

Developing and Marketing MFT Products and Services

Presented by:

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Using Research to Inform & Support Your Halal Tourism Strategy

Outline

1 Research Methodology

2 Global Tourism Frameworks

3 Muslim Travelers' Journey and Preferences

4 Case Studies

5 MFT Industry Challenges and Success Factors

5 Policy Recommendations

Secondary Research

Market Studies

Trade and Sector Reports

**Academic Articles and Research
Papers**

Government Data

**International Organizations
Publications**

Press Publications

Primary Research

**Global Survey – 1120 responses
from 13 countries**

In-depth Interview – 25 interviews

**8 Country Case Studies (3 field
research / 5 desk research)**

Key Research Questions

What is the current landscape of MFT products & services?

What are the marketing trends for MFT products & services?

What are the existing government policies that support MFT?

What are the needs & preferences of Muslim travelers?

What are the gaps & opportunity areas for MFT?

What policy recommendations can be implemented by OIC governments?

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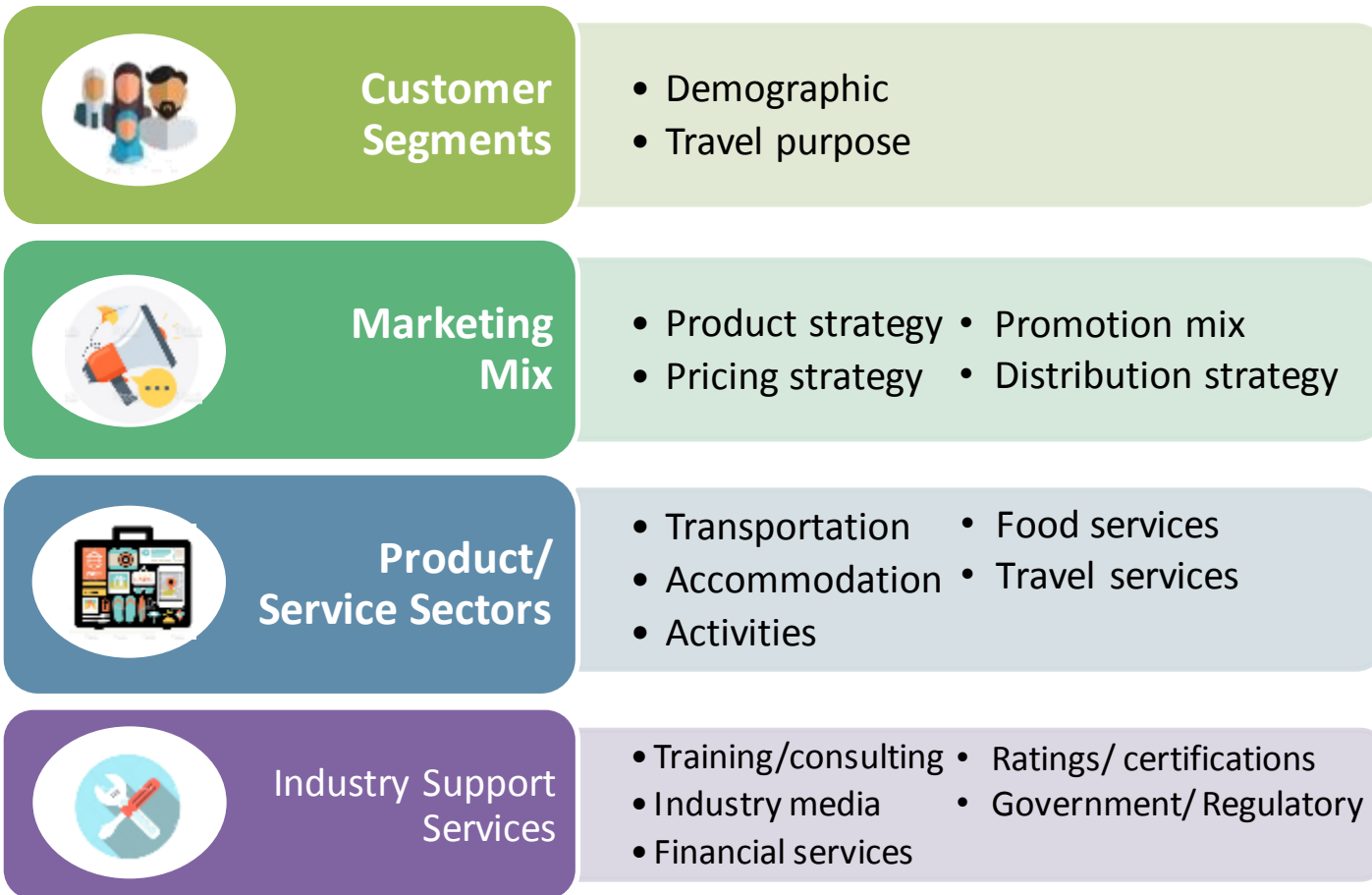
4 Case Studies

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Products/Services and Marketing Framework

Referring to Global tourism value-chain helps identify global best practices



Customer Segmentation Framework



Customer Segments



Marketing Mix



Product/ Service Sectors



Industry Support Services

Demographic segments

Age	Gender	Region	Income	Occupation	Education	Family Lifecycle
Gen Z < 18	Male	SE Asia	Low	Student	High School	Single
Millennials 18-34	Female	MENA & GCC	Mid	Professional	College/ University	Newly Married
Gen X 35-54		Sub-Saharan Africa	Upper	Retired	Postgraduate	Married w Children
Older Gen 55+		Europe & N. America				Elderly

Travel Purpose segments

Leisure focused	VFR, Health, Religion, Other	Business
<ul style="list-style-type: none"> • Cultural / Heritage • Beach • City Breaks • Cruise • Luxury 	<ul style="list-style-type: none"> • Honeymoon • Adventure • Wildlife • Sports • Ecotourism • Voluntourism 	<ul style="list-style-type: none"> • Friends & Family • Study • Religious • Medical tourism • Business • Bleisure travel

