

## ***Islamic Tourism: Development of Islamic Finance as a Market Philosophy***

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### **Abstract**

The recent development of Islamic tourism, which can be roughly defined as tourism activities based on Islamic principles, has strongly influenced discussions on Islamic economics, finance, and the tourism industry in the OIC and non-OIC countries. Although some pioneering examples show that there is huge potential in the field, there is a dearth of academic research that connects Islamic tourism with Islamic finance. Therefore, this study considers the significance of Islamic finance in Islamic tourism by describing the conceptual framework of market design and social impacts in the Islamic tourism market provided by Islamic finance. As a result, various studies in Islamic tourism emphasise the significance of the active commitment of Islamic finance to enhance Islamic legitimacy in the market, and they began to recognise that the commitment of Islamic finance promoted maqasid al-shariah through the construction of capital flow based on Islamic legitimacy or the maqasid al-shariah concept as a market philosophy. The emerging social impact of Islamic finance in the Islamic tourism market is described as the development of specific capital flow for Islamic tourism, which has encouraged the development of the stability and sustainability of the market through the maqasid al-shariah framework. In this sense, the significance of Islamic finance in Islamic tourism can be conceptualised. Islamic finance has been strongly encouraged to embed the maqasid al-shariah framework as market philosophy and enhanced a specific capital flow for Islamic tourism market.

**Keywords:** Islamic finance, maqasid al-shariah, market philosophy

### **Introduction**

The recent development of Islamic tourism, which can be roughly defined as tourism activities based on Islamic principles, has strongly influenced discussions on Islamic economics, finance, and the tourism industry in the OIC and non-OIC countries (SESRIC 2016, 2017, 2020; Crescentrating & Mastercard 2020). The *Global Muslim Travel Index 2019* (Crescentrating & Mastercard 2020) illustrates the rapid growth of the Islamic tourism market in the world, and estimates continued development despite the recent economic recession by COVID-19 (SESRIC 2020). The development of halal tourism, Muslim-friendly tourism, shariah-compliant tourism, and Islamic hospitality for

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Muslim tourists have actively encouraged Muslims to travel, and their tourism activities have radically changed the landscapes of tourism destinations and the international tourism industry (Battour et al. 2010; Henderson 2010a; Stephenson et al. 2010; Temporal 2011; Duman 2012, 2020; Stephenson 2014; Alserhan 2015; Jamal et al 2018; Battour 2019). Moreover, the rise in the involvement of the tourism industry in traditional pilgrimages and religious visits (*hajj*, *umrah*, and *ziyara*) in the Islamic world has strongly contributed to the development of the religious tourism market (Duman 2012; Griffin & Raj, 2017; Zamani-Farhani & Eid 2016). With the development of Muslim tourists and religious tourism, various Islamic heritage sites have been promoted from the perspective of Islamic tourism in order to revitalise its religious and cultural values from an Islamic perspective and revitalise local Muslim communities as well (Zamani-Farhani & Eid 2016). As market stakeholders have recognised the potential of the Islamic tourism market, they have also encouraged the promotion of local Muslim cultural experiences through the conservation of Islamic tangible and intangible heritage in order to diversify their offered market experiences.

With the development of Islamic tourism in the international tourism market, various researchers have conceptualised Islamic tourism from the perspective of marketing analysis (Temporal 2011; Jafari & Scott 2014; Alserhan 2015; Izberk-Bilgin & Nakata 2016; Jamal & el-Bassiouny 2018; Battour 2019). These studies define Islamic tourism as tourism activities for Muslim tourists and analyse the development of products and services that Muslim tourists prefer. For instance, Henderson (2010a) conceptualised Islamic tourism as ‘all product development and marketing efforts designed for and directed at Muslims’ (Henderson 2010a, p. 75). Duman (2012) defined Islamic tourism as ‘tourism activities by Muslims that originate from Islamic motivations and are realised according to *Sharīah-principles*’ (Duman 2012, p. 722), and Jamal et al. (2018) mentioned that Islamic tourism describes the sector of the tourism industry that aims to follow the rules of *shariah* (Islamic law) representing a growing segment of the global tourism industry (Jamal et al. 2018, p.1).

