The Influence of Sharia Compliance and Marketing Mix on Satisfaction and Intention of Muslim Tourist to Revisit Sharia Hotel

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ABSTRACT

This research aims to analyze the influence of sharia compliance and marketing mix (product, price, place, promotion, people, process, and physical evidences) on satisfaction and intention of Muslim tourists to revisit the sharia hotels. A total of 159 local muslim tourist who had stayed at sharia hotel in Indonesia have participated in this research. Data analysis method used factor analysis and regression analysis. The findings of the research reveal that sharia compliance, product, price, process and physical evidence have significant influence on satisfaction, and satisfaction is proven to influence the intention of Muslim tourists to revisit sharia hotels. The results of this study provide useful information for policy maker and business manager to formulate suitable marketing strategies to enhance the potential of sharia hotels in Indonesia.

Keywords: sharia compliance, marketing mix, satisfaction, intention to revisit, faktor analysis, regression analysis.

1. Introduction

Halal tourism industry has developed rapidly in recent years. The growth of the halal industry is caused by many reasons such as the increasing of Muslim markets and large Muslim expenditures. Muslim population is the second largest population in the world, in 2010 the number of Muslims amounted to 1.6 billion (Worldaffairsjournal, 2015). World Muslim population expenditure reached USD 151 billion in 2015 and predicted to increase to 200 billion USD in 2020 (Crescentrating & Mastercard, 2016).

Indonesia as the largest muslim country certainly has the opportunity to control the world’s halal tourism. Through the Ministry of Tourism, Indonesia develops halal tourism by developing infrastructures including sharia hotels (Ministry of Tourism, 2015). Sipraset, Chainin & Rahman (2014) declared that the majority of Muslim tourists use hotel accommodation, or homestay when they on the tour. Thus, it is logic to assume that sharia hotels will develop in line with the development of halal tourism. This is possible because Muslim tourists certainly need hotel which is in accordance with sharia (Poria, Butler & Airey, 2003, Battour & Ismail, 2016). Din (1989) stated shariah compliance is a special requirement of Muslim tourists who are strongly influenced by the teachings of Islam.
The number of sharia hotel in Indonesia at 2016 is 101 hotels, which is far from the ideal number expected. The ideal number should be at 273 sharia hotels with 8,880 rooms in order to accommodate the needs and wishes of Muslim tourists (Sofyan, 2016). The lacking of sharia hotel numbers is certainly inversely proportional to the potential market of Muslims in Indonesia. Therefore, sharia hotels need to be developed intensively.

The development of sharia hotels should be undertaken to develop appropriate tourism strategies. Marketing is strategy to build sustainability of business, because marketing creates relationships between companies and customers. Al-Muala (2012) in his research declared that marketing mix has important role in the operation of hospitality in Kenya by increasing demand for products and services of hospitality. This is because marketing mix helps to discover the needs and wants of the consumers. Using this as a ground, Sharia hotel in Indonesia can also utilize marketing mix to satisfy the needs and wants of customers.

Serker, Amin, & Begum (2012) stated that the element of marketing mix consisting of product, price, place, promotion, people, process, and physical evidence can be combined by sharia hotels to increase visitor satisfaction. Visitor satisfaction will make them reconsider to revisit sharia hotels (Valle, Silva, Mendes, Guerreiro, 2006). Based on the background, the purpose of this study is:

1. To Analyze the influence of shariah compliance and marketing mix on Muslim Tourist’s Satisfaction who visit sharia hotel.

2. To Analyze the influence of Muslim tourist’s satisfaction on their intention to revisit sharia hotels.

2. Literature Review and Hypotheses

2.1 Halal tourism

Battour & Ismail (2016) stated that halal tourism is any tourism activity which is allowed according to Islamic teaching. Whole objects, goods, product, and services which are offered in tourism industry must be in accordance with islamic teaching. Halal should cover all components, such as halal/sharia hotel, halal restaurants, and halal trips (Battour & Ismai, 2016).

