

Analysis of Solow Growth Model in Sharia Hotel Industry In Pandemic Era, Case Study: Indonesia and Malaysia

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Abstract

This journal aims to determine the business prospects for the Islamic hotel industry in the digital era and post-pandemic. We carry out simulations based on the estimated growth of internet users, tourism arrival, and the performance of sharia and non-sharia hotels using data from the annual report of all hotels listed on the stock exchange both in Indonesia and Malaysia every year from 2000 to 2019. In making hotel performance forecasting, This study uses the Autoregressive moving average (ARMA) model. The estimation results are used to compare the performance of the sharia and non-sharia hotel industries in Indonesia and Malaysia from 2000 to 2019. We find that massive internet inclusion makes it easier for consumers to make decisions in choosing accommodation both sharia hotels, non-sharia hotels, and non-hotel accommodations. . To understand the resilience of Islamic hotels in facing the Covid-19 pandemic and the opportunities and threats aimed at Islamic hotels, the SWOT Matrix is used through a qualitative research literature approach to strengthening analysis based on ARMA forecasting and to understand the competitive conditions of Islamic hotels both in Indonesia and in Malaysia. We find that the key factor in increasing the competitive power of Islamic hotels is the use of internet inclusion for campaigns that encourage the perspective of prospective Islamic hotel customers in taking purchase actions or encourage prospective customers' perspectives towards creating demand for Islamic hotel services. Based on the results of analysis and forecasting that combines a quantitative approach based on the theory of the firm and absolute income theory, adopting the Cobb-Douglas function and the Solow model with a qualitative approach to research literature tested in the SWOT Matrix, Islamic hotels have a competitive advantage with clear segmentation and positioning as well as has a great chance to rise and recover the financial performance of the organization after the Covid-19 pandemic ends.

Keywords: Hotel, Indonesia, Malaysia

JEL Classification: M1,L8,E3

Introduction

Breakfast and other extra services at each hotel become a hallmark of each hotel itself. However, in the pandemic era, temperature checks and keyless check-in are things that are starting to be developed and increasingly popular in hotels.

Technology development to adapt to the increasingly varied challenges in the hotel industry. Although pandemic era policies are still being developed in hotels around the world, including Islamic hotels, also known as Islamic hotels. It can be said that guests will see major changes when they check-in

anywhere. For the foreseeable future until vaccines, widely effective treatments, or direct testing for the coronavirus are available.

Staying in hotels tends to be an easy affair, especially in high-end hotels where personalized services and amenities for hotel customers have long been part of the hotel business itself.

Guests will want keyless, contactless check-in and checkout as well as some personalized interactions. The role of technology is very important. The development trend of check-in and check-out has increased in the hotel business during the Covid-19 pandemic era. Including the development of digital technology that adapts to a pandemic. Hotels must survive and adapt to the pandemic (Hao, et, al, 2020)

Islamic hotels, sometimes called Muslim hotels or sharia hotels, are specially designed for Muslims because they provide Muslim-friendly facilities such as halal food, prayer rooms, water-friendly bathrooms, and women's privacy, as well as other facilities needed by Muslim travelers (Salleh, et, al, 2019; Hall & Prayag, 2019).

One of the challenges in the Islamic hotel industry besides the pandemic is Islamophobia which is endemic in various parts of the world (Stephenson, 2014). However, Islamic hotels can increase the loyalty of Muslim customers who are also widely spread throughout the world (Fajriyati et al, 2020).

The significant influence of Islamic beliefs on host-guest interactions suggests that religious beliefs can support tourism. However, religiosity also has a significant effect on the nature of the interaction between residents and tourists. Local culture also affects tourism (Ghaderi et al, 2020).

Negative perceptions of Muslim friendly tourism such as Islamophobia not only negatively impact the attractiveness of Muslim friendly tourism but also affect the organization of Islamic hotel businesses. Organizational attractiveness is the most significant predictor of job-seeking intentions for potential workers to work in Islamic hotel business organizations (Boğan, et, al, 2020). Meanwhile, superior or quality human resources supported by a good work environment encourage business performance. hotel (Kim, et, al, 2019; Lajara, et, al, 2013).

The biggest challenge for Islamic hotels besides negative perspectives or slander against Islam such as Islamophobia in the Covid-19 pandemic era is the pandemic itself. The outbreak of the Covid-19 virus reduces the performance of the hotel business and increases the risk of the hotel business, especially in hotel occupations (Filimonau, et, al, 2020). Focusing on technological innovations to reduce guest interactions with employees and improve hygiene has the potential to play a key role in the recovery of the hotel industry from the 2020 coronavirus pandemic (Shin & Kang, 2020).

Literatur Review

To understand the prospects of the hotel business, especially hotels, it is necessary to understand the performance of the hotel itself (Dredge & Gyimóthy, 2017). To understand hotel performance, an understanding of production output is required. Because a hotel is a service business, its production output is in the form of a service which is very different from the production output in the form of goods. Where the hotel occupancy rate is an indicator in measuring hotel performance. Of course, this does not conflict with production theory (Feiertag, 2020).

