

THE DEVELOPMENT OF HALAL TOURISM DESTINATIONS IN INDONESIA: POTENTIALS, OPPORTUNITIES AND CHALLENGES

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Abstract

Halal tourism is one sector in Islamic Economics which is growing significantly. By 2015, Global Muslim spending on travel (outbound) has increased to reach \$151 billion (excluding Hajj and Umrah). This is expected to reach \$243 billion by 2021. In food market, Global Muslim spending on Food and Beverages (F&B) has increased to reach \$1,173 billion in 2015. And it is expected to reach \$1,914 billion by 2021. And also in media and recreation market, Global Muslim spending on it has grown 7.3% to reach \$189 billion in 2015 and it is expected to reach \$ 262 billion by 2021. For Indonesia, the Indonesian Muslim community has spent approximately \$9.1 billion in the sectors of tourism, \$154.9 in the halal food and beverages sector, and \$8.8 billion in media and leisure sectors. For halal tourism destination, Indonesia placed in top three among Organization of Islamic Cooperation (OIC) state member countries. In fact, the opportunity to make Indonesia as a world's halal tourism destination is very large. Not only because Indonesia is a country with the largest Muslim, but the culture and natural resources owned by this country is very abundant. This paper tries to explain some of the development of halal tourism destinations in Indonesia both the potential and the challenges.

Keywords: Challenge, Development, Halal Tourism Destination, Potential, Opportunity.

1. Introduction

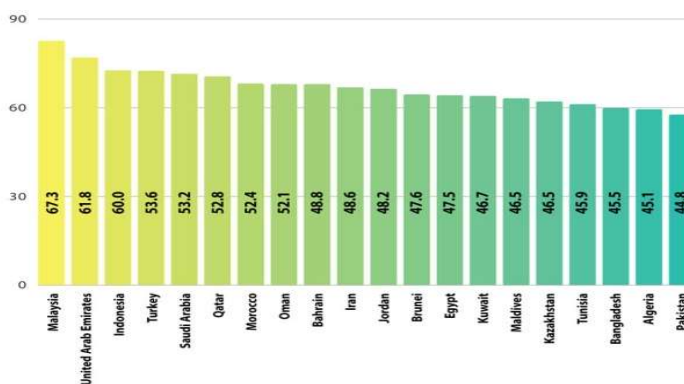
Islamic Economics is an important part of the Indonesian economy. It developed rapidly and become one of the major players in Indonesian finance. Globally, There are seven Islamic economic sectors which have increased significantly, including the culinary/food, Islamic finance, insurance industry, fashion, cosmetics, pharmaceuticals, entertainment, and tourism. Among the Islamic economic sectors that have experienced growth and concern many people in the lifestyle products is halal tourism. In this case halal tourism continues to experience significant growth as compared to the existing conventional tourism.

By 2015, Muslim populations globally spent a total of \$151 billion on travel (excluding Hajj and Umrah). This is a growth of 4.9 percent from the previous year, and is higher than the 3 percent increase in the global market. This report also estimates the revenues derived from Muslim Friendly Travel services to be worth \$24 billion. In food market, Global Muslim spending on food and beverages to be \$1.17 trillion, with revenues from Halal Certified Food and Beverage products estimated at \$415 billion. And in Media and recreation market, Global Muslim have spent a total of

\$189 billion on Halal Media and Recreation in 2015, which is five percent of the global market figure of \$3.7 trillion. Not only is this a five percent growth from the previous years figure, it is also higher than the global market growth of 3.8 percent. For Indonesia, the Indonesian Muslim community has spent approximately \$9.1 billion in the sectors of tourism, \$154.9 in the halal food and beverages sector, and \$8.8 billion in media and leisure sectors(Thomshon Routers and Dinar Standard, 2016).

According to the data released by Global Muslim Travel Index (GMTI) in 2017 Indonesia ranks third among the countries that are members of the Organization of Islamic Cooperation (OIC) for world’s halal tourism destination after Malaysia and United Arab Emirates (UAE).

