JOURNAL OF CONTEMPORARY TOURISM AND HOSPITALITY
KSTCL IIUM

Examining Budget Hotels from a Muslim-Friendly services perspective in Malaysia:
A qualitative approach

Samshul Amry Abdul Latif[1]*, Siti Salwa Md Sawari[2], Umidjon Matyakubov[3], Nazmirul Izzad Nassir[4], Ahmad Yasir Hashim[5]

[1,2] Department of Tourism, Kulliyyah of Sustainable Tourism and Contemporary Languages, [1,2]International Institute for Halal Research and Training, International Islamic University Malaysia, Malaysia, [3] Economics Department, Faculty of Economics, Mamun University, Uzbekistan,[4] Faculty of Information Technology, City University Malaysia, Malaysia,[5] BH Travel Sdn Bhd, Malaysia

[1]iium_samshul@iium.edu.my
[2]salwa_sawari@iium.edu.my
[3]matyakubov_umidjon@mamunedu.uz
[4]nazmirulizzadnassir@gmail.com
[5]bhinbound@gmail.com

*Corresponding author: iium_samshul@iium.edu.my

ABSTRACT

The global trend of Islamization has increased the demand for Muslim-friendly services in the hospitality sector. As such, Malaysian budget hotels market themselves to attract this lucrative Muslim market. However, there needs to be more research on effective marketing strategies for these hotels, particularly in balancing profitability with the costs of implementing Muslim-friendly services. This is crucial, considering the significant presence of Muslim consumers in the budget hotel segment. This study examined budget hotels in Malaysia from a Muslim-Friendly services perspective. This study used a qualitative approach using in-depth interviews and thematic analysis. This study used an online interview approach involving seven (7) Malaysian informants. The findings of this study involve Malaysian Muslim travellers' preferences in selecting budget hotels across dimensions such as Awareness, Expectation, Brand Loyalty, Communication, and Value for Money. Diverse expectations emerge, from explicit communication to a pragmatic reliance on technology. Cleanliness remains a top priority, considering the cost implications of Muslim-friendly amenities. Brand loyalty balances affordability, quality, and an Islamic image. Effective communication, transparency, and perceived value for money are linked to Muslim-friendly amenities and smartphone usage. The

findings provide actionable insights for the hospitality industry to enhance satisfaction among Malaysian Muslim travellers.

Keywords: Budget hotel; Muslim-Friendly Hotel; Online Interviews; Qualitative

Article Classification: Research Paper

1. INTRODUCTION

The growing trend and effort of Islamization in the world's Muslim communities have increased the demand for Muslim-friendly services, including various lodging options that adhere to Islamic standards and guidelines (Battour & Ismail, 2016; Tauhid et al., 2025). In response to this need, budget hotels in countries where Islam is the dominant religion are intensifying their marketing efforts to attract Muslim tourists by positioning themselves as Muslim-friendly and emphasizing the amenities they provide (El-Gohary, 2016; Razzaq et al., 2016). However, more research is needed on how these budget hotels can effectively market their Muslim-friendly services to target Muslim consumers while balancing the need for profitability and the costs associated with implementing and maintaining such services. This is a critical gap because Muslim consumers represent a substantial and growing segment of the global tourism market, including the budget hotel industry.

Therefore, the statement of the problem is as follows: in the context of the growing trend of Islamization in the Muslim world, do budget hotels in Muslim countries effectively market their Muslim-friendly services to attract Muslim travellers while also striking a balance between the need for profitability and the costs associated with implementing and maintaining Muslim-friendly services? Additionally, what are Muslim travellers' attitudes, behaviours, and preferences concerning Muslim-friendly budget hotels in Malaysia?

This study aims to investigate Muslim travellers' attitudes, behaviours, and preferences for Muslim-friendly budget hotels in Malaysia. While the demand for halal tourism and Muslim-friendly hospitality services is rising (Fauzi & Battour, 2024), not many budget hotels in Muslim countries have marketed themselves as Muslim-friendly, and little is known about the efficacy of their marketing strategies in this context (Yusof et al., 2025a, 2025b). This poses a significant challenge for budget hotels, as their management must balance the need to accommodate Muslim travellers' expectations for Sharia-compliant services with the operational costs of maintaining such amenities. By addressing this issue, this research seeks to contribute to the academic literature on Islamic marketing and hospitality management while providing budget hotel operators in Muslim countries, particularly in Malaysia, with actionable insights to enhance their competitiveness in the growing Muslim-friendly tourism market (Sahida et al., 2011).

2. LITERATURE REVIEW

2.1 Definition and Scope of the Budget Hotel Segment

The literature on budget hotels reveals a distinctive customer profile compared to those opting for full-service and upscale accommodation. Budget hotel customers are recognized for being more value-conscious, reflecting unique lifestyles and consumption attitudes (Ren et al., 2016). In Malaysia, the Ministry of Tourism, Arts and Culture (MOTAC) registered 243 budget hotels as of 2024, with 89 holding a 1-star rating and 154 classified as 2-star establishments. 3-star hotels are typically viewed as offering a slightly more comprehensive range of services and amenities than 1- or 2-star hotels, yet still prioritizing affordability and streamlined operations (Sirirat et al., 2024). Additionally, MOTAC's Orchid Classification Scheme acknowledges accommodation hotels without star ratings that provide basic yet quality facilities, recognizing their contribution to good, safe, and clean accommodations (MOTAC, 2024).

Budget hotels are often labelled as limited-service, no-frill, or economy hotels, defined by their streamlined operations and focus on essential guest needs, such as clean, safe lodging in a convenient location. Critically, the concept is not strictly delineated by a specific star rating but is anchored in the price point and service level offered (Permatasari et al., 2025). This market reality supports the inclusion of 3-star hotels within the budget category when analysing certain markets and guest behaviours. Academic literature and industry practice recognize that segmentation is not homogeneous, and the budget scope can flexibly encompass 1-, 2-, and 3-star properties. For instance, recent studies analysing large data sets often include 3-star hotels in the budget segment, reflecting how guests perceive affordability and value within local pricing structures (Permatasari et al., 2025).

