

CHAPTER I

INTRODUCTION

A. Background

The most interesting phenomenon in international relations in this century is the human journey around the world which increased incredibly due to the interstate journey for the business need and professionals, tourism, study abroad, and others. As a producer of foreign exchange, tourism is in second place after oil. Unlike with oil, who's unstable due to ups and downs of the price, but tourism always developed (Mas'oed, 2003, p. 199). For several countries, tourism is the biggest moneymaker and became the strongest sector in financing the global economic.

The development of tourism industry is making people attract to create an innovation of the tourism called "Halal Tourism". Islamic Economics is an important part of today's global economy. There are seven sectors of the economy that has increased significantly such as culinary, Islamic finance, the insurance industry, fashion, cosmetics, pharmaceuticals, entertainment, and tourism. Where all of the sectors are based on Islamic values on each product. There are few things that become a parameter of the growth of a global Muslim market, namely the young and large Muslim market demographics, the rapid economic growth of the Muslim majority countries, Islamic values that encourage the growth of business and Islamic lifestyle, the growth of trade transactions between the countries of the Organization Of the Islamic Conference (OIC), the participation of multinational companies, technology and

connectedness or connectivity between countries (Kementerian Pariwisata Indonesia, 2015).

Halal tourism concept was begun when pilgrims' tourism or spiritual tourism exist where at 1967 was held a conference in Cordoba, Spain by World Tourism Organization (UNWTO) with the title "Tourism and Religions: A Contribution to the Dialogue of Cultures, Religions, and Civilizations" (World Tourism Organization (UNWTO), 2011). This conference was talking about the sociology of religions in world tourism and focused on the East and the West of its role in tourism and civilizations through religious tourism. Religious tourism here was based on the value of religion such as Hindu, Buddha, Christian, Islam, and other religions. As the time goes by, that religious tourism develops to become a new form or modern value where the values are globally and give the benefit for the society. Moreover, it did not cover the possibilities if Muslim tourists and halal tourism industries become something that attracts world tourism area and has a high potential of Muslim tourist because of the population of Muslim in the world are dominate, such as Indonesia, Malaysia, Brunei Darussalam, Turkey, and Middle East Countries. This halal tourism spread in many countries, even the countries which not the member of OIC (Organization Of Islamic Conference) such as Singapore, Japan, Thailand, New Zealand, and others are also introducing their tourism destination with the halal concept (Kementerian Pariwisata Indonesia, 2015). According to Global Muslim Travel Index (GMTI) 2015, Singapore got the first place as a halal tourism destination who's not the member of OIC. While Malaysia also got the first place as a halal tourism destination who's the member of OIC (Sahid, 2016). Based on the study of MasterCard-Crescent Rating of Global Muslim Travel Index (GMTI) 2016,

the total number of world Muslim tourists reached 117 million in 2015. That number is predicted to continue to grow until reaching 168 million tourists in 2020 with an outlay of over 200 billion us dollars or about 2.6 trillion rupiahs (KOMPAS, 2017). Moreover, according to the data of a Global Islamic State of Economy (2015), the Muslim world tourists spending until \$ 2 trillion in the year of 2013 and predicted will experience significant improvements in the year 2019 become \$ 3.7 Trillion. The biggest potential lies in the sectors of halal food which reached \$ 1,294 billion and was followed by the finance sector with the potential of \$1,214 billion (Afwaa, 2016).

The Halal Tourism also entering Indonesia which is currently known as the largest Muslim population country in the world. The number of tourists to Indonesia in the last few years' dominated by ASEAN Countries such as Malaysia, Singapore, and others. In addition, from some European countries, especially Russia, then from America, Australia, and the Eastern countries such as Saudi Arabia, Qatar, and others. A large number of foreign tourists from Middle East countries is also one of the driving forces for Indonesia to develop halal tourism industry and become a large contributor to halal tourism (Widagdyo, 2015).

The development of the halal industry in the world is growing rapidly as time goes by until International Travel Week (ITW) Abu Dhabi, United Arab Emirates (UAE) held a World Halal Tourism Award in 2015. This award exclusively represents the booming global family-friendly tourism sector. The awards celebrate outstanding products and service within the family-friendly tourism sector. The winner of this world best halal tourism award was dominated by Indonesia, especially Lombok, West Nusa Tenggara by winning the three categories of awards; there are World's Best

