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The Role of Local Government Policy in Developing the Muslim-Friendly Tourism Economy in Surabaya

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Abstract

This study examines the role of Surabaya City Government policy in developing a Muslim-friendly tourism economy and the challenges involved in its implementation. It employs a descriptive qualitative approach, with data collected through interviews, observation, and documentation involving local government representatives, tourism business operators, and visitors. Data were analyzed through data reduction, data display, and conclusion drawing, with source and method triangulation. The findings indicate that the government supports development through the provision of supporting facilities, promotion, outreach, training, halal-product facilitation, and collaboration with business operators. These policies encourage improvements in facilities and services for Muslim tourists while creating economic opportunities for local businesses. However, development is not yet supported by comprehensive, specific regulations and continues to face limited business knowledge and financial capacity, as well as uneven access to facilities. Stronger assistance, business facilitation, more equitable facilities, and coordination among stakeholders are therefore needed to optimize Muslim-friendly tourism and broaden its economic benefits for local communities.

INTRODUCTION

Tourism is an important sector in regional economic development because it is connected to a wide range of economic activities, including accommodation, food and beverages, transportation, trade, micro-enterprises, and the creative economy. Tourism growth depends not only on a destination's attractions but also on the government's ability to establish policies that make destinations safe, comfortable, accessible, and responsive to visitors' needs. Within the global tourism industry, Muslim travelers have become an increasingly important segment. Their demand for halal food, access to prayer facilities, amenities that support religious practices, and comfortable travel environments has contributed to the growth of Muslim-friendly tourism. This concept is not limited to creating destinations specifically for Muslim travelers; it also seeks to build a tourism ecosystem that provides inclusive services and strengthens destination competitiveness. Research on Muslim-friendly tourism attributes indicates that Muslim travelers' needs may include appearance, access, attractions, facilities, accommodation, travel packages, activities, and destination evaluation (Nirwani et al., 2024).

From a local economic perspective, Muslim-friendly tourism can generate a multiplier effect across local economic activities. When local businesses provide products and services that meet visitors' needs, an increase in tourist arrivals may raise demand for food and beverages, accommodation, transportation, trade, and creative-economy products. Muslim-friendly tourism can therefore expand markets and strengthen the relationship between tourism and the local economy. This sector has the potential to become part of the Islamic economic ecosystem, but it requires supportive policies, service standards, and business ecosystems that respond to tourists' needs (Santoso et al., 2021).

This context is particularly relevant to Surabaya, one of East Java's main centers of economic activity, trade, services, and tourism. Tourism activity in Surabaya has shown notable growth. Statistics Indonesia (BPS) for Surabaya reported that international visitors to the city increased by 46% in 2024 compared with 2023, while domestic visitors rose by 2% (BPS Kota Surabaya, 2025). An increase in tourist arrivals is associated with higher income, employment opportunities, tourism-sector growth, and local revenue. Accommodation and food services also play an important role in Surabaya's economic structure. In 2024, this sector generated approximately IDR 126.22 trillion in gross regional domestic product (GRDP) at current prices, contributing around 16.34% of the city's GRDP (PEMKOT Surabaya, 2025), making it one of the city's largest economic sectors. In regional development planning documents, accommodation and food-and-beverage services recorded a Location Quotient (LQ) of 2.634 in 2024, indicating that the sector is a leading sector in Surabaya's economy. These conditions demonstrate that tourism development in Surabaya is closely connected to the broader goal of strengthening the regional economy.

Surabaya's status as a major city with diverse tourist destinations also creates opportunities to develop tourism that is more responsive to Muslim travelers' needs. The city contains the Sunan Ampel religious tourism area, which has historically served as a center of religious activity and community trade. The Surabaya City Government has undertaken several initiatives to manage this area, including developing supporting infrastructure and organizing access and parking to improve visitor comfort. In 2024, the city government also sought to connect facilities in the Sunan Ampel

religious tourism area with the Old Town district as part of a more integrated tourism-area development strategy (Dinkominfo, 2024). This effort was followed by parking-area improvements in Sunan Ampel in 2025 to improve visitor

comfort and reduce traffic disruption around the destination.