In understanding the concept of business prospects in the future, apart from understanding production theory, it is also necessary to understand the theory of the firm (Melin, et, al, 2014; Rohn & Evens, 2020). The firm theory is a microeconomic concept founded in neoclassical economics. In neoclassical economics, an economic approach focuses on production, consumption, and distribution of income in the market through supply and demand. The firm theory is a microeconomic concept which states that companies are decision-makers to maximize profits (Brown & Nwagbara, 2019).

The company theory explains that company revenue depends on the demand for the company's products, both goods, and services (Drucker, 2017). This is explained in the following model:

$$TR = P \times Q$$

Where TR is total revenue, P is Price and Q is production output where production output that generates income is production output sold (Chapman, 2012). Thus becoming

$$P \times S = TR$$

Where S is the total production output sold or it is called sales.

Because the origin of income is production output and production output which produces income is the production output sold, two points of view are needed, namely the point of view on supply and the point of view on-demand (Varian, 2019).

One production function that is known and still used in modern times is the Cobb – Douglas Function (Prajapati, 2020). The Cobb-Douglas Production Function represents the relationship between production output and a combination of production input factors, namely capital, and labor used to obtain production output (Besanko & Braeutigam, 2020).

The Cobb-Douglas production function was developed by economist Paul Douglas and mathematician Charles Cobb, the Cobb-Douglas production function is usually used in macroeconomic and microeconomic models because it has a number of realistic properties (Arredondo & Garcia, 2020). The equation for the Cobb-Douglas production formula, where K represents capital, L represents labor with the following mathematical equation:

$$Q = f(L, K)$$

Where Q is Production output, L is labor input and K is Capital input (Aryasri, 2020).

The era of modern times which is full of technology makes production more efficient and technology is an important factor in the production process (Zheng, D. 2016). Solow introduces technological factors as production inputs. The Solow model is developed through a production function that describes the relationship between input and output at the aggregate level. The Cobb - Douglas function is a production function that can be used in the Solow model (Berg, 2016). In its simplest form the Cobb - Douglas function is as follows:

$$Q = f(L, K)$$

$$\text{Where } Q(L, K) = \alpha L^\beta K^{1-\beta}$$

Where α and β are constants (Uskov, et, al, 2020)

Solow includes two factors into the Solow model, namely labor growth and technology growth (Dudley & Poston, 2019). Specifically, at time t, output (Q_t) is determined by the input of capital (K_t)

and labor (L_t) and technology (A_t) according to the production function adopted from the Cobb Douglas function as follows:

$$Q_t = K \alpha (A_t L_t)^{1-\alpha}$$

The new variable A_t represents the level of technology at time t . Both L_t labor input and technology level A_t are assumed to grow at a constant rate. This technological formulation is referred to as labor enhancement. Technology makes labor more effective so that effective labor input is the same as $A_t L_t$ (Ahiakpor, 2013).

In the hotel business, understanding the level of production can not only be seen from the supply side but also must be seen from the demand side because the hotel business is a service business that can only be produced when consumers come with as many production levels as arrivals from consumers staying at hotels or using hotel services. (Christou, 2016).

The production function can be used to understand the supply side. To understand the demand side, consumers can use the theory of absolute income. Returns to the company's income from the production output that is sold or bought by consumers. Of course, consumers who buy this have purchasing power which is in the following equation:

$$Y = C$$

Where Y is income and C is consumption or income spent. Theory Absolute Income explains this equation (Keynes, 2019). Based on this equation and the previous function so that the new equation can be understood, namely

$$C = P \times S$$

Where C is the amount of money used to consume the price of the goods or services consumed (P) \times the price of the goods or services purchased

So that

$$Q = S$$

$$C = Y$$

$$Y = TR$$

$$TR = C$$

Where Q is the production output sold for sales Production output (S) purchased by consumers is $C = P \times S$ with consumer income of Y .

Consumers in buying output. Embodied by a consumer perspective (Bracamonte, et, al, 2020; Chawla, et, al, 2020). In the service industry, including hotels, the consumer's perspective on hotel service attributes is very important (Liu, et, al, 2020; Akhtar, et, al, 2019).

Islamic or sharia hotels promote Muslim-friendly services which of course also bring opportunities in the form of Muslim consumer loyalty. However, there is also a threat in the form of false stigma about Islam such as Islamophobia (Elman, 2019; Samori & Saturday, 2014). This of course affects the perspective or point of view of consumers towards Islamic attributes on Islamic hotel services (Razzaq, et, al, 2016).

Methods

To analyze the prospects for future Islamic hotels, especially after the coronavirus pandemic ends, we adopt the theory of the firm and absolute income as a supply and demand perspective using the Cobb-Douglas function and the Sollow model to determine variables and analyze quantitatively using the Autoregressive moving average (ARMA) a model to make forecasting the performance of Islamic hotels and comparing it with non-sharia hotel performance forecasting. The forecasting results form the basis for the analysis of hotel business prospects and potential threats and opportunities through the estimated variable behavior.

