Journal of Economics, Business, and Government Challenges

Volume 9 Nomor 2 November 2026
DOI: 10.33005/ebgc.v9i2.1640
Page: 83-97

ISSN (Cetak): 1979-7117
ISSN (Online): 2614-4115

Muslim-Friendly Hospitality in a Muslim-Minority Destination: Micro–Meso Connectivity between Accommodation Practices and the Destination Ecosystem

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ARTICLE INFORMATION

Received: 7th, Sept 2026
Revised: 19th, Oct 2026
Accepted: 15th, Nov 2026

Keywords: Muslim-Friendly Hospitality, Muslim-minority destination, micro-meso connectivity

ABSTRACT

This study examines Muslim-friendly hospitality in Denpasar, Bali, a destination where Muslims are a demographic minority. Previous research has focused on service attributes, certification, and consumer perceptions, with limited attention to how practices within accommodation properties relate to destination-level information, local business relationships, and institutional coordination. Drawing on a destination-ecosystem perspective and stakeholder theory, we conducted an exploratory qualitative multiple-case study of three accommodation properties. Semi-structured interviews were held with 15 participants (three managers, three culinary MSME operators, five domestic Muslim tourists, one academic, and three local residents) between March and April 2026 and analysed through framework-guided thematic analysis. The findings reveal a micro–meso gap: properties reported internal service readiness, yet information on public prayer facilities and halal food was described as inconsistent, hotel–MSME linkages were weak, and coordination with customary institutions was informal. Explicit Sharia-oriented positioning operated as a micro-level segmentation choice, and inclusivity depended on transparent communication of house rules rather than on removing them. The study proposes an exploratory micro–meso framework as a context-specific analytical proposition, not a validated management model, and outlines implications for accommodation managers and destination authorities.

INTRODUCTION

The global halal industry has expanded beyond product certification to include services and organizational practices that shape Muslim consumers' experiences. In hospitality, Muslim-friendly services may include halal food options, prayer facilities, information about religious amenities, and staff responsiveness to Muslim guests' needs (Arasli et al., 2021; Soonsan & Jumani, 2024; Suci et al., 2021). Soonsan & Jumani (2024) found that halal-friendly facilities and services significantly influence Muslim tourists' intentions to visit non-Muslim destinations, while social environment and food/beverage attributes showed weaker effects. In Indonesia, DSN-MUI Fatwa No. 108/DSN-MUI/X/2016 provides guidance on

tourism based on Sharia principles (DSN-MUI, 2016), whereas Law No. 33 of 2014 concerns halal product assurance (Menteri Hukum dan Hak Asasi Manusia, 2014), the two have different scopes and are not interchangeable evidence of accommodation compliance. Accordingly, this article uses *Muslim-friendly hospitality* for services addressing Muslim guests' needs and *Sharia-oriented* for practices or organizational identities that informants associate with Islamic principles. *Sharia-compliant* is not used as a verified classification because no independent compliance audit was conducted.

Bali is a relevant setting for this question because the island's tourism identity is closely tied to Balinese Hindu culture, while Muslim visitors also need access to food, prayer facilities, and reliable information. Marbun et al. (2021) show that Balinese stakeholders have expressed resistance to labelling the island as a Sharia tourism destination, although Bali continues to accommodate Muslim tourists' needs. Ahmad et al. (2025), in a review of Muslim-friendly tourism in Bali, identify challenges relating to halal-certified establishments, local cultural considerations, and regulatory clarity. Related research also examines Sharia-oriented hotel positioning (Halim & Baroroh, 2021). The three accommodation properties examined in this study represent different organizational positionings. One is a Sharia-oriented guest house, another is a city hotel that emphasizes Balinese cultural identity while providing services for Muslim guests, and the third is a boutique hotel that incorporates Sharia-oriented principles. These cases provide an opportunity to explore how different property-level approaches relate to the wider destination environment. Verified, directly comparable city-level statistics on Muslim-tourist arrivals and Muslim-friendly accommodation in Denpasar were not available to the authors; therefore, the cases are treated as purposively selected examples rather than a census of Denpasar or Bali.

Prior research has examined Muslim-friendly hospitality through service quality and consumer expectations (Arasli et al., 2021; Pattaray & Herman, 2024), assessment tools (Suci et al., 2021), halal labelling (Perguna & Kurniawati, 2022), and regulatory and institutional issues (Rachmiatie et al., 2024; Santoso et al., 2022; Shaleh et al., 2025). Destination-ecosystem research emphasizes relationships among businesses, supporting services, communities, and institutions (Arismayanti & Pitana, 2025). These strands tend to identify service attributes, assess hotel compliance, or map destination relationships separately. The gap addressed here is therefore not *which* facilities exist, but how property-level practices connect, or fail to connect, with the wider environment in which Muslim tourists look for food, prayer facilities, and reliable information.

To examine this interface, the study combines a destination-ecosystem perspective with stakeholder theory. The ecosystem perspective maps how actors and resources are connected; stakeholder theory interprets differences in interests and coordination needs among them. The *micro* level refers to practices and decisions within individual accommodation businesses; the *meso* level refers to relationships and coordination among businesses, supporting services, information channels, and institutions. Because not all destination stakeholders were interviewed, meso-level findings are interpreted as reported conditions and perceived coordination needs, not as an assessment of Denpasar's tourism governance.

