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The Impact of Halal Tourism Implementation on the Community Economy

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ABSTRACT

Purpose — *The purpose of this research is to ascertain the effect that the implementation of halal tourism has on the economy of the community, as well as the function of the tourism office in that regard.*

Method — *The present study employs a qualitative methodology. Interviews, observations, and documentation from people and institutions involved in the implementation of halal tourism—specifically, the tourism office, village head, pokdarwis, and the local community—provided the data for this study.*

Result — *According to research findings, the implementation of halal tourism has the potential to augment community income. Additionally, the influx of tourists creates business prospects for the local community and facilitates the establishment of new enterprises capable of absorbing labor and creating additional employment opportunities.*

Novelty — *Novelty in research is introduced by this study in the form of increased community income from halal tourism operations that have not yet achieved mainstream status.*

Research field: Tourism

Keywords: *The Impact of Halal Tourism, Halal Tourism, Community Economics.*

INTRODUCTION

In West Nusa Tenggara, halal tourism is governed by regional regulations established by the government. These regulations serve as a legal framework for overseeing halal tourism operations and ensure that the fundamental requirements of Muslim tourists are fulfilled (M Setyo Nugroho & Suteja, 2019). An initial requirement is the provision of halal-labeled food and beverages, which is achieved through a collaboration between the LPPOM and MUI of West Nusa Tenggara Province, an institution that certifies the quality of halal food and beverages. By involving the tourism awareness community, this form of halal tourism serves as a public policy instrument with the objective of enhancing West Nusa Tenggara's global standing as a Muslim-friendly tourist destination and a national brand. Tourists, particularly those from the Middle East, perceive this as a triumph and are inclined to allocate resources towards the promotion of tourism in West Nusa Tenggara (Kholis et al., 2023). This is due to their conviction that the region is an accommodating locale for visitors. The economy of the people is comprised of community groups that have developed accustomed norms, rules, and customs from their surroundings (Guan & Guo, 2022; Maulana et al., 2020). The existence of productive activities in business management contributing to economic growth Regional economic development can be filtered through halal tourism, as market capacity continues to expand; for instance, the West Nusa Tenggara region is capable of providing Muslim-friendly accommodations and facilities; the primary market consists of high-spending Middle Eastern tourists. However, it is important to note that halal tourism is not exclusive to Muslim tourists; non-Muslim tourists can also benefit from the services and opportunities offered by halal tourism.

An example of a halal tourist destination in the West Nusa Tenggara region is Setanggor Village, situated in the Central Lombok Regency's West Praya subdistrict. A tourist village situated in a rural environment, Setanggor is a destination that appeals to visitors due to its authentic and distinctive rural ambiance and local knowledge, including customs, culture, and natural resources. Rural regions designated as tourist villages typically feature multiple types of excursions, such as ecotourism, cultural tourism, and livestock tourism, or a combination of these within a single tourist village area. Halal tourism is implemented as a novel innovation in the development of Islamic tourism villages in Setanggor Tourist Village (Suriani, 2022). As a reference for the development of halal tourism in the village of Setanggor, values and objections cannot be separated; these objections include the absence of religious services and the insufficient participation of the younger generation in the design and decision-making phases of tourism development in the region.

commercial services. This demonstrates that human resources (particularly the younger generation) are still insufficiently prepared to develop and construct halal tourism. Visitors to Setanggor Tourism Village will find intriguing amenities that facilitate the operation of tourism-related activities. Villas, lodging for tourists, communication facilities, dining establishments, camping grounds, traditional snack centers, souvenirs, kites, and information regarding travel packages are among the services offered.

In the context of tourism development in Setanggor Village, the incorporation of the halal tourism concept serves as an opportunity to promote the tourism industry while safeguarding the cultural heritage of the local community, whose practices are inextricably linked to Islam. Consequently, due to the multidisciplinary nature of tourism village development, the economic impact study is regarded as an essential evaluation and preventative measure in identifying subsequent development steps.

METHOD

The location of this study was the village of Setanggor in central Lombok. The research methodology employed in this study is descriptive qualitative research. The qualitative method is a research approach that seeks to comprehend social phenomena or conditions through the eyes or experiences of individuals (Dwyer et al., 2012). The descriptive approach is a research methodology that commences with the collection of data, identification of conditions, and description of flaws. As long as the activity persists, the researcher is obligated to monitor and subsequently document the observations as data. Observation is the method used to collect this information; specifically, direct observations of the research site are conducted to determine whether halal tourism activities, tourist attractions, tour guides, facilities, and services are there. Interviews were subsequently conducted with several informants, including the Head of the Central Lombok Tourism Office, village leaders, pokdarwis, and members of the local community. Documentation studies were also gathered from a variety of relevant literature sources.