Family-Friendly Hotel Winner, World's Best Halal Honeymoon Destination, and World's Best Halal Tourism Destination. In World Halal Tourism Award 2016, Indonesia back to dominate the winner of the award by winning 12 categories of the award, but Lombok still the most dominator of the winner by winning three categories of awards; there are World's Best Halal Beach Resort, World's Best Halal Tourism Website, and World's Best Halal Honeymoon Destination. (International Travel Week Abu Dhabi, 2016)

As we can see above that Indonesia is one of the countries that dominate the winning of awards, means that halal industries in Indonesia was well developed and bring the positive effect for the national economy. The Ministry of Indonesia Tourism, Arief Yahya also stated that the halal tourism became a mainstay of Indonesia's tourism business portfolio. The existence of this halal tourism in Lombok also attract the foreign investors, one of them is Maarij Capital. Maarij Capital is United Kingdom Company which engaged in the field of investment consulting. Investment plans by Maarij Capital were the first conducted in Lombok. Governor of West Nusa Tenggara also welcomes and appreciates the arrival of Maarij Capital because they visit Indonesia, particularly to Lombok. The governor of West Nusa Tenggara also said that the arrival of Maarij Capital in Lombok was a good opportunity for us to having cooperation with them because now West Nusa Tenggara is developing a new segment in halal tourism aspect. Therefore, the governments of West Nusa Tenggara trying to pull many investors who have the same vision to prove this segment successfully (Lombokinsider.com, 2016).

The governments of Indonesia was also prepared this kind of tourism through making cooperation between The Ministry of Tourism and Creative

Economy and Majelis Ulama Indonesia (MUI) by held Global Halal Forum in 2013 by the theme “Wonderful Indonesia as Muslim Friendly Destination” (Kementerian Pariwisata Indonesia, 2015).

At the launching of Gerakan Ekonomi Syariah (GRES) 2013, the former of President Indonesia Susilo Bambang Yudhoyono was stated that Indonesia has a really high potential for developing the halal tourism industry. The existence of sharia economy in Indonesia can decrease the vulnerability of financial system with the real sector in order to avoid fluctuate financing and strengthening the social security. (Kementerian Pariwisata Indonesia, 2015)

The governments of Indonesia was already prepared 13 provinces to became halal tourism destinations; there are West Nusa Tenggara, Nangroe Aceh Darussalam, West Sumatera, Riau, Lampung, Banten, DKI Jakarta, West Java, Central Java, East Java, DI Yogyakarta, South Sulawesi, and Bali (Kementerian Pariwisata Indonesia, 2015). West Nusa Tenggara is one of the tourism destinations that have a high potential in developing halal industries. This thing has been proven when West Nusa Tenggara, i.e. Lombok won the various awards in World Best Halal Tourism as the writer mention above. Besides, inspired by a population that is predominantly Muslim, and designations of Lombok Island as a thousand mosques, Lombok has proclaimed became one of the tourist destinations of sharia in Indonesia that is identified by the Ministry of Tourism. This status stimulates the emergence of the idea of the market Lombok's tourism product to the market of the Middle East countries, particularly Saudi Arabia, Bahrain, the United Arab Emirates, Kuwait, Oman, and Qatar. (Badan Perencanaan dan Pembangunan Provinsi NTB)

By this study, the writer want to describe more about the strategy of Lombok's local government in developing its halal tourism industry in order to maintain the branding of world halal tourism destination.

B. Research Question

Based on the background explanation, in order to understand more about the strategy to develop Lombok, the research question is:

How does the strategy of West Nusa Tenggara government in developing Lombok as a world halal tourism destination?

C. Purpose of Research

The aims of the research are below:

1. To explain the strategy of West Nusa Tenggara government in developing and promoting halal tourism industry in Lombok
2. To explain the achievement result of Lombok as a world "halal tourism" destination 2015-2016
- 3.

D. Theoretical Framework

1. Cultural Diplomacy

One of the instruments of foreign policy is cultural diplomacy which can be relating to the first attempts of states to implement the idea using its culture. It is also one of the interests of promoting foreign policy goals. (Institute for Cultural Diplomacy).

According to the Institute for Cultural Diplomacy, the definition of cultural diplomacy is:

“Cultural Diplomacy may best be described as a course of actions, which are based on and utilize the exchange of ideas, values, traditions and other aspects of culture or identity, whether to strengthen relationships, enhance socio-cultural cooperation, promote national interests and beyond; Cultural diplomacy can be practiced by either the public sector, private sector or civil society”. (Institute for Cultural Diplomacy)

Cultural diplomacy also can be defined as an effort of a country to strive for its national interest in cultural dimension, whether micro such as education, knowledge, sport, and art, or macro which in accordance with the main characteristic, such as propaganda, many more, which in conventional sense can be thought as not politic, economy, or military (Warsito & Kartikasari, 2007). The actor of this cultural diplomacy is government or non-governmental institution, individual or collective, or every citizen. Therefore, the pattern of the relationship of cultural diplomacy among nation could happen among government-government, government-private, private-private, personal-personal, government-personal, and others.