The analysis uses four dimensions: *facilities* (qibla direction, prayer mats, prayer space, ablution facilities, food arrangements); *services* (staff responsiveness, recruitment, and arrangements relevant to Muslim guests); *marketing* (how properties communicate Sharia-oriented or Muslim-friendly positioning); and *hotel governance and rules* (alcohol policies, marriage-document checks, and reported financial practices). These dimensions organize the findings and are not a compliance checklist. *Inclusivity* is treated as a cross-cutting principle drawn from stakeholder theory's premise that diverse stakeholders hold legitimate interests (Donaldson & Preston, 1995). it refers to efforts to meet Muslim guests' needs while considering guests of other backgrounds. It does not imply that every rule suits every guest. Marriage-documentation and alcohol rules are therefore examined critically against this principle in the discussion of marketing, guest policies, and financial governance.

What is new. Suci et al. (2021) developed a Muslim-Friendly Assessment Tool that scores hotel attributes against predetermined criteria. Ahmad et al. (2025) reviewed Muslim-friendly tourism in Bali from secondary sources. This study differs in unit of analysis and evidence: it uses primary interview data from

several stakeholder groups to examine the *interface* between property practices and destination conditions, and it develops an exploratory micro–meso framework from that evidence. It does not assess compliance or propose another assessment tool, and the framework is not a validated management model.
Three research questions guide the study: (RQ1) How are Muslim-friendly practices reported across the facilities, services, marketing, and hotel governance and rules dimensions of selected accommodation properties in Denpasar? (RQ2) What enabling conditions and constraints do managers, culinary micro, small, and medium enterprise (MSME) operators, Muslim tourists, an academic, and local residents report, and at which level (micro or meso)? (RQ3) How can the relationship between property-level practices and destination-level coordination be organized into an exploratory micro–meso framework?

LITERATURE REVIEW

Muslim-friendly hospitality and the limits of Sharia-compliance claims

Recent work distinguishes halal tourism from Muslim-friendly tourism, the latter being a more flexible approach suited to non-Muslim-majority settings where full Sharia-based provision is not expected Ahmad et al. (2025). Muslim-friendly provision typically covers halal food, prayer facilities, staff responsiveness, and cleanliness (Arasli et al., 2021). For Thailand as a non-Muslim destination, Soonsan & Jumani (2024) report that halal-friendly facilities and services shape Muslim tourists' intentions to visit, with social environment, food and beverage, and locals and staff among the attributes studied; this implies that conditions beyond the hotel matter, although the study is quantitative and does not examine property–destination connections. Muslim-friendly provision and verified compliance are distinct categories: the former concerns services available to guests, the latter requires assessment against an applicable standard (Suci et al., 2021). Ahmad et al. (2025) conclude that Muslim-friendly tourism in Bali faces limited halal-certified establishments, local cultural resistance, and unclear regulation, and call for a culturally adaptive approach, clear standards, and stakeholder collaboration.

Management dimensions, assessment tools, and inclusivity

The four dimensions used here (facilities, services, marketing, and hotel governance and rules) are an analytic arrangement developed for this study, informed by work on Muslim-friendly hotel attributes (Suci et al., 2021) and the importance of positioning in Bali (Marbun et al., 2021). They are not a formal certification instrument. They guided the interview prompts and the initial organization of material (Table 2 links them to the six analytic domains), while themes on destination information, MSME relationships, and local coordination were developed through cross-group comparison. Whereas Suci et al. (2021) measure attributes against criteria, this study asks how reported practices connect to conditions beyond the property. Inclusivity is derived from stakeholder theory (Donaldson & Preston, 1995) and from evidence that the social environment shapes Muslim travellers' experiences in non-Muslim destinations (Soonsan & Jumani, 2024). it is operationalized as openness to guests of other backgrounds and transparency about the rules that apply to them.

Destination ecosystems, stakeholders, and the micro–meso distinction

Access to food, prayer facilities, and information depends on nearby businesses, public facilities, and institutions as well as on individual properties. A destination-ecosystem perspective is suited to examining these connections (Arismayanti & Pitana, 2025; Rachmiatie et al., 2024). From a destination governance perspective, stakeholders are actors who affect or are affected by tourism development, and their coordination is not automatic (Amani & Chao, 2023; Donaldson & Preston, 1995). In a destination, managers, culinary businesses, tourists, residents, and customary institutions hold different priorities, so coordination requires deliberate effort. The study distinguishes micro (within-property) and meso (beyond-property) levels analytically; these levels organized the interview evidence and the coding framework. The Tourism Office, MUI Bali, and certification authorities were not interviewed, so meso-level analysis rests on reported conditions..

Bali's sociocultural context and research gap

Research on Muslim-friendly hospitality in Bali must account for the island's sociocultural setting. Existing work examines Sharia-hotel positioning (Halim & Baroroh, 2021), discourse around Sharia tourism (Marbun et al., 2021), halal logos on culinary stalls in Denpasar (Perguna & Kurniawati, 2022), the interplay of Muslim beliefs, state regulation, and local culture in halal food (Suaidi et al., 2025), regulatory conflicts in Muslim-minority regions (Shaleh et al., 2025), and the plural-tourism potential of Denpasar's *desa adat* (Widjaya et al., 2025). Denpasar's Balinese Hindu majority and long-established Muslim communities, such as Kampung Jawa Wanasari and Kepaon, create a context that differs from both Muslim-majority and other non-Muslim destinations. What remains under-examined is how property-level practices relate to destination information, local food businesses, and institutional coordination. This study addresses that gap through an exploratory micro–meso framework whose components, presented in the subsection "Synthesis: an exploratory micro–meso framework," are derived from, and must be supported by, interview evidence, including divergent accounts.