In this sense, researchers focus on shariah-compliance, halal consciousness, and other standards which Muslim tourists prefer and show the characteristics of Muslim tourists from the perspective of consumer behaviour and destination marketing (Temporal 2011; Duman 2012, 2020; Alserhan 2015; Jamal & el-Bassiouny, 2018; Jamal et al. 2018; Battour et al. 2018; Battour, 2019; Razak et al. 2020). For instance, Duman (2012) posited that halal consciousness of Muslim tourists is a key concept in Islamic tourism, and Battour et al. (2018) showed that tourist satisfaction and destination loyalty of Muslim tourists have crucial points to develop halal tourism (Battour et al. 2018, pp. 6-7). Other researchers emphasise the policy and management of the market environment in order to spread tourism products and services for Muslim tourists (Henderson 2003, 2010a; al-Hamarneh & Steiner 2004). Henderson (2003) outlined the development of governmental policy for the development of an environment for Muslim tourists in order to promote Islamic tourism and Muslim tourists in the case of Malaysia. Moreover, al-Hamarneh and Steiner (2004) conceptualised that Islamic tourism is an extension-and expansion-oriented concept which focuses on the importance of intra-Muslim and intra-Arab tourism in terms of the inclusion of new tourist markets and tourist destinations.

As the Islamic tourism market has developed in the international tourism market, a huge industrial demand for financial commitments has emerged. In fact, various Islamic financial institutions, such as Islamic banking, Islamic funds, and other financial organisations, began investing in the tourism field

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to develop the market. Moreover, some Islamic financial institutions established various savings account programmes, investment plans, and financial services for their individual customers to promote the Islamic tourism market as an emerging field for consumption and investment. These examples show that both Islamic and conventional finances have strongly influenced the development of Islamic tourism through the change of capital flow in individual domestic accounts at the micro level and investment platforms at the macro level (Lahsasna 2015; Khan & Callanan 2017; Muneeza et al. 2018, 2019; Duman 2020). Moreover, this new capital flow has cultivated a new Islamic lifestyle among non-Muslims as well as Muslims by promoting interactions between them. In this sense, the role of Islamic finance is worthy of research in Islamic tourism studies. In fact, some business reports have already depicted the emergence of new Islamic lifestyles in contemporary Muslim societies due to the development of the Islamic tourism market and Islamic finance (Crescentrating & Mastercard 2020).

Although some pioneering examples show that there is huge potential in the field, there is a dearth of academic research that connects Islamic tourism with Islamic finance. While there is some literature on Islamic tourism and finance (Bintarti & Fahamsyah 2018; Muneeza et al. 2019; Duman 2020; Martín, Orden-Cruz & Zergane 2020), most lack a conceptual framework that demonstrates the significance of Islamic finance in the development of the Islamic tourism market. For instance, Martín et al. (2020) reported, ‘the study provides insights to the main stakeholders, in order for them to develop adequate synergies that could favour the development of halal tourism through the involvement of Islamic finance’ (Martín et al. 2020 p. 3).

However, the study concluded without clear conceptual implications between Islamic finance and halal tourism; rather, it showed a more complicated situation in halal tourism, which clarifies the lack of reference points in previous studies (Martín et al. 2020, p. 12). Some other studies also indicated that the travel and hospitality industry is based on conventional capital flow, and its financial portfolio is mixed between Islamic and conventional financial assets (Lahsasna 2015, pp. 145-146). Thus, conventional financial force is still dominant in the travel and hospitality industry in Islamic tourism market (Rosenberg & Choufany 2009). In this situation, it is difficult to conduct empirical research on the impact of Islamic finance in Islamic tourism studies because of the lack of a conceptual framework in the research field.

