharia (Jayanti & Iriani, 2020). This ecosystem comprises various elements, ranging from accommodations such as Sharia hotels, halal restaurants, and Muslim-friendly transportation to tourist attractions that provide facilities according to Islamic values. All of these elements work together to create a travel experience that is comfortable, safe, and under Islamic principles. In its application there are several levels of sharia application in sharia hotels. The basic level includes providing halal food and the direction of the Qibla. The intermediate level includes alcohol restriction, hotel worship facilities, and staff training on sharia principles. The highest level includes the comprehensive implementation of sharia, such as separating facilities for men and women and providing services by halal standards in every aspect of operations.

Furthermore, Sharia hotels and halal tourism ecosystems not only aim to meet the needs of Muslim tourists but also contribute to the growth of the Sharia economy in Indonesia (Syamsurrijal et al., 2023). With proper management and cross-sector collaboration, Indonesia has great potential to become the world's halal tourism

center. This strategy increases Indonesia's competitiveness in the global market but also strengthens the country's image as an inclusive and Islamic values-based tourist destination. Following the literature review, the conceptual framework of this study can be illustrated as follows:

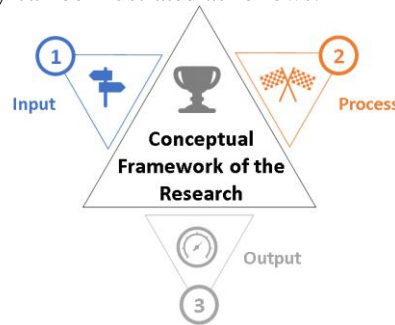


Figure 1. Conceptual Framework of the Research

Following Figure 1 above related to the conceptual framework of the researcher, the following things can be described:

- Input:
 1. Definition and implementation of Sharia hotels.
 2. Elements in the halal tourism ecosystem.
- Process:
 1. Analysis of the contribution of Sharia hotels to national tourism.
 2. Identify challenges in the development of halal tourism.
 3. Development of solution strategies based on TSR theory.
- Output:
 1. Recommendations for increasing the competitiveness of Indonesian halal tourism at the global level.
 2. A practical guide for stakeholders in managing and developing Sharia hotels.

Methods

This study uses a qualitative method with a descriptive-analytical approach to understand the contribution of sharia hotels in the development of halal tourism in Indonesia, the challenges faced, and strategies to make Indonesia the center of halal tourism in the world. The data includes quantitative data from previous research, such as Sharia tourism statistics, the Global Muslim Travel Index (GMTI) report, and data from the Ministry of Tourism and the Indonesian Sharia Hotel Association. In addition, literature reviews of scientific articles, official documents, and government reports are used to enrich qualitative analysis. The information collected was analyzed descriptively to identify the contribution of Sharia hotels to the growth of the tourism sector, including increasing foreign exchange, creating jobs, and strengthening Indonesia's image as a halal tourist destination. Challenges such as lack of service standards, innovation, and regulatory and infrastructure constraints are also analyzed based on data and literature. The strategic solution was formulated using the Tawhid String Relations (TSR) theory, which emphasizes integrating Islamic values in creating a tourism experience that meets Muslim tourists' spiritual and material needs

Results and Discussions

The Existence of Sharia Hotels through the Concept of the Halal Tourism Ecosystem Contributes to the Development of the Tourism Industry in Indonesia

Indonesia, with the largest Muslim population in the world, has great potential in developing the halal tourism industry. One of the key elements in this ecosystem is the existence of Sharia hotels that operate by Islamic principles. Sharia hotels not only provide accommodation that meets the needs of Muslim tourists but also play an essential role in encouraging the growth of the national tourism industry. Sharia hotels also offer facilities with Islamic values, such as halal food, worship facilities, and an environment free from activities prohibited in Islam. It attracts domestic and international Muslim tourists seeking comfort and adherence to religious teachings during their travels. With the increasing global awareness of halal tourism, the presence of Sharia hotels has become a unique attraction for foreign Muslim tourists.