RESEARCH METHODS

Research design and case selection

The study used an exploratory qualitative multiple-case design, aiming at analytic transferability rather than statistical generalization (Eisenhardt, 2021). Three accommodation properties were the primary cases, supported by interviews with culinary MSME operators, domestic Muslim tourists, an academic, and local residents. The study examined participant-reported practices supplemented by researcher visits to the properties; it did not audit compliance with DSN-MUI Fatwa No. 108/2016 or Law No. 33 of 2014 (DSN-MUI, 2016; Menteri Hukum dan Hak Asasi Manusia, 2014). What remains under-examined is how property-level practices relate to destination information, local food businesses, and institutional coordination. This study addresses that gap through an exploratory micro–meso framework whose components, presented in the subsection "Synthesis: an exploratory micro–meso framework," are derived from, and must be supported by, interview evidence, including divergent accounts.

Denpasar was selected as a religiously plural urban destination where Muslim-friendly accommodation exists but is not mainstream. Three properties were purposively selected to include different organizational positionings. Eligibility required a location in Denpasar, at least one identifiable Muslim-friendly facility, and management willingness to participate. M1 and M2 were identified through Google Maps; M3 was accessed through a personal acquaintance, which may favour a cooperative case. Of four properties approached, three participated and one did not respond. M1 was a Sharia-oriented guest house established in 2024; M2 a city hotel emphasizing Balinese identity while serving Muslim guests; M3 a boutique hotel incorporating Sharia-oriented principles.

Participants and data collection

Fifteen participants were purposively recruited across seven groups: three accommodation managers (M1–M3), three culinary MSME operators (U1–U3), five domestic Muslim tourists (T1–T5), one academic (A1), and three local residents, each analysed as a separate group (AD1, LM1, LN1). AD1 had knowledge of Desa Adat and Banjar activities but held no formal position and participated in a personal capacity. Stage One (March–April 2026) involved 12 participants; Stage Two (April 2026) added the three local residents to include community perspectives. Eight interviews were face-to-face and seven online (Table 1). Tourists were recruited through direct contact and personal acquaintances rather than through accommodation managers, reducing provider-referral bias but not self-selection. Four of the five tourists were male, and all were aged 20–23. No international Muslim tourists or non-Muslim hotel guests were interviewed.

Table 1. Participant profile

Code	Group	Characteristics	Recruitment route	Stage	Mode
M1	Accommodation manager	Male; 45–55; Manager, ~2 years; sharia-oriented guest house (since 2024)	Google Maps	One	Face to face
M2	Accommodation manager	Male; 50+; HRD/Manager, ~10 years; city hotel emphasizing Balinese identity	Google Maps	One	Face to face
M3	Accommodation manager	Male; ~60; Director, ~9 years; hotel incorporating sharia principles	Personal acquaintance	One	Online
U1	Culinary MSME operator	Male; 36; owner/operator since 2019; staple-goods and food-supply business	Local culinary network	One	Face to face
U2	Culinary MSME operator	Female; 45+; owner/operator since 2018; snack/food producer	Local culinary network	One	Face to face
U3	Culinary MSME operator	Female; 38; owner/operator since 2024; soto ayam and local food stall	Area referral	One	Online
T1	Domestic Muslim tourist	Male; 23; from Surabaya; stayed at 7 days	Direct contact	One	Face to face
T2	Domestic Muslim tourist	Male; 22; from Semarang; stayed at 9 days	Direct contact	One	Face to face
T3	Domestic Muslim tourist	Male; 20; from Jember; stayed at 3 days	Direct contact	One	Face to face
T4	Domestic Muslim tourist	Male; 21; from Yogyakarta; stayed at 7 days	Personal acquaintance	One	Face to face
T5	Domestic Muslim tourist	Female; 22; from Kalimantan; stayed at 5 dyas	Direct contact	One	Online
A1	Academic informant	Male; 40–50; lecturer/researcher in Islamic economics and tourism	Purposive expert selection	One	Online
AD1	Resident with customary knowledge	Male; 45–55; active in Banjar activities; resident in Denpasar >20 years	Community connection	Two	Online
LM1	Local Muslim resident	Male; 55–60; food entrepreneur; resident in Denpasar ~36 years	Local Muslim organization	Two	Online
LN1	Local non-Muslim resident	Male; 45–55; tourism transport services; born and raised in Denpasar (>35 years)	Tourism business network	Two	Online

Source: *Authors' compilation*

Semi-structured interviews were conducted in Indonesian using a core interview guide adapted to each participant group. The guide covered six modules: (1) positioning and service readiness, (2) food provision, (3) prayer facilities, (4) operational policies, including alcohol and marriage verification, (5) MSME relationships, and (6) local norms and destination infrastructure. The interview guide was developed based on the existing literature (Arismayanti & Pitana, 2025; Suci et al., 2021) and reviewed by an academic

supervisor. Interviews lasted approximately 25–35 minutes. Given their relatively short duration and the online format used for seven interviews, they are described as semi-structured rather than in-depth interviews, as online interviews may limit opportunities for extended conversational probing (Johnson et al., 2021).