The operational definition of the budget hotel segment in Malaysia extends beyond traditional 1- or 2-star ratings, a scope that is formally recognized by industry representative bodies. Historically focused on properties rated two-star or equivalent and below, the Malaysia Budget & Business Hotel Association (MyBHA) officially broadened its mandate in 2019. The association's revised objective is to represent the common interests and dignify the industry segment, specifically targeting hotels rated three stars and below (The Iskandarian, 2020). This shift acknowledges the market reality where many 3-star hotels operate with a limited-service, high-affordability model, fundamentally aligning them with the budget segment's value proposition rather than the full-service segment. Consequently, this industry standard, which positions MyBHA as the umbrella body for all budget hotels that are 3-star and below (The Iskandarian, 2020), provides strong official justification for this study's inclusion of 3-star establishments that meet the core criteria of essential services and competitive pricing. The definition adopted for this study emphasizes hotels that maintain affordable pricing and offer limited, essential services, a criterion often met by 3-star establishments in the Malaysian context.

In the Malaysian context, a budget hotel is strategically positioned within the hospitality market as a limited-service or economy accommodation. These establishments are characterized by their primary focus on affordability and meeting essential guest needs, typically featuring fewer than 100 rooms and operating with a no-frills model that minimizes extensive amenities and luxury services (Shahidan et al., 2022). Budget hotels in Malaysia are characterized by their affordability, basic services, and convenient locations. Despite being two-star or less establishments, budget hotels play a pivotal role, with a focus on cost-effectiveness through streamlined services, standardized amenities, and modest accommodations. While the Ministry of Tourism, Arts and Culture (MOTAC) traditionally classifies budget hotels as two-star and below, the industry's Malaysia Budget Hotel Association (MBHA) often defines this segment as three stars and below to reflect market realities.

The relationship between the intention to stay and the affordability of budget hotels underscores the significance of pricing in guest decisions (Purwanto et al., 2019; Ren et al., 2018). The operational traits of budget hotels, such as a robust branded identity, widespread geographic presence, and cost-effectiveness, contribute to their widespread appeal among budget-conscious travellers (Albattat et al., 2017).

Guest satisfaction in budget hotels is significantly influenced by factors like service quality, pricing, amenities, room design, and public areas (Nunkoo et al., 2020; Pitra et al., 2023). While price remains crucial for budget travellers, overall experience plays a vital role in satisfaction. Hotels must strike a balance between essential amenities, clean facilities, efficient service, and competitive pricing to foster both satisfaction and potential future stays. Noteworthy variations in information quality exist across different star-rated hotels, emphasizing the importance of higher-rated hotels providing more comprehensive details about their offerings (Cheng et al., 2023).

2.2 Muslim-friendly

Muslim-friendly tourism is a subtype of religious tourism that caters to the needs of Muslim travellers, providing facilities that comply with Islamic teachings and Sharia law (Bangsawan & Rahman, 2019). The burgeoning Muslim travel market has become a pivotal force in the global economy, with Muslims expending an estimated US$133 billion in 2022, marking a substantial increase from the previous year. Projections anticipate continued growth, reaching US$174 billion by 2027, underscoring the sector's robust trajectory (DinarStandard, 2023). Malaysia, maintaining its leading position for the tenth consecutive year, exemplifies the potential contributions of Muslim nations to the global Islamic economy, providing a blueprint for the successful integration of Islamic principles into diverse sectors (DinarStandard, 2023). Positioned at the forefront of the halal industry and Islamic finance, Malaysia serves as an exemplary model, poised for significant contributions and offering valuable insights for other Muslim nations navigating the intersection of Islamic principles and economic growth.

Muslim-friendly tourism and hospitality have emerged to address the specific needs of Muslim travellers, emphasizing cultural sensitivity and tailored experiences aligned with Islamic principles. This trend goes beyond serving halal food, encompassing the entire hotel operation, aligning with Shariah principles, and fostering a comprehensive travel experience (Adnan & Abdul Latif, 2018; Bastaman et al., 2022; Department of Standards Malaysia, 2015). This involves, among many others, separate prayer spaces, alcohol and pork-free environments, and gender-sensitive facilities. Prior research highlights key amenities such as Qur'ans, prayer mats, Qibla directions, and Halal-certified kitchens as foundational to Muslim-friendly hotel services, with cleanliness and staff performance being critical to guest satisfaction (Adnan & Abdul Latif, 2018). Formal halal certification for food and amenities further assures travellers of compliance with Islamic guidelines, fostering trust and promoting a comfortable and fulfilling travel experience.

The concept extends to halal tourism operators who adhere to formal halal criteria standards, obtain certification for halal food, provide prayer facilities, and implement transparent Standard Operating Procedures (SOP) to ensure compliance with Sharia principles (Junaidi, 2020). These criteria often include, but are not limited to, the absence of alcohol and pork products throughout the premises, the availability of gender-sensitive services, and the assurance of clean water sources (e.g., for ablution) and overall hygiene (Abdul Latif et al., 2024). The commitment to formal halal certification reassures travellers, promoting trust and contributing to a comfortable and faith-compatible travel experience.

In the realm of Muslim-friendly tourism, the influence of religious devotion on customer engagement and tourist satisfaction is highlighted (Abror et al., 2020). Muslim-friendly accommodation is distinguished by unique attributes, creating competitive advantages compared to conventional hospitality (Amer Nordin & Abd Rahman, 2018). The diverse needs of Muslim travellers, from seeking destinations with historical or religious significance to prioritizing prayer facilities and halal amenities, shape the landscape of Muslim-friendly tourism. Hotels that align with these expectations gain a competitive edge, attracting a growing segment of Muslim travellers seeking a comfortable and faith-compatible travel experience. This burgeoning market presents opportunities for the tourism industry to cultivate brand loyalty among Muslim travellers, emphasizing the importance of adherence to Shariah principles and transparent communication in fostering trust and ensuring a fulfilling travel experience.