In this sense, it is worth considering the significance of Islamic finance in the Islamic tourism market by developing its conceptual framework. Therefore, this study considers the significance of Islamic finance in Islamic tourism by describing the conceptual framework of market design and social impacts in the Islamic tourism market provided by Islamic finance. This article focuses on the market design, how and why the Islamic tourism market introduced the commitment of Islamic finance, and the emerging social impacts of Islamic finance on the significance of Islamic finance through the introduction of pioneering practices in the field.

The methodology of this study is based on a theoretical approach to summarise the previous literature on Islamic tourism and Islamic finance. In addition, some pioneering examples of Islamic finance in the Islamic tourism market have been collected in related literature.

## **Conceptualising Islamic Finance in Islamic Tourism Market**

Although recent discussions of Islamic tourism have emphasised the Islamic legitimacy of the market by designing market norms based on Islamic values, the concept is not rigidly defined. Rather, stakeholders have been encouraged to introduce various concepts as a market norm for Islamic tourism (Duman 2012, 2020; Razak et al. 2020; Abbasi & Raj 2021). In this sense, these studies had focused more on the religious legitimacy of tourism practices in the Islamic tourism market.

In comparison with conventional mass tourism, Islamic tourism has been confronted with its religious legitimacy and how stakeholders and its customers recognise its tourism practices that reflect Islamic values. Originally, people recognised that tourism practices and Islamic values were antagonistic because modern tourism itself expressed extravagance and indulgence, or promoted negative social impacts on local communities, which opposed Islamic values (Ritter 1975; Din 1989; Jafari & Scott 2014). Sönmez (2001) notes that Islamic tourism is ‘unlike mass tourism which for Muslims is “characterized by hedonism, permissiveness, lavishness”’ (Sönmez 2001, p. 127). In this situation, the discussion of Islamic tourism has focused on the design of religious legitimacy in the market, how to reflect Islamic values in the tourism market principles and tourism activities and avoids the negative impacts of mass tourism activities in the field.

With the development of Islamic tourism studies, researchers have focused on the religious legitimacy of tourism activities in the market. To maintain religious legitimacy in the market, stakeholders have encouraged the setting of specific market standards and norms for its products, services, and infrastructure. In fact, various standards have been released in the market, such as shariah-compliance based on the stakeholders’ compliance with shariah, and halal standards of halal(permissible)/haram(forbidden) consciousness of Muslim consumers to ensure the Islamic legitimacy of each product, service, and infrastructure (el-Gohary 2016, pp. 126-127; Azam et al. 2019; Razak et al. 2020). As a result, some key requirements can be proposed, and various guidelines and standards have emerged as market norms in the field (el-Gohary 2016, p. 126).

As a result, the development of a standard setting in the Islamic tourism market has functioned as one of the stakeholders’ market norms to promote Islamic legitimacy in the market. In this environment, market stakeholders have encouraged customers to fulfil their religious preferences and demands by reflecting shariah-compliance and halal standards in their tourism products, services, and infrastructure from the perspective of marketing analysis and consumer behaviour.

As the market design of Islamic tourism is based on consumer demands and satisfaction according to marketing analysis and consumer behaviour for Muslim tourists, its market design is more concentrated on whether each tourism product, service, and infrastructure reflects market standards such as shariah-compliance and halal guidelines to attract Muslim consumers (Henderson 2010a; Stephenson et al. 2010; Duman 2012, 2020; Stephenson 2014; Razalli et al. 2015; Murzuki et al. 2020; Razak et al. 2020). In fact, various stakeholders follow the motivational approach and use the emerging market standards to ensure the Islamic legitimacy in their market activities by reflecting their products, services, and infrastructures into provided guidelines (Duman 2012; Othman et al. 2015, p. 7), and

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stakeholders recognised that ‘for a tourism product(s) and/or activities to be halal, it should have full compliance with the rules and guidance of sharia and halal’ (el-Gohary 2016, p. 127).

