

MEASUREMENT OF SHARIAH COMPLIANT HOTEL SELECTION FACTORS USING IMPORTANCE-PERFORMANCE ANALYSIS

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Abstract

This paper measures the hotel selection factors of Shariah Compliant Hotel (SCH) among local and international tourists with respect to importance and performance. Sixty guests from two SCHs were asked to rate the importance and performance of the hotels based on seven selection factors using 7-point Likert scale instrument. An Importance-Performance Analysis (IPA) grid was constructed based on the mean of each factors and the overall mean of the perceived importance and performance. The IPA grids showed that only one factor each fell in quadrant one and two respectively (security and Shariah compliance). Three factors fell in quadrant three (service quality, business facilities and value) and two other factors fell in quadrant four (room & front desk and food & beverages). The finding is significant as a clear vision on important factors expected from hotel guests would help hotel management to improve their services and facilities offered and consequently assist in improving the Islamic tourism industry.

Keywords: Shariah Compliant Hotel; Selection Factors; Importance; Performance; Halal Tourism

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Introduction

The tourist arrival to Malaysia has displayed a remarkable upward trend from a mere 5.5 million tourists in 1998 to 25.72 million in year 2013 (Tourism Malaysia Official Corporate Website, 2014). This shows a substantial increase in the collection of revenue from RM8.6 billion in 1998 to RM65.44 billion in 2013. Malaysian tourism sector has remained resilient and was able to attract a significant number of arrivals although there have been ups and downs in the Malaysian economy and political

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scenario. Statistics from Tourism Malaysia Website (2014) showed that from January to October 2014, Malaysia has received a total of 22,859,448 tourists from 46 different countries, thus making the tourism sector as the second biggest foreign-exchange earner in Malaysia after the manufacturing sector.

One new tourism concept known as ‘Halal tourism’ or also referred to as ‘Islamic tourism’ (Battour, Ismail & Battor, 2010) that emerge in recent years has given the tourism sector a new potential to grow wider. As Muslims have to abide to certain standard according to Islamic law that shaped by the Quran (Muslim Holy Book) and hadith (books that recorded the sayings and practices of the Prophet Muhammad), halal tourism can be seen as the effort to cater for the need of Muslim travellers in providing the goods and services that conform to their faith.

According to a survey conducted by Dinar Standard (2012), the Muslim tourists were seen as the largest untapped niche market of the tourism industry; and Global Muslim Travel Index 2015 has ranked Malaysia as the top most preferred destinations by Muslim travelers. It would be a great lost if Malaysia’s tourism industry players did not step forward to take advantage of this huge potential of halal tourism. Ariffin and Hasim (2009) reported that by 2020 there will be around 35 million Muslim travellers from the Middle East that will arrive in Malaysia. Looking at the added value, the Middle East tourists have a high purchasing power (Henderson, 2010) and they would normally demand for an eminent quality products and services (Visit Britain, 2008 as cited in Ariffin & Hasim, 2009).

In order to be equally competitive in offering the best to halal tourism market, the details of the factors perceived important by tourists in selecting hotels should be identified and make knowledgeable to the tourism industry players. Syed (2001) as cited in Battour et al. (2010, p. 463) quoted “it would be a competitive advantage to understanding and observing Islamic teachings in the tourism and hospitality markets as the needs of Muslim customers traveling overseas may be a source of anxiety for themselves and others”. Therefore, this study is conducted to identify the factors perceived important by tourists when selecting Shariah Compliant Hotel and to investigate whether the performance of the hotels meets hotel guests’ expectation using the Importance-Performance Analysis.

Methodology

A total of 60 hotel guests were selected using convenience sampling from two Halal Shariah compliant hotels in Ampang, Selangor and Jerantut, Pahang. Data collected were on demographic profiles of respondents, importance of hotel selection factors using a seven-point Likert scale with 1 = Least Important to 7 = Most Important and performance of hotel selection factors using a seven-point Likert scale with 1 = Strongly Disagree to 7 = Strongly Agree. Hotel selection factors were adapted from Choi and Chu (2001) and Chu and Choi (2000) with the new inclusion of Shariah compliance element. IPA was performed to classify the hotel selection factors into four identifiable quadrants as in Figure 1.

Result and Discussion

The Cronbach’s Alpha for the importance of service quality, business facilities, value, room and front desk, food and recreation, security and Shariah compliance were 0.88, 0.63, 0.83, 0.94, 0.88, 0.93 and 0.84 respectively. All were above the accepted level of 0.60 (Nunnally, 1978). Most of the respondents were female (61.7%) and domestic tourists accounted for 96.7% of the respondents as compared to 3.3% for foreign tourists. Majority of the respondents were between 21 to 30 years old (46.7%). 48% of the respondents spent only 1 night while 46.7% spent two to three nights at the hotels. 65% came for leisure and 25% for business. 63.3% stated that this was their first time at the hotels. Friends & relatives (36.7%), business associates and companies (33.3%) were the main source of hotel information.