Marketing Mix Framework



Customer
Segments



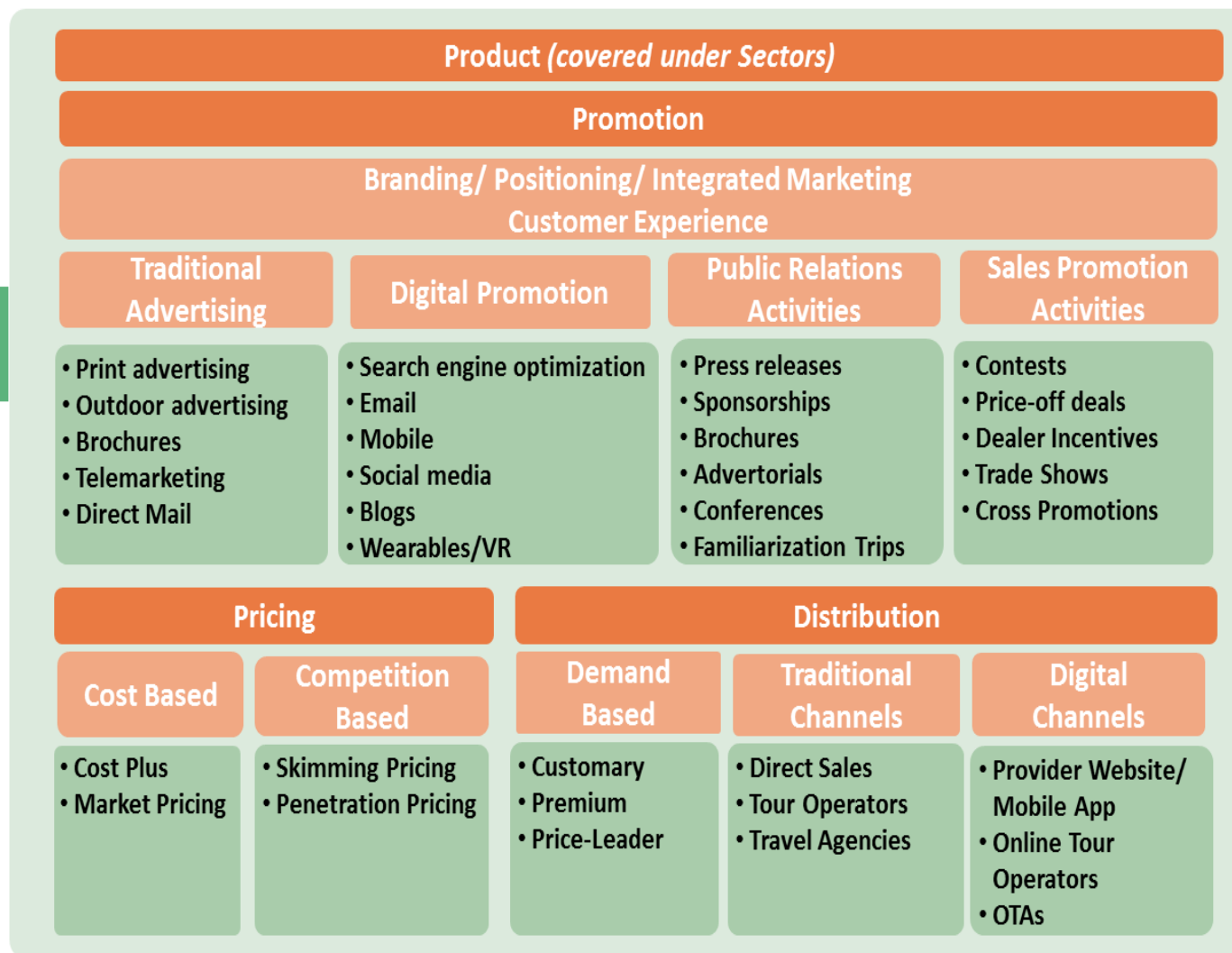
Marketing
Mix



Product/
Service Sectors



Industry Support
Services



Global Tourism Frameworks

Products / Service Sectors Framework



Customer
Segments



Marketing
Mix



Product/
Service Sectors



Industry Support
Services

Transportation

- Airlines
- Airports
- Car rental
- Rail
- Bus
- Ship
- Ferry

Accommodation

- Hotels
- Motels
- Bed and Breakfasts
- Resorts
- Villas
- Hostels
- Vacation / Peer rentals
- Campgrounds

Activities

- Attractions/guided tours
- Recreation (theme parks, water sports, beach outdoor activities, shopping, etc.)
- Scenic views
- Entertainment (concerts, shows, theater, ballet, etc.)
- Festivals, events

Food Services

- Restaurants
- Cafes
- Caterers

Travel Services

- Travel Agencies
- OTAs
- Traditional Travel Agencies
- Ancillary Services:
 - Insurance
 - Passport & Visa service
 - Currency
 - Health insurance
 - Media
- Destination Management Org. (DMOs)

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Muslim Traveler Journey and Preferences

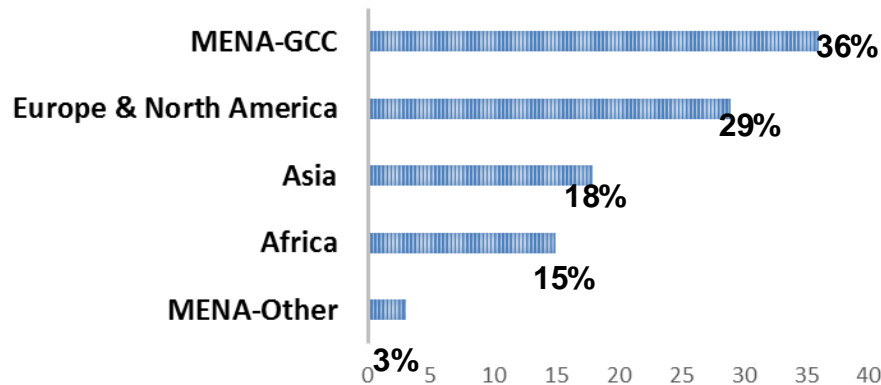
Muslim Traveler Survey

1120 Respondents

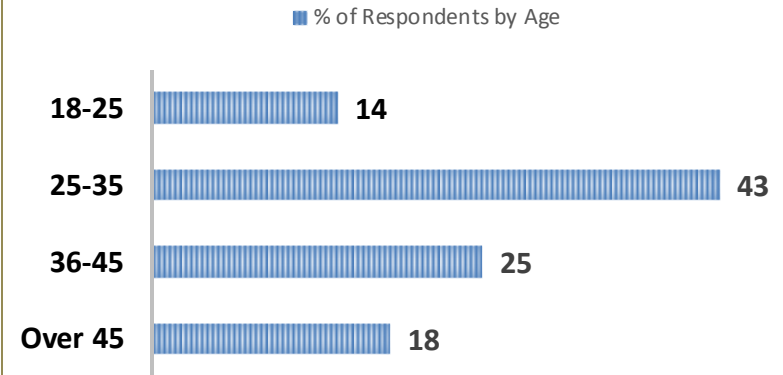
44% Male

56% Female

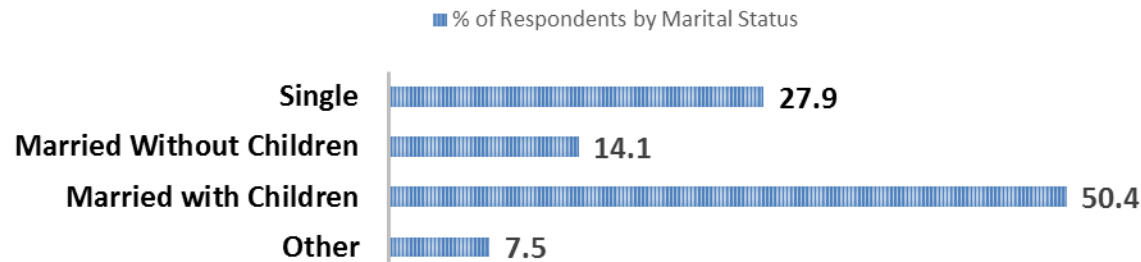
% OF RESPONDENTS BY REGION



% OF RESPONDENTS BY AGE



% OF RESPONDENTS BY MARITAL STATUS



Muslim Traveler Journey and Preferences

Muslim Traveler Journey

Travel Purpose



Type of travel:

- 62% Leisure
- 54% Family & friends
- 32% Religious
- 21% Business
- 16% Education
- 5% Medical



Those surveyed were influenced in their choice of destination for their last trip by:

- 67% Friends & Family
- 28% Online Review
- 21% Online Promotion
- 18% Social Media



84% of those surveyed research whether destination will fulfill their **religious** needs using:

- 72% Travel Websites
- 63% Friends & Family
- 47% Social Media
- 41% Blogs
- 22% Travel Agencies

Leisure Activities



For leisure travels, type of activities:

- 86% Sight-seeing
- 71% Shopping
- 48% Beach/Water
- 47% Museums
- 40% Theme Parks
- 35% Adventure



Those surveyed stayed on their last trip with/at:

- 30% With Family & Friends
- 23% 4 Star Hotel
- 17% Less than 4 Star Hotel
- 13% 5 Star Hotel
- 12% Rented House



Accommodation last trip was booked through:

- 55% Travel Websites
- 23% Travel Agency
- 15% Hotel Directly

Post Trip



95% said they would recommend their last travel destination to friends and Family.



With respect to the destination venues accommodation of their religious needs;

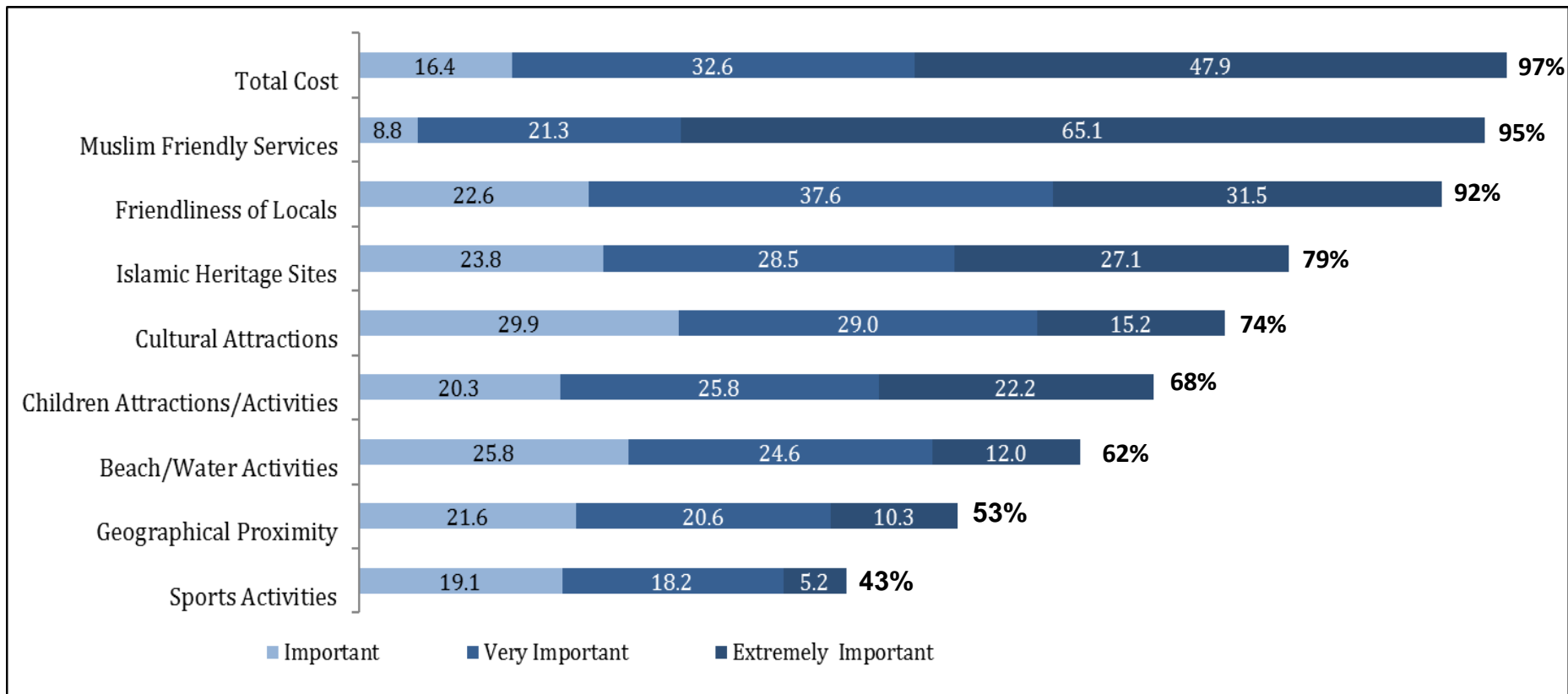
- 80% satisfied w/ food services outlets
- 79% satisfied w/ shopping venues
- 78% satisfied with cultural venues
- 76% satisfied with airports and hotels
- 72% satisfied with entertainment venues

At the same time, 39% respondents said that religious needs were being "totally neglected by tourism products and services providers."