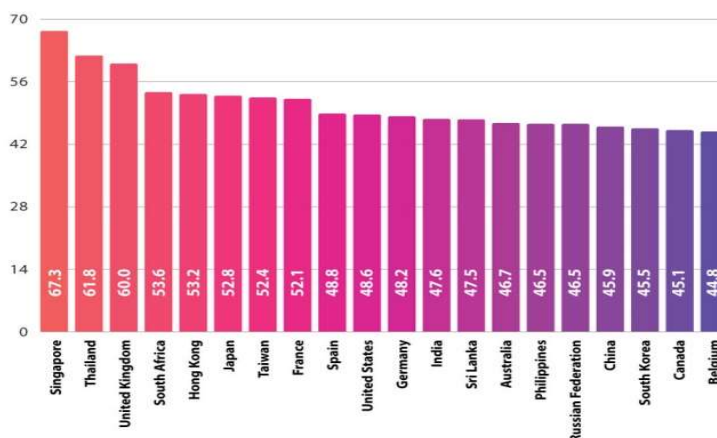
Table 1.1 OIC Member Countries Halal Tourism Destination



Source: CrescentRating, GMTI Report 2017

Among the non-OIC countries, Singapore retained its top position while other countries have continued to improve their overall ranking (CrescenRating, GMTI Report 2016).

Table 1.2 Non OIC Member Countries Halal Tourism Destination



Sumber: CrescentRating, GMTI Report 2017

The criteria used in GMTI 2017 centers around the following three themes:

- a. Access, i.e. Air Connectivity and Visa Requirements;
- b. Communications, i.e. Muslim Traveler Needs Awareness & Outreach and Ease of Communication;
- c. Environment, i.e. Family-Friendly Destination, Muslim Traveler & General Safety, Muslim Visitor Arrivals;
- d. Services, i.e. Dining Options & Halal Assurance, Access to Prayer Places Airport Facilities, and Accommodation Options

Meanwhile in data presented by Thomson Reuters & Dinar Standard in 2016, Indonesia has not been able to become one of the top 10 countries in providing services in the field of halal tourism among the countries in the world.

Table 1.3 Top 10 Tourism Destination Countries

Rank	Country	Score
1	UAE	81
2	Malaysia	70
3	Turkey	61
4	Singapore	44
5	Jordan	39
6	Maldives	38
7	Iran	36
8	Lebanon	36
9	Oman	36
10	Saudi Arabia	35

Source: Thomson Reuters and Dinar Standard, 2016

A significant difference between the reports issued by Thomson Reuters and Crescent Rating is because the indicators used by these two survey agencies are very different. Indonesia's achievement as stated by Crescent Rating needs to be greeted with gratitude, this indicated that the hard work done by the stakeholders in this sector has paid off. And the results stated by Thomson Reuters should be understood as a form of evaluation for what is done in the development of the halal tourism sector to continue and better.

Although Thomson Reuters did not include Indonesia among the countries that have the best kosher tourism ecosystem, but Thomson Reuters report said that Indonesia is a country that is very concerned in discussing this sector. This can be seen from conversations related to halal tourism which reached more than 4.6 thousand conversations, followed by Malaysia with 1.9 thousand conversations, and also the United States 1.5 thousand interactions (Thomson Reuters and Dinar Standard Year 2016).

This article will describe some of the concept related to halal tourism and it's practices in Indonesia. The study will also explore how the development of halal tourism in Indonesia until 2017, how also the stakeholders in this sector take advantage of opportunities and how they face the challenges.

2. Halal Tourism Concept in Islamic Perspective

In its history, tourism in Islamic tradition is starting from the emergence of Islam as a universal religion, than introduced to the concept of 'ziyarah' or visiting. The consequences of this concept arose various forms of Islamic social institutions guided by ethics and law. After that the concept of *dhiyah* was born, that is the ethics of visiting which governs the social relations between the guests (*dhaif*) and the host (*mudhif*). The concept of *ziyarah* is experiencing development and gave birth to various forms (Juhaya S. Praja, 2014)

The term "Islamic tourism or halal tourism" was first introduced to the public in 2000 at the OIC meeting. Islamic tourism or halal tourism was introduced as an alternative to meet for tourism services based on the lifestyle of a muslim (Munirah L, 2012). To illustrate the kind of travel, many of the terms used. Among them *sharia tourism*, *Islamic tourism*, *halal friendly tourism destination*, *halal travel*, *muslim-friendly travel destinations*, *halal lifestyle*, and some other terms which is adapted to develop a state policy.

