

Community-Based Systemic Innovation in Muslim Friendly Tourism Pioneers Amid of Balinese Hindu Hegemony: A Case Study of Kampung Gelgel Village, Klungkung, Bali

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DOI: <https://doi.org/10.52403/ijrr.20250705>

ABSTRACT

This study explores community-based systemic innovation in Muslim Friendly Tourism within Kampung Gelgel Village, Klungkung Regency, Bali. As the oldest Muslim settlement in Bali, Kampung Gelgel presents a unique case of religious and cultural coexistence, where a minority Muslim community lives harmoniously alongside the dominant Balinese Hindu culture. Using a qualitative approach and the Interpretative Phenomenological Analysis method, this research identifies five key elements of systemic innovation: initiator of change, type of change, approach to change, knowledge production flow, and public-private partnerships. The findings reveal that the Muslim *Perbekel* (village head) acts as the primary agent of change, initiating a bottom-up process. The innovation is gradual, context-specific, and rooted in Islamic values and local wisdom. Knowledge is generated through internal, experiential processes that foster a collective understanding within the community. The initiative is supported by collaborations among local residents, government agencies, and small-scale business actors, ensuring cultural sensitivity and sustainable development. This study

contributes to the theoretical framework of systemic innovation in tourism by demonstrating how minority communities can lead localized, culturally integrated innovations in dominant cultural settings. It also offers practical insights for policymakers, tourism planners, and community leaders seeking to develop inclusive, community-driven Muslim Friendly Tourism models. The case of Kampung Gelgel illustrates the power of grassroots leadership and interfaith cooperation in promoting sustainable and culturally respectful tourism in complex multicultural environments.

Keywords: *Muslim Friendly Tourism, Systemic Innovation, Community-Based Tourism, Cultural Integration, Sustainable Tourism*

1. INTRODUCTION

Tourism plays a pivotal role in fostering economic growth and promoting socio-cultural exchange in numerous countries, including Indonesia. Among the emerging global trends is Muslim-Friendly Tourism, a form of tourism that accommodates the religious needs of Muslim travelers by ensuring the availability of Sharia-compliant services, including halal food, prayer

facilities, and respectful cultural experiences (Battour & Ismail, 2016). As the country with the largest Muslim population in the world, Indonesia holds considerable potential to become a leading destination in the development of Muslim-Friendly Tourism (Henderson, 2010).

Nonetheless, the implementation of Muslim-friendly tourism in regions where Islamic practices do not represent the cultural mainstream poses particular challenges. Bali—known for its rich Balinese Hindu heritage and symbolic cultural dominance—is a case in point. Within this context, Kampung Gelgel Village in Klungkung Regency emerges as a compelling case study. As the oldest Muslim settlement in Bali, dating back to the 12th century, Kampung Gelgel has long exemplified peaceful coexistence between Muslim and Hindu communities (Putra & Mahangga, 2019). Its historical depth and interreligious harmony provide a unique opportunity to develop an inclusive, culture-sensitive model of Muslim-friendly tourism that transcends conventional approaches based solely on religious segregation.

Crucially, the development of Muslim-Friendly Tourism in Kampung Gelgel should not be seen merely as the insertion of Islamic features into a tourism site. Rather, it reflects the interplay of complex social, cultural, and institutional dynamics in a pluralistic society. Establishing Muslim-Friendly Tourism in such a context requires a nuanced and contextually grounded strategy—one that respects and collaborates with the prevailing cultural fabric while empowering minority communities to assert their identity through tourism. In this regard, systemic innovation provides a useful lens, particularly when approached from a community-based perspective that emphasizes organic, grassroots-driven change (Mulgan & Leadbeater, 2013; Smith, Fressoli, & Thomas, 2014).

This study aims to explore the potential of community-based systemic innovation in supporting the development of Muslim-Friendly Tourism in a minority Muslim

context. Specifically, it investigates how the Muslim community in Kampung Gelgel, Bali, acts as a pioneer in navigating socio-cultural challenges and institutional structures dominated by Balinese Hindu norms. The research adopts a qualitative methodology to identify key drivers, actors, and mechanisms that enable this transformation, offering a novel conceptual model for inclusive and context-sensitive Muslim-Friendly Tourism development.