However, with the development of the Islamic tourism market based on consumer behaviour and marketing analysis, Islamic legitimacy which ensured tourism activities based on Islamic values became a focal point for discussion (Eid & el-Gohary 2015; Othman et al. 2015; el-Gohary 2016; Fisol et al. 2019; Prayag 2020). As Hatem el-Gohary notes, as the concepts of shariah-compliance and halal guidelines have wider meanings to discipline an Islamic way of life in various situations, these standards do not ensure full compliance with the rules and guidance of shariah and halal guidelines in tourism activities; rather, they become just terms for marketing branding without reflecting ethical and social objectives (el-Gohary 2016, p. 130). Hence, some researchers strongly criticised the market design based on shariah-compliance and halal guidelines because it did not fulfil compliance with Islamic legitimacy in the market or because of the absence of *maqasid al-shariah* (objectives of shariah) in the Islamic tourism market (Othman et al 2015; Fisol et al. 2019).

As the concept of *maqasid al-shariah* has been widely discussed in Islamic economics and finance studies (Asutay 2012, 2013; Asutay & Yilmaz 2018, 2021; Mergaliyev et al. 2019), the term is conceptualised as ‘the higher objectives of Islam, implies “well-being” indicating that whatever action is taken and whatever is done should be in line with the well-being [of] all of the stakeholders including human well-being’ (Mergaliyev et al. 2019). The concept is, therefore, ‘to ensure the well-being and welfare of mankind’, and ‘the law’s meanings and objectives as manifested in most or all of its rulings, or they may be said to be the objectives of the shariah and the hidden wisdom’ (Fisol et al. 2019, pp. 789-790). In fact, Othman et al. (2015) indicate that ‘the application of *maqasid al-shariah* in formulating Islamic tourism management and Islamic marketing of travel and hospitality product and services’ should be reflected in the market through developing a ‘system for the development of the knowledge base for Islamic tourism and to introduce the best monitoring system for the indicators of Islamic tourism’ (Othman et al. 2015, pp. 14-15).

In this situation, the stakeholders consider the actual situation of Islamic tourism market does not reflect Islamic legitimacy from the perspective of *maqasid al-shariah*, and it is necessary for the stakeholders in the market to enhance the *maqasid al-shariah* concept as a market philosophy, instead of market branding based on shariah-compliance and halal guidelines (Othman et al. 2015; el-Gohary 2016; Fisol et al. 2019). In this situation, some studies posited the significance of the role of Islamic finance in the tourism and hospitality industry in order to reflect *maqasid al-shariah* as market philosophy in the process of market design, which Islamic financial institutions have crucially contributed to develop ethical and social objectives in the process of market practices through its market philosophy (Chapra 2000; Asutay 2012, 2013; Othman et al. 2015; el-Gohary 2016; Khan & Callanan 2017). These studies indicate the development of tourism and hospitality management through Islamic financial schemes instead of conventional financial schemes. In addition, they show that the commitment of Islamic finance was a way to reflect *maqasid al-shariah* and Islamic legitimacy in their market along with the concepts of market branding. Previous studies have shown that investments in Islamic financial schemes are one of the important standards to assure Islamic legitimacy. Hospitality infrastructure such as shariah-compliant hotels and Islamic resorts have



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actively adopted Islamic finance for their management portfolios and investments (Rosenberg & Choufany 2009; Henderson 2010b; Razalli et al. 2015; Murzuki et al. 2020).