2.3 Theoretical Foundation

The conceptual framework of this study is primarily anchored by two integrated theoretical lenses: Perceived Value Theory and the Islamic Consumption Theory. Perceived Value Theory is essential, as it posits that a consumer's choice is a function of the trade-off between the benefits received and the sacrifices made (Zeithaml, 1988). In the budget hotel context, this theory dictates that affordability (low price) is the primary sacrifice, while the core benefit is basic comfort and cleanliness (Yang et al., 2024). This study extends this model by integrating Islamic

Consumption Theory with the foundation developed by Monzer Kahf (Bella, 2024), which asserts that Muslim consumers evaluate products and services not only based on utility and price but also on Sharia compliance and Moral Conformity (Wilson, 2012; 2018). Islamic consumption, emphasizing rationality that incorporates both worldly and hereafter objectives (Bella, 2024). Therefore, the "benefit" component in the value equation for the Muslim budget traveller is multi-layered: it includes functional quality (cleanliness, room size) and faith-based quality (Qibla direction, water bidets, Halal transparency). By synthesizing these two theories, this research provides the necessary framework to analyse how budget hotels successfully minimize the sacrifice (price) while maximizing the multi-dimensional benefits (functional and faith-based) to achieve a superior "Muslim-Friendly Value for Money," thereby justifying the qualitative exploration of customer preferences and expectations.

3. METHODOLOGY

3.1 Research Methods

The interview protocols utilized in this research were drawn from four separate studies (Muharam & Asutay, 2022; Razak et al., 2019; Suci et al., 2021). The researchers devised a protocol specifically for in-depth, semi-structured interviews with informants who possess firsthand experience as patrons of budget hotels. The data collection approach involved both guided and semi-structured interviews, giving the researchers the flexibility to pose follow-up questions and delve deeper into the discussion while still adhering to a predefined set of topics or questions. To ensure the robustness of the study methodology, an expert in the tourism industry reviewed the question protocols and validated the research approach.

3.2 Data Collection

The study employed a non-probability Convenience Sampling approach to recruit informants. The informants were Muslim guests of budget hotels with a classification of three stars and below. The informants were approached through group chats on Telegram, which consisted of university alumni from the tourism department. A brief message explaining the research purpose and requesting ten volunteers among the alumni was posted in the Telegram group. The researchers then communicated with the informants to schedule an online meeting for their respective interview sessions. Each interview session took between 30 and 45 minutes. Of the ten volunteers who responded, three decided to withdraw. The decision not to replace the three volunteers who withdrew was guided by the principle of thematic saturation. In qualitative analysis, the primary goal is to gather rich, in-depth data until the point where no new themes or conceptual categories emerge. The data collected from the final seven informants provided rich, consistent, and redundant accounts across the five main study themes (Awareness, Expectation, etc.). This achieved saturation, confirming that the sample was sufficient to address the research

question, thereby prioritizing data depth and redundancy over mere numerical replacement (Guest et al., 2020; Hennink et al., 2017).

The informants consisted of four men and three women who had stayed in budget hotels across various locations in Malaysia. These areas included Alor Setar in Kedah, situated in the northern part of Peninsular Malaysia; Segamat in Johor, located in the southern region; and Kuantan in Pahang, found along the west coast of Peninsular Malaysia, among others. All informants were Malaysians and aged between 23 and 82 years old. Out of the seven informants, three declined to be recorded. During the online interview, a research assistant was present to assist with note-taking. The audio of the recorded sessions was then transcribed for analysis. During the interview, the questions were read to the informants in English. However, the responses from the interviewee and interactions were a mix of Malay and English. Each informant received a pseudonym used in data analysis to preserve anonymity, i.e., R1, R2, R3, R4, R5, R6, and R7 (refer to Table 1).

3.3 Data Analysis Procedure

Data analysis was conducted using Thematic Analysis following the systematic six-phase procedure established by Braun and Clarke (2006). Transcribed interviews were managed and organized using NVivo 12 software. The analysis began with the research team achieving deep data familiarization through multiple readings of the transcripts. Next, an inductive, semantic coding approach was applied by the primary researcher, generating short, descriptive labels for meaningful data segments. These initial codes were then clustered into potential thematic groups. To ensure trustworthiness and inter-coder reliability, the second researcher independently reviewed a 20% sample of the coded data, and discrepancies were resolved through consensus (Inter-coder check). This rigorous process led to the refinement of five major themes (Awareness, Expectation, Brand Loyalty, Communication, and Value for Money) that directly addressed the research questions. Refer to Table 1.

Table 1. Informants' descriptive statistics

NO	Residence	Gender	Age	Status	Employment	Travelling period	Average Duration of Stay	Purpose of Stay	Last Location
R1	Bandar Melaka	Female	48	Married	Govt Officer	mostly during school holidays	1-3 days	Leisure	Tioman Island, Pahang
R2	Dengkil, Selangor	Male	31	Married	Govt Officer	every week	2-3 times a year	VFR	Kuantan, Pahang

R3	Kajang, Selangor	Female	23	Single	Student	During university semester break, at least once a year	6-7 days	Leisure	Arau, Perlis
R4	Balakong Selangor	Male	30	Married	Self-employed	Long Holidays – Festive	1-2 days	Leisure / VFR	Kulim, Kedah
R5	Balakong Selangor	Female	31	Married	Self-employed	Long Holidays – Festive	1-2 days	Leisure / VFR	Kulim, Kedah
R6	Kajang, Selangor	Male	28	Single	Private Sector	Long Holidays – Festive	1-2 days	Leisure	Segamat, Johor
R7	Petaling Jaya, Selangor	Male	82	Married	Retired	No specific time	Two days	VFR / Others	Pulau Pinang

4. FINDINGS AND DISCUSSIONS

4.1 Awareness and Decision-Making

The importance of awareness of Muslim-friendly facilities and services affecting hotel selection varies based on the findings. R2 and R7 prefer hotels to explicitly state their Muslim-friendly services, encompassing provisions such as prayer mats, Qibla direction, and toilet bidets.