In the Islamic tradition is known for several terms that describe the travel and tourism. *Siyar* (السير), *safar* (السفر), *al-siyahah* (السياحة), *al-ziyarah* (الزيارة), or *al-rihlah* (الرحلة) are the terms that described it. Arabic contemporary prefer used the term of *al-siyahah* for travel concept (*tourism*). Linguistically the term "*al-siyahah*" means go anywhere with any motive. The Qur'an mentions the word *al-siyahah* in some places (Q.S. al-Tawbah: 2 & 112) (Hashim bin Muhammad bin Husain Naqur 2004). There are several different views within Islam regarding travel and tourism, among them are:

- a. The trip is considered as worship, because it is commanded to perform the obligations of the pillars of Islam, the Hajj in a given month and Umrah performed throughout the year to the house of Allah or Baitullah.
- b. Tourism is closely connected with the concept of knowledge and learning. This has become the greatest trips conducted in early Islam with the aim of seeking and disseminating knowledge (Q.S. al-Taubah: 112).
- c. Purpose of travel in Islam is to learn science and one way a Muslim to engage in meditation upon all of creation. Commands for traveled in the earth appear in several places in the Qur'an (see Q.S. al-An'am: 11-12 and al-Naml: 69-70.)

d. The purpose of the others are to show the greatness and majesty of God and His Messenger (Aan Jaelani, 2017).

In terminology, there is no specific meaning that can describe the concept of halal tourism agreed by all Muslimscholars, it is because tourism is a new term in the development of Islamic knowledge. According to Ahmad Zahro, Islamic tourism understood as all potentials of tourism inspired by the value of Islam as *rahmatan lil 'alamin* (blessing for all creations) (Ahmad Zahro, 2014). According to Carboni, he defined halal tourism as tourism in accordance with Islam, involving people of the Muslim faith who are interested in keeping with their personal religious habits whilst travelling (Mohamed Battour, 2015). The definition given by the Ministry of Tourism of the Republic of Indonesia to the *halal* and *sharia* travel is an activity that is supported by a wide range of facilities and services provided by communities, businesses, governments, and local governments that comply with sharia (Indonesian Ministry of Tourism, 2012). Based on this definition, halal tourism is not only identified with food or beverages, but all activities supported by all levels of society in accordance with the values and principles of *sharia*. This is in line with the views expressed by Muhammad Hashim Kamali who explained that halal tourism is not only related to the food, but also related to entertainment, cultural activities, clothing, cosmetics, and business ethics (Mohammad Hashim Kamali, 2011).

Thus, Halal tourism is a type of activity to create conditions of excellent service (extended service of conditions). It does not eliminate all elements contained in a conventional touran travel. The elements in the conventional travel will be maintained if it is not contrary to the values and principles of sharia. There are some significant differences between halal tourism and conventional travel, are as follows:

Table2.1 Comparison of *Halal* and Conventional Tourism

No	Item of Comparison	Conventional Tourism	Halal/Syariah Tourism
1	Object	Nature, culture, Heritage, Culinary	All
2	goals	To entertain	To increase spirituality by entertaining
3	Target	For the satisfaction and pleasure of the dimension of passion, just for entertainment	To meet the wants and pleasures and grow religious awareness
4	Guide	To understand and master the information so that it can attract tourists to the tourist attraction	To Maketourists interested in the object and evoke the spirit of religiosity travelers. Being able to explain the function and role of sharia in the form of inner happiness and

			fulfillment in people's lives.
5	Worship facilities	Complement only	Being an integral part of tourism objects. Rituals become part of the entertainment package
6	Culinary	General	Specific halal
7	Relationships with People in the neighborhood of Tourism Object	Complementary and only for material benefits	Integrated, interaction based on the principles of <i>Sharia</i>
8	Travel agenda	Every time	Noting the time

Source: Ngatawi Al Zaztrow in Aan Jaelani

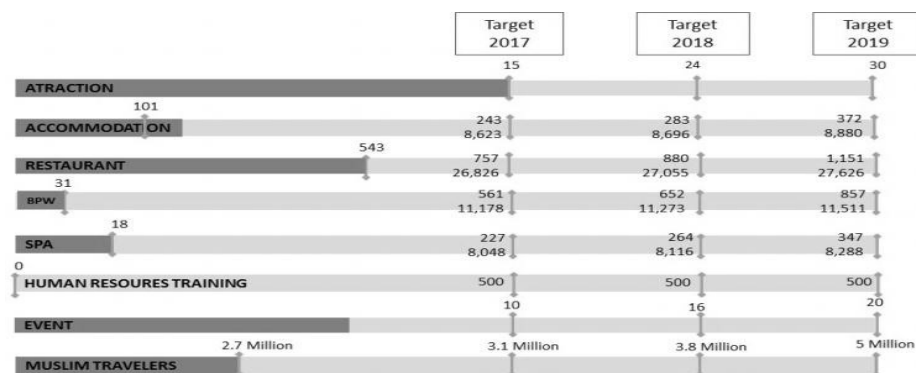
According to the table above, the halal tourism focuses on travel destinations, products offered (cultural, regional characteristics, cottage, food, and beverage), the facilities, the motive, and the management of the process optimum service.

