



Opportunities, Challenges and Strategies in the Development of Halal Tourism in Indonesia

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Abstract. Indonesia is a country with the largest Muslim population in the world, this is motivation in the development of halal tourism, but the Covid-19 pandemic has an impact on tourism with a decrease in the number of tourists traveling. This study aims to explain the opportunities and challenges in the development of halal tourism in Indonesia. The method used in this study is a qualitative method, in analyzing the opportunities, challenges and strategies in the development of halal tourism in Indonesia. The data used in this study were sourced secondary data with a literature study method in the form of books, journals and articles about halal tourism, then these data were processed and analyzed in order to get answers to research problems. Based on the results of the analysis carried out, in can obtained about opportunities, challenges and strategies that can be done developing halal tourism in Indonesia.

Keywords: Development · Halal Tourism · Indonesia

1 Introduction

Indonesia is a large nation with the fourth largest population in the world and occupies the first position as the country with the largest Muslim population in the world, based on report from the Royal Islamic Strategic Studies Center (RISSC) or MABDA entitled *The Muslim 500 2022* edition which states there are 231.06 million Indonesians are Muslim.¹ Coupled with such a large natural wealth, this is a potential that can be utilized in order to improve the welfare of it's people. The tourism sector is one of the mainstays in carrying out National economic life.

Tourism is one of the important sectors that can contribute to the country's economy because the tourism sector has great potential in contributing to Indonesia,s foreign exchange.² Along with the development of people's lifestyles today, the tourism sector

¹ Viva Budy, 2022, *RISSC: Populasi Muslim Indonesia Terbesar di Dunia*, [https:// www.databooks.katadata.co.id/datapublish/2021/03/11/rissc-populasi-muslim-indonesia-terbesar-di-dunia](https://www.databooks.katadata.co.id/datapublish/2021/03/11/rissc-populasi-muslim-indonesia-terbesar-di-dunia)., downloaded on march 10, 2022

² Aponno C, (2020), *Contribution of Toursm and Economic Growth in Maluku Province*, *Intelektiva : Jurnal Ekonomi, Sosial dan Humaniora*, Vol. 2 No. 5, page 111

has developed rapidly in various region, even in recent years has given rise to a new trend in the tourism sector regarding the development of halal tourism or tourism that is friendly to Muslim tourists. Basically, the development of halal tourism is not only specifically for Muslim tourists, but all tourists, both Muslim and non-Muslim. The World Tourism Organization revealed that consumers of sharia tourism or halal tourism are not only aimed at Muslims, but also for non-Muslims who want to enjoy local wisdom.³

In the development of halal tourism, according to Irawan⁴, there are three things to consider, the first thing is : the population of the world's Muslim population is large, this is in accordance with data from Pew's research centers which have conducted a survey on The World's Muslim population is 1.571,198,000 people in 2019 and will reach 1.7 billion in 2021. Second, the amount of spending by the world's Muslim population is in the travel global Islamic economy report 2017/2018 states that the largest Muslim consumption in the world is in the food, clothing, tourism, pharmaceutical, media and cosmetic sectors. So that it can be said as the largest Muslim population and the largest consumer in the world. Then the third, that the high number of Muslim tourists who travel. With these considerations, the development of halal tourism can be a great opportunity to achieve the desired goal.

The Indonesian government, in this case the Ministry of Tourism and Creative Economy, has implemented the development of halal tourism and has become a priority program implemented in the last five years and as a result, in 2019 Indonesia was ranked first at the international level as the best halal tourism destination in the world according to the GMTI (Global Muslim Travel Index) organized by Mastercard-CrescentRating. Then at the VIHASC 2021 event, Indonesia reaffirmed to continue to develop the halal tourism sector, because Indonesia has a very large halal tourism potential, in addition to the populations, also has a variety of halal tourist destinations, this is further strengthened by the entry of Indonesia into five countries with halal tourism expenditures. In 2019. Based on data from the state of global economy report 2020/2021, which is 11.2 billion US dollars.⁵

The concept of developing halal tourism in Indonesia is a tourism concept that aims to meet the needs and experiences of Muslim tourists. These concepts include halal food and beverage services, good worship facilities, clean toilets with sufficient water, free from Islamophobia, providing social benefits, Ramadhan programs, experiences unique for Muslim tourists, free from non-halal activities, providing recreation and privacy areas.⁶

With the Covid-19 pandemic sweeping the world, people's lifestyles have changed their daily behavior by implementing strict health protocols set by each government