RESULT AND DISCUSSION

This segment provides an account of the study's findings. When possible, data should be provided in the form of tables or figures. Data duplication should be avoided in tables and figures. The discussion ought to maintain coherence and provide a clear and succinct interpretation of the results, together with their importance, substantiated by pertinent scholarly works. Additionally, this segment demonstrates the result's pertinence to the area of inquiry and/or postulated ideas.

Impacts of Implementing Halal Tourism on the Local Economy

Halal tourism represents a specific manifestation of sustainable and community-oriented tourism development. The implementation of halal tourism villages is anticipated to yield positive outcomes for the local community. Additionally, these villages are anticipated to enhance the value of tourism assets owned by the community or tourists, thereby encouraging their conservation and maintenance (Satriana & Faridah, 2018). Consequently, this is anticipated to influence the economic activities of more developed communities. Significant stakeholders and the local community in Setanggor Village hold this expectation as well. The implementation of tourism villages has the potential to positively influence local communities, including the empowerment of the community through socialization and training for the surrounding area (Irwansyah & Zaenuri, 2021). According to Mr. Amir, an employee of the HR Section of the Central Lombok Tourism Office, halal tourism encompasses the entire district of NTB and the central Lombok region. The district has implemented halal tourism guidelines issued by the provincial government for NTB. However, with regard to Setanggor village tourism, the guidelines have been applied to each object, including the provision of a place of worship, separate restrooms, and CHSE (Cleanliness, Health, Safety, and Environment Sustainability). Additionally, the tourism agency of Lombok is engaging in community outreach to educate members about halal tourism.

In the interim, the village chief, Mr. Kamarudin, stated that

despite the fact that Setanggor village has established a halal tourism village, it is reportedly still deficient in facilities and other aspects, particularly since the village does not receive sufficient financial support to enhance the halal tourism process. Nevertheless, the tourism office has fulfilled its responsibilities admirably through the organization of numerous socialization and training events, as the local community ribbon stated: Recently, the village has extended numerous invitations for us to partake in a variety of socialization and training activities, including yarn dyeing, business, and halal tourism socialization. Through these activities, the community gains previously unknown knowledge; therefore, we feel indirectly empowered.

According to the community's leader of Pokdarwis, Fatmawati, the implementation of halal tourism has been limited thus far due to financial constraints on further process improvement. However, incremental steps have been taken, beginning with minor details. For instance, if foreign tourists arrive donning open-clothed attire, we advise them to purchase songkets to conceal their aurats. Similarly, if they visit residents' homes, they are encouraged to do the same.

Furthermore, data observations have been carried out by researchers regarding culinary vendors. Although these vendors do not yet display a halal certified mark, they do offer halal products such as grilled fish, boiled maize, boiled peanut roasted corn, and young coconut drinks. The halal status of the menu has been confirmed, notwithstanding the absence of the halal label commonly found on vendors in Setanggor village. The economic ramifications of the Setanggor Halal Tourism Village's establishment are evident in the subsequent aspects: community income, employment prospects, price fluctuations for necessities, community ownership, and government revenue.

The implementation of several tourist attractions in Setanggor Village has furthermore provided numerous local residents with prospects to augment their revenue. The abundance of tourist attractions in the village provides evidence for this. The augmentation of road accessibility and the provision of lodging, which remains insufficient, have contributed to the growing recognition of Setanggor Village as a tourist village whose primary draw is its cultural arts destinations. Consequently, community revenue and commercial prospects have expanded.

The aforementioned statement aligns with the overarching objective of economic development, which is to establish an economic system that guarantees the utmost standard of living for all its inhabitants. Typically, the standard of living in a nation is assessed using the average income per individual, as determined by national development.

Impact for community revenue

Individuals will seek employment in order to satisfy their necessities. Consequently, communal income will invariably be intertwined with the nature of the community's labor. The income of the typical villager in Setanggor Village has increased as a result of the establishment of halal tourism villages.

A local resident named Acih Mulian, who specializes in weaving, stated,

"Before the tourism industry arrived in Setanggor village, my weaving results were occasionally unsold for three months. However, since the tourism began in this village, I am grateful to God that at least each item I create can now be sold for \$600,000, as there are now a great number of tourists visiting."