To strengthen the analysis, this research uses qualitative analysis of literature studies or literature based on theory and phenomena using accredited textbooks and journals which are described in the introduction, literature review, and discussion sections to find out opportunities and threats in the present and future, strengths and weaknesses. Islamic hotels and understand the pandemic phenomenon which is analyzed qualitatively using the SWOT Matrix tool.

The ARMA model combines autocorrelation (AR) and moving averages (MA) methods into a time series composite model (Weiss, 2018). With the following model:

$$x_t = \phi_1 x_{t-1} + \phi_2 x_{t-2} + \dots + \phi_p x_{t-p} + \theta_1 t_{-1} + \dots + \theta_q t_{-q}.$$

In general, this form of combined ARMA model can be used to model the time series in fewer terms overall than the MA or AR model itself. It expresses the estimated value at time t as the number of q terms representing the average variation of the random variation over the previous q period (a component of the MA), plus the sum of the AR p -terms calculating the current x -value as the weighted sum of the most recent p values.

SWOT analysis (or SWOT matrix) is a strategic planning technique used to assist a person or organization in identifying strengths, weaknesses, opportunities, and threats related to business competition or project planning (Doxey, 2019). SWOT analysis analyzes intrinsic and extrinsic factors of the SWOT analysis framework used by industrial organizations as a strategic planning technique to analyze relevant internal and external factors (Nayyar & Kumar, 2020).

Mathematical Equations

As previously explained, this research adopts the theory of the firm, absolute income theory, the Cobb Douglas function, and the Solow model. Starting from the equation of the theory of the firm which is described in the literature review as follows:

$$TR = P \times Q$$

$$TR = P \times S$$

$$S = Q$$

$$TR = Y$$

$$Y = C$$

Where TR is the income or total revenue from sales of production output, P is the price of the output of production and Q is the total output of production. The production output that generates income is the production output sold (S). Where the level of sales depends on the level of consumer purchasing power which is described in Absolute Income Theory with the following equation:

$$Y = C$$

Where Y is the expendable income of C. Because what generates income is the production output sold, $P \times S = TR$. So $Q = S$ in the hotel business, S is the financial performance of the hotel or hotel revenue.

For the financial performance of Islamic hotels or Islamic hotel revenue, it is notified as sharia. And non-sharia hotel revenue is notated as non-sharia.

Adopt the cobb-Douglas function with the general equation of the cobb Douglas function as follows:

$$Q = f(L, K)$$

Where Q is the production output which is a function of L as the labor input or human resources and the input K as capital. Where

$$Q(KL) = \alpha K^\beta L^{1-\beta}$$

Where Q (KL) is the production output of K and L where α and β are constants with a value of 0 to 1. It can be denoted as follows:

$$Q = \alpha K^\beta L^{1-\beta}$$

Adopting the Solow model with a general model for the Cobb Douglas function as follows:

$$Q_t = K_t^\alpha (A_t L_t)^{1-\alpha}$$

Where t is the time series over time. When simplified without time series or time t0 becomes

$$Q = K^\alpha (AL)^{1-\alpha}$$

When the constant is 1 becomes

$$Q = K(AL) \text{ atau } Q = KAL \text{ atau } Q = A K L$$

Where A is a technological factor. With the previous equation $Q = S$ is observed to be $S = A K L$ because $KL = Q$ and in the hotel business $Q = \text{Total guests}$, Q can be represented on the total arrival of travelers which we notify as Tourism Arrival by considering the following equation

$$S = A Q$$

Where S is the supply viewpoint which is denoted as the total production output sold and A is the demand or consumer point of view so that A for technology can be represented on the use of technology used by consumers to order services or hotel production output which in this study is represented as the internet Inclusion represented by total internet users in the study area which in this study is notated as TIS

And Q is the total output of production. Where is the total production output

Because $TR = C$ and $C = P \times S$ or $P \times S = TR$

So that

$$PS = AQP$$

Where

$$QP = APS$$

So that $TR = f(A, C)$

So this research focuses on three variables, namely:

Hotel total revenue or TR Hotel as the dependent variable

Tourism Consumptions or C as an independent variable

Total Internet Users or A.

Adopt the general ARMA equation as follows:

$$S_t = \beta_1 S_{t-1} + \beta_2 S_{t-2} + \dots + \beta_1 A_{t-1} + \beta_2 A_{t-2} + \dots + \beta_1 C_{t-1} + \beta_2 C_{t-2} + \dots + e_t$$

Where e is an error notation or a variable outside the estimate.

Where

S = Sharia for Islamic hotels and S = Non-Sharia for non-Sharia hotels

A = Total Internet Users

C = Tourism Consumptions

Results and Discussion

In this section, sub-sections are divided, namely the results as a sub-estimation result containing the ARMA estimation results and the MATRIX SWOT analysis results. The second is Sub Discussion which is a sub discussion of the research results.