³ Adi Nugraha, H. H. Santika, M. & Kadarningsih, A. (2018). *Halal Tourism Village: Concept and Implementation in Indonesia*, Human Falah, Vol. 5 No. 1, page. 28

⁴ Irawan, E (2019). *The Concept of Developing Halal Of One Village Product Based Halal Tourism Destinations of Sumbawa Regency*, Nusantara Journal Economy, Vol. 1 No 2. Page. 13

⁵ Ministry of tourism and creative economy. 2021. *Potential of Halal, Tourism In Indonesia in VIHASC 2021*, Press release Jakarta, 13 Juli 2021

⁶ Nurhasinah, Y & Syaifullah A (2019). *Halal Tourism Development Concept in Indonesia* Retrieved Friday, October 2021, from Indonesiabaik.id: <https://indonesiabaik.id/motion-grafis/konsep-pengembangan-pariwisata-halal-di-Indonesia>

around the world. This also affects the development of tourism which results in a decrease in the number of tourists who travel, this is due to various restrictions put in place by the government to prevent the spread of the corona virus. This is in accordance with the report from Crescent Rating in 2021 which stated that the number of Muslim tourist arrivals fell to 42 million in 2020.⁷ Of course this is also an inhibiting factor in the development of halal tourism, with restrictions imposed by the government, tourists are prohibited from doing so travel activity.

Based on the above conditions, the authors are interested in digging deeper into the opportunities and challenges in the development of halal tourism in Indonesia and strategies that can be applied in the development of halal tourism in Indonesia.

2 Research Method

The method in this study using a qualitative descriptive approach. According to Bagdam and Taylor quoted by Moeloeng⁸, they define qualitative research as a descriptive research process that produces data in the form of written and spoken words from the people and actors observed. With this understanding, this study aims to explain and describe in depth the opportunities and challenges as well as strategies that can be applied in the development of halal tourism in Indonesia.

This qualitative research uses the method of content analysis or content analysis. According to Krippendorff, content analysis is one of the research techniques to make inferences that can be imitated and valid data by paying attention to the context,⁹ besides the use of content analysis methods aims to provide new knowledge and increase understanding of certain phenomena, by describing more broadly and concisely and to describe and measure a phenomenon. Content analysis research was carried out with steps consisting of unitizing, sampling, recording or coding, reducing inferring and narrating.

3 Results and Discussion

An overview of the development of halal tourism in Indonesia. The Ministry of Tourism and Creative Economy has developed and promoted service businesses in the hospitality sector, restaurants, travel agencies and spas in twelve sharia tourist destinations. The development was carried out in a number of cities including: Aceh, West Sumatra, Riau, Lampung, Banten, DKI Jakarta, West Java, Central Java, Yogyakarta, East Java, West Nusa Tenggara and South Sulawesi. The provinces of Central Java and Yogyakarta are one of the sharia tourist destinations that have many interesting tourist objects to visit. Supported by adequate transportation facilities, these attractions are easy to visit.¹⁰

⁷ Ni Nyoman Wira Widyawati, 2021 *GMTI Announces List of World's Best Halal Travel Destinations*, *Jurnal Himpun*, Jakarta.

⁸ Lexy J Moeleong, *Qualitative Research Method Revised Edition*. PT. Remaja Rosdakarya. Bandung 2014. Page. 04

⁹ Klaus Krippendorff, *Content Analysis Introduction and Methodology*, Raja Grafindo Persada, Jakarta, 1993

¹⁰ Unggul Priyadi, *Sharia Tourism Prospects and Developments*, UPP STIM YKPN, Yogyakarta, 2018, page 93

Table 1. Research Data on Halal Tourism Development in Indonesia

Number	Author	Year	Title
1.	Devitasari, Muhammad Iqbal Pasa dan Soeharto	2022	Analysis of Halal Tourism Development in the prospect of helping to improve the economy in Indonesia
2.	Retno Dwi Wulandari & Kurniati Indahsari	2021	Halal Tourism Development Strategy in Indonesia
3.	Abdul Rachman	2021	Halal Tourism Development Strategy in Increasing the Competitiveness of the Halal Tourism Business in Indonesia
4.	Muhammad Zaini	2021	Development of Community-Based Halal Tourism to Improve Welfare
5.	Asri Nur Rahmi	2020	Halal Tourism Development and its Effect on Indonesia's Economic Growth
6.	Hendry Ferdiansyah, Cipta Endyanaz, Heryadi Rahmata, Ute Leis Siti Khadijah	2020	Halal Tourism Development in Indonesia Through the Smart Tourism Concept
7.	Ida Nurlatifah	2020	Halal Tourism Development Policy in Indonesia: Opportunities, Challenges and Strategies
8.	Menur Kusumaningtyas & Sri Lestari	2020	Halal Food and Tourism Developmnet Model in Indonesia
9.	Rizka Desiana & Retno Sunu Astuti	2019	Halal Tourism Development in Indonesia
10	Elpa Hermawan	2019	Strategy of the Indonesian Ministry of Tourism in Improving Halal Tourism Branding