2.2 Sharia Compliance on Hotel

Sharia hotel can be defined as a hotel that provides services in accordance to the Islamic Teaching/shariah compliance (Jurattanasan & Jaroenwis, 2014). Sharia compliance on hotel must meet the various requirements such as: no alcohol provided, halal food only, no nightclub, prayers room, Qur’an and prayer mats in each room, toilet not facing qibla, separate facilities for man and woman, sign of qibla direction, and islamic funding (Jurattanasan & Jaroenwis, 2014; Sipraset e.t.al, 2014; Chookae, Chanin, Charatarawat, Sriprasert, & Nimpaya, 2015).

Muslim tourists have their own characteristics, where they have special needs compared to other tourist. These special needs depend heavily on the rule and regulation of Islam (Din, 1989; Poria et al, 2003). Fulfillment of these special needs/sharia compliance can satisfy Muslim tourists (Battour & Ismail, 2016). Based on these arguments, the proposed hypotesis is as following:
H1: Shariah compliance has a significant influence on the satisfaction of Muslim tourists

2.3 Marketing Mix

Marketing mix is the element consisting of product, price, place, promotion, people, process and physical evidence (Kotler & Keller, 2006). Elements of marketing mix can be used as a controller tool that can reflect customer satisfaction. A good understanding of element of marketing mix will help the company to find out what the needs and wants of customers. Then, they will be satisfied. The relationship between elements of marketing mix and satisfaction can be explained by these:

1. Product is a solution to the needs of customers (Kotler & Keller, 2006). In the case of sharia hotel, the hotel should offer comprehensive products to satisfy the needs of muslim tourist who stay at the hotel. Previous studies have proven the positive relationship between product and satisfaction (Al-Muala, 2012; Amofah, & Tut, 2016)

2. Price has “value in exchange” relationship, where the expended funds should be in accordance with the obtained services (Abuznaid, 2012). Costumer will be satisfied when the services is in line with the expended funds. Study conducted by Mucai, Mbaeh, & Noor (2013) had proven that price has significant influence on satisfaction.

3. Place refers to convenience of costumer to access the services of hotel easily. Ease of accessibility will affect the satisfaction (Kotler & Keller, 2006). Previous research showed that accesibility is determinant of tourist’s satisfaction (Megatef, 2015).

4. Promotion affect the satisfaction because it is a communication tool to customers (Kotler & Keller, 2006). This statement is supported by various previous research such as Sarker et al. (2012) and Khadim, Abdullah, & Abdullah (2016). Both of the studies found that promotion has significant impact on tourist’s satisfaction.

5. People : hotel employees will affect satisfaction because they deliver hotel service to customers. Hotel should ensure that employees have already delivered services well to the consumers (Serker et al, 2012)

6. Process of services will influence customer satisfaction (Hirangkitti, Mechinda, & Manjing, 2009). In the case of hotel industry, hotel should have standardization of process to deliver services consistently to customers.

7. Physical Evidence is a physical appearance of the hotel (design, luxury of the room). It will affect satisfaction because the appearance will be rated by customer at the first time (Abuznaid, 2012)

To test the relationship between each element of marketing mix and satisfaction, the purposed hypotheses are:

H2: Product has a significant influence on Muslim tourist satisfaction
H3: Price has a significant influence on Muslim tourist satisfaction
H4: Promotion has a significant influence on Muslim tourist satisfaction
H5: Place has a significant influence on Muslim tourist satisfaction
H6: People has a significant influence on Muslim tourist satisfaction
H7: Process has a significant influence on Muslim tourist satisfaction
H8: Physical evidence has a significant influence on Muslim tourist satisfaction
2.4 Satisfaction and Intention to Revisit

Satisfaction is a comparison between service performances and customer expectations. If the services are in line with expectations, then customer will be satisfied (Kotler & Keller, 2006). Satisfaction will have positive impact on intention loyalty of customer (Wahhab, Hassan, Shahid, & Maon, 2016). It is indicated by their recommendations to the other customer (Jang & Feng, 2007) and their intention to revisit sharia hotel (Valle et al, 2006). So, it can be hypothesize as follow:

H9: satisfaction has a significant influence on intention to revisit of Muslim tourists to revisit sharia hotel

According to theories and literature reviews above, framework of this research can be modeled as follows:

![Figure 1. Research Model](image)

3. Research Methodology

3.1 Research Methods

The methods used to test the hypotheses of this study are factor analysis and regression analysis. The minimum samples should be used in factor analysis is 50 to 100 person (Sapnas & Zelle, 2002). Another opinion stated that recommended number of samples for factor analysis is 100 samples or more (Witrorowitch, 2014).

3.2 Population and Sample

Target population of this study is local muslim tourist who stayed in sharia hotel for at least one night. The minimum age of respondents is 17 years. This study use non-probability sampling technique specifically snowball sampling to collect primary data. Primary data of the study is obtained from survey by distributing cross sectional questionnaire through survey monkey and google forms.

3.3 Measurements

The measurement of variables is adopted from previous researchs. Sharia compliance is mea-
sured by 14 statement items to test the realization of sharia compliance at the hotel (Jurattanasan & Jaroenwisan, 2014; Sipraset et al., 2014; Chookaew et al., 2015). The 14 items provided answers “yes” (1 point) and “no” (0 point).

The measurement of marketing mix used 6-point likert scale (1 = strongly disagree; to 6 = strongly agree). There are 37 statement items with following details: product (4 items), price (5 items), place (5 items), promotion (8 items), people (5 items), process (5 items) and physical evidence (4 items). The whole statement items are adopted from many previous researches.

The variable of satisfaction is measured by 7 statement items. These items are devoted to evaluate the performance of sharia compliance and marketing mix. Therefore, the measurements of satisfaction are modified according to the statements which have been formed. The scale of satisfaction measurement used 6 point likert scale (1 = strongly disagree; to 6 = strongly agree). Intention to revisit is measured by 2 statement item using 6 point likert scale (1 = strongly disagree; to 6 = strongly agree). The statement refers to Valle et al (2006) and Jang & Feng (2007). They declared that two indicators to measure intention to revisit are: willing to give recommendations to other customer, and willing to revisit.

4. Results and Discussions

4.1 Demographic Respondent Statistics

Based on data below, muslim tourist who stay overnight in sharia hotels is dominated by male respondent with the percentage of 53%. The majority of the respondents’ education level are bachelor/S1 (58%). The age of majority respondents (68%) are muslim tourist with age between 17-30 years. This is in accordance with the online survey method in this study which is shared through social media. Therefore, sharia hotels can use promotions through online media to attract the attention of Muslim tourists.

Table 1. : Demographic Respondent Statistics (n = 159)

<table>
<thead>
<tr>
<th>No</th>
<th>Sex</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Male</td>
<td>84</td>
<td>53%</td>
</tr>
<tr>
<td>2</td>
<td>Female</td>
<td>75</td>
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</tr>
<tr>
<td>Total</td>
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</table>

<table>
<thead>
<tr>
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<th>Frequency</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Elementary-</td>
<td>4</td>
<td>3%</td>
</tr>
<tr>
<td>2</td>
<td>High School</td>
<td>29</td>
<td>18%</td>
</tr>
<tr>
<td>3</td>
<td>Bachelor (S1)</td>
<td>93</td>
<td>21%</td>
</tr>
<tr>
<td>4</td>
<td>Postgraduate (S2/S3)</td>
<td>33</td>
<td>58%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>159</td>
<td>100%</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>No</th>
<th>Age</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>17 – 30 years</td>
<td>108</td>
<td>68%</td>
</tr>
<tr>
<td>2</td>
<td>31 – 40 years</td>
<td>24</td>
<td>15%</td>
</tr>
<tr>
<td>3</td>
<td>41 – 50 years</td>
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<td>13%</td>
</tr>
<tr>
<td>4</td>
<td>51 above</td>
<td>4</td>
<td>4%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>159</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>No</th>
<th>Income</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>&lt; 2.000.000</td>
<td>51</td>
<td>32%</td>
</tr>
<tr>
<td>2</td>
<td>2.100.000 - 4.000.000</td>
<td>56</td>
<td>36%</td>
</tr>
<tr>
<td>3</td>
<td>4.100.000 - 6.000.000</td>
<td>21</td>
<td>13%</td>
</tr>
<tr>
<td>4</td>
<td>&gt; 6.000.000</td>
<td>30</td>
<td>19%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>159</td>
<td>100%</td>
</tr>
</tbody>
</table>
The majority of income level of respondents falls in the range of 2-4 million rupiah (36%). Based on income data levels above, sharia hotels should provide hotel room rates in accordance with the income of respondents ie cheap, medium and expensive.