As a result, stakeholders in the market have required Islamic legitimacy, or *maqasid al-shariah*, as its market philosophy. In this situation, market stakeholders in the Islamic tourism market began to demand an active commitment to Islamic finance. Although various studies have shown the conceptual framework for the commitment of Islamic finance in order to ensure *maqasid al-shariah* in the market (Othman et al. 2015; el-Gohary 2016; Khan & Callanan 2017; Fisol et al. 2019), most investors in the Islamic finance field are reluctant to participate in the Islamic tourism market because of the uncertainty regarding future market development, and conventional finance is thus dominant in the field (Lahsasna 2015; Bintarti & Fahamsyah 2018). In this situation, conventional institutions are exerted in the Islamic tourism market by costing their management resources into the market. Although conventional institutions have been dominant in the market, some Islamic financial institutions propose to participate in the market by considering the market scheme in the Islamic context. In this sense, Islamic finance became an agency to ensure *maqasid al-shariah* or Islamic legitimacy in the market through the circulation of a specific capital flow based on a certain market philosophy.

### Forming Capital Flow for Islamic Tourism

While the literature on Islamic tourism has discussed the significance of Islamic finance for the development of *maqasid al-shariah* as a market philosophy to ensure Islamic legitimacy and improve proper management in the field, these studies do not describe a rigid conceptual framework for the analysis. Rather, some pioneering practices in the Islamic tourism market have developed reference points for the connection between Islamic finance and Islamic tourism. With the accumulation of pioneering practices by Islamic financial institutions in the Islamic tourism market, a certain capital flow has emerged in the market which has encouraged the development of Islamic legitimacy and effective market management.

From the perspective of Islamic finance, it was difficult to commit financial investments to Islamic tourism and the hospitality industry because of various obstacles in the field (Lahsasna 2015; Bintarti & Fahamsyah 2018). For instance, hospitality facilities such as hotels, accommodations, and tourism infrastructure contain elements opposed to Islamic tenets (Rosenberg & Coufany 2009; Henderson 2010b; Razalli et al. 2015; Murzuki et al. 2020). Moreover, the hospitality industry, in general, needs huge long-term financial loans for their management. Islamic finance does not supply proper financial schemes and products in the field. However, with the development of the *ijarah* (Islamic leasing) and *sukuk* (Islamic bonds) schemes in the Islamic financial sector, various Islamic financial institutions began to participate in the field of tourism and hospitality (Bintarti & Fahamsyah 2018). As a result, the travel and hospitality industries have become one of the main investing sectors for Islamic financial institutions. Currently, various shariah-compliant hotels utilise Islamic financial schemes for their financial asset management (Lahsasna 2015; Bintarti & Fahamsyah 2018; Muneeza et al. 2019; Murzuki et al. 2020).

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Some Islamic financial institutions, such as Islamic banks, investment funds, and *takaful* (insurance) companies, have actively committed to the market. For instance, Lembaga Habung Haji in Malaysia, also known as Tabung Haji, is one of the leading examples of the connection between Islamic finance and Islamic tourism (Ahmad et al. 2012; Borhan & Sa'ari 2017; Ishak 2017; Tabung Haji 2021). As Habung Haji is described as one of the oldest examples of Islamic banking in Southeast Asian countries (Laldin 2008), it was originally established as a governmental financial fund to facilitate savings from Muslim citizens in the country for the pilgrimage to Makkah without *riba* (interest) (Ishak 2011). The institution aimed to rectify the socio-economic problems of Muslim citizens, while at the same time allowing them to invest and effectively participate in the nation's economic development (Ishak 2011, p. 237). Tabung Haji has improved its facilities and services, such as savings deposits, transportation, and visas for pilgrimages, information and guidance on pilgrimage and religious rituals, accommodations, medical services, and healthcare in Malaysia and Saudi Arabia by using depositors' collecting savings (Ishak 2011, p. 247).