As the leader of the Pokdarwis, Fatma Wati confirmed that

the community's income has increased since the implementation of halal tourism in Setanggor village, as each foreign visitor is encouraged to purchase songket from locals.

Based on data gathered and some of the results of interviews performed by researchers, it was determined that the growth of tourist villages has a beneficial effect on the income of the local population, namely that the income of the local population has increased.

Impact on Employment Opportunities

The growth of an economic activity will typically result in the creation of employment opportunities. Given the high unemployment rate to date, everyone expects a wide range of employment opportunities. Opportunities for employment in the community appear to be impacted by the halal tourism village of Setanggor's diverse applications.

Mila, a local resident, said:

I used to have no job but sometimes I wove at home to replace my mother when I was tired, but with the weaving gallery provided by the government, I finally worked and was contracted with a salary of 500,000 per month until I finally had a job and income.

In addition, Galuh, a local resident, said:

Actually, I used to be unemployed but I saw an opportunity during the village carnival event, almost all villagers were looking for a salon for makeup, so I tried to open a makeup salon for 35,000 per person, and thank God my salon can now employ 2 people.

Researchers found through a number of interviews that the establishment of the Setanggor Halal Tourism Village improved job prospects and decreased unemployment. Individuals who used to be unemployed or to only weave at home are now employed and, naturally, make money.

The halal industry's implementation Positively impacting the growth of employment opportunities in the local community is Setanggor Tourism Village. Based on an analysis of the research findings, the investigator discovered that the establishment of a tourist village with accessible tourism attractions creates job opportunities for the local community. This is demonstrated by the establishment of Setanggor Tourism Village, which gives the locals the chance to open new small and medium-sized businesses like food stands, shops, kiosks, salons, and other establishments. These businesses also create jobs by hiring locals, so this is an area where employment opportunities are growing and, naturally, one way that the government is assisting in lowering the unemployment rate. Additionally, those who speak English well use their skills to serve as guides. Weaving is the main draw for visitors to Setanggor Village, so for women in particular, it presents one of the best employment opportunities. According to researchers, if the government, locals, and tourists collaborate to manage the industry and increase productivity, weaving will not harm the community in the long run and can even create jobs that are more widely distributed. The aforementioned is consistent with the theory put forth by Hery Hermawan, which states that "new businesses, increased income, and employment opportunities can be distributed evenly to every layer of society by involving the community and placing the community as the main actors of development in every aspect of the management of tourist villages."

Impact on the price of necessities

The impact of the Setanggor Halal Tourism Village on the local community's economy was assessed through price changes, encompassing both essential community necessities and the selling price of locally produced goods. The study's findings indicated that the implementation of the established halal tourism village did not induce a price increase for locally produced goods; however, it did influence the selling value of such products. The Sukarara Village community, which mostly earns a living as farmers and in addition to being weavers, finds it quite easy to obtain basic necessities. As a result, the community continues to rely on agricultural products to meet their requirements, and they are extremely content with this arrangement. For necessities beyond that, the community can still procure them by procuring them from nearby locations outside the village. Regarding the cost of supplying the necessities of the community, it remains consistent with the prevailing market price, with no discernible growth. Additionally, the establishment of the Halal Tourism village generates increased tourist traffic, which in turn drives up demand for handicraft products. Consequently, both the selling price of these products and those made locally by the community see an upward trend. The monetary value that consumers transfer in exchange for the advantages of possessing or utilizing a service or product whose worth is mutually agreed upon by the seller and purchaser via negotiating, or fixed by the vendor at a single price applicable to all purchasers:

As for the prices of basic necessities, I don't think there has been any change because the needs of the community have also been met from agricultural, livestock and plantation products, even if there are needs outside of that, we can supply them from outside Setanggor Village, so the stall traders or grocery stores in the village, set prices according to market prices without any change.

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Impact on community ownership and control

As determined by the researchers' analysis of the research conducted regarding the effect of the Setanggor Halal Tourism Village's implementation on the economy of the local community as measured by community ownership and control, the halal tourism village's implementation had no discernible effect on community ownership and control. The community continues to retain complete ownership and control of Setanggor Tourism Village, including all assets that are wholly owned and managed by the Sukarara Village community. An examination of village data in conjunction with an interview conducted with a village official revealed that external communities have not yet contributed to the establishment of the Setanggor halal tourism village. This finding establishes that the local community of Setanggor Village possesses complete ownership and authority over the facility. The business operates with local employees and is wholly owned by the community, which extends to labor:

The total involvement of the village community in the operation of Setanggor village tourism can be characterized as one hundred percent. This is evidenced by the absence of foreign investors in the village's management, including eateries (food stalls), accommodation, and art shops, all of which are owned and operated by members of the village community. Furthermore, all village management activities involve entirely local people. The livelihoods of the residents of Setanggor consist of the following sectors: 25% agriculture, 25% gardening, and 50% weaving craftsmanship.