4.2 Factor Analysis

Prior to regression analysis to test the effect between variables, the data should be tested by factor analysis. All variables of this study should be tested using factor analysis, i.e., by considering the value of Kaiser Meyer Olkin Measure of Sampling (KMO) and Bartlett Test of Sphericity. KMO value of 9 variables of this research > 0.5 and Bartlett’s Test of Sphericity significance is 0.000. Based on the result of factor analysis, it can be concluded that the data can be continued for testing the hypothesis (Usman & Sobari, 2013). Then, regression analysis will process the data to test the relationship between variables and find answers to the research hypothesis. This study will use 2 kinds of model to test the hypotheses i.e. model 1 to test effect of sharia compliance and marketing mix to satisfaction. Model 2 to test the effect of satisfaction on intention to revisit.

4.3 Regression Analysis

Regression model in this study consists of two models. The first equation model examines the influence of shariah compliance, and marketing mix on satisfaction. The results of multiple regression and simple regression model of regression equation can be summarized in the table 2.

Based on the above regression model, it can be seen that the value of adjusted R Square is 0.74. This shows that the dependent variable (satisfaction) can be explained by independent variables for 74% while the remaining is explained by variables outside the model. The independent variable is considered to have a significant effect simultaneously on the dependent variable of satisfaction.

The second regression equation model is to examine the influence of satisfaction on the intention of Muslim tourists to revisit sharia hotels.

<table>
<thead>
<tr>
<th>Coefficients*</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>-.024</td>
<td>.250</td>
<td>-.098</td>
<td>.922</td>
</tr>
<tr>
<td>Sharia</td>
<td>.324</td>
<td>.183</td>
<td>.076</td>
<td>1.770</td>
<td>.079</td>
</tr>
<tr>
<td>Product</td>
<td>.191</td>
<td>.067</td>
<td>.194</td>
<td>2.834</td>
<td>.005</td>
</tr>
<tr>
<td>Price</td>
<td>.154</td>
<td>.067</td>
<td>.164</td>
<td>2.286</td>
<td>.024</td>
</tr>
<tr>
<td>Place</td>
<td>-.117</td>
<td>.067</td>
<td>-.106</td>
<td>1.749</td>
<td>.082</td>
</tr>
<tr>
<td>Promotion</td>
<td>.062</td>
<td>.062</td>
<td>.062</td>
<td>1.014</td>
<td>.312</td>
</tr>
<tr>
<td>People</td>
<td>-.078</td>
<td>.101</td>
<td>-.080</td>
<td>-.767</td>
<td>.444</td>
</tr>
<tr>
<td>Process</td>
<td>.296</td>
<td>.098</td>
<td>.285</td>
<td>3.029</td>
<td>.003</td>
</tr>
<tr>
<td>Physical</td>
<td>.415</td>
<td>.080</td>
<td>.414</td>
<td>5.176</td>
<td>.000</td>
</tr>
</tbody>
</table>

Table 2. The Results of Multiple Regression Model 1

with F statistic = 57.234, R = 0.868, R. Square = 0.753, Adj. R. Square = 0.740, Sig. = 0.000
The value of adjusted R square is 0.316, which indicates that variable of intention to revisit can only be explained by the satisfaction variable for 31.6%. Furthermore, the F test (simultaneous) shows that value of F is 73,993 with value 0.000. This indicates that the independent variable can be used to predict the dependent variable.