The institution has also promoted prudent investments in various industries in the country to promote economic development in the country and to generate earnings for depositors. The investments by Tabung Haji spread into agriculture, construction, real estate, information technology, finance, service, and travel and hospitality sectors (Ishak 2011, p. 248). In fact, Tabung Haji has actively invested in the travel and hospitality industry to develop Islamic tourism, and now owns subsidiary companies such as TH Travel and Services Sdn. Bhd., TH Hotel, and Residence Sdn. Bhd. (Tabung Haji 2021). Moreover, it prudently invests in equities, such as Initial Public Offerings (IPO), the Islamic Development Bank (IDB) Islamic Infrastructure Fund, private equity funds, and security deposits (Ishak 2011, p. 248). As a result, Tabung Haji has grown into a corporate entity by developing financial investments through the use of the collected savings of depositors (Ishak 2011, pp. 238-239). In this situation, Tabung Haji has formed a certain capital flow in various industries based on *maqasid al-shariah*, which has promoted market stability and sustainability based on its market philosophy.

Other Islamic financial enterprises have also formed certain capital flows to enhance the Islamic tourism market based on *maqasid al-shariah*. Some small and medium enterprises (SMEs) in the Islamic financial sector release saving programmes for the pilgrimage to Makkah, which have strongly influenced the life plan of every Muslim (Jumali 2018; Muneeza et al. 2018). As a result, savings accounts and other financial programmes for individual and family journeys have flourished in Muslim societies (Jumali 2018; Muneeza et al. 2019). These Islamic financial institutions contribute to the development of the social, religious, and cultural environments of non-Muslims and Muslims through their investment in the development of Islamic financial schemes.

Moreover, *takaful* companies have developed insurance products and services for the travel and hospitality industry, which has crucially contributed to declining uncertainty and establishing stability and sustainability for the market stakeholders as well as their customers (Coolen-Maturi 2013; Rashid 2015). As Tahir Rashid indicates, the development of the *takaful* industry has contributed to the development of hajj travels for Muslims by reducing their psychological barriers to travel (Rashid 2015). Coolen-Maturi also notes that *takaful* insurance has developed in the field of travel for business, family holidays, and religious purposes (Coolen-Maturi 2013). These companies have also developed

financial investments to improve the capital flow for Islamic tourism as well as their financial portfolio and management.

### **The Development of Stability and Sustainability in Islamic Tourism Market**

With the development of pioneering examples of Islamic finance in the Islamic tourism market, various stakeholders in the market began to form investment platforms to promote Islamic financial schemes in the market. In fact, the Dubai Islamic Economy Development Centre (DIEDC) has promoted investment platforms for Islamic tourism in Islamic financial schemes to encourage SMEs through huge investments and crowdfunding by cultivating business networks in Islamic financial institutions (DIEDC 2021). Other enterprises like Islamic funds and investment firms have also developed platforms for Islamic tourism by cultivating new capital flows in the market.

The commitment of Islamic finance has directly influenced the Islamic tourism market. Various financial products and services have developed capital flows for the Islamic tourism market from their customers. In this sense, Islamic finance has been crucial in contributing to an enhancement of the Islamic tourism market by forming a certain capital flow which was previously maintained by conventional finance.

The development of capital flow for Islamic tourism markets by Islamic finance not only develops effective management and Islamic legitimacy for stakeholders but also contributes to the development of stability and sustainability of the market based on the *maqasid al-shariah* framework (Chapra 2000; Tripp 2006; Asutay 2012, 2013; Asutay & Yilmaz 2018, 2021). The involvement of Islamic finance has embedded a moral function for capital flow, both for the whole market as well as for each financial product and service based on Islamic legitimacy or *maqasid al-shariah*, for the ‘realisation of [the] well-being of all the stakeholders’ (Asutay 2012, p. 96; Mergaliyev et al. 2019). Therefore, this function promotes ethical and social objectives and responsibility for human and social well-being through market practices (Chapra 2000; Austay 2012, 2013; Mergaliyev et al. 2019).