Based on the results of the collection of library data sources, ten studies were obtained on the development of halal tourism in Indonesia. Some of these studies reveal the opportunities and challenges in the development of halal tourism in Indonesia. The following presents data on research on the development of halal tourism in Indonesia.

Based on the table data above, when viewed from the results of the study, it can be grouped into three namely opportunities, challenges and strategies in the development of halal tourism in Indonesia.

3.1 Opportunities in the Development of Halal Tourism in Indonesia

From the simplification of the data on the research above, it has been possible to generate opportunities that can be utilized in the development of halal tourism in Indonesia. The

first opportunity is the huge market potential of the Muslim population in Indonesia. According to Abdul Rachman (2021) states that Indonesia is a country with the largest Muslim population in the world and has a friendly population which is a very large opportunity and potential for halal tourism¹¹. Menur Kusumaningtyas (2020) said that Indonesia must be able to see the potential of the halal tourism market with the largest Muslim majority in the world so that it is not taken by other countries¹². And Herdy Ferdiansyah, et al (2020) revealed that Indonesia has the largest Muslim population in the world and has won the "World Best Halal Travel Destination" award in 2019 as an opportunity to develop halal tourism with the concept of smart tourism.¹³

The second opportunity, namely the beautiful natural wealth and abundant culture, is the main attraction for tourists. According to Abdul Rachman (2021) revealed that Indonesia is a country that has many halal tourism destinations, besides that Indonesia also has a lot of potential for beautiful natural resources consisting of islands, mountains, wilderness, beaches and so on.¹⁴ Devitasari, et al (2022) in their research results reveal that tourism development utilizes the charm of natural beauty and national potential as the largest maritime country in the world wisely and sustainably, as well as encouraging economic activities related to the development of national culture.¹⁵ Then Asri Noer Rahmi (2020) stated that Indonesia is a country that has a geographical position and the largest archipelago in the world, coastal areas that have tourism potential and cultural wealth are great potentials for developing a halal tourism industry that can increase economic growth.¹⁶

3.2 Challenges in developing halal tourism in Indonesia

From the analysis of data on research on the development of halal tourism in Indonesia, the challenges faced include:

Ida Nurlatifah (2020) stated that the challenges faced in the policy of developing halal tourism in Indonesia are fivefold, namely: first, the business opportunities for the halal industry have not been based on many parties, including policy makers. Second, the development of the halal industry is still constrained by the limited supply of raw materials that meet halal criteria. Third, understanding is still limited to a number of

¹¹ Abdul Rachman, "Halal Tourism Development Strategy in Improving the Competitiveness of Indonesia's Tourism Business" International Conference on Sharia & Law (ICONSTAL 2021) -Online Conference, April 2021 page 13

¹² Menur Kusumaningtyas, "Model of Halal Food and Tourism Development in Indonesia". *Mahardika Media Journal*. Vol. 19 No. 1, September 2019, page 48

¹³ Hendry Ferdiansyah Cipta Endyana, Heryadi Rachmat, Ute Lies Siti Khadijah, "Development of Halal Tourism in Indonesia through the Smart Tourism Concept". *Journal of Sustainable Tourism Research*. Vol. 2 No. 1, January 2020, page 34

¹⁴ Abdul Rachman, *Op Cit*. 13

¹⁵ Devitasi, Muhammad Iqbal fasa and Soeharto, "Analysis of Halal Tourism Development in the Prospect of Helping to Improve the economy in Indonesia". *Journal of Economic Development*. Vol. 15 No. 1, February 2022. Page 137

¹⁶ Asri Noer Rahmi, "The Development of Halal Tourism and its Effect on Indonesia's Economic Growth". *Journal of Islamic Economics*. Vol. 1 No. 1, June 2020, page 19

producers and infrastructure that does not yet support it. Fourth, differences in standardization and certification of halal products. And the fifth part of the Indonesian people consider halal products and services as commonplace not appropriate that have great value and potential to be developed.¹⁷