4.4 Hypothesis Testing Results

H1: Shariah compliance has a significant influence on the satisfaction of Muslim tourists

Based on table 4.5 the variable of sharia compliance has tstatistic = 1,770 with value 0.079 smaller than the significance level 0.1. Therefore, Ho is accepted at the level of significance 10%. This means that sharia compliance variable has significant effect on variable of satisfaction. This result corresponds to the opinion of battour & Ismail (2016) which postulated that there is an effect of sharia compliance on the satisfaction of Muslim tourists. It also similar to argument by Din (1989) who stated that the needs of fulfillment of sharia compliance is a special needs of muslim tourists that must be satisfied.

H2: Product has a significant influence on the satisfaction of Muslim tourists

The result of regression in table 4.5 shows that tstatistic = 2,834 with value 0.005. Thus, H0 is rejected at the level of significance of 10%, and hypothesis 2 of the research is supported by data. This means that product has positive and significant influence on satisfaction. This result corresponds to the theory that product affects satisfaction (Kotler & Keller, 2006). The result of this study has also been proven by several previous studies that proved that product has a significant effect on satisfaction (Al-Muala, 2012, Amofah & Tur, 2016).

H3: Price has a significant effect on the satisfaction of Muslim tourists

Hypothesis 3 of this research stated that price has significant effect on the satisfaction of Muslim tourists. According to table 4.5, it shows that the variable of price has tstatistic = 2.286 with value 0.024. Thus, H0 is rejected at the significant level of 10%. In other word, price has a positive and significant effect on the satisfaction of Muslim tourists who visit the sharia hotels. The results of this hypothesis is in accordance with the marketing principles proposed by Kotler & Keller (2006). The relation between price and satisfaction is “value in exchange” between the amount of funds spent by Muslim tourists with the services provided by the hotel (Kotler, Bowen, & Maken, 2014). This relationship is significant if the money spent by Muslim tourists is in accordance with the services that they recieved from the hotel.
H4: Place has a significant influence on the satisfaction of Muslim tourists.

Hypothesis 4 of this study stated that there is positive and significant relationship between place and satisfaction. From table 4.5 variable of place has t-statistic = -1.749 with value 0.082. Therefore, H0 is accepted at the level of significance 10%. This means that place has no significant effect on the satisfaction of Muslim tourists who visit the sharia hotels. The result of this study is in contrast with the result from Sarker et al. (2012). They studied the relationship between marketing mix and satisfaction of tourist who visit east lake in China. Their study found that place has significant effect on satisfaction. But the result like this study has also occurred in other studies. According to the study by Amofah & Tur (2016), place has no effect on satisfaction, where satisfaction and intention of return visit to restaurant is more influenced by other reasons such as food taste (product) and other reasons.

H5: Promotion has a significant influence on the satisfaction of Muslim tourists.

The data on table 4.5 shows that t-statistic = 1.104 with value 0.312. Thus, H0 is accepted at the level of significance 10%. This means that promotion has no significant influence on satisfaction of Muslim tourist who stay overnight at sharia hotels. The result of this study is against the principles of marketing which stated that promotion would influence promotion (Kotler & Keller, 2006). The result of this study is similar to the study conducted by Rahayu (2015). She studied the influence of promotion, service quality and brand image on satisfaction and loyalty of tourist who visit Palembang City, Indonesia. According to the study, it is found that promotion has no significant effect on satisfaction.

H6: People have a significant influence on the satisfaction of Muslim tourists.

Hypothesis 6 of this study examines the influence of people on satisfaction of muslim tourist. According to the data on table 4.5, it is known that t-statistic = -0.078 with value 0.444. Therefore, H0 is accepted at the level of significance 10%. This means that people has no significant influence on satisfaction of Muslim tourist who stay overnight at sharia hotels. This result is not in accordance with the principles of marketing which stated that the employees will effect customer satisfaction (Kotler & Keller, 2006). It is also in contrary with many previous studies such as Sarker et al. (2012), and Kadhim et al (2016) who found that people effect satisfaction of tourists significantly. But the similar result like this study has also occured in the study conducted by Mucai et al. (2012). The result of the study concluded that people have no influence on satisfaction.