The contribution of Sharia hotels to developing the tourism industry in Indonesia can be seen from several aspects. First, the increase in Muslim tourist visits directly impacts the country's foreign exchange increase. Data from the Central Statistics Agency shows that in April 2024, the number of foreign tourist visits reached 1.23 million, an increase of 23.23% compared to the same period the previous year (Suryawardani et al., 2024)).

Second, the growth of Sharia hotels encourages investment in the hospitality and tourism sectors, which in turn creates new jobs and improves the welfare of local communities (Sudirman et al., 2023). According to the Central Statistics Agency, the hotel industry is one of the backbones that supports the development of the tourism sector, with surveys conducted in 34 provinces and 503 districts/cities throughout Indonesia (Suseno et al., 2023). Third, with the development of sharia hotels, Indonesia strengthens its position as the world's leading halal tourism destination (Jayanti & Iriani, 2020). The Global Muslim Travel Index 2022 places Indonesia second out of 138 countries in halal tourist destinations.

However, the development of sharia hotels in Indonesia faces challenges, such as the need for consistent service standards, product innovation, and the negative perception that sharia hotels are less competitive than conventional hotels. In addition, regulations and standardization need to be revised to develop this sector. Research shows that Sharia hotel business people face challenges in eliminating non-sharia elements, public perceptions that equate them with conventional hotels, and less attractive facilities. Therefore, collaborative efforts are needed between the government, industry players, and the community to overcome these challenges. The government must establish clear regulations and standards regarding Sharia hotel operations and incentivize investors. Industry players must innovate to provide services that meet the needs of modern Muslim travelers without sacrificing quality. The community also plays a role in supporting and promoting halal tourism as part of the national identity. Therefore, through the right strategy, Indonesia can take advantage of the great potential of the halal tourism industry, making it one of the main pillars of national economic development. Collaboration between the government, industry players, and the community will ensure that Sharia hotels can develop and contribute significantly to the Indonesian economy.

Sharia hotels play an essential role in the halal tourism ecosystem as a provider of accommodation services following Islamic values, such as providing halal food, worship facilities, and an environment free from activities that do not follow Sharia. Within the framework of TSR theory, sharia hotels are the link point between the spiritual dimension (tawhid) and the needs of tourists, creating a harmonious relationship that encourages the sustainable growth of the tourism industry and strengthens Indonesia's position as a top destination for Muslim tourists.

Challenges of Implementing Halal Tourism that Has International Competitiveness

In recent years, halal tourism has become one of the fastest-growing sectors in Indonesia, along with increasing public awareness of the halal lifestyle and the needs of Muslim tourists. Despite having great potential, the implementation of halal tourism in Indonesia faces various challenges that need to be overcome to compete at the international level, which are as follows:

- **Diverse Understanding of Halal Tourism:** One of the main challenges in implementing halal tourism is the existence of different understandings among the public and stakeholders regarding what halal tourism is (Moshin et al., 2020). Many people still consider halal tourism to be synonymous with religious tourism, even though halal tourism includes various aspects, including accommodation, food, and services based on Sharia principles. This confusion can hinder support from the local community, which hinders the development of halal tourist destinations.
- **Standardization and Certification:** Standardization and certification are essential aspects of the development of halal tourism (Effendi et al., 2021). In Indonesia, halal certification for hotels and restaurants is still limited. According to data, only two hotels have received Sharia certification from the National Sharia Council (DSN) MUI, namely Syariah Hotel Solo and Hotel Sofyan. The complicated and time-consuming certification process is one of the barriers industry players face when getting official recognition as halal service providers. Without clear certification, Muslim travelers may hesitate to choose a destination in Indonesia.
- **Inadequate Infrastructure:** Infrastructure that supports halal tourism is also a big challenge. Although some areas have improved, many destinations still lack Muslim-friendly facilities, such as places of worship, clean toilets, and good accessibility (Al-Ansi et al., 2020; Jeaheng et al., 2020). The Ministry of Tourism has identified 15 provinces as the focus of halal tourism development, but many other regions still have not received the same attention. Developing integrated infrastructure to meet the needs of Muslim tourists is very important to increase competitiveness.
- **Lack of Promotion and Branding:** Effective promotion and branding are essential for attracting domestic and international tourists. Although Indonesia has already achieved first place in the Global Muslim Travel Index (GMTI) in 2019, there is still much to be done regarding branding. Many tourists do not know that Indonesia is one of the best halal destinations (Wahyudin et al., 2021). Therefore, a more aggressive and targeted marketing strategy is needed to increase awareness of the potential of halal tourism in Indonesia.
- **Global Competition:** Indonesia is competing with other Muslim countries and non-Muslim countries that are starting to develop halal tourism (Jeaheng et al., 2020). Countries such as Malaysia and Turkey