R2: "…hotels need to state the Muslim-friendly services [like] prayer mat, Qibla direction, and breakfast."
R7: "Yes, very aware. Will look for Muslim-friendly facilities."

While some informants expected the provision to be available, stating, *"Malaysia as an Islamic country, this should not be a problem"* (R6), regardless of the ownership or operator of the hotels. R4 emphasized that *"necessities like a bidet are a must and expected".* It is also deemed desirable to state the availability of halal meals, if available. However, this would not be much of an issue since:

R7: "..the hotels [are located] in a Muslim area. Easy to find [Halal] food. There was a non-Muslim hotel we went to, but it was next to a masjid. So, it is okay."

This suggests that the location of the budget hotels is preferred to be within the vicinity of the Muslim community. The presence of non-Muslim places of worship ("tokong") within the hotel compound or setting can influence the decision-making process as informants seek to avoid potentially discomforting environments. In this context, any non-Muslim religious evidence, such as altars, signs, and symbols within the compound or setting, may act as a purchase deterrent.

R4: "…if there is a tokong, it will affect the decision."
R7: "…. absolutely no tokong, or any other [non-Muslim religious] symbols. If there are, we will leave".

Interestingly, the prioritization of Muslim-friendly services varies among informants. While some do not actively search for such features and prioritize factors like price and overall facilities, others consider the presence of Muslim staff at the front desk as an indicator of the hotel's Muslim-friendly approach and regard the provision of Qibla direction as a bonus rather than a necessity:

R4: "Qibla direction is a bonus point. You use apps to get Qibla."

It is noteworthy that the younger informants tend to rely on smartphone apps for Qibla direction, emphasizing the importance of integrating technology into the Muslim-friendly services offered by hotels (Adnan & Abdul Latif, 2018). Despite the diversity in preferences, there is a common expectation among informants for hotels to meet necessities, such as bidet availability. At the same time, features like a Qibla direction are viewed as advantageous. Interestingly, informants differ in their awareness and importance of Muslim-friendly services, with some needing to seek or be aware of such indicators actively.

R3: "…don't expect anything more, only a place to sleep. [It is] a bonus point if [there are] Muslim-friendly services."

Conversely, some individuals are highly aware and actively seek Muslim-friendly facilities when making reservations, often using online platforms for bookings, either independently or through family members.

R7: "..booking [of hotel room is] done online by [my] son or myself.

The influence of the spouse in the decision-making process, particularly regarding hotel location and safety considerations, is evident, highlighting the collaborative nature of hotel selection within couples.

4.2 Expectations and Experiences

In the evaluation of budget hotel preferences, cleanliness emerges as a paramount factor, with informants expressing dissatisfaction when encountering issues such as inadequate cleanliness and pest infestations, for example, cockroach infestations. These concerns highlight the crucial role cleanliness plays in shaping the overall guest experience. While cleanliness is anticipated, variations in standards exist, impacting the overall evaluation of a hotel.

R1: *"The cleanliness was not good. There were cockroaches."*
R7: *"…must have clean floors, or carpet. Sometimes my wife would [perform her] Solah on the bed because the floor isn't clean enough."*

Expectations regarding Muslim-friendly amenities encompass fundamental necessities such as water bidets, Qibla direction, prayer mats, and Qurans, seen as advantageous extras that contribute to a positive guest experience. Informants emphasize the importance of a suitable space for performing prayers, requiring cleanliness and accommodating at least two individuals simultaneously. Budget hotels with smaller room areas are suggested to have a Musolla as a communal facility, as suggested by R5, to ensure room comfort.

Ensuring the availability of clean, drinkable water is another notable expectation, whether provided at the hotel counter or within guest rooms. However, the acknowledgement that these offerings come at a cost to hotels underscores the significance placed on such provisions by guests.

R4: *"…water bidet is a must. Qibla direction, [prayer] mat, and Quran are bonuses, as it is a cost to hotels.*

4.3 Brand Loyalty

Brand loyalty within the context of hotel selection is intricately tied to various considerations, with affordability being a significant factor in influencing decisions. Informants express a willingness to choose branded budget accommodation, provided the price is right. One informant suggested that the price should be at RM 100 or less, emphasizing the importance of deriving value for money. This underscores the pivotal role that pricing plays in the establishment of brand loyalty, as travellers seek a harmonious balance between cost-effectiveness and quality.

R1: *"Yes, why not? But it has to be worth it. RM 100 or less."*
R7: *"Yes. It is preferred, but sometimes [there are] no choices, so take it as it is."*

While active marketing is not necessarily a prerequisite for brand loyalty, informants express an openness to trying hotels that actively promote themselves. The potential impact of effective marketing strategies on brand loyalty is evident, highlighting the importance of establishments effectively communicating their offerings and values to potential guests. Preferences lean towards Muslim-friendly (MF) hotels, particularly if they align with Islamic principles and offer services that exceed expectations. This indicates the importance of aligning with cultural and religious values as a means to foster brand loyalty among guests.

R4: "Yes, [my] preference [I] would choose a branded MF hotel if available, [but] if they follow Islamic principles and exceed expectations."

However, some informants pragmatically prioritize factors such as price and the fundamental need for a good night's sleep over other considerations. Price sensitivity is apparent, as informants may consider budget-friendly options that meet their basic requirements, indicating that brand loyalty is not solely reliant on luxurious amenities or specific services.