Muslim Traveler Journey and Preferences

Select Survey Responses - Travel Criteria

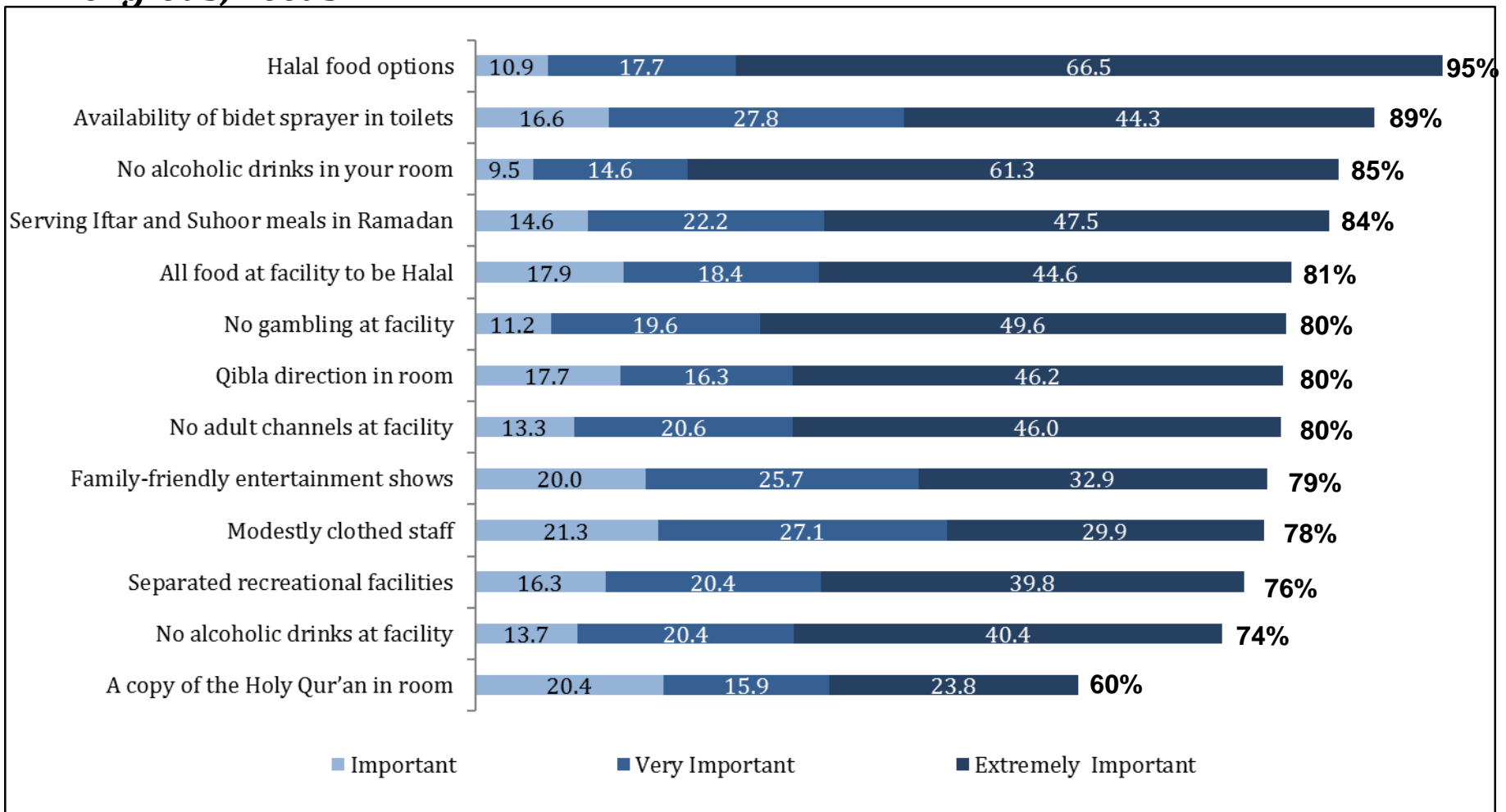
“How important are the following criteria for your choice of a leisure travel destination?”



Muslim Traveler Journey and Preferences

Select Survey Responses - Accommodation

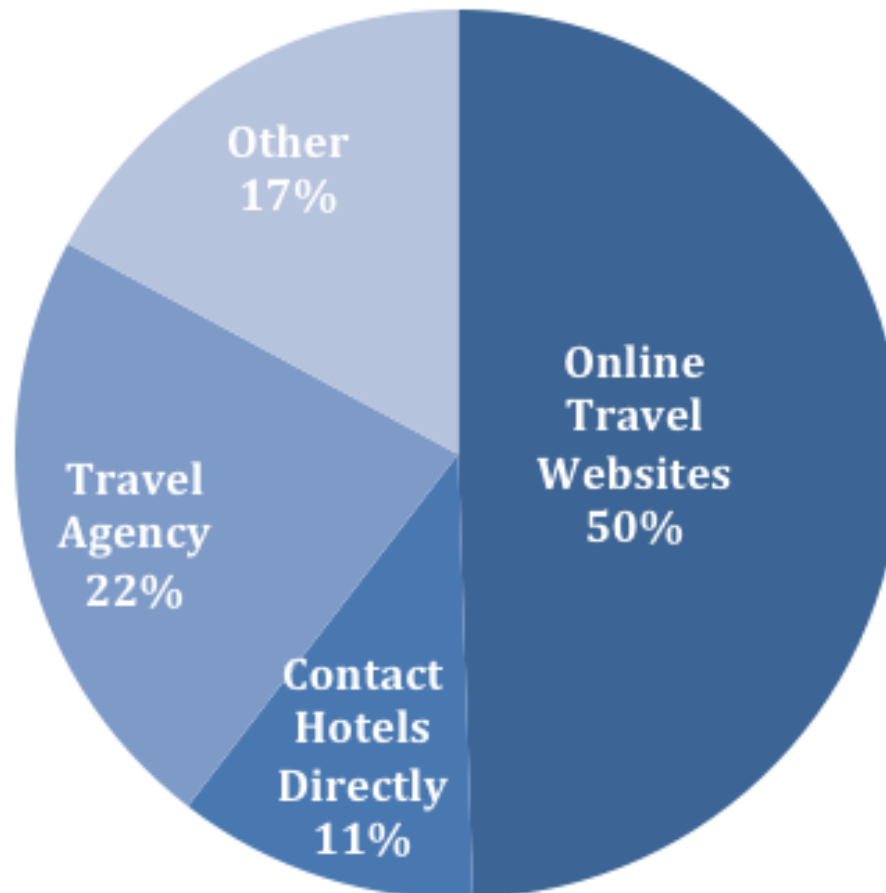
“How important is it for you that a hotel accommodates the following religious, needs?”