Results Indonesia

Non SHARIA Hotel

The estimation results of the non-sharia ARMA Hotel are as follows

$$NON_SHARIA = -24.6545476396 * TIS + 774.490300768 * TOURISM_ARRIVALS - 662180522.362$$

From the estimation results, it can be seen that the total internet user (TIS) direction is negative or the constant is negative. This means that the increasing inclusion of the internet on hotel consumers where hotel consumers can be anyone, both local consumers and consumers from out of town or abroad. The deeper the inclusion of the internet, the more alternative accommodation options are so that tourism arrival can choose other accommodation besides hotels such as inns or hostels which are relatively cheaper than hotels. Or choose a sharia hotel with a variety of perspectives such as Muslim friendly. Because what is estimated in this estimate is non-sharia hotels.

Tourism Arrival is positive, meaning that hotel revenue relies on the arrival of travelers where the more travelers come, the more potential consumers use hotel services.

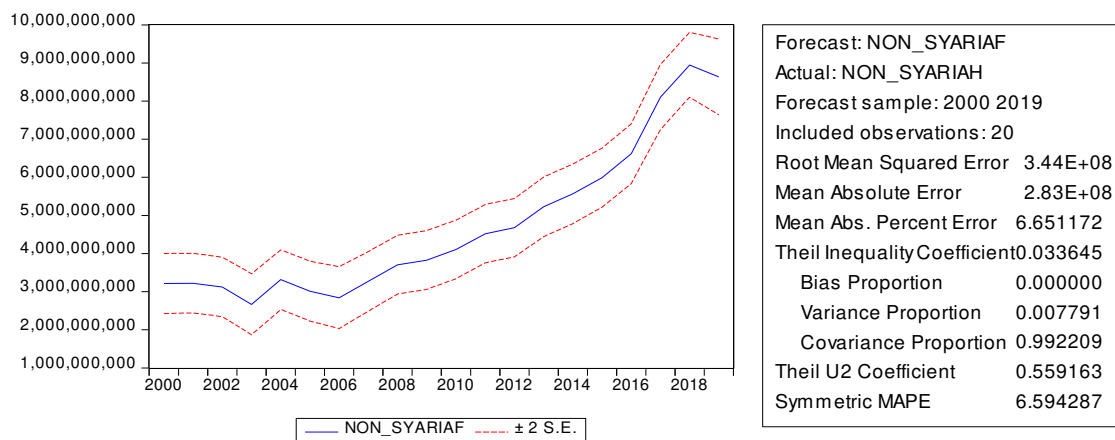
To make it easier to read our estimates, we summarize them in the following table:

Variable	Coefficient	Std. Error	t-Statistic	Prob.
TIS	-24.65455	16.72012	-1.474543	0.1586
TOURISM_ARRIVALS	774.4903	164.5115	4.707818	0.0002
C	-6.62E+08	7.54E+08	-0.878694	0.3918

R-squared	:	0.969315	Mean dependent var	: 4.73E+09
Adjusted R-squared	:	0.965705	S.D. dependent var	: 2.02E+09
S.E. of regression	:	3.73E+08	Akaike info criterion	: 42.45166
Sum squared resid	:	2.37E+18	Schwarz criterion	: 42.60102
Log likelihood	:	-421.5166	Hannan-Quinn criter	: 42.48081
F-statistic	:	268.5112	Durbin-Watson stat	: 1.409951

To see the performance trend of Islamic hotels, the following ARMA forecasting is presented:

Forecasting



The performance trend of non-Islamic hotels tends to increase where every time there is a decline in performance, it is followed by a recovery trend

Sharia Hotel

Hasil estimasi ARMA SHARIA Hotel sebagai berikut

$$\text{SHARIA} = 316.896309374 * \text{TOURISM_ARRIVALS} - 10.4301207727 * \text{TIS} - 299135593.745$$

From the estimation results, it can be seen that the total internet user (TIS) direction is negative or the constant is negative. This means that the increasing inclusion of the internet on hotel consumers where hotel consumers can be anyone, both local consumers and consumers from out of town or abroad. The deeper the inclusion of the internet, the more alternative accommodation options are so that tourism arrival can choose other accommodation besides hotels such as inns or hostels which are relatively cheaper than hotels. Or instead of choosing non-sharia hotels with various consumer perspectives such as Islamophobia or other incorrect information on Islam or other information related to cheap accommodation prices such as hostels and inns which tend to target the backpacker segment with their respective characteristics. This has resulted in a change in the decision to use accommodation services because the ones estimated in this estimate are Islamic hotels.