3. The Development of Halal Tourism in Indonesia

In Indonesia, the terms used are still inconsistent, there are several names that are proposed, among them are *sharia tourism*, *Islamic tourism*, *halal friendly tourism destination*, *halal travel*, *muslim-friendly travel destinations*, *halal lifestyle*, and other terms. From some names are selected to be *sharia tourism* and *halal tourism*. However, of these two names were not approved by the Minister of Tourism, Arief Yahya (2015). It is because it will lead tourism exclusively to certain religions, not appropriate, and not too selling. Therefore, in a group discussion forum with the theme of Halal Tourism and Lifestyle 2015 were carried out by Islamic Economic Society (MES) in Nusa Tenggara Barat, He proposed a new name, namely *universal tourism (UT)*. And now the Ministry of Tourism which led by him used the term “Indonesia Muslim Friendly” in its promotion.

The implementation of Halal tourism in Indonesia continued to improve. However, the achievement of Indonesia in the development of this tour is quite encouraging. It can be seen from some achievements and targets that have been determined by the government. Are as follows:

Tabel 3.1 Profile Achievement and the National Target



Source: Team of Acceleration of Halal Tourism Development, Ministry of Tourism of Indonesia

Based on the table, Indonesia already has 15 halal tourist attractions, 101 Muslim friendly accommodation from a total of 8,623 accommodation, 543 Muslim restaurants friendly from a total of 26,826 restaurants, 31 halal tourist travel agencies from a total of 11,178 travel agencies, 18 SPA Muslim friendly from 8,048 SPA, and Muslim tourists abroad who reached 2.7 million visitors. This achievement is quite proud and exciting if we compare with the condition of halal tourism in Indonesia a few years ago as described in the following table:

Tabel 3.2 Practice of Halal Tourism in Indonesia 2013

	Indonesia
Amount of Foreign Travelers	8.802.129
Foreign Muslim Travelers	1.729.912
%	20%
Halal Tourism in Practice	a. Sharia Certified Hotel: 12 b. Hotel with Halal Certified Kitchen: 25 c. Certified Halal Restaurant: 305 d. Certified Halal SPA: 0 e. Halal Travel Agency: 1

Source: Sharia Tourism Development Team, Ministry of Tourism 2015

As the country with the largest Muslim population in the world, Indonesia continues to make improvements in *halal* tourism services and develop other things related to this sector. Ministry of Tourism have been developing halal tourism includes four types of components of tourism industries, namely hospitality, restaurant, bureau or travel services, and SPA.

There are 13 provinces prepared by Indonesia government to become halal tourism destination which are West Nusa Tenggara (NTB), Nanggroe Aceh Darussalam, West Sumatra, Riau, Lampung, Banten, Jakarta, West Java, Central Java, Yogyakarta, East Java, South Sulawesi and Bali (IndonesiaTravel, 2013). *Halal* tourism destination is determined based on the readiness of human resources, culture, tourism product area, as well as accommodation. In 2015, the Ministry of tourism focuses on 3 provinces as a halal tourism destination. There are Nanggroe Aceh Darussalam, West Sumatera and Nusa Tenggara Barat (<http://industri.bisnis.com>).

Figure 3.1 Travel Map Priority of Halal Tourism



Source: Ministry of Tourism of Indonesia, 2015

In terms of regulation, the Ministry of tourism has been cooperating with the National Sharia Council (DSN), the Indonesian Ulama Council (MUI), and the Institute of Business Certification (LSU) to draw up regulations on halal tourism. And by 2014, the Ministry of Tourism has issued Guidelines for Implementation of Business Sharia Hotel through the Minister of Tourism and Creative Economy No. 2, 2014. Unfortunately, the regulation have been repealed by Decree of Minister of Tourism No. 11, 2016. So the regulation on the development of halal tourism in Indonesia is only through the fatwa of MUI (Indonesian Council of Ulama). DSN-MUI has issued rules on the guidance in organizing the travel based on Islamic principles by Fatwa No. 108/DSN-MUI/X/2016. The rules governing the whole of the activities of *Sharia* travel, from the provisions of the contract (agreement), the provision of hotel, travel destinations, SPA, Saunas, Massage, travel agency, and its provisions for tour guides.