R5: "… not really, since the priority is to sleep. Price plays an important role. If branded muslim-friendly [budget hotels] offer cheap prices, then I will consider my decision."

Hotel ratings hold varying degrees of importance, with some informants prioritizing them over other factors like price in their decision-making process. The preference for hotels with positive ratings suggests that a positive reputation and positive public perception contribute to the establishment of brand loyalty.

R6: "Not really, as the hotel rating is much more of a priority."

The significance of an Islamic image, including visual elements such as frames depicting Allah and Muhammad, underscores the importance of cultural and religious alignment in shaping brand loyalty. Informants emphasize the impact of cleanliness on the Muslim image, highlighting the interconnectedness of cleanliness, Islamic imagery, and the overall perception of a hotel within the framework of brand loyalty.

R7: "Muslim image is important, like having Allah and Muhammad [decorative] frames in [the] lobby or front desk. So, the Islamic image is important. Halal is important."

4.4 Communication and Transparency

The informants emphasize that in Malaysia, the acceptance of budget hotels, even those owned by non-Muslim individuals, is contingent upon their commitment to being Muslim-friendly. While the acceptance of such establishments is notable, the key criterion remains their adherence to Muslim-friendly principles.

R1: *"It is not a problem in Malaysia. Even if it is owned by a non-Muslim, it is okay, but must be Muslim friendly."*

In the era of online bookings, visuals carry significant weight, yet informants emphasize that reviews from customers are paramount, illustrating the importance of peer feedback in shaping perceptions. This underscores the need for transparent communication about the hotel's offerings, ensuring that the information aligns with guests' expectations and avoids potential discrepancies that may arise from misleading visuals.

R1: *"… look at pictures in Booking.com. The most important part is the guest review. Because pictures can be misleading."*

The importance of communication extends beyond Muslim guests, as it is seen as a means to indicate to non-Muslims which products or services are not permitted. This demonstrates the multifaceted nature of communication, serving not only to inform but also to set clear boundaries and expectations, perhaps relating to vices.

R3: *"Yes, it is important, but also to indicate to non-Muslims that certain products or services are not permitted."*

In the marketing realm, adherence to the Islamic Tourism Centre (ITC) guidelines is deemed mandatory when promoting Muslim-friendly services. These guidelines, which cover areas such as the provision of Halal food, prayer facilities (e.g., Musolla, Qibla direction in rooms), and Sharia-compliant operational procedures (e.g., no alcohol served), are essential for fostering consumer trust. Transparency in incorporating these guidelines, particularly on the hotel's website, is seen as a crucial aspect of effective communication, fostering trust, and ensuring guests are well-informed.

R4: *"Yes, it is a must in all platforms if you are marketing as MF. The ITC guideline should be attached to their personal website."*

4.5 Value for Money

The inclusion of amenities related to Muslim-friendly services, such as places for ablution, Qurans, and Qibla directions, is deemed valuable by informants. However, the reliance on smartphones for certain services indicates a pragmatic approach, suggesting that hotels can enhance value without incurring substantial costs. The notion that these amenities are typically included in the overall costs of a stay reinforces the expectation among informants that such offerings should not significantly impact pricing.

R3: "Yes, it is, places for ablution, have Quran and Qibla direction. But we have our smartphones. It is not a burden for hotels to add."

Informants agree on the importance of incorporating Muslim-friendly amenities without substantially affecting costs. Praying mats and Qibla direction, seen as essential for Muslim guests, are perceived as valuable additions that contribute positively to the overall guest experience. This aligns with the idea that value for money is not solely determined by cost but also by the inclusion of culturally sensitive and relevant services.

R5: "Yes, it should be, since the amenities or services related to Muslim-friendly, like a prayer mat and Qibla direction, are not costly."
R7: "If there is a Quran or Yasin in the room, that will be good too. These items are not expensive. It is affordable to purchase. It is difficult to use [Quran] apps."

Despite the acknowledgement of the value of Muslim-friendly amenities, informants note that the presentation of budget hotels can vary. Some establishments may need to improve their appearance, both externally and internally. This highlights the potential disparity between outward appearances and the actual quality of accommodation, emphasizing the need for a holistic assessment of value.

R7: "… but sometimes, budget hotels are not presentable. For example, the entrance of this particular budget hotel had creepers and was a bit untidy and unkept. No lights outside too. But as we entered the hotel, it was okay."

The older generation emphasizes the importance of having a physical Quran in hotel rooms, in contrast to the youth, who predominantly rely on digital means. Expectations for Muslim-friendly standards, such as Qibla direction and praying mats, exist, especially among the older demographic, while the younger generation tends to utilize smartphone applications for this purpose.

Loyalty to specific budget hotel brands, such as Seri Malaysia, is observed among the older generation. However, they may consider other brands or non-branded establishments when limited options are available. These nuanced preferences highlight the dynamic interplay of cultural, generational, and religious factors in shaping the choices of Malaysian Muslims in the budget hotel sector.

5. DISCUSSION AND MARKETING IMPLICATIONS

The findings of this study offer a crucial lens into the motivations and expectations of Malaysian Muslim travellers, providing a direct roadmap for budget hotels to strategically align their service delivery and marketing efforts. The demand for basic Muslim-friendly services such as prayer mats, Qibla direction, and water bidets aligns with the broader, non-negotiable trend of Muslim-friendly tourism that emphasizes Sharia compliance (Harun et al., 2024).