Before the interviews, all participants provided written informed consent by completing and signing a consent form. The form outlined the study's objectives, the voluntary nature of participation, the confidentiality of participants' identities, their right to withdraw from the study, and the use of audio recordings for research purposes. Interviews were audio-recorded with participants' consent and transcribed verbatim. The transcripts were subsequently checked against the original recordings to ensure accuracy. Quotations were translated into English, while the original Indonesian versions were retained for key quotations.

The researcher visited all three properties and observed their facilities directly, but did not keep systematic written observation records or photographs; the visits therefore provide contextual familiarity, not an auditable observation dataset. A halal certificate displayed at M2 was seen and documented, but its scope (accommodation, food service, or particular suppliers) was not independently assessed. Statements about M1's halal status, M3's catering, and M2's suppliers are reported as manager statements; no supplier certificates were collected, and no compliance audit was conducted. Because no representatives of the Tourism Office, MUI Bali, or a halal authority were interviewed, claims about institutional coordination and certification at the meso level remain participant-reported.

Data analysis

Data were analysed using a framework-guided thematic approach combining deductive and inductive procedures (Braun & Clarke, 2021; Gale et al., 2013). Analytic domains were established deductively before the interviews (Table 2, which also identifies the related dimensions), while sub-themes were developed inductively from the interview data. The first author coded all transcripts manually in Microsoft Word using a codebook documenting codes, definitions, and participants. The analysis involved six practical steps: (1) familiarization with the transcripts; (2) manual coding; (3) development of themes within the predefined analytic domains; (4) review of data extracts, codes, and themes with the second author; (5) assignment of themes to the micro and meso levels and cross-group comparison, retaining divergent accounts; and (6) synthesis in an evidence matrix (Table 3). These steps describe the procedure followed in this study rather than a verbatim application of a single published sequence of phases. Themes were examined through comparisons across participant groups, while visits to the accommodation properties provided contextual familiarity only and were not treated as a systematically documented observation dataset. Participant counts indicate how many participants raised a theme and are not statistical frequencies. Formal data saturation was not established. Sample adequacy was considered in relation to the research questions and the diversity of participant groups, recognizing that findings on sample size and saturation depend on study characteristics and should not be applied as universal thresholds (Hennink & Kaiser, 2022). Themes reported by single-participant groups were interpreted as individual perspectives rather than evidence of a shared group pattern.

Table 2. Analytic coding framework

Analytic domain	Related dimension	Micro-level focus	Meso-level focus
Service readiness	Facilities	Prayer-related amenities, cleanliness, food arrangements, and service practices within properties.	Information available beyond properties about mosques, *musala*, halal-food options, and public facilities.
Positioning and terminology	Marketing	Explicit Sharia branding versus broader Muslim-friendly or general hospitality positioning.	How participants perceive the relationship between positioning, local context, and diverse guest groups.

Analytic domain	Related dimension	Micro-level focus	Meso-level focus
Food provision and MSME relationships	Facilities	Catering arrangements, supplier selection, and internal food-related policies.	Routine and informal business links between accommodation providers and culinary MSMEs.
Human resources	Services	Staff recruitment, guest service, religious diversity, and internal training.	Perceived availability of shared competencies or coordinated training across the destination.
Operational governance	Hotel governance and rules	House rules, alcohol restrictions, and requests for marriage documentation.	Reported compatibility of internal operating rules with local social and cultural conditions.
Local context and coordination	Cross-cutting (meso)	Management responses to local cultural norms and neighbourhood relations.	Information sharing and perceived coordination among businesses, residents, customary actors, and public bodies.

Source: *Authors' compilation.*

Trustworthiness, Ethics, and Limitations

Trustworthiness was addressed by comparing accounts across seven participant groups, retaining divergent perspectives, engaging reflexively with the data (Braun & Clarke, 2021), Trustworthiness was addressed by comparing accounts across seven participant groups, retaining divergent perspectives, engaging reflexively with the data (Braun & Clarke, 2021), and distinguishing claims according to their evidentiary status (documented, researcher-visited, or participant-reported). Participants were invited to review their interview transcripts or summaries to verify the accuracy of their statements. Of the participants invited, five responded, and three requested corrections or clarifications. This process was treated as limited member checking rather than comprehensive validation of the research findings.

To further strengthen the credibility of the qualitative findings, two academic experts who served as university lecturers were involved in reviewing the interview findings and thematic interpretations. Both experts were invited to assess the clarity, coherence, and relevance of the identified themes in relation to the research objectives and interview data. Their feedback was considered during the refinement of the thematic interpretations. This expert review served as an additional credibility-enhancing procedure rather than an independent verification of all participants' accounts.

The second author reviewed the interview materials and discussed the thematic groupings with the first author. However, no inter-coder reliability statistic was calculated, as the analysis emphasized reflexive interpretation rather than statistical agreement between coders. The authors' academic backgrounds in Islamic economics and halal hospitality informed the formulation of the research questions and may have influenced their initial expectations (Olmos-Vega et al., 2023). To address these potential influences, the first author maintained reflexive notes throughout the analytical process, while divergent accounts and expert feedback were considered when questioning and refining emerging interpretations.