Muslim Traveler Journey and Preferences

Select Survey Responses - Accommodation Booking Method

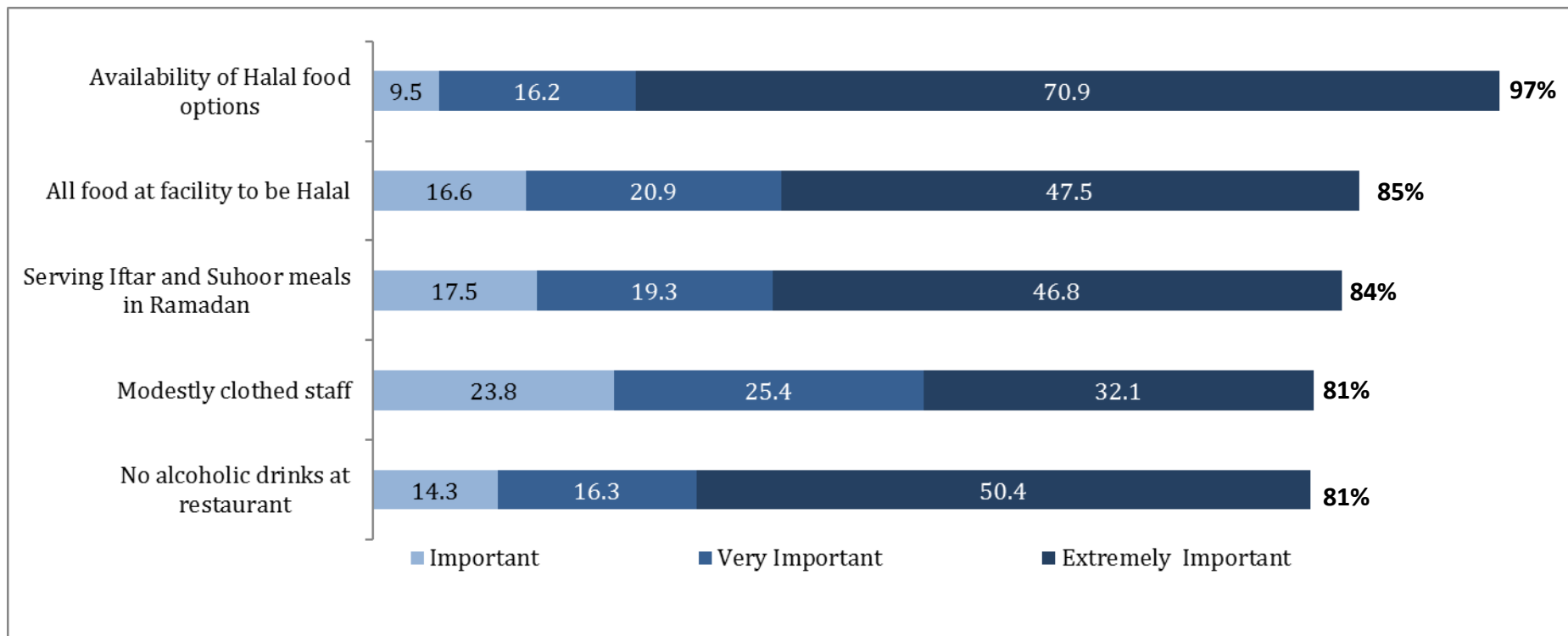
“What channel did you use to book the accommodation for this trip?”



Muslim Traveler Journey and Preferences

Select Survey Responses - Food and Beverage

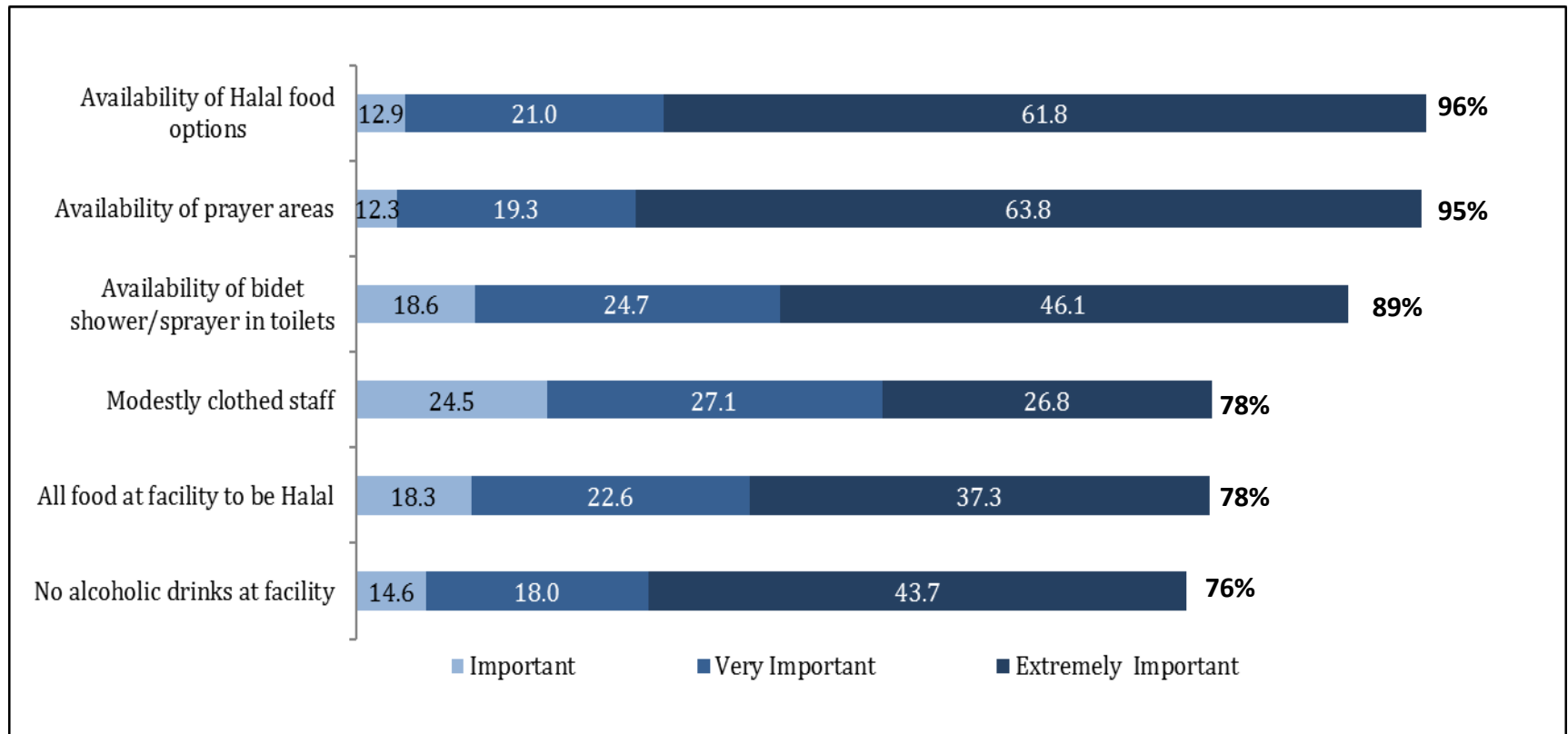
“How important is it for you that a restaurant/food chain outlet accommodates the following religious needs?”



Muslim Traveler Journey and Preferences

Select Survey Responses - Transportation & Entertainment Venues

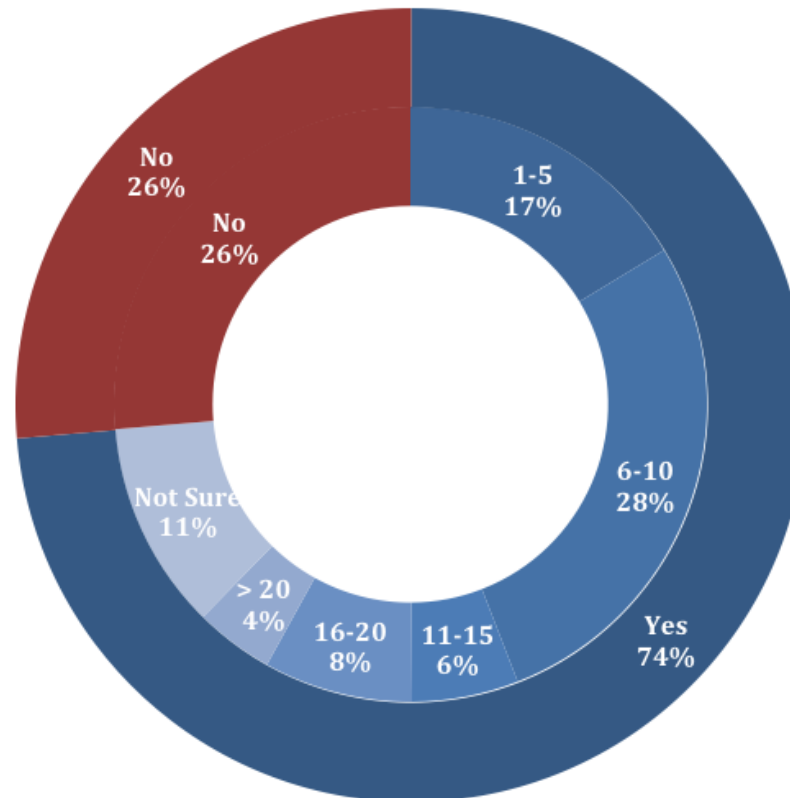
“How important is it for you that the different venues at the destination (airport, tourist venues, shopping malls, and theme parks) accommodate the following religious needs?”