have already positioned themselves as attractive halal tourist destinations. They have better infrastructure, more aggressive promotions, and a deeper understanding of the needs of Muslim tourists. Therefore, Indonesia needs to improve the quality of the services and facilities offered to compete in the global market.

- **Public Awareness:** Public awareness of the importance of halal tourism is also a challenge. Many people do not fully understand the economic benefits of halal tourism development (Lestari et al., 2022). Better education and socialization about the potential of halal tourism and its impact on the local economy is urgently needed. By increasing public awareness, it is hoped that there will be more significant support for the development of halal tourism in their respective regions.

Furthermore, implementing halal tourism in Indonesia faces various challenges, such as a lack of service standardization, limited infrastructure, and global competition from countries such as Malaysia and Turkey. TSR emphasized the importance of creating a synergistic relationship between the government, industry, and society to face these challenges, ensuring that every element of the halal tourism ecosystem supports each other in building strong international competitiveness while adhering to the values of tawhid.

The Solution to Make Indonesia the World Halal Tourism Center.

Indonesia, as a country with the largest Muslim population in the world, has an excellent opportunity to become the world's halal tourism center. With its rich culture, natural beauty, and diversity of traditions that reflect Islamic values, Indonesia has taken essential steps in developing this sector. However, an integrated, innovative, and collaborative approach is needed to realize this vision. This article will outline logical and systematic solutions based on the challenges and potentials that have been identified.

- **Increasing Understanding and Education about Halal Tourism:** One of the main obstacles in the development of halal tourism is the existence of diverse understandings among the community and stakeholders. However, to overcome this, the following steps are required:
 1. **Education Campaign:** The government and tourism industry players must educate the public about halal tourism, which includes accommodation, culinary, and services per Sharia principles. This education can be done through social media, seminars, and workshops.
 2. **Collaboration with Academics and Media:** Universities can conduct research and publish on halal tourism's benefits, while the media can help disseminate information to a broad audience.
 3. **Increasing Local Community Awareness:** Integrating halal tourism as part of local identity through sharia-based community empowerment programs.
- **Effective Standardization and Certification:** Standardization and certification are key elements in giving confidence to Muslim travelers. Implementable solutions include:
 1. **Simplify the Certification Process:** The halal certification process for hotels, restaurants, and tourist destinations should be simplified without compromising their credibility. Institutions such as the National Sharia Council (DSN) MUI can work with the government to create a more efficient mechanism.
 2. **Capacity Building of Halal Auditors:** Train more competent auditors to speed up the certification process.
 3. **Provision of Incentives:** The government can provide subsidies or tax reductions to industry players who have become halal certified.
- **Supporting Infrastructure Development:** Moreover, to increase the competitiveness of Indonesia's halal tourism at the global level, the development of Muslim-friendly infrastructure is urgently needed:
 1. **Worship Facilities:** Ensuring the availability of proper mosques, prayer rooms, and ablution facilities in each tourist destination.
 2. **Clean and Halal-Friendly Toilets:** Provide clean toilets with water facilities for ablution.
 3. **Good Accessibility:** The construction of road access, public transportation, and clear directions make it easier for Muslim tourists.
 4. **Halal Culinary Facilities:** Increasing the number of halal-certified restaurants in various tourist destinations.
- **Effective Promotion and Branding:** Indonesia needs to strengthen the promotion and branding of halal tourism in the domestic and international markets, which includes
 1. **Global Campaign:** This campaign will use digital platforms like YouTube, Instagram, and TikTok to promote Indonesia's halal tourism destinations.
 2. **Collaboration with Influencers:** Inviting Muslim influencers to promote halal tourism experiences in Indonesia.
 3. **Participation in International Exhibitions:** Actively participate in international tourism events such as the Arabian Travel Market to reach tourists from the Middle East.