The material or the content of the cultural diplomacy itself is all the case of macro or micro which considered as the tool of cultural aspect in foreign policy such as art, tourism, sport, tradition, technology, ideology and much more (Warsito & Kartikasari, 2007). Here is the table of one of the relations between peace situation, shape, purpose, and material in cultural diplomacy:

Table 1. 1

Situati on	Shape	Purpose	Material
Peace	<ul style="list-style-type: none">- Exhibition- Competition- Mission Exchange- Negotiation- Conference	<ul style="list-style-type: none">- Recognize- Hegemony- Friendship- Adjustment	<ul style="list-style-type: none">- Tourism- Sport- Education- Trade- Art

(Warsito & Kartikasari, 2007)

From the table above, we can see in peace situation, one of its shapes is an exhibition. In this case, Indonesia is using the exhibition to introduce halal tourism to other countries all over the world. According to (Warsito & Kartikasari, 2007), an exhibition is the most conventional cultural diplomacy which its style is open diplomacy means that every nation considered has its own interest or goal that should be displayed to other nations to get higher respect. The purpose itself is to get recognized from other countries that Indonesia has well-developed of halal tourism industry especially Lombok and also to tighten the friendship between Indonesia and other countries through one of the materials of cultural diplomacy, which is halal tourism.

As we can see that tourism is one of the contents of the cultural diplomacy. Tourism here as a tool that provides significant results by visiting the tourist spots are expected to know better the diversity of tourism. From tourism, a state can introduce their identity and also introduce their special cultures such as art, language, ethnic, place, foods, drinks and much more. In this case, culture became one of the tools

of Indonesia's government to apply cultural diplomacy and also for promoting and developing Lombok Island became world halal tourism destination.

2. Halal Tourism

According to Zamani Farahani and Anderson, 2010 halal tourism defined as:

“Traveling activities of Muslims when moving from one place to another or when residing at one place outside their place of normal residence for a period less than one year and to engage in activities with Islamic motivations. It should be noted that Islamic activities must be in accordance with generally accepted principles of Islam; i.e. halal”. (A.A, 2013)

Another definitions of Halal Tourism according to WTM, 2007:

“Halal tourism as a type of religious tourism that is in conformity with Islamic teachings regarding behaviourisms, dress, conduct and diet. On the other hand, it is claimed that Islamic tourism attracts many travellers entirely interested in what is termed Islamic culture” (Battour & Ismail, 2015)

According to Handerson, 2009:

“The concept of Islamic tourism is not limited to religious tourism, but it extends to all forms of tourism except those that go against Islamic values’. Therefore, the two concepts are vague and definitional ambiguities in terms of the Islamic law, the target customers (i.e. Muslims or non-Muslims), the location of activity (i.e. destination attributes), the product and service

offered (i.e. food, facilities), and the purpose of travel.”

So, halal tourism can be defined as the part of the tourism industry which has tourism activity when people visit one place such as city or country to another place for a short time at least less than one year and this activity also bound with Islamic value or Islamic principles. Islamic values here means that all the facilities that offered by tourism industries are based on Islamic rule like providing the place for prayer, halal services such as an interaction between men and woman tourist, transportation, and provide halal food and drink.

Those halal aspects were confirmed by Holy Qur'an, Al- Baqarah 2: 168:

“O ye people! Eat of what is on earth, Lawful and good; and do not follow the footsteps of the evil one, for he is to you an avowed enemy.”(Al-Baqarah 2: 168)

As already stated above, Islam was given the rules for Muslim to consume halal things. This statement also confirmed by Hadith Al Bukhari and Muslim, Abu 'Abdullah al-Nu'man bin Bashir ra, who said: I heard the Messenger of Allah, Sallallahu Alayhi Wasallam, said:

"Truly, what is lawful is evident, and what is unlawful is evident, and in between the two are matters which are doubtful which many people do not know. He who guards against doubtful things keeps his religion and honor blameless, and he who indulges in doubtful things indulges in fact in unlawful things, just as a shepherd who pastures his flock round a preserve will soon pasture them in it. Beware, every king has a preserve, and the things Allah

has declared unlawful are His preserves. Beware; in the body, there is a flesh; if it is sound, the whole body is sound, and if it is corrupt, the whole body is corrupt, and beholds, it is the heart." (Al- Bukhari, and Muslim)