Muslim Traveler Journey and Preferences

Select Survey Responses - Willingness to Pay Extra

“Would you be willing to pay more to receive services and products tailored to meet your religious needs? If yes, please indicate in terms of a percentage how much more you are willing to pay”



Muslim Traveler Journey and Preferences

Conclusions from Survey

Importance of religious considerations

Evidence:

Researching for religious needs during trip – 84% research destinations for religious needs before traveling

Muslim-friendly services identified as a major need– 65% said Muslim-friendly services were “Extremely Important”

Halal food options most important need– 95% choose Halal food as important, very imp. r extremely imp criteria for accommodation (48% Extremely Important)

Religious needs not being served – 39% said their religious needs were totally neglected

Muslim Traveler Journey and Preferences

Conclusions from Survey

Key Customer Segment Opportunities

Demographic

Young demographic segments – Millennials (18-34) and young Gen X with children (age 35-44)

Singles and young married couples – 50% of survey respondents are “married with children”, 28% singles, and 14% married without children

Middle and high income levels – survey respondents are mid income.

Geographic demographics – MENA-GCC, MENA-Other, East Asia, West, Central Asia

Muslim Traveler Journey and Preferences

Conclusions from Survey

Key Customer Segment Opportunities

Purpose of travel

Leisure—62%

Visiting family and friends—54%

Religious—32%

Business – 21%

Education – 16%

Medical – 5%

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Malaysia - Ranking & Muslim Tourism Arrivals

Muslim Arrivals **4.9** million
in 2015

Ranked **#1**
on GMTI
2016 Index

Forecasted Arrivals
6.1 million in 2020

Malaysia - MFT Products and Services

Accommodation

Dry hotels – prayer room facilities, hand shower in washrooms – Halal certified kitchens

Travel Agencies

**Offer MFT travel packages
Tripfez – online portal for tours, and hotels**

Food & Beverage

Halal certified by JAKIM

Activities & Attractions

Halal food & prayer spaces available

Aviation

Rayani Air – Shariah compliant airline – failed due to operational issues



PNB Perdana on the Park

Case Studies

Malaysia - Marketing

Promotion

Social media – mobile apps – company websites – print publications

Distribution

**Online bookings
(direct & 3rd party)**

Pricing

**Same as
conventional
products**



Malaysia - Government Policies

Government Bodies responsible for MFT & their role

Tourism Malaysia – promotes Malaysia as a tourism destination

MFT promotion is part of overall effort

Islamic Tourism Center (ITC) – agency under Ministry of Tourism focused on MFT research and training

Conducts workshops, seminars and publishes research on MFT

Ministry of Tourism and Culture

Hotels applying for conventional star rating, must comply to min MFT criteria

Standards Malaysia

Muslim-Friendly Hospitality Services Standard

Turkey - Ranking & Muslim Tourism Arrivals

Muslim Arrivals **4.1** million
in 2015

Ranked # 2
on GMTI
2016 Index

Forecasted Arrivals
5.4 million in 2020

Turkey - MFT Products and Services

Accommodation

Women only pools and beaches, Turkish bath and sauna for women only, Halal certified kitchen, masjid in some resorts, family-friendly entertainment

Travel Agencies

Tura Tourism provides MFT services. OTA HalalBooking.com and Halalinn.com list MFT hotels

Food & Beverage

Halal food widely available

Activities & Attractions

Prayer facilities available at attractions

Aviation

All Turkish airports have mosques and ablution facilities. Turkish Airlines provides Halal food.



Case Studies

Turkey - Marketing

Promotion

Social Media, Email Marketing, Tele-marketing, SMS

Distribution

Offline vs Online
70/30%

Pricing

Halal beach resorts &
hotels charge 30% more



Turkey - Government Policies

Government Bodies responsible for MFT & their role

**Culture and Tourism
Ministry— top regulator
of MFT**

Sponsored International Halal Tourism Conference

**TÜRSAB (Association of
Turkish Travel
Agencies)**

**Advocates for tourism policy and operates as a
semi-government organization**

**TÜROB (Hotel
Association of Turkey)**

**Conducts surveys on guest needs, collaborates
with the government on legislation**

**TÜROFED (Turkish
Hoteliers Federation)**

**Umbrella organization for 9 different tourism
associations. It is one of the biggest pressure
groups on behalf of the sector.**

Spain - Ranking & Muslim Tourism Arrivals

Muslim Arrivals **1.52**
million in 2015

Ranked #
35 on
GMTI 2016
Index

Forecasted Arrivals
1.66 million in 2020

Spain - MFT Products and Services

Accommodation

Alanda Hotel first Halal certified hotel in Spain, other hotels offer some Halal food options

Travel Agencies

Nur and Duha, Andalucian Routes, Visit Al Andalus, Ibn Battuta Tours.

Food & Beverage

Many Halal food restaurants but not all certified as Halal



Activities & Attractions

No MFT facilities at attractions

Aviation

Prayer spaces at major airports.

Case Studies

Spain - Marketing

Promotion

Social media, online presence, Halal fairs, mailing lists, sales visits, partnerships with travel agencies. Also referrals and word of mouth.

Distribution

Direct booking of hotels by phone or on website

Pricing

Halal services are slightly more expensive



Case Studies

Spain - Government Policies

Government policies make it possible for private institutions to develop MFT

Instituto Halal – Halal certification body

Launched program for Cordoba to become a Halal city. Is developing a Halal Cluster in Cordoba

Tourespaña – responsible for tourism promotion

Promotes Spain in Muslim markets (Malaysia, Indonesia, Singapore)



Director of Instituto Halal

Indonesia

Muslim Arrivals **1.2** million in 2015

Ranked #**4**
on GMTI
2016 Index

Forecasted Arrivals **2.2** million in 2020

MFT Products & Services

Restaurants Halal certified by MUI, prayer rooms at shopping malls, theme parks, and airports

MFT Marketing

Muslim visitor guide, influencer campaign with HalalTrip, Fam trips, sales missions, travel shows

Government Policies

Special committee appointed to promote MFT, 10% of Ministry promo budget to MFT, collaboration with Malaysia to offer combined packages

Case Studies

Thailand

Muslim Arrivals **2.6** million in 2015

Ranked #20
on GMTI
2016 Index

Forecasted Arrivals **4.1** million in 2020

MFT Products & Services

Halal food options, prayer rooms & qibla direction at hotels. Halal spas, MF medical facilities, Halal food & prayer rooms at airports.