Although the structure of Indonesian halal tourism is not complete yet, but in the competition of the World *Halal* Tourism Awards 2016 in Abu Dhabi, United Arab Emirates, Indonesia won 12 awards from 16 categories contested. According to the Minister of Tourism of Indonesia, Arief Yahya, this achievement becomes the beginning to build a new ecosystem *halal* tourism in Indonesia, which will contribute substantially to increase a number of tourists coming. Indonesia has become the best of world halal destination. In the event "World Halal Tourism Awards 2016" Indonesia won 12 categories which are contested, namely:

- a. World's Best Airline for Halal Travelers: Garuda Indonesia.
- b. World's Best Airport for Halal Travelers: Sultan Iskandar Muda International Airport, Aceh Indonesia.
- c. World's Best Family Friendly Hotel: The Rhadana Hotel, Kuta, Bali, Indonesia.
- d. World's Most Luxurious Family Friendly Hotel: Trans Luxury Hotel Bandung Indonesia.
World's Best Halal Beach Resort: Novotel Lombok Resort & Villas, Lombok, NTB.
- e. World's Best Halal Tour Operator: Ero Tour, West Sumatera Indonesia
- f. World's Best Halal Tourism Website: www.wonderfullomboksumbawa.com, Indonesia.

- g. World’s Best Halal Honeymoon Destination: Sembalun Village Region, Lombok, Nusa Tenggara Barat, Indonesia
- h. World’s Best Hajj & Umrah Operator: ESQ Tours & Travel, Jakarta, Indonesia.
- i. World’s Best Halal Destination: West Sumatera, Indonesia.
- j. World’s Best Halal Culinary Destination: West Sumatera, Indonesia
- k. World’s Best Halal Cultural Destination: Aceh, Indonesia.

The achievement is enough to give a positive expectation for Indonesia to establish itself as a world halal tourism destination in the future. In addition, If viewed from year to year the development of halal tourism in Indonesia, as the release of data presented by Crescent Rating, it is clear that the improvement achieved by Indonesia, ranked 6th in 2015, ranked 4th in 2016, and finally Indonesia ranked 3rd in year 2017. Therefore, it is quite possible that Indonesia will lead other countries in the world's halal tourism industry. Not only because Indonesia is a country with the largest Muslim, but the culture and natural resources owned by this country is very abundant, as well as suitable to serve as a halal tourist destination.

4. The Potential of Halal Tourism in Indonesia

Halal tourism industry will always continue to develop, this is because the number of global muslim society will also continue to grow. Therefore, the demand in this sector will also continue to grow. Currently, the estimated population of Muslims in Europe is around 44 million. According to population projections from the US-based Pew Research Center, by 2030 this figure will have increased by almost a third to just over 58 million. The Muslim population is growing rapidly and especially the people possessing fortunes from oil business are spending more on travel. Among the 7 billion people living on earth and more than 1.8 billion are Muslims and the money spent by Muslim tourists is increasing (Global Muslim Population in Md. Aminul Islam and Laura Kärkkäinen, 2013). As for based on data released by Pew Research Center, in 2010 the world's Muslim population is estimated to total 1.6 billion and is projected to increase to 2.7 billion inhabitants by 2050 (Pew Research Center, 2011).

This calculation exclude by non-muslims community, because basically the targets of halal tourism is not only for Muslims community, but also for non-Muslim travelers. Because essentially halal tourism is a complement to conventional travel. As the largest Muslim country in the world which are abundant of of natural resources, Indonesia should make this opportunity to place itself as the center of halal tourism in world.