From a strategic marketing viewpoint, the inclusion of these fundamental amenities must be positioned as a core value proposition, not a mere add-on. Halal-friendly facilities and services have been shown to positively influence the visit intentions of Muslim tourists (Bilgihan & Ricci, 2023), confirming that these features are essential in shaping their travel decisions and should be heavily featured in all promotional materials. The reliance on digital technology, particularly among younger travellers for services like Qibla direction, suggests that budget hotels should integrate modern, low-cost technologies to enhance guest satisfaction and meet contemporary customer expectations (Bilgihan & Ricci, 2023). This presents a strategic opportunity to streamline operations through self-check-in systems or to enhance service delivery via user-friendly mobile apps or optimized websites that offer essential religious information and logistical services, ultimately enhancing the guest experience.

5.1 The Marketing Mandate for Cleanliness and Value

The finding that cleanliness is a major factor in hotel stays, with informants expressing significant dissatisfaction when hygiene standards were compromised (Yang et al., 2024), establishes cleanliness as a non-negotiable marketing priority, a baseline expectation that must be met before faith-based amenities become relevant. Cleanliness and essential Muslim-friendly amenities are co-dependent; basic service quality remains vital for budget hotels despite the additional demand for religiously aligned services (Arasli et al., 2023). This means budget hotels must ensure rigorous, transparent cleanliness protocols while also strategically investing in essential Muslim-friendly amenities to strengthen their value proposition. The marketing message should communicate not only competitive pricing but also the certainty of a clean, compliant environment.

Furthermore, affordability remains a decisive factor, affecting Muslim travellers' preference for budget hotels priced at MYR 100 or less [1]. This preference aligns with Perceived Value Theory (Papastathopoulos et al., 2021), which underscores that the acceptable price ceiling is intricately tied to the perceived benefits. Budget hotels must strategically communicate that the incorporation of faith-based attributes (halal) is included within that highly competitive price point, effectively translating 'Muslim-friendly' into 'superior value for money.'

5.2 Cultivating Authentic Brand Loyalty

The role of brand loyalty in hotel selection is strongly emphasized, with cultural and religious orientation being a key factor in nurturing trust and repeat patronage (Maghembe & Magasi, 2024). Building loyalty among Muslim travellers requires more than mere affordability; it demands an authentic alignment with Islamic principles and values. Hotels should cultivate a genuine Islamic identity through visible elements, such as displaying religious symbols like calligraphic frames (as noted by informants), highlighting the significance of aligning hotel marketing and branding with these cultural and religious values.

This calls for transparent and honest marketing across all touchpoints. Transparent communication is equally critical; visually appealing promotional materials and customer reviews that specifically highlight Muslim-friendly services can effectively influence booking decisions by fostering immediate trust.

Finally, the differing expectations between older and younger generations, such as the preference for physical Qurans among older travellers versus digital alternatives for younger ones (Chen et al., 2023), underscore the need for highly adaptive service delivery. These insights suggest that hotels need to adopt a holistic approach to service and marketing, balancing the traditional, explicit requirements of some customers with cost-effective, digital-first solutions for others. By integrating digital tools, prioritizing cleanliness, reinforcing an authentic Islamic brand image, and ensuring clear communication, budget hotels can better meet the diverse needs of Malaysian Muslim travellers and successfully position themselves competitively in this critical market segment.

6. CONCLUSION

The study provides comprehensive insights into Malaysian Muslim travellers' preferences and expectations when selecting budget hotels. Across various dimensions, namely Awareness and Decision-Making, Expectation and Experiences, Brand Loyalty, Communication and Transparency, and Value for Money, a deeper understanding emerges. Informants showcase diverse expectations, with some emphasizing explicit communication about Muslim-friendly

---

[1] The exchange rate of USD 1 is approximately MYR 4.48 as of 8 April 2025

services and others adopting a more pragmatic approach, relying on technology for certain services.

Consistent with the expectations listed in previous studies (Salleh et al., 2019), cleanliness is paramount for a positive guest experience, and the study acknowledges the cost implications of offering Muslim-friendly amenities, emphasizing their perceived value. Brand loyalty is shaped by a delicate balance between affordability and quality, with an Islamic image playing a crucial role. Effective communication and transparency are deemed essential, with a reliance on visuals and customer reviews. The perceived value for money is intricately linked to the inclusion of Muslim-friendly amenities, acknowledging the pragmatic use of smartphones for certain services. Overall, the findings guide the hospitality industry in tailoring services to meet the diverse preferences of Malaysian Muslim travellers, enhancing their overall satisfaction.

7. LIMITATIONS AND FUTURE DIRECTIONS

Despite providing rich, context-specific insights into the Muslim traveller segment, this study is subject to several methodological and contextual limitations that offer clear directions for future scholarly inquiry. Methodologically, the research relies on an inherently small sample size derived via a convenience and snowball sampling technique. While this was sufficient for achieving thematic saturation and uncovering deep conceptual nuances, it could restrict the generalizability of the findings to the broader Malaysian Muslim traveller population. Furthermore, two specific constraints impacted data collection: three of the final seven informants declined to be audio-recorded, meaning their data relied exclusively on researcher note-taking, which introduces a potential variation in data quality. Additionally, the interviews involved a mix of Malay and English languages, and while the researchers are proficient, the subtle nuances lost or gained during the in-session language switching or post-hoc translation for analysis may introduce a potential source of translation bias.

These limitations serve as a foundation for possible future research areas. First, there is a need to quantitatively test the generalizability of the five identified themes—particularly the balance between faith-based expectations and affordability—across a larger, more demographically representative sample of Muslim travellers. Second, this study focused exclusively on the demand side (travellers); therefore, future research must adopt a holistic approach by integrating the perspectives of budget hotel managers and owners. This supplier-side research is critical for understanding the operational challenges, cost implications, and marketing efficacy of implementing and communicating Muslim-friendly services. Finally, the observed pragmatic reliance on smartphones among travellers suggests a readiness for advanced technological adoption. Future work should specifically investigate the feasibility and traveller acceptance of incorporating innovative technological solutions into the budget hotel offering, such as piloting the acceptance of cryptocurrency as a payment option, developing co-created

innovative services through proprietary apps (Sarmah et al., 2017), or offering carbon offset features as part of a sustainable hospitality package (Adnan & Abdul Latif, 2018). Such research will provide actionable data for the industry on leveraging technology to meet the diverse and evolving needs of the modern Muslim traveller.