MFT Marketing

Muslim-Friendly Tourism App, Unified Thailand Diamond Halal Brand, Fam Trips, Muslim visitor guides

Government Policies

Tourism Authority of Thailand (TAT) government body that promotes Thailand as an MFT destination. Tourism Council of Thailand is private and serves as the link between tourism businesses and the Ministry.

Case Studies

Japan

Muslim Arrivals **0.35** million in 2015

Ranked #37
on GMTI
2016 Index

Forecasted Arrivals **0.49** million in 2020

MFT Products & Services

Halal food & prayer spaces at airports, Halal food options & removal of alcohol at hotels, travel packages tailored to Muslims

MFT Marketing

Muslim Visitor Guide

Government Policies

Provides subsidies to obtain Halal certification, hosts Japan Halal Expo, relaxed visa requirements for Indonesia, Malaysia

Egypt

Muslim Arrivals **0.7** million in 2015

Ranked #16
on GMTI
2016 Index

Forecasted Arrivals **1** million in 2020

MFT Products & Services

Halal international fast food brands, some hotels offer separate pools and spas for women, travel prayer before takeoff on EgyptAir.

MFT Marketing

Focus is on family-friendly positioning

Government Policies

Halal Tourism Official within Ministry of Tourism, but little government activity in this field

Bosnia

Muslim Arrivals **0.9** million in 2015

Ranked # on
GMTI 2016
Index

Forecasted Arrivals **0.14** million in
2020

MFT Products & Services

Muslim-focused travel agencies, Halal certified hotels, prayer rooms in airport.

MFT Marketing

Social media, tourism fairs

Government Policies

Government is facilitating real estate tourism investment from GCC countries.

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MFT Industry Challenges and Success Factors

Challenges

Standardization & Certification

➔ Absence of universal MFT standards

Lack of well-developed MFT products

➔ Many OIC countries lack well developed-MFT products and services

Catering to Muslims and non-Muslims

➔ MFT facilities may turn off mainstream tourists, e.g. dry hotels

Financing MFT Products and Services

➔ Some investors are reluctant to finance MFT resorts, dry hotels, etc.

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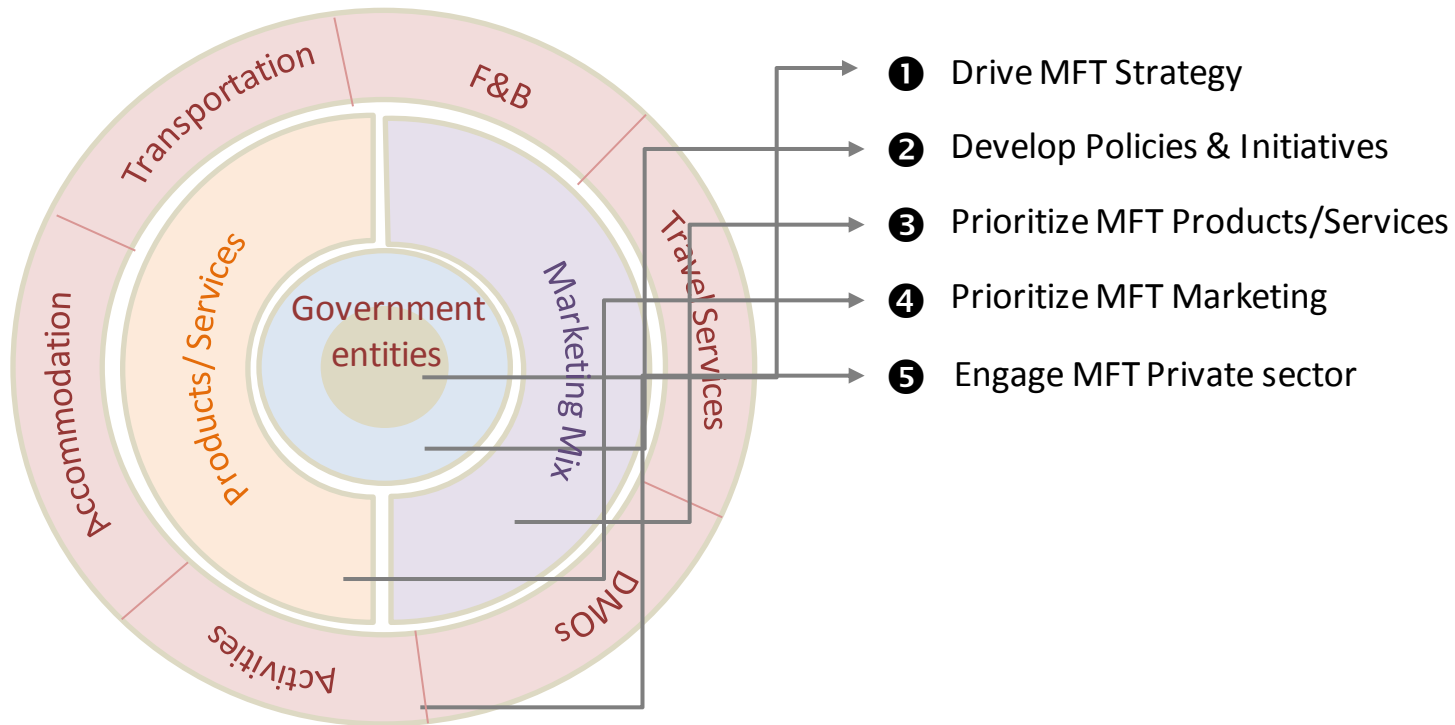
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Policy Recommendations

5-Step Policy Recommendations Framework



Policy Recommendations

Step 1: Develop government-led MFT Strategy

① Drive MFT Strategy



Build stakeholder awareness

Awareness and buy-in from tourism stakeholders

Prepare a national MFT business case document and PPT

Establish a dedicated MFT body/committee

National body report to ministry of tourism

This body should develop and drive national MFT products/services and marketing strategy

Develop national MFT products/services and marketing strategy

Set MFT growth targets

Identify source MFT market & prepare MFT market profile

Facilitate products & services development

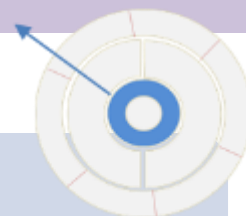
Develop MFT marketing strategy for the industry