The same thing was expressed by Galuh as the community who said that:

My business is from my own capital without cooperation with anyone, this is my business with my husband, so all ownership and control is with me, as for the employees I employ, they are still native sukarara people.

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Impact on village government revenue

Tourists who visit Setanggor Village are not required to pay retribution fees, such as entrance tickets or parking fees. This extends to a number of establishments, including restaurants and inns, which do not charge parking fees for visiting tourists. In fact, some tourists even park their vehicles on the road and in the middle of residential areas. Mr. Jumarim concurred with the statement made by the village staff, which read:

The funding allocated to the Village Government for the establishment of the halal Setanggor Tourism Village remains insufficient. This is primarily due to the limited scale of current village tourism development, which prioritizes community empowerment and quality rather than levies such as those imposed by tourist areas in general (e.g., parking fees and entrance fees).

The analysis of the research findings pertaining to the effect of the Setanggor halal tourism village's implementation on the local economy, specifically as measured by government revenue, revealed that the establishment of halal tourism villages did not generate any direct or indirect contribution to government revenue. Although Setanggor Village receives a significant influx of tourists on a monthly basis, the government does not receive any of the revenue generated from these visits. This is due to the fact that authorities, whether from the government or the community, have yet to implement a system of punishment for tourists who visit. The author considers this an excellent opportunity for the government, particularly in regards to tourist villages as a whole. In order to ensure that the impact of tourists is limited to the local community, which is subsequently bolstered by revenue.

The community gains strength as a result of increased revenue. The researcher concludes, based on a number of these factors, that the community indirectly and directly benefits from the Setanggor Halal Tourism Village's implementation by attracting new businesses and creating employment opportunities, which will ultimately increase community income. The community will be more motivated to participate as

a result of the benefits the Halal tourism village provides; therefore, the community or the government, in its capacity as the manager of the tourist attraction, must be able to recognize these opportunities and support the tourism village's construction in various ways, including the provision of facilities (Nugroho & Harianto, 2022). If each of these objectives is effectively achieved, it will contribute to the enhancement and prosperity of the local economy. Consistent with the theory posited by George McIntyre, a sustainable tourism application involves a collaborative effort among community leaders, tourists, and local residents all striving for improved living conditions. Based on the research findings, it is evident that the establishment of the Setanggor Halal Tourism Village fostered positive relationships among local residents, community leaders, tourists, and the villagers themselves. As a result, the villagers' aspiration for an improved standard of living, particularly in regards to their own lives, has been gradually realized.

CONCLUSION

The findings of the research indicate that the establishment of the Setanggor halal tourism town has neither a negative nor a good effect on the local economy. The economic aspects of the community are positively impacted by the implementation of the Setanggor Halal Tourism Village in the following ways: first, an increase in income from the establishment of new tourist attractions and the improvement of village accessibility, which attracts more tourists who purchase locally crafted goods, such as handicrafts woven by the community. Secondly, the expansion of local community job opportunities. In areas where the influx of tourists generates employment possibilities and facilitates the establishment of new firms capable of labor absorption, the local economy benefits. the third in terms of community ownership and management, whereby all facilities and activities offered by the village are accessible to the community, as the Setanggor halal tourism village remains under community ownership and control. With regard to the economic sphere, the establishment of the Setanggor Halal Tourism Village has no influence on price fluctuations for the local populace. Conversely, it positively affects the selling price of locally produced goods, so contributing to an augmentation in community income. Furthermore, the establishment of the Setanggor halal tourism town does not directly contribute to community income, therefore its implementation has no discernible effect on government revenue, whether favorable or negative. Subsequently, the government of the Central Lombok tourism office is deemed to have played a significant part in the establishment of the Setanggor halal tourist village, specifically by giving the community and the Setanggor Village pokdarwis with training and socialization opportunities. The Central Lombok Tourism Office is widely regarded as having a significant impact on facilities. This is supported by the presence of berugak, weaving galleries, home stays, and numerous road accesses that have been renovated, some of which extend to villages, among other amenities.

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