REFERENCES

Abdul Latif, S. A., Syed Nasir, S. N., Matyakubov, U., & Isaqov, R. (2024). The Effects of Service Quality on Tourist Loyalty Towards Malaysian Budget Hotels. *BIO Web of Conferences*, *82*. https://doi.org/10.1051/bioconf/20248206014

Abror, A., Patrisia, D., Trinanda, O., Omar, M. W., & Wardi, Y. (2020). Antecedents of word of mouth in Muslim-friendly tourism marketing: the role of religiosity. *Journal of Islamic Marketing*, *12*(4), 882–899. https://doi.org/10.1108/JIMA-01-2020-0006

Adnan, N. A., & Abdul Latif, S. A. (2018). The effects of hotel image, brand image and employee performance on customer satisfaction of Muslim youths towards Muslim-friendly hotels. *International Conference on Halal Tourism, Products and Services "Supporting the Achievement of Sustainable Development Goals" IHCTPS 2018*, 1–24.

Albattat, A. R., Ahmad, A., Arifin, A., Arifuddin, S., Ravi, K., & Hendricks, A. (2017). *Service Quality and Customer Satisfaction of Budget Hotel: A Case Study of De Service Quality and Customer Satisfaction of Budget Hotel: A Case Study of De Palma Hotel Shah Alam, Malaysia*. *2016*(Ich), 22–23.

Amer Nordin, N. S., & Abd Rahman, F. (2018). A Critical Review of the Muslim-Friendly Hospitality Services Standard (MS 2610:2015) in Malaysia. In *Proceedings of the 3rd International Halal Conference (INHAC 2016)* (pp. 211–222). Springer Singapore. https://doi.org/10.1007/978-981-10-7257-4_20

Arasli, H., Saydam, M. B., Gunay, T., & Jafari, K. (2023). Key attributes of Muslim-friendly hotels' service quality: voices from booking.com. *Journal of Islamic Marketing*, *14*(1), 106–127. https://doi.org/10.1108/JIMA-11-2020-0341

Bangsawan, S., & Rahman, M. (2019). *Muslim friendly tourism and accommodation of Malaysian hotel industries*. http://orcid.org/0000-0001-6333-6423

Bastaman, A., Hj Hassan, F., & Ekasari, A. (2022). Adopting Conventional Budget Hotels Into Muslim-Friendly Budget Hotels: An Exploratory Analysis, *Jurnal Ekonomi*, *11*(03), 2022. http://ejournal.seaninstitute.or.id/index.php/Ekonomi

Battour, M., & Ismail, M. N. (2016). Halal tourism: Concepts, practises, challenges and future. *Tourism Management Perspectives*, *19*, 150–154. https://doi.org/10.1016/j.tmp.2015.12.008

Bella, A. M. E. (2024). Development of Monzer Kahf's Islamic Consumption Theory and Ethics. *TAWAZUN : Journal of Sharia Economic Law*. https://doi.org/10.21043/tawazun.v7i1.25484

Bilgihan, A., & Ricci, P. (2023). The new era of hotel marketing: integrating cutting-edge technologies with core marketing principles. *Journal of Hospitality and Tourism Technology*, *15*(1), 123–137.

Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, *3*(2), 77–101.

Chen, F., Quadri-Felitti, D., & Mattila, A. S. (2023). Generation influences perceived coolness but not favorable attitudes toward cool hotel brands. *Cornell Hospitality Quarterly*, *64*(1), 95–103.

Cheng, C. H., Tsai, M. C., & Chang, Y. S. (2023). The relationship between hotel star rating and website information quality based on visual presentation. *PLoS ONE*, *18*(11 NOVEMBER). https://doi.org/10.1371/journal.pone.0290629

Department of Standards Malaysia. (2015). *MS 2610:2015 Muslim friendly hospitality services - Requirements*. http://www.sirim.my

DinarStandard. (2023). State of the Global Islamic Economy Report 2023/24. In *DinarStandard*. https://haladinar.io/hdn/doc/report2018.pdf

El-Gohary, H. (2016). Halal tourism, is it really Halal? *Tourism Management Perspectives*, *19*, 124–130.

Fauzi, M. A., & Battour, M. (2024). Halal and Islamic tourism: science mapping of present and future trends. *Tourism Review*. https://doi.org/10.1108/tr-08-2023-0533

Guest, G., Namey, E., & Chen, M. (2020). A simple method to assess and report thematic saturation in qualitative research. *PLoS ONE*, *15*. https://doi.org/10.1371/journal.pone.0232076

Harun, S., Ahmad, I., Shafie, S., Choirisa, S. F. F., & Rizkalla, N. (2024). Developing Muslim-friendly hospital practices: understanding the key drivers. *Journal Of Islamic Marketing*, *15*(11), 3137–3155.

Hennink, M., Kaiser, B., & Marconi, V. (2017). Code Saturation Versus Meaning Saturation. *Qualitative Health Research*, *27*, 591–608. https://doi.org/10.1177/1049732316665344

Junaidi, J. (2020). Halal-friendly tourism and factors influencing halal tourism. *Management Science Letters*, *10*(8), 1755–1762. https://doi.org/10.5267/j.msl.2020.1.004

Maghembe, M., & Magasi, C. (2024). The Role of Customer Perceived Value, Brand Trust and Service Personalization in Shaping Customer Loyalty. *International Journal of Management, Accounting & Economics*, *11*(9).