Engage with suppliers on products/services & marketing strategies

Policy Recommendations

Step 2: Develop Government-led MFT Policies

2 Develop Policies & Initiatives



Government Policies

Strengthen Halal compliance

Provide subsidies to local MFT providers

Collect statistical data on MFT market

Destination Marketing

Develop MFT branding & positioning

Fund short-term, target Muslim source market campaigns

Aggregate promotions

Launch MFT innovative programs – e.g. *Muslim lifestyle festival*

Mature Markets

Bilateral Cooperation

Technical knowledge exchange

Joint destination promotion

Mature Markets

Develop 'Partner City' or student exchange programs

Global Cooperation

Halal Standards development

Islamic Economy global events

Mature Markets

Develop body to advocate for Muslim traveler rights

SME Support

Facilitate Halal certification

Provide training for tourism suppliers

Establish a mentorship program

Provide subsidies

Policy Recommendations

Step 3: Prioritize MFT Products & Services

③ Prioritize MFT Products/Services



Target segments & themes*

Young Muslim Millennials

Age: 18-24

Leisure, education, friends & fam

Young Muslim Couples

Age: 25-34

Leisure, friends & fam, religious, edxn

Growing Muslim Families

Age 35-44

Leisure, friends & fam, religious

Sector MFT priorities

	Accommodation	Food & Bev. Services	Travel Services	Activities	Transportation
Basic Offerings	<ul style="list-style-type: none"> • Provide clear Halal food options • Ensure bidet sprayer in toilets • No alcoholic drinks in rooms • Ramadan meals • All food at facility to be credibly Halal • Qibla direction in rooms • Family friendly entertainment shows 	Clear Halal food credentials	Muslim-travel themed packages	Prayer/ other facilities at attractions Develop/ promote Islamic heritage sites	Prayer/ other facilities at hubs
Advanced/ Innovative	Muslim-friendly vacation/ beach resorts Muslim-friendly home sharing Muslim-focused concierge apps Culturally themed hotels	Meal sharing platforms	Travel Islamic financing services 'Takaful' based travel insurance MFT focused travel booking websites	Family-friendly cultural entertainment Muslim-lifestyle festivals and theme-parks	Innovative transit services: gender segregated gyms, spas...

Policy Recommendations

Step 4: Prioritize MFT Marketing

4 Prioritize MFT Marketing



	Promotion	Distribution	Pricing
Basics	<ul style="list-style-type: none"> General digital promotions Friends and Family referral/ recommendation promotions MFT credentials on online reviews, travel website listings Familiarization Trips (FAM Trips) Integrated campaigns 	<ul style="list-style-type: none"> MFT travel booking websites/ apps Agencies MFT Package distribution 	<ul style="list-style-type: none"> Competitive pricing
Advanced/ Innovative	<ul style="list-style-type: none"> Cross-promotion with other 'Halal' lifestyle sectors Visitor Guides Influencer campaigns Virtual Reality Cluster marketing 	<ul style="list-style-type: none"> Specialized MFT Agencies 	<ul style="list-style-type: none"> Premium priced services

Step 5: Engage MFT Private Sector

5 Engage MFT Private sector



Coordinate with national MFT initiative

Accommodation sector recommendations

Food and Beverages Sector

**Travel agencies / service sector
recommendations**

DMO Recommendations

Transportation Sector Recommendations

Step 5: Engage MFT Private Sector

5 Engage MFT Private sector



Coordinate with national MFT initiative

Accommodation sector recommendations

Food and Beverages Sector

Travel agencies / service sector recommendations

DMO Recommendations

Transportation Sector Recommendations

- Engage with national Tourism Ministry led MFT initiative
- Determine target MFT markets based on national MFT strategy
- Leverage national MFT initiatives

Step 5: Engage MFT Private Sector

5 Engage MFT Private sector



Coordinate with
national MFT initiative

Accommodation sector
recommendations

Food and Beverages
Sector

Travel agencies / service
sector

DMO Recommendations

Transportation Sector
Recommendations

Products/Services Development:

- Define target customer segments, positioning & potential financial impact
- Address prioritized MFT accommodation services

Marketing Strategy:

- **Promotion Mix:** prioritize digital promotion, friends and family referral promotions, online review, travel website listings – launch as integrated campaign
- Cross promotion with other 'Halal' lifestyle sectors, visitor guide development, influencer marketing, and collaborative cluster marketing
- **Distribution strategy:** listings on mainstream and MFT booking websites, & identify top travel agencies to work with
- **Pricing:** implement competitive pricing strategy with some exceptions

Step 5: Engage MFT Private Sector

5 Engage MFT Private sector



Coordinate with
national MFT initiative

Accommodation sector
recommendations

**Food and Beverages
Sector**

Travel agencies /
service sector

DMO
Recommendations

Transportation Sector
Recommendations

Products/Services Development:

- Highlight Halal food credentials

Marketing Strategy:

- **Promotion Mix:** digital promotion, friends and family referral promotions, online review, travel website listings
- Cross promotion with other 'Halal' lifestyle sectors, influencer marketing
- **Distribution strategy:** listings on mainstream and Muslim-focused food ordering or restaurant listing websites/apps
- **Pricing:** implement competitive pricing strategy with some exceptions

Step 5: Engage MFT Private Sector

5 Engage MFT Private sector



Coordinate with
national MFT initiative

Accommodation sector
recommendations

Food and Beverages
Sector

Travel agencies / service
sector

DMO Recommendations

Transportation Sector
Recommendations

Products/Services Development:

- Offer MFT themed travel packages
- Consider additional services such as travel financing or sharia-compliant travel insurance services

Marketing Strategy:

- **Promotion Mix:** digital promotion, friends and family referral promotions, online review, travel website listings
- Cross promotion with other 'Halal' lifestyle sectors, influencer marketing
- **Distribution strategy:** listings on mainstream and MFT-focused travel websites/apps
- **Pricing:** implement competitive pricing strategy, premium Muslim traveler segments also an opportunity

Step 5: Engage MFT Private Sector

5 Engage MFT Private sector



Coordinate with
national MFT initiative

Accommodation sector
recommendations

Food and Beverages
Sector

Travel agencies / service
sector

DMO Recommendations

Transportation Sector
Recommendations

Products/Services Development:

- Enhance the preservation & management of Muslim cultural heritage sites
- Facilitate for venues to address MFT needs

Marketing Strategy:

- Coordinate with national MFT initiative

Step 5: Engage MFT Private Sector

5 Engage MFT Private sector



Coordinate with
national MFT initiative

Accommodation sector
recommendations

Food and Beverages
Sector

Travel agencies / service
sector

DMO Recommendations

Transportation Sector
Recommendations

Products/Services Development:

- Provide Halal food, prayer facilities, bidet spray in bathrooms

Marketing Strategy:

- Prioritize digital promotion, friends and family referrals, online reviews, travel website listings
- Highlight with signage available MFT services

Islamic
/Ethical
Finance



Halal/
Ethical
Lifestyle



OIC
Economies



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