Riska Destiana and Retno Sunu Astuti (2019) stated that in developing halal tourism, the government has not finalized regulations on halal tourism which will become the legal umbrella for the protection of halal tourism industry players and tourists. Also regarding halal certification of halal industrial products and businesses, it is also not running optimally so that improvements need to be made.¹⁸

Retno Dwi Wulandari and Kurniyati Indahsari (2020) stated that challenges are still found in the development of halal tourism in Indonesia, including the absence of regulations regarding the development of halal tourism in Indonesia and the lack of halal certification from the Indonesian Ulema Council (MUI).¹⁹

3.3 Halal Tourism Development Strategy in Indonesia

From the results of the literature study in the table above, there are several studies that discuss strategies in the development of halal tourism in Indonesia, including:

Muhammad Zaini (2021) states that the strategy in developing halal tourism is by developing products or tourist destination objects, increasing promotion through internet media, issuing rules according to sharia principles, completing worship facilities and infrastructure, increasing accommodation and other supporting infrastructure according to sharia standards, increasing accessibility. And improve services.²⁰

Elpa Hermawan (2019) states that the Indonesian government has developed three aspects of an appropriate strategy in improving the quality of world-class halal tourism, namely: the destination aspect by providing halal tourism facilities and services in accordance with Islamic needs and sharia. Then by utilizing information technology to carry out promotion to all corners of the world and thirdly improving the quality of human resources in accordance with the needs of competence and qualifications in providing halal tourism services for tourists.²¹

Ida Nurlatifah (2020) describes the strategy for developing halal tourism in Indonesia, including: Optimizing the potential of halal tourism destinations, good industrial governance, increasing human resources through professional training, and public trust.²²

¹⁷ Ida Nurlatifah, “*Halal Tourism Development Policy in Indonesia: Opportunities, Challenges and Strategies*”. Thesis of Syarif Hidayatullah State Islamic University Jakarta, 2020, page 81

¹⁸ Riska Destiana & Retno Sunu Astuti, “Development of Halal Tourism in Indonesia”. *Journal of Conference on Public Administration and Society*, Vol. 1 No. 1, 2019, page 10

¹⁹ Retno Dwi Wulandari & Kurniyati Indahsari, “Halal Tourism Development Strategy in Indonesia”. *E-proceeding Senriabdi 2021*. Vol. 1 No. 1, December 2021, page 39

²⁰ Muhammad Zaini, “Development of Community-Based Halal Tourism to Improve Welfare”. *Muslim Preneur Journal*. Vol. 1 No. 2, July 2021, page 101

²¹ Elpa Hermawan, “The Strategy of the Indonesian Ministry of Tourism in Improving Halal Tourism Branding”, *Journal of Management and Accounting Sciences*, Vol. 7 No. 2, 2019

²² Ida Nurlatifah, *Op Cit* 81.

Abdul Rachman (2021) mentions that steps are needed to be able to implement halal tourism development strategy so that it can compete with other countries in carrying out halal tourism programs in several destinations. First, the mapping strategy, assessment and analysis of the competitiveness of halal tourism. Both regulatory strategies and halal tourism policies. The three strategies for preparing strategic plans, halal tourism, the four promotion and marketing strategies for halal tourism, the five strategies for developing halal tourist destinations and the sixth strengthening the halal tourism institutions.²³

4 Conclusion

In accordance with the objectives of this study and based on the results of the discussion in the previous chapter, it can be concluded that:

1. Opportunities in the development of halal tourism in Indonesia include: Huge market potential from the population of Indonesia, which is predominantly Muslim and the largest in the world. Natural wealth consisting of geographical conditions, arts and culture as well as a variety of local wisdom owned by the Indonesian people can attract tourists and support the development of halal tourism in Indonesia.
2. The challenges faced in the development of halal tourism in Indonesia include: Halal tourism business opportunities have not been utilized optimally by both halal tourism actors, the community and the government as stakeholders, There is no regulation on halal tourism as a legal umbrella in the development of halal tourism in Indonesia, Limited halal certification of halal tourism products and services
3. Strategies that can be implemented in the development of halal tourism in Indonesia include: Improving tourism products both quality and quantity Strengthening human resources as a driver of halal tourism Establish other supporting regulations regarding halal tourism Improving halal tourism facilities and infrastructure in accordance with the needs of sharia tourists Increased marketing in the form of promotion of halal tourism in Indonesia, both directly and with information technology.

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²³ Abdul Rachman, *Op Cit*, 13

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