Participation was voluntary and identifying details were replaced with participant codes. The study obtained administrative clearance from the Department of Islamic Economics, Universitas Negeri Surabaya; it was not reviewed by a formal research-ethics committee, which is noted as a limitation. The study limitations are discussed under "Limitations" in the Conclusions section

RESULT AND DISCUSSION

Table 3 summarizes the evidence by theme, level, and number of supporting participants, and shows where accounts diverge. The "n" column counts participants who raised the theme; it indicates breadth of support, not importance. Themes resting on one to three participants are reported as indicative.

Table 3. Evidence matrix: themes, levels, and supporting data

Theme / sub-theme	Level	Illustrative evidence (paraphrased/quoted)	Supporting informants	n	Divergent evidence and caveats
Service readiness (halal food, prayer facilities)	Micro	Managers reported *qibla* direction, prayer amenities, and food arrangements: kitchen (M1), supplier arrangements and a displayed halal certificate (M2), internal catering (M3).	M1–M3	3	Manager statements; M2 certificate scope not assessed; M1 and M3 halal status not audited. T1–T5 describe Muslim-friendly provision in Bali generally, not necessarily at M1–M3.
Marketing positioning (Sharia vs. general)	Micro	M1 and M3 explicitly use Sharia-oriented or Muslim-friendly labels; M2 foregrounds Balinese cultural identity and does not use an explicit Sharia label.	M1, M2, M3	3	The segmentation interpretation is the authors' inference; guest response to labels was not examined.
Operational governance (guest rules)	Micro	All three managers reported not providing alcoholic drinks; M1 and M3 reported marriage-document checks for couples.	M1–M3, A1	4	LN1 (not a guest) thought non-Muslim guests accept such rules if communicated before booking; rules may still exclude some guests, as discussed in the subsection on marketing, guest policies, and financial governance.
Human resources (inclusive recruitment)	Micro	Frontline staff include non-Muslim personnel recruited on service capability (M2, M3).	M2, M3	2	M1 employs predominantly Muslim staff; T2 and T3 praised service in Bali but may not refer to M2/M3.
Destination information gap (public facilities)	Meso	Limited signage for mosques; inconsistent halal labelling in tourist areas.	T3, T5, LN1	3	AD1 and LM1 said location information is readily available on digital maps; perceptions differ by familiarity with the area.
MSME linkage (supply chain)	Meso	MSMEs mainly described retail, reseller, restaurant, or direct-customer channels; routine hotel supply was limited.	U1, U2, U3	3	One account mentioned a possible or occasional hotel connection, so links are not shown to be absent.
Socio-cultural tolerance (coexistence)	Meso	Local informants generally described Muslim visitors and Muslim-friendly services positively.	LM1, LN1, AD1	3	AD1 noted that miscommunication and perceptions of cultural closure could cause concern; acceptance is conditional on communication and respect for customary rules.
Institutional coordination	Meso	AD1 referred to coordination through *Desa Adat* and the Tourism Office; not corroborated by officials.	AD1	1	M1–M3 report only informal neighbourhood relations; single-informant evidence, no official interviewed.

Source: *Authors' thematic analysis, 2026.*

Micro-Level Management Practices

Facilities, services (staff), and inclusivity

Managers at M1, M2, and M3 reported provisions for Muslim guests, including *qibla* direction, prayer amenities, and food arrangements. The researcher saw the facilities during visits but kept no systematic observation records, so these accounts remain manager statements. A halal certificate displayed at M2 was documented, but its scope was not assessed; claims on M1's halal status and M3's internal catering were not verified. The practices therefore cannot be read as verified Sharia (DSN-MUI, 2016; Suci et al., 2021). The five tourists described Muslim-friendly provision in Bali, but it is not established that they stayed at the case properties, so their accounts are used as related experience, not as evidence about M1–M3.

In human resource management, M1 employs predominantly Muslim staff, whereas M2 and M3 reported competency-based recruitment that does not make religious identity the sole criterion. M3 stated: *"Karyawan kami tidak semuanya Muslim, kami menerima semua tanpa mendiskriminasi agama."* (Not all of our employees are Muslim; we accept everyone without religious discrimination.) T2 and T3 praised staff responsiveness in their stays in Bali, which is in line with the role of locals and staff among halal-friendly attributes (Soonsan & Jumani, 2024), but their accounts cannot be tied to M2 or M3.

Marketing, guest policies, and financial governance

Marketing positioning varied: M1 and M3 used explicitly Sharia-oriented identities, whereas M2 emphasized Balinese cultural identity with Muslim-friendly facilities in the background. All three managers said their properties did not provide alcoholic drinks, and M1 and M3 reported marriage-document checks for couples; these details are manager statements, not audited policies. Such rules show that Sharia orientation can shape guest-admission policy and may limit suitability for some visitors, for example unmarried non-Muslim couples or foreign tourists travelling together. LN1, a local non-Muslim resident working in tourism transport, offered a bridging view: *"Bagi tamu non-Muslim atau turis asing, aturan hotel seperti tanpa alkohol tidak masalah selama diinformasikan secara transparan sejak awal saat mereka memesan kamar."* (For non-Muslim guests or foreign tourists, hotel rules such as no alcohol are not a problem as long as they are informed transparently from the start when booking a room.)