Table 4.1 10 Countries with the Largest Muslim Population, 2010 and 2050

	2010 MUSLIM POPULATION	% OF WORLD'S MUSLIM POPULATION IN 2010		2050 MUSLIM POPULATION	% OF WORLD'S MUSLIM POPULATION IN 2050
1 Indonesia	209,120,000	13.1%	1 India	310,660,000	11.2%
2 India	176,200,000	11.0	2 Pakistan	273,110,000	9.9
3 Pakistan	167,410,000	10.5	3 Indonesia	256,820,000	9.3
4 Bangladesh	134,430,000	8.4	4 Nigeria	230,700,000	8.4
5 Nigeria	77,300,000	4.8	5 Bangladesh	182,360,000	6.6
6 Egypt	76,990,000	4.8	6 Egypt	119,530,000	4.3

Source:
 Pew Research Center

Based on the expenditure, as explained in the data gathered by the Accelerated Development Team of Halal Tourism, Ministry of Tourism of Indonesia stated that global Muslim tourist expenditure almost equal to Chinese tourist expenditure. For Muslim global expenditure amounted to USD 151 billion while China's tourist expenditure amounted to USD 168 billion of the world tourists expenditure of 1.3 trillion. The global Muslim expenditure is expected to reach \$243 billion by 2021. Whereas the Indonesian tourist expenditures amounted to USD 9.1 Billion and always continue to grow.

Figure 4.1 Booming Global Halal Tourism Market



The Accelerated Development Team of Halal Tourism 2017

In general, the potential of halal tourism in Indonesia can be seen from the achievements and target of micro and macro economy compiled by the Acceleration Team and Development Halal Tourism of Indonesia following:

Table 4.1 Achievement and Target of Halal Tourism in Indonesia (2016-2019)

		2014	2015	2016	2017	2018	2019
MACRO	Contribution Toward National GDP	9,3%	10%	11.5%	13%	14%	15%
	Foreign Exchange (trillion IDR)	133,9	144	184	182	223	275
	Number of Employment in Tourism (million)	10,3	11,4	12	12,4	12,7	13,0
	Competitiveness Index (WEF)	n.a	#50	n.a	#40	n.a	#30
MICRO	International Tourist Arrivals (million)	9,4	10.4	12	15	17	20
	Domestic Tourist Arrivals (million)	251	255	260	265	270	275
	International Muslim Tourist Arrival (million)	2,0	2.2	2.7	3.1	3.8	5
	National Muslim Tourist Arrival (million)	219	222	227	231	237	242

Source: The Accelerated Development Team of Halal Tourism 2017

The table above explains that the tourism sector contributed 11% of Indonesia's GDP in 2016. By 2017, the tourism sector has the potential to contribute 13%. In terms of the amount of currency exchange, foreign exchange in 2016 amounted to IDR 184 trillion, while in 2017 is expected to fall to IDR 182 trillion, this is because the world economy is predicted to still slow. While the number of workers in the tourism sector in 2016 amounted to 12 million, and potentially rose to 12.4 million in 2017.

In terms of micro economy, the number of international tourists who have visited Indonesia in 2016 amounted to 12 million tourists, and potentially rise in 2017 to 15 million tourists. While the number of local tourists amounted to 260 million in 2016, and potentially rise in 2017 to 265 million tourists. As for the Muslim traveler, the number of international Muslim tourists amounted to 2.7 million tourists and predicted to increase in 2017 to 3.1 tourists. Meanwhile, the number of local Muslim tourists amounted to 227 million in 2016, and increased in 2017 to 231 million tourists.

5. The Opportunity of Halal Tourism Development in Indonesia

Some previous explanations show that so many opportunities for Indonesia in developing halal tourism. In the market side, halal tourism market in Indonesia is very clear, there are 10 international Muslim tourist market, which are: Middle East market, Malaysia, Russia, Germany, United Kingdom, Singapore, France, China, India / Bangladesh, and Australia. In addition, the domestic Muslim tourist market is still occupied by the major provinces in Indonesia, including: West Java, East Java, Central Java, DKI Jakarta, and South Sulawesi. Type of tourist visit can be personal, family, community, or group (TPPPH, Ministry of Tourism Indonesia, 2017).

Thus, Indonesia currently requires a lot of investment and human resources in the field of tourism to meet the needs of tourists who visit Indonesia. This need becomes an opportunity for anyone who wants to invest to Indonesia. Among the investment needs are as follows:

Table 5.1 The Needs of Investment in Indonesia 2017

Type of Business	Needs	
	Tourism Business	Human Resources
Hotels	8.866	354.644

Restaurant	27.583	220.667
Travel Agency	11.738	281.722
SPA	8.275	57.925
Recreational Park	12	9600
Operator Diving	280	5600
Other Businesses	2.823	45.748
Total	59,593	976,666

Source: The Accelerated Development Team of Halal Tourism 2017

The table above shows that there is a considerable investment need in the tourism sector in Indonesia. There are 59,593 types of businesses required and almost 976,666 workers in the field of tourism.