Judging from the TIS constant, for Islamic hotels, it is not as big as the TIS constant for non-Islamic hotels. This means that the loyalty of Muslim consumers or Muslim travelers in Indonesia to use Islamic hotels is quite strong compared to information that is detrimental to Islamic hotels on the internet. So that it is sufficient to absorb non-Islamic hotel consumers as competitors who have different positioning with Islamic hotels

Tourism Arrival is positive, meaning that hotel revenue relies on the arrival of tourists where the more tourists come, the more potential customers use hotel services. The constant tourism arrival of sharia hotels is smaller than non-sharia hotels, which shows that the share of the sharia hotel market is still not as big as non-sharia hotels, which first served consumers. However, there is a potential for growth in Islamic hotels when viewed from the TIS constant

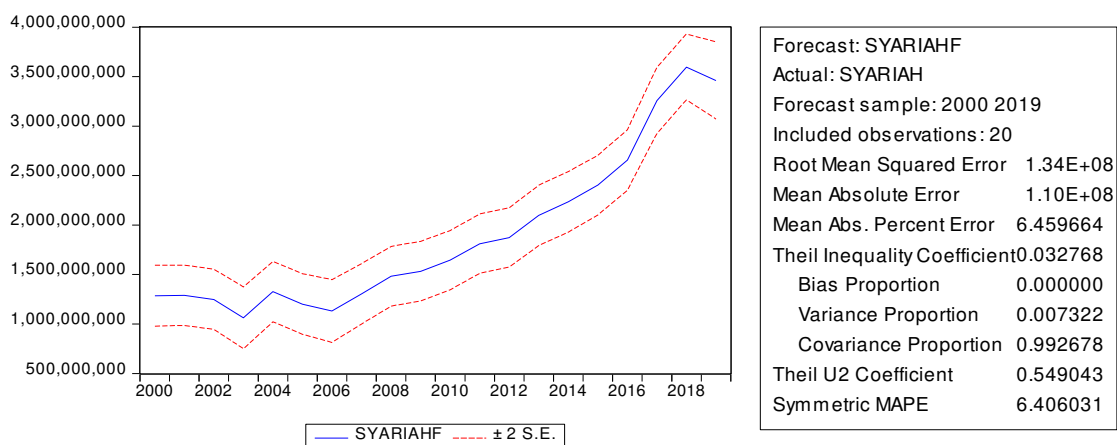
To make it easier to read our estimates, we summarize them in the following table:

Variable	Coefficient	Std. Error	t-Statistic	Prob.
TOURISM_ARRIVALS	316.8963	64.24357	4.932732	0.0001
TIS	-10.43012	6.529392	-1.597411	0.1286
C	-2.99E+08	2.94E+08	-1.016474	0.3237

R-squared	: 0.971135	Mean dependent var	: 1.89E+09
Adjusted R-squared	: 0.967739	S.D. dependent var	: 8.12E+08
S.E. of regression	: 1.46E+08	Akaike info criterion	: 40.57106
Sum squared resid	: 3.61E+17	Schwarz criterion	: 40.72042
Log likelihood	: -402.7106	Hannan-Quinn criter.	: 40.60022
F-statistic	: 285.9755	Durbin-Watson stat	: 1.455144

To see the performance trend of Islamic hotels, the following ARMA forecasts are presented:

Forecasting



The trend of the performance of Islamic hotels tends to increase where every time there is a decline in performance followed by a recovery trend, it is not too different from non-Islamic hotels.

Results Malaysia

Non SHARIA Hotel

The estimation results of the non-sharia ARMA Hotel are as follows

$$\text{NON_SHARIA} = -18.4995880209 \cdot \text{TIS} + 283.368716533 \cdot \text{TOURISM_ARRIVALS} - 1687101553.93$$

From the estimation results, it can be seen that the total internet user (TIS) direction is negative or the constant is negative. This means that the increasing inclusion of the internet on hotel consumers where hotel consumers can be anyone, both local consumers and consumers from out of town or abroad. The deeper the inclusion of the internet, the more alternative accommodation options are so that tourism arrival can choose other accommodation besides hotels such as inns or hostels which are relatively cheaper than hotels. Or choose a sharia hotel with a variety of perspectives such as Muslim friendly. Because what is estimated in this estimate is non-sharia hotels. When compared to TIS in Indonesia, the TIS constant in Malaysia tends to be smaller so that the positioning of non-Islamic hotels in Malaysia is stronger compared to the positioning of non-Islamic hotels in Indonesia or there is another possibility, namely the proliferation of non-hotel accommodation in Indonesia so that it attracts tourists who come to Indonesia to switch to nonhotel accommodation.