This view suggests that transparency before booking is one condition of inclusivity. It is, however, a third-party view rather than a guest account, so it is treated as indicative. Regarding financial governance, Sharia-based internal management remains a managerial claim by M3 and was not linked to Islamic banking or verified. The academic informant (A1) added that substance must precede labels and that industry-wide competency standards need strengthening, which is consistent with the caution against equating labels with verified compliance (Suci et al., 2021).

Meso-level conditions: destination ecosystem and tolerance

Information gaps and MSME supply-chain fragmentation

A gap emerged between internal hotel readiness and the wider destination. Tourists (T3, T5) and LN1 reported limited signage for public prayer rooms at tourist transit points and inconsistent halal labelling at small food stalls: *"Kendala terbesar adalah minimnya papan penunjuk arah masjid dan label halal yang tidak konsisten di warung kecil… Susah membedakan restoran halal dan non-halal di area wisata."* (T3) (The biggest obstacle is the lack of mosque direction signs and inconsistent halal labels at small eateries… It is difficult to distinguish halal from non-halal restaurants in tourist areas.)

Two local residents (AD1, LM1) felt that digital maps provided sufficient information. The difference suggests that the perceived severity of the gap depends on familiarity with the area; visitors may experience navigational friction that residents do not. Such inconsistency in halal information is in line with the labelling issues raised for Denpasar culinary sellers (Perguna & Kurniawati, 2022), The three MSME operators mainly described retail, reseller, restaurant, or direct-customer channels; evidence of routine hotel supply was limited and not consistent across accounts, and one account referred to a possible or occasional hotel connection. The data therefore suggest a fragmented Muslim-friendly supply chain, in line with the call for stronger

networks in halal tourism ecosystems (Rachmiatie et al., 2024), but they rest on three operators and do not show that links are absent.

Cultural tolerance and institutional coordination

The three local informants (LM1, LN1, AD1) generally described Muslim visitors and Muslim-friendly services positively, AD1 nevertheless noted that miscommunication and perceptions of cultural closure could cause concern; acceptance was conditional on communication and respect for customary rules. These are individual accounts, not a representative assessment of Balinese society (Widjaya et al., 2025). AD1 stated that communication is the main condition: *"Yang paling penting adalah komunikasi. Selama pengelola akomodasi aktif menjaga hubungan baik, berkoordinasi dengan pemimpin Banjar Adat setempat, dan membantu menjaga ketenangan selama hari raya budaya seperti Nyepi, komunitas adat sangat terbuka."* (The most important thing is communication. As long as the accommodation management actively maintains good relations, coordinates with local Banjar Adat leaders, and helps maintain tranquility during cultural holidays such as Nyepi, the customary community is very open.)

Only AD1 described formal coordination channels through the *Majelis Desa Adat* (MDA) and the Tourism Office, while M1–M3 described their interactions as informal and neighbourhood-level. Given that evidence rests on one informant and no official was interviewed, this is read as a *possible* coordination gap, not as a verified governance failure. Claims about tolerance likewise reflect three local voices and should not be generalized to Balinese society or to non-Muslim guests.

Table 4. Enabling conditions and constraints by source group and level (RQ2)

Source group	Level	Enabling conditions reported	Constraints reported
Managers (M1–M3)	Micro	In-house prayer and food provisions; competency-based recruitment (M2, M3); chosen positioning.	Certificate scope at M2 and M1/M3 halal claims unverified; M1's staff are predominantly Muslim; Sharia-based finance only claimed.
Managers (M1–M3)	Meso	Informal neighbourhood coexistence.	No formal links reported with *Desa Adat* or city authorities.
MSME operators (U1–U3)	Meso	Independent retail, reseller, restaurant, and direct-customer channels.	Routine hotel supply limited (one account of possible occasional link); no certification documents provided.
Tourists (T1–T5)	Micro / Meso	Positive service experiences in Bali (T2, T3); not tied to M1–M3.	Limited mosque signage; inconsistent halal labelling (T3, T5).
Academic (A1)	Micro	Sharia-related house rules recognized as part of operational practice (A1 supports operational governance theme, Table 3).	A1 did not report specific constraints but emphasized that substance must precede labels and that industry-wide competency standards need strengthening.
Residents (AD1, LM1, LN1)	Meso	Generally positive views of Muslim visitors; digital maps (AD1, LM1); transparent communication (LN1); communication with *Banjar* (AD1).	AD1 noted miscommunication and perceived cultural closure as concerns; formal channels described by AD1 only.