Local government policies addressing the needs of Muslim residents and visitors are also reflected in the regulation of tourism-related activities during religious occasions. For example, the Surabaya City Government issued a circular on Ramadan 2025 that regulated restaurants, cafés, food stalls, and hotels during the month, including iftar events and on-site dining services (Dinkominfo, 2025). In 2026, the local government coordinated Ramadan monitoring with relevant agencies, including the tourism office, to maintain a safe, comfortable, and orderly environment for residents (Dinkominfo, 2026) In addition, Surabaya's tourism development agenda in 2025 emphasized the Old Town, thematic villages, and district-level creative-economy activities through a more integrated tourism approach. These policies indicate that the local government has intervened in destination development, visitor comfort, religious tourism areas, and economic activities that support tourism.

Nevertheless, the existence of these policies does not automatically mean that Surabaya's tourism ecosystem is fully integrated around the needs of Muslim travelers. Muslim-friendly tourism is not limited to religious destinations or religious events; it also includes prayer facilities, access to halal food, accommodation, information, accessibility, services, and the participation of businesses and communities in destination management. Research by (Rohmah Maulida et al., 2026) highlights the importance of assessing the availability of prayer facilities as one indicator of Muslim-friendly tourism. This suggests that Muslim-friendly tourism in Surabaya warrants deeper investigation, particularly regarding how local government policies are implemented and whether they create a tourism economy ecosystem experienced by visitors and tourism businesses.

Previous studies provide an important foundation for understanding the relationship between government policy and Muslim-friendly tourism development. (Hajar et al., 2022) position Muslim-friendly tourism as part of good tourism governance and emphasize that government policy is needed to guide improvements in tourism standards and meet Muslim travelers' needs. In their study of halal tourism policy implementation in West Nusa Tenggara, (Sahli et al., 2021) ound that implementation continued to face challenges, particularly in the provision of facilities, indicating that formal regulations do not always translate into practice. (Kholili & Hisyam, 2024) likewise found that Muslim-friendly tourism development in Madura faced constraints such as limited access to clean water, inadequate accommodation, and suboptimal halal certification of products.

However, previous studies have largely focused on destination-development strategies, the implementation of halal-tourism regulations, Muslim tourists' attributes, and the provision of Muslim-friendly facilities. Research specifically connecting local government policy with the development of a Muslim-friendly tourism economy in a metropolitan city such as Surabaya remains limited. Surabaya has a diverse tourism profile, encompassing historical and religious tourism, thematic villages, the creative economy, trade, and services. It is therefore important to examine how local government policies not only meet Muslim travelers' needs but also create economic opportunities for local businesses.

The novelty of this study lies in its analysis of the role of local government policy in shaping a Muslim-friendly tourism economic ecosystem at the city level. Rather than examining only the availability of Muslim-friendly facilities, the study explores how government policies on destination development, supporting facilities, business assistance, and the strengthening of products and services connect Muslim travelers' needs with

local economic activity. By focusing on Surabaya, the study offers a perspective on the relationship between local policy, Muslim-friendly tourism, and local economic development.

Based on this context, the study addresses the role of Surabaya City Government policy in developing a Muslim-friendly tourism economy and examines how these policies support the needs of Muslim travelers while creating economic opportunities for local businesses. The study considers not only the existence of government policies and programs but also their implementation, the forms of support provided, stakeholder involvement, and the economic benefits generated through Muslim-friendly tourism development in Surabaya.

METHODOLOGY

This study uses a descriptive qualitative approach because it seeks to understand in depth the role of Surabaya City Government policy in developing a Muslim-friendly tourism economy based on conditions and information obtained from the field. Qualitative research examines phenomena in their natural settings, with the researcher serving as the primary instrument and data collected through multiple techniques and analyzed inductively. The study focuses on local government policy, policy implementation, support for Muslim-friendly tourism, and the relationship between these policies and local business activity in Surabaya.