Factor 1 to Factor 6 was labelled according to Chu and Choi (2000) while Factor 7 is added to suit the scope of this research. Means and standard deviations were calculated for both Importance and Performance items and the difference in the mean score between the Importance and the Performance of hotel selection factors was tabulated. The results are shown in Table 1.

Table 1: Mean Importance and Performance of hotel selection factors

Hotel Selection Factors	Importance (I)		Performance (P)	
	M	SD	M	SD
<i>F1 – Service Quality</i>	5.70	0.13	5.62	0.10
Efficient services	5.67	0.88	5.57	0.83
Understand request	5.70	0.87	5.63	0.80
Staff helpful	5.85	0.90	5.73	0.92
Staff friendly	5.83	0.91	5.75	0.90
Neat appearance	5.72	0.99	5.62	1.03
Islamic dressing code	5.65	1.02	5.48	1.07
Multi lingual skills	5.47	1.05	5.55	1.06
<i>F2 – Business Facilities</i>	5.61	0.24	5.52	0.03
IDD service	5.30	1.41	5.48	1.16
Satellite TV	5.65	1.01	5.52	0.87
Wireless Wifi	5.88	0.98	5.52	0.83
Wireless network	5.60	1.11	5.55	0.89
<i>F3 – Value</i>	5.62	0.16	5.63	0.09
Room value for money	5.58	0.89	5.60	0.91
FnB value for money	5.60	0.83	5.67	0.88
Hotel location convenient	5.78	0.85	5.65	0.82
Comfortable ambience	5.80	0.76	5.72	0.83
Reputable chain	5.60	0.98	5.67	0.93
Souvenir shop	5.37	1.15	5.45	1.00
<i>F4 – Room & Front Desk</i>	5.64	0.13	5.67	0.09
Bed comfortable	5.58	0.89	5.62	0.80
Mattress clean	5.60	0.83	5.63	0.84
Room clean	5.78	0.85	5.72	0.90
Bathroom clean	5.80	0.76	5.70	0.89
Toiletries adequate	5.60	0.98	5.53	0.83
In-room temperature control	5.37	1.15	5.63	0.84
Water heater available	5.58	0.89	5.63	0.96
Towels clean	5.60	0.83	5.80	0.88
Hotel check in efficient	5.78	0.85	5.63	0.74
Room service efficient	5.80	0.76	5.65	0.73
Reservation system reliable	5.60	0.98	5.83	0.98
<i>F5 – Food & Recreation</i>	5.61	0.29	5.72	0.14
In-room dining reliable	5.70	0.83	5.92	0.91
FB great variety	5.80	0.78	5.70	0.77
FB high quality	5.85	0.73	5.77	0.77
Halal food provided	5.75	0.91	5.87	0.75
Western food provided	5.00	0.92	5.70	0.93
Local food provided	5.53	0.93	5.58	0.91
Leisure facilities available	5.63	0.84	5.52	1.17
<i>F6 - Security</i>	5.75	0.03	5.62	0.12
Fire alarm reliable	5.73	0.97	5.52	1.07
Security personnel responsible	5.75	0.90	5.53	1.16
Signages visible	5.72	0.90	5.60	1.21
Emergency information available	5.78	0.87	5.78	0.92

<i>F7 – Shariah Compliance</i>	6.08	0.02	5.81	0.03
Religious amenities provided	6.07	0.80	5.82	0.95
Facilities for Muslim guests	6.10	0.95	5.83	0.99
Islamic teaching services	6.07	0.95	5.77	1.06

The mean score for all items measuring Importance and Performance were determined and based on the value obtain, a line was drawn vertically for Performance and horizontally for Importance. The mean for each of the seven factors were plotted in the IP analysis grid. The results are shown in Figure 1.