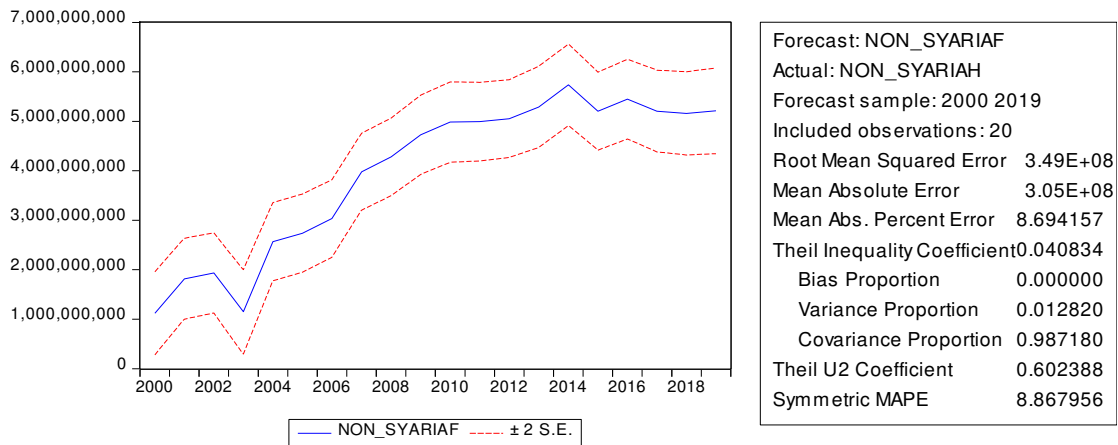
Tourism Arrival is positive, meaning that hotel revenue relies on the arrival of tourists where the more tourists come, the more potential customers use hotel services. Judging from the constant tourism arrival of non-sharia hotels in Malaysia is smaller than Indonesia, which gives a strong signal of the equal share of the hotel and non-hotel accommodation market in Malaysia which is more evenly distributed than Indonesia.

To make it easier to read our estimates, we summarize them in the following table:

Variable	Coefficient	Std. Error	t-Statistic	Prob.
TIS	-18.49959	30.52512	-0.606045	0.5525
TOURISM_ARRIVALS	283.3687	33.59532	8.434767	0.0000
C	-1.69E+09	3.53E+08	-4.779150	0.0002
R-squared	0.950010	Mean dependent var	3.98E+09	
Adjusted R-squared	0.944129	S.D. dependent var	1.60E+09	
S.E. of regression	3.78E+08	Akaike info criterion	42.47673	
Sum squared resid	2.43E+18	Schwarz criterion	42.62609	
Log likelihood	-421.7673	Hannan-Quinn criter.	42.50589	
F-statistic	161.5335	Durbin-Watson stat	1.008522	

To see the performance trend of non-Islamic hotels, the following ARMA forecasts are presented:

Forecasting



The performance trend of non-Islamic hotels tends to increase where every time there is a decline in performance, it is followed by a recovery trend. Unlike the trend in Indonesia, in Malaysia the last three years have tended to be more stable and sloping.

Sharia Hotel

The estimation results of ARMA SHARIA Hotel are as follows

$$\text{SHARIA} = -22.6106075811 * \text{TIS} + 346.339542429 * \text{TOURISM_ARRIVALS} - 2062013010.36$$

From the estimation results, it can be seen that the direction of the total internet users (TIS) is negative or negative constant. This means that the increasing inclusion of the internet in hotel consumers where hotel consumers can be anyone, both local consumers and consumers from outside the city or abroad. The deeper the entry of the internet, the more alternative accommodation options are so that the arrival of tourism can choose other accommodation besides hotels such as inns or hostels which are relatively cheaper than hotels. Or choose a sharia hotel with various perspectives such as Muslim friendly. Because what is estimated in this estimate is a non-Islamic hotel. The TIS constant is greater than that of Islamic hotels in Indonesia and non-Islamic hotels in Malaysia. This is a strong signal that tourists who come to Malaysia in view of Muslim-friendly preferences are not as strong as in Indonesia and have a tendency towards price rationality such as the choice of non-hotel accommodation which is emphasized by the constant tourism arrival of Islamic hotels, which is bigger than non-Sharia hotels in Malaysia and more. big of the constant tourism arrival of Islamic hotels in Indonesia.

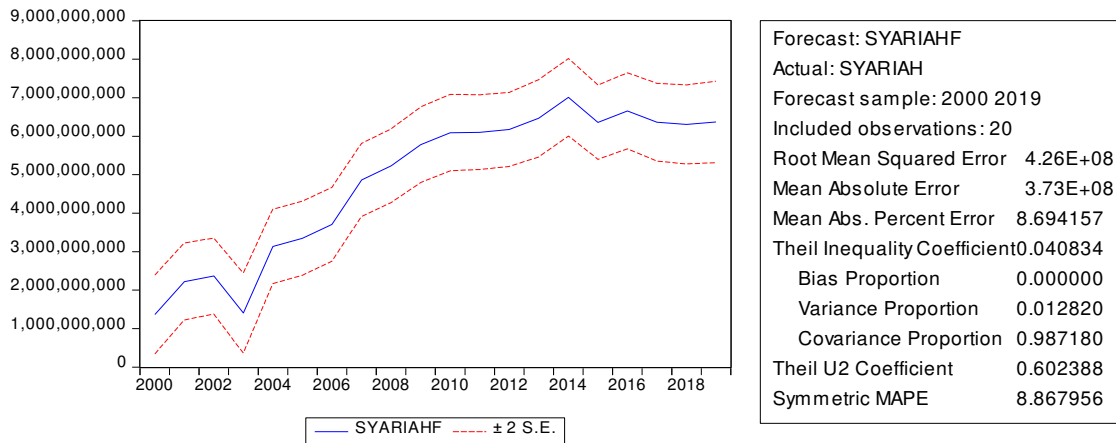
Tourism Arrival is positive, meaning that hotel revenue depends on tourist arrivals where the more tourists come, the more potential customers will use hotel services.