The research was conducted in Surabaya, East Java. Participants were selected purposively based on their involvement in or knowledge of tourism development. They included representatives of the Surabaya Culture, Youth and Sports, and Tourism Office; business operators conducting economic activities in or around tourism destinations; and visitors. These participants were selected to obtain different perspectives on government policy, program implementation, Muslim-friendly tourism services, and the economic benefits experienced by businesses and visitors. The number of participants was determined according to data needs and the adequacy of information obtained during fieldwork.

The study used primary and secondary data. Primary data were collected directly through interviews and observation of participants and the research setting. Semi-structured interviews were conducted using an interview guide while allowing follow-up questions to explore government policy, Muslim-friendly facilities, business development support, and the economic benefits of tourism. Observation was used to examine destination conditions, supporting facilities, tourist activities, and business operations. Secondary data were obtained from government policy documents, regulations, official reports and publications, tourism statistics, and relevant literature. Documentation supported and strengthened the interview and observation findings.

The researcher served as the main research instrument. Supporting instruments included an interview guide, observation sheets, a recording device, a camera, and field notes. The interview guide covered local government policy, policy implementation, the provision of Muslim-friendly facilities and services, support for businesses, and the contribution of policy to tourism economic development. These instruments helped keep data collection focused while allowing participants to describe their experiences and perspectives in greater depth.

Data analysis was conducted interactively from data collection through conclusion drawing. The stages consisted of data reduction, data display, and conclusion drawing and verification. During reduction, interview, observation, and documentary data were selected and grouped into relevant themes, including government policy, implementation, Muslim-friendly

facilities, business empowerment, and tourism economic development. The data were then presented in narrative form and, where useful, could be supplemented with tables or matrices to illustrate patterns and relationships. Finally, conclusions were drawn from the patterns and meanings identified and verified by comparing them against the collected data.

Data credibility was strengthened through source and method triangulation. Source triangulation involved comparing information from local government representatives, business operators, and visitors. Method triangulation involved comparing interviews with observations and documentary evidence. This process was intended to ensure that the findings provided a credible and balanced account of the role of Surabaya City Government policy in developing a Muslim-friendly tourism economy.

RESULT AND DISCUSSION

The Role of Local Government Policy in Muslim-Friendly Tourism Development

The findings indicate that the Surabaya City Government supports Muslim-friendly tourism through facilities, destination promotion, outreach, training, and assistance for business operators. These efforts have not been implemented through a specific regulation on Muslim-friendly tourism; instead, they have been incorporated into existing tourism-development programs. The approach tends to be inclusive and reflects Surabaya's characteristics as a diverse metropolitan city. Implementation includes prayer rooms, ablution facilities, information on prayer direction, and support for products and services that meet Muslim travelers' needs. Business operators are also involved in outreach, training, promotional activities, and exhibitions.

These findings suggest that the government acts not only as a regulator but also as a facilitator and driver of the tourism ecosystem. However, the absence of specific regulation means implementation still depends on sectoral programs and that standards are not yet consistent across all destinations.

Policy Implementation for Business Operators

Muslim-friendly tourism policies encourage business operators to adjust their services, for example by maintaining prayer facilities, providing information about halal products, and improving service quality. Business operators also benefit from government outreach and promotional activities. These changes indicate that government policy can encourage businesses to adapt to Muslim travelers' needs. Nevertheless, operators continue to face financial constraints and limited understanding of Muslim-friendly tourism standards, making more intensive assistance necessary, including support for halal certification.

Effects on Local Tourism Economic Development

Muslim-friendly tourism also creates economic opportunities for local businesses. Improvements in facilities and services may increase visitor comfort and encourage visits, including by families and groups from outside the city. These conditions may indirectly contribute to higher visitor numbers and business income.