Moreover, the emerging capital flow for the Islamic tourism market has transformed Islamic lifestyles and has encouraged active discussion on investment platforms in both Islamic tourism studies and Islamic finance studies. Some market research companies and consultants for Islamic tourism have advanced new Islamic lifestyles by promoting investment platforms from various investors to improve the market (Stephenson et al. 2010; Stephenson 2014; Razak et al. 2020). For instance, Crescentrating launched a business report titled ‘Muslim Women in Travel 2019’ to cultivate a halal environment for women by reflecting on women’s voices in the market, which is recognised as one of the frontiers for the development of the Islamic tourism market (Crescentrating 2019). Other stakeholders in the market have promoted an Islamic lifestyle by activating capital flow in the market (SESRIC 2016, 2017, 2020).

As a result of these actions, the development of capital flow for Islamic tourism provided by Islamic finance has become a market norm for Islamic tourism, which embodies the degree of Islamic



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legitimacy based on *maqasid al-shariah*. This emerging market norm embeds ethical and social responsibility among stakeholders in the market and leads to its stability and sustainability. Thus, stakeholders in the market have developed their commitment to the market by consuming and investing in the market. In this sense, it is the capital flow for the Islamic tourism market that enhances social innovation and reform in contemporary Islamic lifestyles.

### Conclusion

This article examines the significance of Islamic finance in Islamic tourism by describing the conceptual framework of market design and social impacts in the Islamic tourism market provided by Islamic finance.

Regarding the social environment of Islamic finance in the Islamic tourism market, stakeholders in that market began to require the commitment of Islamic finance. Various studies in Islamic tourism emphasised the significance of the active commitment of Islamic finance to enhance Islamic legitimacy in the market, and they introduced market standards such as shariah-compliance and halal guidelines.

While these concepts gained popularity among the stakeholders, some researchers criticised the situation in which the emerging Islamic tourism market just became terms for market branding without reflecting religious objectives, and it lacked Islamic legitimacy, or *maqasid al-shariah*. Thus, the construction of proper management of the Islamic tourism market has become the focal point among stakeholders. In this situation, researchers began to recognise that the commitment of Islamic finance promoted *maqasid al-shariah* through the construction of capital flow based on Islamic legitimacy or the *maqasid al-shariah* concept as a market philosophy.

The emerging social impact of Islamic finance in the Islamic tourism market is described as the development of specific capital flow for Islamic tourism, which has encouraged the development of the stability and sustainability of the market through the *maqasid al-shariah* concept as market philosophy. This means that ethical and social objectives and responsibility for human and social well-being are being met through market practices. In this social environment, various social innovations and reforms have emerged by activating capital flows for Islamic tourism, and its social impacts have spread through various industries which have affected and even transformed the Islamic lifestyle.

In conclusion, the significance of Islamic finance in Islamic tourism can be conceptualised that Islamic finance has embedded the *maqasid al-shariah* concept as market philosophy, and enhanced capital flow for Islamic tourism based on the *maqasid al-shariah* framework. It not only develops effective management and Islamic legitimacy in the market, but also contributes to the development of stability and sustainability of the market based on the *maqasid al-shariah* scheme.

The development of the conceptual framework presented in this article implies the possibility of Islamic finance in the Islamic tourism market. Although this article clarifies some conceptual frameworks, empirical studies on both qualitative and quantitative approaches are needed. The accumulation of empirical case studies in the field will contribute to enhancing conceptual models and discussions in Islamic tourism. In this sense, Islamic tourism is not limited to the consumer behaviours of Muslim tourists, as previous studies have emphasised; rather, it is described as a market based on Islamic values, to which non-Muslims and Muslims make a crucial contribution to maintaining the

market (Yasuda 2017; Alserhan et al. 2018; Battour et al. 2018). In particular, the Islamic tourism market shows an alternative approach to tourism and a market philosophy to overcome contemporary mass tourism, which includes instability and unsustainability in its principle (Din 1989). In this sense, the development of Islamic tourism studies does not limit the understanding of Islam and Muslim societies; it also contributes to showing the future capabilities of our living societies. Thus, this frontier of Islamic tourism has various capabilities to develop further studies and discussions in the field.

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