H7: Process has a significant influence on the satisfaction of Muslim tourists.

Hypothesis 7 of this study examine the relationship between process and satisfaction of Muslim tourist. According to the data on table 4.5 known that t-statistic = 3.029 with value 0.003. Therefore, H0 is rejected at the level of significance 10%. It means that the variable of process has significant influence on satisfaction of Muslim tourists who stay at sharia hotels. The result of the hypothesis is in line with the argument that stated the process influences the satisfaction (Abuznaid, 2012; Kotler et al, 2014). The result of this study is also similar to the previous research such as the ones from Sarker et al (2012) and Kadhim et al (2016) which found that process of delivering services has big influence on satisfaction of tourist.
H8: Physical evidence has a significant influence on the satisfaction of Muslim tourists

Hypotesis 8 of this study declared that physical evidence has big effect on satisfaction. Based on table 4.5 tstatistic for physical evidence = 5.175 > with value 0.000. Therefore, H0 is rejected at the level of significance 10%. This indicates that research hypothesis is accepted, which means there is a significant influence of physical evidences on the satisfaction of customers who stay at sharia hotels. The result is consistent with the argument of Abuznaid (2012) who stated that physical evidence has a positive effect on customer satisfaction. It also similar to the study of Hirankitti et al (2009) which found that physical evidence has effect on customer satisfaction.

H9: Satisfaction has a significant influence on the intention to revisit

The last hypothesis of this study examine the relationship between satisfaction and intention of muslim tourist to revisit sharia hotel. According to the result of regression model 2 on table 4.6, known that tsatistic =8.602 with value 0,000. Therefore, H0 is rejected at the level of significance 10%. The result of this study prove that satisfaction has a significant effect on the intention of Muslim tourists to revisit sharia hotels. This result is also in line with previous studies conducted by Valle et al (2006) and Jang & Feng (2007). In their studies, it is found that satisfaction has significant effect on customer’s loyalty intention. In other words, tourist satisfaction will influence the intention of tourists to revisit sharia hotel and also to recommend it to others.

5. Conclusions and Recommendations

The finding of this study shows that sharia compliance, product, price, process and physical evidence have positive and significant impact on satisfaction of muslim tourist who stay at sharia hotels. It means that muslim tourist will be satisfied by experiencing the significant variables and it will increase their intention to be loyal to the sharia hotel. Sharia hotel should pay attention to these significant variables, because muslim tourist can find conventional hotels with good quality and competitive prices in Indonesia. If sharia hotel cannot satisfy muslim tourist, they will choose other hotels (in this case, conventional hotels) to stay. Therefore, sharia hotels have to make a good combination between sharia compliance and marketing mix that can attract muslim tourist using sharia hotels. The result of this study also shows that place, promotion, people are not significant. A Possible explanation for this insignificant result could be that muslim tourist had stayed at the better hotel before. So, they consider that the place, promotion, and sharia hotel employees are not better compared than their previous hotel.

The next result of this study shows that satisfaction of muslim tourist has strong influence on their intention to revisit sharia hotel. Therefore sharia hotel should give good experience to muslim tourist in order to increase their loyalty intention. It also gives chance to sharia hotel to increase more number of customers, because when the customer is satisfied they will revisit sharia hotel and give recommendation to others.

Furthermore, the result of this study can not be generalized as general conclusions, due to limitations in distribution of samples. Additionally, intention variable is only explained by the satisfaction for 31.6%, so further research is required to obtain a better result. This can be done by including other variables that allegedly affect the intention of Muslim tourist to revisit sharia hotels. Finally, the results of this study suggests that sharia hotel should consider the importance
of sharia compliance, product, price, process and physical evidence while designing marketing strategy.

References