The relationship between policy and economic development can therefore be understood as a sequence: government policy improves facilities and service quality, which enhances visitor comfort and tourism activity, potentially creating business opportunities and income for the community. The government does not directly generate all economic activity; rather, it creates conditions that enable tourism-related economic activity to develop. However, these benefits are not yet evenly distributed because the availability and quality of Muslim-friendly facilities differ across destinations.

Challenges and Policy Strengthening

Muslim-friendly tourism development in

Surabaya faces three main challenges: the absence of specific regulation, limited business knowledge and financial capacity, and the uneven distribution of facilities across destinations. The government's role should therefore be strengthened through more integrated policies, more equitable facilities, business assistance, training, certification facilitation, and promotion. Overall, Surabaya City Government policies have contributed to a more Muslim-friendly tourism environment and opened economic opportunities for local businesses, although implementation still needs improvement.

The findings show that the Surabaya City Government contributes to Muslim-friendly tourism through facilities, promotion, outreach, training, halal-product facilitation, and collaboration with business operators. These efforts have not been established through a dedicated regulation on Muslim-friendly tourism but have been integrated into existing tourism programs. This demonstrates that government policy takes the form not only of regulation but also of programs and actions designed to achieve public-service objectives.

This approach is consistent with the concept of Muslim-friendly tourism, which emphasizes meeting Muslim travelers' needs through prayer facilities, halal food, and services that support religious practices. (Battour & Ismail, 2016) explain that Muslim tourism development should consider destination attributes related to Muslim travelers' needs. The role of the Surabaya City Government can therefore be understood as that of a facilitator creating a more comfortable and inclusive tourism environment.

Government policy also encourages business operators to adapt their services by improving prayer facilities, providing information about halal products, and enhancing service quality. This indicates that policy success depends not only on government action but also on businesses' ability to implement it at destination level. This finding is consistent with (Battour et al., 2011), who identify destination attributes as one factor influencing Muslim tourists' destination choices. Improvements in Muslim-friendly facilities and services can therefore be viewed as part of a better visitor experience. However, financial constraints and limited business understanding show that outreach alone is insufficient; more intensive assistance and facilitation are required.

From an economic perspective, Muslim-friendly tourism policies can create opportunities for local businesses. Better facilities and services can improve visitor comfort, encourage tourism activity, and subsequently create opportunities for culinary businesses, trade, and tourism-support services.

The link between policy and the local economy is therefore indirect and operates through a sequence of government policy, improved facilities and services, visitor comfort, tourism activity, and business opportunities and income. This is consistent with research that positions Muslim-friendly destinations as important to visitor experiences and satisfaction. Muslim-friendly tourism is thus relevant not only to meeting travelers' religious needs but also to strategies for developing the local tourism economy.

Overall, Surabaya City Government policies have contributed to a more Muslim-friendly tourism environment and created opportunities for local businesses. Nevertheless, the lack of specific regulation, businesses' limited understanding and financial capacity, and uneven facilities indicate that implementation needs to be strengthened. Future development should focus on better coordination, business assistance, halal-certification facilitation, more equitable facilities, and destination promotion. These measures could improve Muslim travelers' comfort while strengthening the relationship between tourism activity and local economic development.

CONCLUSION

This study concludes that Surabaya City Government policy plays a role in developing Muslim-friendly tourism through supporting facilities, promotion, outreach, training, halal-product facilitation, and collaboration with business operators. Development has not yet been supported by comprehensive, specific regulation on Muslim-friendly tourism; instead, it has been integrated into existing tourism programs through an approach that reflects Surabaya's inclusive and diverse character.

Policy implementation encourages businesses to adapt their facilities and services to Muslim travelers' needs, including prayer facilities, information about halal products, and service quality. Economically, improved facilities and services create opportunities for local businesses by increasing visitor comfort and potentially attracting more tourists. However, the contribution remains constrained by limited business knowledge and financial capacity and by the uneven distribution of Muslim-friendly facilities across destinations. Stronger assistance, business facilitation, equitable facilities, and coordination among stakeholders are therefore needed to ensure that Muslim-friendly tourism generates broader economic benefits for local communities.

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