To make it easier to read our forecasts, we summarize them in the following table:

Variable	Coefficient	Std. Error	t-Statistic	Prob.
TIS	-22.61061	37.30848	-0.606045	0.5525
TOURISM_ARRIVALS	346.3395	41.06095	8.434767	0.0000
C	-2.06E+09	4.31E+08	-4.779150	0.0002
R-squared	0.950010	Mean dependent var	4.87E+09	

Adjusted R-squared	0.944129	S.D. dependent var	1.96E+09
S.E. of regression	4.62E+08	Akaike info criterion	42.87807
Sum squared resid	3.63E+18	Schwarz criterion	43.02743
Log likelihood	-425.7807	Hannan-Quinn criter.	42.90723
F-statistic	161.5335	Durbin-Watson stat	1.008522

Forecasting



The performance trend of non-Islamic hotels tends to increase where every time there is a decline in performance, it is followed by a recovery trend. Unlike the trend in Indonesia, in Malaysia, the last three years have tended to be more stable and sloping. The performance trend of Sharia and non-Sharia hotels in Malaysia is not too different. This shows that Sharia and non-Sharia hotels have different mass bases and are loyal.

SWOT MATRIX Islamic Hotel

This hotel SWOT Matrix is made based on literature studies or literature research which is described in the literature review section

The Organisation	Strengths - S Islamic Attribute Muslim Friendly Muslim extra facilities Private women facilities strong internal organization	Weaknesses - W Check In complexity Strict regulations Extra operational cost
Opportunities - O Muslim Traveler Trend Green Traveler Trend Women Solo Traveler Trend Internet Inclusion Online Travel Agent Hospitality Technology and Innovation Discovery of Covid-19 Vaccines and Drugs	Positioning SHARIA Hotel as muslim friendly hotel, Green Traveler Friendly hotel and women friendly hotel especially women solo traveler. Upgrade hospitality Technology and Innovation	Early check in approved Friendly regulation as protect guest privacy and safety especially women privacy and safety solo traveler Use technology and innovation for efficiency cost

	<p>Increase cooperation with online travel agents</p> <p>Improve the positioning of SHARIA hotels as healthy hotels in accordance with applicable health protocols</p>	
<p>Threats-T</p> <p>Islamophobia</p> <p>Slander and hate speech to Islam</p> <p>Non-Muslim Unmarried Couples</p> <p>The Covid-19 outbreak</p>	<p>Internet campaign as friendly hotel for everyone who willing to follow islamic rule in hospitality</p> <p>campaign to explain that Islamic hotels respect all people, both Muslim and non-Muslim, especially those who are willing to follow Islamic rules in hotels.</p> <p>Campaign for alternative separation of rooms for unmarried couples for both Muslim and non-Muslim guests</p> <p>Improve health protocols and maintain guest safety with strict health protocols in accordance with applicable health protocols</p>	<p>campaign explanation that the rules are made to protect the safety, privacy and comfort of guests, especially female guests or female solo travelers, both Muslim and non-Muslim</p>

Based on the SWOT Matrix created, the main key in maximizing the advantages and opportunities of Sharia hotels is the positioning of Sharia hotels and a campaign that encourages consumer perspectives to benefit the positioning of Sharia hotels which ultimately increases the demand for Sharia hotel services. In addition, technological innovations and improved health protocols can provide a sense of security and comfort for guests who stay.