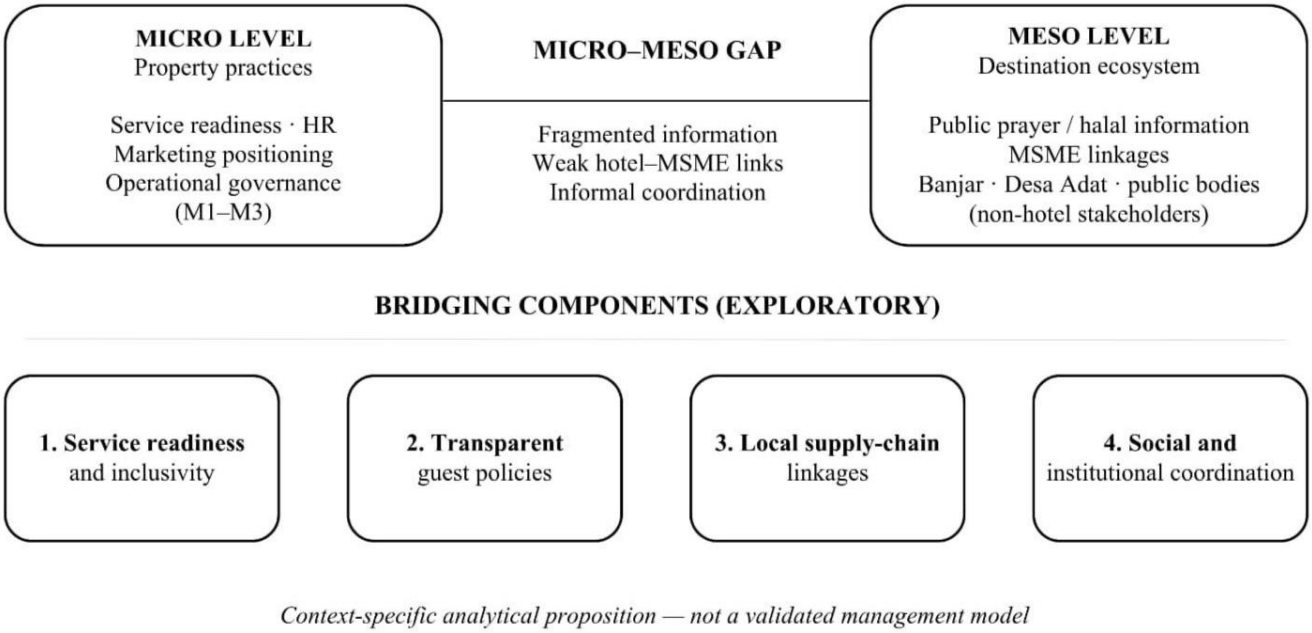
Source: *Authors' thematic analysis, 2026.*

Synthesis: an exploratory micro–meso framework

Addressing RQ3, the findings are organized into an exploratory micro–meso framework (Figure 1, Table 5). Each component is tied to a theme in Table 3: service readiness and inclusivity (service readiness; human resources, with the caveat on tourists' accounts), transparent guest policies (marketing positioning; operational governance), local supply-chain linkages (MSME linkage), and social and institutional

coordination (information gap; tolerance; institutional coordination). The framework proposes that property-level readiness alone is insufficient for an inclusive experience and that it needs to be bridged by information, supply, and institutional links. It is a context-specific analytical proposition, not a validated model.

Figure 1. The micro–meso gap and the four components of the exploratory framework.



Source: *Authors' synthesis, 2026.*

Table 5. Components of the exploratory micro–meso framework

Component	Micro-level focus	Meso-level focus	Possible implications (to be tested)
Service readiness and inclusivity	Qibla direction, prayer amenities, competency-based recruitment.	Information on public prayer facilities in tourist areas.	The Tourism Office could consider listing public prayer facilities on official city tourism maps.
Transparent guest policies	Communicating house rules (marriage documents, no alcohol) at booking.	Non-discriminatory communication addressed to non-Muslim guests.	Authorities and managers could discuss how Sharia-oriented labels are communicated so that they are not read as exclusionary by guests or the host community.
Local supply-chain linkages	In-house catering and procurement decisions.	Partnerships with local halal-oriented culinary MSMEs.	Local government could facilitate business-matching between halal-certified MSMEs and hotels.
Social and institutional coordination	Adapting operations to local holidays (e.g., Nyepi).	Communication with *Banjar* and *Desa Adat*.	Regular dialogue forums among Muslim-friendly operators, MDA, and FKUB could be explored; effectiveness is untested.

Source: *Authors' synthesis, 2026.*

Discussion

Positioning and the Sharia label. Marbun et al. (2021)analyse resistance among Balinese stakeholders to labelling Bali as a Sharia tourism destination, while concluding that Bali still accommodates Muslim tourists' needs. This study observes property-level labels, which is a different unit from a destination-

wide label, so the findings are not a contradiction: M1 and M3's use of Sharia-oriented identities suggests that explicit positioning is feasible at the micro level, consistent with the segmentation logic of Muslim-friendly provision in minority destinations (Ahmad et al., 2025; Soonsan & Jumani, 2024). Operating continuity is weak evidence of legitimacy, however: M1 had operated only since 2024, no guest response to labels was examined, and the finding does not show community acceptance. Discourse-level contestation and property-level labelling may coexist, and their relationship needs research including residents' and authorities' views, in line with the regulatory tensions noted by (Shaleh et al., 2025)

Inclusivity and its limits. The study operationalizes inclusivity as openness to non-Muslim guests plus transparent communication of rules. Marriage-document and alcohol rules show the limits of this definition: transparency allows guests to choose, but it does not remove the exclusionary effect for guests who cannot or do not wish to meet the rules. LN1's view that rules are acceptable when disclosed is a third-party perception, not a guest account. Transparency is therefore a necessary but not sufficient condition of inclusivity, and a stronger test would use interviews with non-Muslim and international guests; the little evidence available on non-Muslim guests' views of halal hotels in Indonesia is survey-based (Ulfa et al., 2023), and this study adds none. The Sharia-oriented identity of M1 and M3 may also be coherent as a *niche* strategy precisely because it is not intended to serve every guest group.