3. Tourism Destination Branding

The term tourism destination branding is a concept that aims to improve the quality of the brand a tourist destinations. According to Ritchie, 1998:

"A destination brand is a name, symbol, logo, word mark or other graphic that both identifies and differentiates the destination; furthermore, it conveys the promise of memorable travel experience that is uniquely associated with the destination, it also serves to consolidate and reinforce the recollection of pleasurable memories of the destination experience." (Maulida, 2017)

Another definitions according to Harish, 2010:

"Tourism destination branding is the process in building a uniqueness or specificity are owned by tourism destinations and mengkomunikasikannya to tourists or investors using the name, tagline, symbol, design or a combination of the media is to create a positive image." (Maulida, 2017)

Basically, tourism destination branding is a development term of city branding which was first introduced. As expressed by Kavaratzis (2008) which explains that the tourism destination branding is one of the trend of city branding by making a city or County as a tourist destination or destinations of local communities as well as

national, as well as allowing a city to manage the tourism potential that owned his territory as the identities and characteristics that are unique to the area, in order to establish the identity or competitive brand on a specific region into a tourist destination and a place that wants to attract tourists. (Maulida, 2017)

Based on the results of Research International Congress Convention Association year 2012, there are several criteria for tourist destinations when ready marketed and developed into the leading destinations, namely (Maulida, 2017):

- a. Attractions or tourist attraction, namely everything that has natural attractions such as attraction, man-made attractions, events and attractions become the object and purpose of the visit. This attraction can be a hallmark of a destination which is the main attraction for tourists
- b. Accessibility, defined as the entrance and exit to and from tourist destinations. This accessibility is a vital case given access is what determines the smoothness of the development of tourism facilities and attractions.
- c. The support of stakeholders, including Government, covering destinations Manager Association of tourism, communities, investors or entrepreneurs in the destination
- d. Tourism and accommodation facilities, namely supporting tourism infrastructure and facilities that improve the quality and value of the attractiveness of tourist destinations. Businesses that are able to support complementary tourist facilities include business accommodation, food

and beverage supply businesses, business services, tourism, recreation and entertainment, business and tourism district.

- e. The image of the destination. Important for tourist destinations have a good image in the eyes of tourists. The image of the tourist destinations need to get special attention through good management, because a good image will add to the appeal of a tourist destination so that it is able to increase the visits.
- f. The readiness of the community and professional human resources. Community participation in tourism destination development efforts can be active participation in the development of tourism, active tourism, conscious increase in delivering advice and aspirations, as well as civic organizations formed to help the development of tourist areas.

E. Hypothesis

The local government of Lombok develops its halal tourism in several strategies which are divided into internal way and external way, namely:

1. In internal way:
 - a. Making a regional regulation of Halal Tourism
 - b. Hold a program called “Khazanah Ramadhan Festival”
2. In external way:
 - a. Host an exhibition of International Halal Travel Fair (IHTF)
 - b. Join an exhibition of Malaysia International Halal Showcase (MIHAS)

F. Research Method

This research used a qualitative method to seek the information related to the title of this research. Moreover, most of the data are taken from books, scientific papers, websites, electronic journals, and other relevant data as the secondary data. The writer chose the website as one of the sources to support the writer to keep up to date with the data that related to this. The writer also used some books as a media to find other specific data that give an explanation of the theories. Besides, the writer used the data from books, websites, and also the other sources for an interview with the Tourism Department of Lombok to answering the research question and also as the primary data.

G. Range of Research

In this thesis, the writer focuses on strategy of Lombok local government to develop its halal tourism that became the world best halal tourism destination in Halal Tourism Award 2015-2016. The period of time that will be analyzed is in the year of 2014 when Indonesia begin to develop its halal tourism and also the year 2015-2018 when the halal tourism in Indonesia particularly Lombok that continued to develop the halal tourism industry.

H. System of Research

The outline of this research as follows:

Chapter I explains Introduction, Problem Background, Research Question, Purpose of Research, Theoretical Framework, Hypothesis, Research Methodology, Range of Research, and System of Writing.

Chapter II discusses the halal tourism as the new trend in global economic and also the development of Indonesian tourism, the potential Indonesian halal tourism, especially Lombok.

Chapter III discusses the concepts, challenges, and factors of halal tourism in Lombok and also discusses the achievement of Lombok that won World “Halal Tourism” Destination Award in 2015-2016.

Chapter IV explains the efforts of government in developing and promoting halal tourism in Lombok.

Chapter V contains a conclusion.