MOTAC. (2024, February 29). *Senarai Penggredan Premis Penginapan Pelancong*. https://www.motac.gov.my/semakan/hotel

Muharam, I. N., & Asutay, M. (2022). Online disclosure practices of halal-friendly hotels. *Journal of Islamic Marketing*, *13*(1), 119–132. https://doi.org/10.1108/JIMA-12-2018-0239

The Iskandarian. (2020). Monthly Drill – Malaysia Budget Hotel Association (MyBHA). In *The Iskandarian*.

Nunkoo, R., Teeroovengadum, V., Ringle, C. M., & Sunnassee, V. (2020). Service quality and customer satisfaction: The moderating effects of hotel star rating. *International Journal of Hospitality Management*, *91*. https://doi.org/10.1016/j.ijhm.2019.102414

Papastathopoulos, A., Koritos, C., & Mertzanis, C. (2021). Effects of faith-based attributes on hotel prices: the case of halal services. *International Journal of Contemporary Hospitality Management*, *33*(8), 2839–2861.

Permatasari, W., Maghrifani, D., & Wibowo, A. (2025). A qualitative exploration of guest satisfaction with budget hotels from online review: the case of Indonesia. *Cogent Business & Management*, *12*(1). https://doi.org/10.1080/23311975.2025.2475987

Pitra, A., Desi, R., Yusuf, A., & Albattat, A. (2023). Guest Perspective of Management Performance on Budget Hotel at Shah Alam Malaysia. In *Proceedings of the Tegal International Conference on Applied Social Science & Humanities (TICASSH 2022)* (pp. 446–453). Atlantis Press SARL. https://doi.org/10.2991/978-2-494069-09-1_52

Purwanto, A., Adato Goeltom, V. H., Kristiana, Y., & Pramono, R. (2019). The influence of intrinsic, extrinsic, and consumer attitudes towards intention to stay at a Budget Hotel. In *African Journal of Hospitality, Tourism and Leisure* (Vol. 8, Issue 2). http//:www.ajhtl.com

Razak, N. A. A., Yusof, R. N. R., & Aziz, Y. A. (2019). Challenges in Implementing Muslim Friendly Hospitality Services (MFHS) in Shariah-Compliant Hotels in Malaysia. *International Journal of Academic Research in Business and Social Sciences*, *9*(10). https://doi.org/10.6007/ijarbss/v9-i10/6459

Razzaq, S., Hall, C. M., & Prayag, G. (2016). The capacity of New Zealand to accommodate the halal tourism market—Or not. *Tourism Management Perspectives*, *18*, 92–97.

Ren, L., Qiu, H., Ma, C., & Lin, P. M. C. (2018). Investigating accommodation experience in budget hotels. *International Journal of Contemporary Hospitality Management*, *30*(7), 2662–2679. https://doi.org/10.1108/IJCHM-11-2016-0625

Ren, L., Qiu, H., Wang, P., & Lin, P. M. C. (2016). Exploring customer experience with budget hotels: Dimensionality and satisfaction. *International Journal of Hospitality Management*, *52*, 13–23. https://doi.org/10.1016/j.ijhm.2015.09.009

Sahida, W., Rahman, S. A., Awan, K., & Man, Y. C. (2011). *The Implementation of Shariah Compliance Concept Hotel : De Palma Hotel Ampang , Malaysia*. *17*, 138–142.

Shahidan, W. N. W., Ghani, N. L. A., Rosaidi, N. A., & Hussain, N. J. (2022). Fuzzy COPRAS-F Method for Selection Budget Hotel in Kuala Perlis. *International Journal of Academic Research in Business and Social Sciences*. https://doi.org/10.6007/ijarbss/v12-i2/11517

Sirirat, S., Thampanichwat, C., Pongsermpol, C., & Moorapun, C. (2024). The Hotel Architectural Design Factors Influencing Consumer Destinations: A Case Study of Three-Star Hotels in Hua Hin, Thailand. *Buildings*. https://doi.org/10.3390/buildings14082428

Suci, A., Junaidi, Nanda, S. T., Kadaryanto, B., & van FC, L. L. (2021). Muslim-friendly assessment tool for hotel: how halal will you serve? *Journal of Hospitality Marketing and Management*, *30*(2), 201–241. https://doi.org/10.1080/19368623.2020.1775746

Tauhid, D. K. M., Said, S., & Taha, M. M. Bin. (2025). Muslim Friendly Hotel Services: A Literature Studies. *International Journal of Research and Innovation in Social Science*. https://doi.org/10.47772/ijriss.2025.spikem6

Wilson, J. (2012). Looking at Islamic marketing, branding and Muslim consumer behaviour beyond the 7P's. *Journal of Islamic Marketing*, *3*(3), 212–216. https://doi.org/10.1108/17590831211259718

Wilson, J. A. J. (2018). *Halal branding*. Claritas Books.

Yang, Y., Lin, M. S., & Magnini, V. P. (2024). Do guests care more about hotel cleanliness during COVID-19? Understanding factors associated with cleanliness importance of hotel guests. *International Journal of Contemporary Hospitality Management*, *36*(1), 239–258.

Yusof, N. A. M., Ahmad, R., Ramely, A., Shariff, N. M., & Soelar, S. A. (2025a). Travel Bubble in Langkawi: Insights from Hotel Managers of Muslim-friendly Budget Hotels. *Pertanika Journal of Social Sciences and Humanities*. https://doi.org/10.47836/pjssh.33.1.19

Yusof, N. A. M., Ahmad, R., Ramely, A., Shariff, N. M., & Soelar, S. A. (2025b). Was the Travel Bubble a Successful Idea? Investigation of Muslim-Friendly Budget Hotels in Langkawi. *Journal of Human Development and Communication (JoHDeC)*. https://doi.org/10.58915/johdec.v13.2024.1828

Zeithaml, V. A. (1988). Consumer perceptions of price, quality, and value: a means-end model and synthesis of evidence. *Journal of Marketing*, *52*(3), 2–22.