The micro–meso gap and the literature. The reported gap between property readiness and destination information is consistent with evidence that halal-friendly attributes beyond the hotel, such as social environment and food, influence Muslim travellers' decisions in non-Muslim destinations (Soonsan & Jumani, 2024), and with the stakeholder-understanding challenges reported for halal tourism in Aceh (Hariani & Hanafiah, 2023). Inconsistent halal labelling at small stalls is also in line with the labelling issues raised by Perguna & Kurniawati (2022) for culinary sellers in Denpasar, and the call for clear standards and stakeholder collaboration (Ahmad et al., 2025) corresponds to the limited hotel–MSME and institutional links reported here. Ahmad et al. (2025) also report limited halal-certified establishments; this study can add only that certification claims at the case properties were not verifiable, so the point remains open. Unlike assessment-oriented work (Suci et al., 2021), our evidence does not score property attributes; it adds a destination-level reading to them. A divergence deserves note: residents (AD1, LM1) saw digital maps as adequate whereas visitors (T3, T5) did not, which suggests that the "information gap" is partly a matter of familiarity and may differ for first-time visitors. The ecosystem arguments of Arismayanti & Pitana (2025); Rachmiatie et al. (2024) are supported only as reported conditions, because institutional actors were not interviewed.

Scope of claims. Tolerance is based on three local informants, and institutional coordination on one customary-knowledge informant. They are plausible, locally grounded observations (see also Widjaya et al., (2025), on plural tourism in Denpasar's *desa adat*; Suaidi et al., (2025), on the role of local culture in halal food) but do not establish how Balinese society or authorities view Muslim-friendly hospitality. The title and conclusions are therefore limited to three properties in Denpasar.

Managerial and policy implications

For accommodation managers

First, communicate prayer facilities, food arrangements, and house rules (couples, alcohol) consistently before booking, and align halal claims with available evidence, including the scope of any displayed certificate (DSN-MUI, 2016; Menteri Hukum dan Hak Asasi Manusia, 2014) Second, consider developing routine, transparent partnerships with local halal-oriented MSMEs, taking account of product quality, supply continuity, and food-information transparency. Third, build relationships with Banjar and Desa Adat administrators and understand rules that affect business activities, particularly during cultural holidays such as Nyepi.

For government and institutional actors

The following are options for consideration, not tested interventions, and rest on a limited evidence base. The *Tourism Office* could consider including public prayer facilities and halal-food information on official digital tourism maps and facilitating business-matching between certified MSMEs and hotels. *MUI Bali and the national halal authority* could clarify, for accommodation and culinary businesses, the difference

between Muslim-friendly provision, Sharia-oriented identity (DSN-MUI, 2016), and halal product certification (Law No. 33/2014), so that labels are used accurately. *MDA, FKUB, and the Tourism Office* could explore regular dialogue forums with Muslim-friendly operators, in line with calls for stakeholder collaboration (Ahmad et al., 2025; Rachmiatie et al., 2024), the effectiveness of such forums was not tested in this study.

CONCLUSIONS

Summary of findings

This study examined Muslim-friendly hospitality practices in Denpasar, Bali, through a qualitative multiple-case study with 15 participants. It identified a micro–meso gap: properties reported internal service readiness (prayer facilities, halal food arrangements, competency-based staffing), whereas information about public prayer and halal food was described as inconsistent, hotel–MSME links as limited, and coordination with customary institutions as informal. Explicit Sharia-oriented positioning by two properties functioned as a micro-level segmentation choice, not evidence of broad community acceptance, and inclusivity depended on transparent communication of house rules, although such rules may still exclude some guests. The findings are organized into an exploratory micro–meso framework (Figure 1, Table 5), which is a provisional analytical proposition, not a validated management model.

Limitations

The study covers three properties in one city and is not statistically representative. All five tourists were young domestic Muslim visitors whose accounts concern stays in Bali and not necessarily the case properties; international Muslim tourists and non-Muslim guests were not interviewed. Four groups contained one participant (A1, AD1, LM1, LN1), and AD1 was not an official representative of *Desa Adat*. No local government, MUI Bali, or halal-authority officials were interviewed, so institutional findings reflect reported perceptions. Data are self-reported; the interviews were short (25–35 minutes) and seven were online; access to M3 through a personal acquaintance may have favoured a cooperative case; a certificate displayed at M2 was documented but its scope was not established, property visits were not systematically recorded, and financial practices were not audited. Participants were only invited to check transcripts or summaries, no inter-coder statistic was calculated, the study had administrative clearance but no formal ethics-committee review, and the framework has not been externally validated.

Future research

Future studies could (1) add non-Muslim and international guests to test the inclusivity of Sharia-oriented house rules; (2) interview the Tourism Office, MUI Bali, halal authorities, and *Desa Adat* leaders to test the coordination gap; (3) compare Denpasar with other minority-Muslim destinations (e.g., other Muslim-minority cities in Indonesia or abroad) to assess transferability; (4) audit certification and supplier documentation; (5) use mixed methods, such as a survey of tourists, to test the framework's components; and (6) follow properties longitudinally to see whether positioning and coordination change over time.

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