In general, opportunities in developing halal tourism in Indonesia are as follows:

- a. Halal Tourism Attraction is diverse and already growing
- b. Many Sharia attractions such as sites of Islamic royal heritage, the tomb of the Islamic scholars, and Islamic boarding school spread throughout Indonesia;
- c. Many tourism destinations have not been developed by government, community, or private sector;
- d. The level of awareness of the importance of halal products by the community continues to grow, this is marked by increasing visits to several tourism destinations by foreign and domestic tourists.
- e. Improving the economy of the people in the regions;
- f. Increased demand for halal certification to LPPOM MUI;

6. Challenges in Developing Halal Tourism in Indonesia

According to Harmaneh that challenges still block the growth of Islamic tourism industry is immature structure of halal tourism in mostly Muslim countries that should be restructured and reorganized (Ala al-Hamarneh, 2004). In addition, according to Chookaew Sureerat there are some weaknesses in the development of the tourism industry in the Muslim countries, which are:

- a. Lack of consumer understanding;
- b. Lack of global certification;
- c. Difficulty in customer acquisition; unable to access regional/global markets;
- d. Small to medium players struggling to achieve scale;
- e. Limited leveraging of technology and distribution networks;
- f. Limited access to capital and technical expertise;

- g. Limited collaboration between various stakeholders (producers, governments, certification bodies) (Sureerat Chookaew, 2015).

The several weaknesses or challenges that occur in the development of halal tourism in Indonesia are as follows:

- a. Lack of information on halal tourism;
- b. Not all regional heads (Governor and Mayor) understand the concept of halal tourism, so that is a little hampered industrial development;
- c. Still unclear branding that will be used in the development of halal tourism;
- d. There are many other travel industry players who do not provide halal tour packages;
- e. Lack of infrastructure and access that connects to areas of tourism destinations;
- f. The lack of support facilities in areas of halal tourism destinations, such as the mosque, public toilets, and lodging;
- g. There are many other foods that are not certified halal by the Indonesian Ulema Council MUI);
- h. There is still a lack of hotel certified *Sharia*;

To address these challenges, the Government of Indonesia through the Ministry of Tourism is preparing a halal tourism development strategy through four pillars of the development of halal tourism, as follows:

- 1) Policies and Regulations:
 - a. Commitment of Central/Regional Government;
 - b. Policy/Regulation that Stimulates Growth;
 - c. Budget Allocation
- 2) Marketing and Promotion: The integration of Indonesia's domestic and overseas halal tourism campaigns aggressively for key target markets:
 - a. Marketing Strategy;
 - b. Promotion Strategy;
 - c. Media Strategy.
- 3) Destination and Industry Development
 - a. Attraction, (development of number of attractions exist in Indonesia);
 - b. Accessibility (infrastructure improvement and access to halal tourism destination);
 - c. Amenities (hotel, restaurant, travel agent).
- 4) Capacity Building
 - a. Development/Certification of Human Resources;

- b. Awareness/Support from Community and Stakeholder;
- c. Industrial Development/Certification

7. Conclusion

Indonesia is a country with the largest Muslim population in the world which is also a country with abundant natural resources. Both of these factors can be enough reason for Indonesia to put itself as a center of *halal* tourism in the world. There are many benefits that can be achieved by Indonesia in the development of tourism destinations, among them are: (1) creating new jobs for the community circles in Indonesia, both in the field of fashion, food, souvenirs, or other lifestyle; (2) increasing investment opportunities in *halal* tourism sector; (3) improving the local economy, and other advantages.

In developing *halal* tourism, there are several challenges that is faced by Ministry of Tourism of Indonesia, there are: lack of information on *halal* tourism, not all regional heads (Governor and Mayor) understand the concept of *halal* tourism, so that is a little hampered industrial development, the lack of support facilities in areas of *halal* tourism destinations, such as the mosque, public toilets, and lodging, and also there are many other foods that are not *halal*-certified by the Indonesian Ulama Council (MUI), as well as there is still a lack of hotel certified *Sharia*, and other things that continue to improve.

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