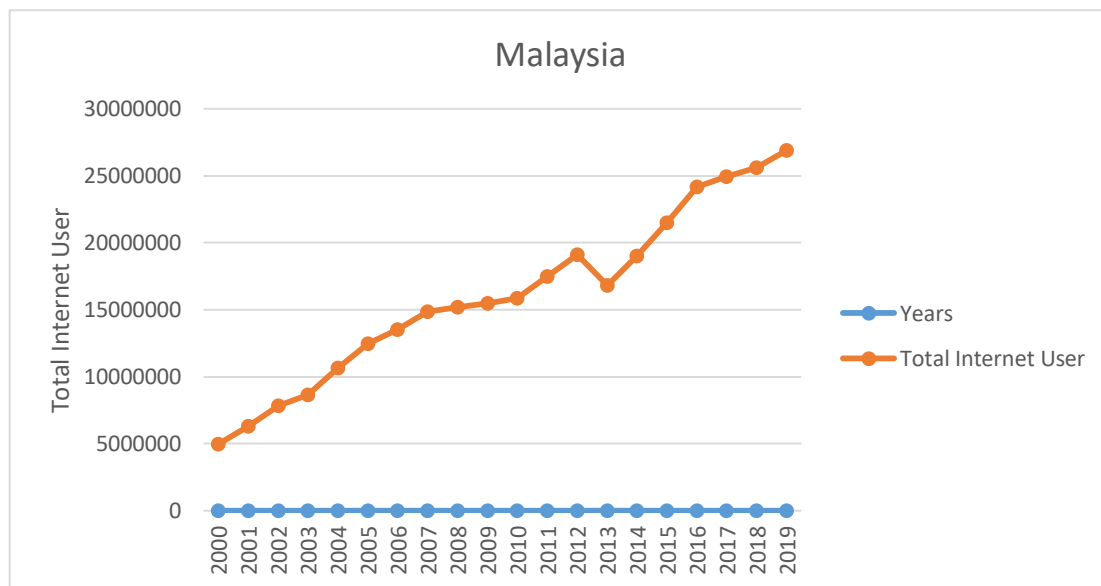
Discussion

Sharia hotels are certainly different from non-Sharia hotels. The main difference is the organizational culture and organizational environment of the hotel which adheres to Islamic rules. Hotel Sharia has the advantage of a clear segment, namely Muslim travelers, and can expand to other types of travelers such as the type of green traveler who really cares about the health and the environment. Of course, Islam teaches to care for the environment and health in the motto of Rahmatan Lil Alamin or mercy for the entire universe including the environment. Solo travelers because solo travelers have never had a problem staying at Sharia hotels as long as they are willing to follow Islamic hotel rules, especially women solo travelers who need extra privacy and comfort. Islam is a religion that highly respects the

privacy, security, and comfort of women. Of course, women solo travelers can get more satisfaction staying at Sharia hotels, especially pool and spa facilities for women. This applies to Muslim women solo travelers and non-Muslim women solo travelers.

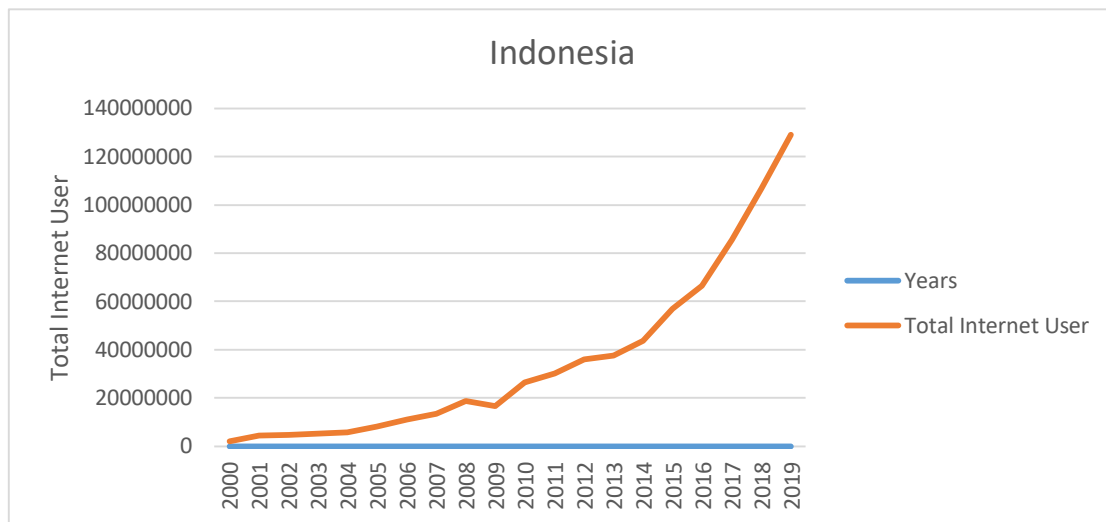
With the internet that has more and more users and is increasingly unlimited. Making both an opportunity and a threat to the Sharia hotel. In order to increase the chances of becoming a request for Sharia hotel services and minimize the threat of slanderous information aimed at Islam, it is necessary to hold a hotel positioning campaign that is friendly and respectful to everyone and everyone can stay at Sharia hotels as long as they are willing to comply with Islamic hotel rules.

For unmarried couples, of course, it is prohibited to stay in one room at Sharia hotels. This can be overcome by the alternative of separate rooms with special discounts. In addition to helping reduce discomfort for those couples who are not married and do not know Islam well, it also helps the Islamic syiar about the sanctity of marriage, of course, this is conveyed slowly and politely. If the guest refuses this alternative, the guest can leave the hotel and get full cashback from the money paid for the reservation due to the reservation cancellation.



Source: World Bank, 2020 (processed)

For Malaysia, Internet users have a graph of an increasing trend where internet inclusion is getting better and needs to be managed properly to create demand for Sharia hotel services in Malaysia.



Source: World Bank, 2020 (processed)

With a fairly large demographic with 80% of the population being Muslim, Indonesia is a large enough market for the Sharia hotel business with internet inclusion that has increased dramatically since 2014. Of course, the opportunity to gain occupation via the internet can continue to be improved.

Conclusion

Hotel Sharia is quite good in terms of market competition with a clear market segment both in Malaysia and Indonesia with a large Muslim population and quite a lot of Muslim travelers coming to the country. Of course, Sharia accommodation, including Sharia hotels, have a pretty good chance of surviving the pandemic and have great potential to recover the financial performance of hotels after the pandemic ends.

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