4. Development of Halal Tourism Portal: Creating a portal or application that provides complete information about destinations, Sharia hotels, halal restaurants, and Muslim-friendly activities in Indonesia.
- Product and Service Innovation: To increase the attractiveness of halal tourism, product and service innovation must be a priority:
 1. Development of Thematic Destinations: Developing tourist destinations based on Islamic history, such as traces of the spread of Islam in the archipelago.
 2. Modern Halal Tour Packages: Integrate local cultural experiences with halal services, such as halal culinary tours, Islamic educational tours, and spa experiences.
 3. Technology in Halal Tourism: Creating a mobile app that makes it easier for Muslim tourists to find places of worship, halal restaurants, and related information.
- Collaboration Between Stakeholders: The success of halal tourism requires close collaboration between the government, industry players, and the community, which includes:
 1. Government: Provide regulations that support the development of halal tourism, provide incentives, and ensure the safety and comfort of tourists.
 2. Industry Players: Innovating in providing quality services that suit the needs of modern Muslim travelers.
 3. Community: Supporting the promotion of halal tourism through local hospitality and maintaining the cleanliness of tourist destinations.
- Global Competition Strategy: Indonesia must improve the quality of services and facilities to compete with countries such as Malaysia and Turkey:
 1. Benchmarking: Studying the successful strategies of other countries in developing halal tourism.
 2. Focus on Local Excellence: Elevate Indonesia's unique values, such as Islamic cultural arts, traditional halal cuisine, and community friendliness.
 3. Implementing Sustainability Principles: Integrating sustainability principles in the development of halal tourist destinations.

Therefore, strategic measures such as education, standardization, infrastructure development, promotion, product innovation, and stakeholder collaboration must be implemented consistently to make Indonesia the center of halal tourism globally. TSR theory provides a framework for integrating these elements through a harmonious relationship between spiritual values, tourist needs, and industrial capacity. This approach ensures inclusive and sustainable halal tourism growth, making Indonesia a leading destination in the global market.

Conclusions

Thanks to its largest Muslim population and cultural richness reflecting Islamic values, Indonesia has great potential to become the world's halal tourism hub. The existence of Sharia hotels in the halal tourism ecosystem is fundamental because they provide accommodation under Sharia principles, such as halal food and worship facilities. This not only attracts domestic and international Muslim tourists but also contributes to the growth of the national tourism industry.

However, the development of halal tourism in Indonesia faces significant challenges, including a need for more standardization of services, inadequate infrastructure, and global competition from countries such as Malaysia and Turkey. The diverse understanding of halal tourism among the community and stakeholders is also an obstacle to its implementation.

Furthermore, strategic measures are needed to overcome these challenges, including increased education and understanding of halal tourism, effective standardization and certification, development of supporting infrastructure, and aggressive promotion and branding. In addition, product and service innovation and collaboration between the government, industry players, and the community are essential to creating a sustainable halal tourism ecosystem. With an integrated and collaborative approach, Indonesia can strengthen its position as a leading destination in the global halal tourism market.

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