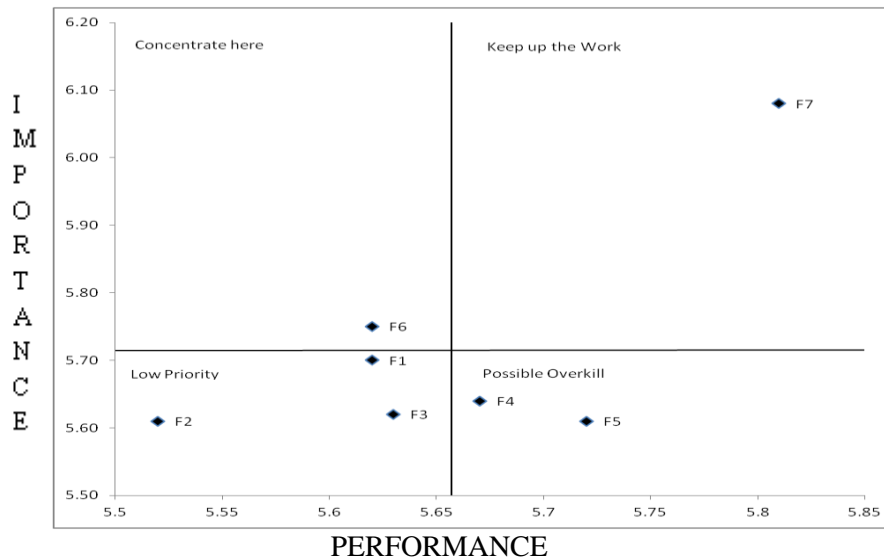


Figure 1: Importance-Performance Analysis Grid

**F1 – Service Quality, F2 – Business Facilities, F3 – Value, F4 – Room & Front Desk, F5 – Food & Recreation, F6 – Security, F7 – Shariah Compliance*

‘Security’ falls in the ‘concentrate here’ quadrant where it is perceived to be of high importance but low in performance. Past researchers have identified that safety and security as the most important factor in determining accommodation selection (Choosrichom, 2011; Fawzy, 2010). The improvement of security quality and reliability should therefore be prioritized by SCH operators. According to Choosrichom (2011) safety and security aspects could be improved by providing information on procedures or printed instruction during emergency, means of securing bedroom doors inside and out, availability of life and property protection, availability of staff or security personnel on-site or on-call 24 hours a day and sufficient lights on stairways. When vacations are supposed to be fun and enjoyable, it is the responsibility of SCH operators to create safe and secure environment of the hotel.

In the “Keep Up the Good Work” quadrant, attributes are perceived to be very important and the SCHs are practising high levels of performance. ‘Shariah’ compliance’ falls in this category that signals respondents felt that SCHs have the Islamic attributes they were seeking for and the hotels were performing correspondingly in pursuit of Shariah business practices. Guests of SCHs expect that hotel operation and services conform to the Shariah standard (Salleh et al., 2014; Al Serhan & Alobaitha, 2013; Zailani et al., 2011).

The “Low Priority” quadrant captured three factors, namely, ‘Service Quality’, ‘Business Facilities’ and ‘Value’. This quadrant identifies the factors as low performance but relatively less important as compared to other factors. Nevertheless, efforts on improving the quality of these factors should not be reduced or taken for granted as service quality, business facilities and value are among the basic

and important attributes in hotel selection factors as mentioned in the literature review (Lockyer, 2004; Dolnicar, 2002; Chu & Choi, 2000; Choi & Chu, 2000; Choi & Chu, 2001, Dominici, 2010).

The ‘Possible Overkill’ quadrant comprises of attributes of low importance but seems to be of relatively high in performance. Even though ‘room & front desk’ and ‘food & recreation’ were perceived to be of high performance, they should be further improve in order to fully utilise the Islamic services rendered and the halalness of the food. Fully utilisation here means that hotel guests can expect that their confidence level is being met and experience a peace of mind while staying in a SCH. Whatever it takes, conforming to Quran and hadith is the utmost priority to the Muslim followers (Syed Marzuki & Abdullah, 2014; Syed Marzuki, Hall & Ballantine, 2014; Syed Marzuki et al., 2012a & 2012b).

Conclusion

The arisen of halal tourism trend is seen as a new product in the tourism industry. This study has categorized the SCH attributes into seven factors that include service quality, business facilities, value, room & front desk, food & recreation, security and Shariah compliance. Even though all factors of SCH were perceived important and that they had performed above average (all means are higher than 5.00), the IPA grid has shown that respondents have different perceptions on the attributes and the performance of SCHs. The most prominent factor that fell into Keep Up the Good Work quadrant was Shariah compliance that raised the awareness of Shariah hotel operators to maintain their good services in providing Islamic amenities, facilities and teachings to the hotel guests. In essence, managers should also strive to upgrade and improve other quadrants so as to have a well-balanced Islamic holistic approach while practicing good values.

The factors that fell in the quadrants of low performance (security, service quality, business facilities and value) especially needed to be prioritized by SCH operators. By looking at this as the room for improvement, the reputation of Shariah compliance hotel could further be established. By fulfilling the attributes perceived important by tourists in choosing accommodation at SCHs, maintaining the strengths and improving the weaknesses of their service performance, it is hoped that SCH will be equally competitive in offering the best to the tourism market in general. As for future research, it is recommended that a larger sample size and the application of Importance-Performance analysis using the Diagonal Model with a slight modification to the grid analysis to be taken into consideration.

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