By examining the interplay between religious identity, cultural heritage, and innovation processes, this study contributes to expanding the theoretical and practical understanding of Muslim-Friendly Tourism beyond Muslim-majority regions. It addresses a significant gap in current tourism literature, which often treats Muslim-Friendly Tourism as a homogeneous concept detached from the complexities of minority Muslim experiences in multicultural environments (Stephenson, 2014). Thus, the findings aim to inform more sustainable, tolerant, and community-empowering tourism development practices in culturally diverse settings.

2. LITERATURE REVIEW

The increasing demand for Muslim-friendly tourism reflects the broader trend towards more inclusive and value-oriented travel experiences, particularly among Muslim-majority and minority destinations (Battour & Ismail, 2016). Muslim-friendly tourism encompasses services and products that cater to the needs of Muslim travelers, including halal food, prayer facilities, gender-sensitive amenities, and avoidance of non-halal elements (Jafari & Scott, 2014). While the economic potential of this segment is well established, recent studies have highlighted the need for culturally sensitive, community-based approaches, especially in multicultural societies (Stephenson, 2014; Mohd Zulkifly et al., 2022).

Community-based tourism has long been promoted as a means of ensuring equitable

development and enhancing local empowerment (Simpson, 2008). In the context of Muslim-friendly tourism, community participation is not only a tool for economic benefit but also a mechanism to preserve cultural identity and foster religious coexistence. This is particularly relevant in regions like Bali, where Muslim communities live as minorities within the dominant Hindu-Balinese cultural landscape (Yulawati, 2021). In such contexts, Muslim-friendly tourism initiatives must integrate local customs and religious diversity, requiring an innovative, dialogical approach rather than standardized Islamic tourism models (Pongsakornrunsilp, 2024). The concept of systemic innovation provides a comprehensive framework for analyzing the evolution of community-based tourism initiatives. Unlike traditional views that regard innovation as a linear or technology-centric process, systemic innovation emphasizes the dynamic and interdependent relationships among actors, institutions, and cultural contexts (Geels, 2002; Smith et al., 2005). In the tourism sector, this perspective highlights the collaboration among government, civil society, industry, and knowledge institutions—commonly represented through the Triple Helix or Penta Helix models (Etzkowitz & Leydesdorff, 2000; Cavicchi & Stancova, 2016). However, in culturally sensitive environments and communities where religious minorities are present, these models require contextual adaptation. Faith-based leadership and local wisdom emerge as crucial components, contributing to the establishment of trust, social cohesion, and institutional legitimacy (Sulaiman et al., 2022).

Recent empirical studies from Southeast Asia suggest that community-based systemic innovation in Muslim-friendly tourism requires multi-layered collaboration: top-down policy support, bottom-up community initiative, and middle-out facilitation from local leaders and NGOs (Razak et al., 2023). Kampung Gelgel, as the oldest Muslim settlement in

Bali, represents a living example of religious coexistence and local adaptation. Its role as a pioneer in MFT within a Hindu-majority Island underscores the need for a localized model of tourism innovation that respects minority identity while contributing to broader destination competitiveness.

In sum, the literature converges on the importance of integrating community-based innovation, intercultural sensitivity, and multi-stakeholder governance in the development of Muslim-friendly tourism. Such integration enables not only the sustainable growth of Muslim-friendly destinations but also promotes inclusive tourism practices that align with the Sustainable Development Goals (UNWTO, 2021).

3. MATERIALS & METHODS

This study employed a qualitative research design using the Interpretative Phenomenological Analysis (IPA) approach to explore the lived experiences and meaning-making processes of key stakeholders involved in the development of Muslim Friendly Tourism in Kampung Gelgel Village, Klungkung Regency, Bali. The qualitative design was selected to capture the complex, context-specific, and socially constructed nature of innovation practices within a religious and culturally diverse community setting.

Kampung Gelgel was purposively selected due to its historical and socio-cultural uniqueness. It is the oldest Muslim settlement in Bali, known for its peaceful coexistence with the surrounding Hindu-majority communities. The village represents a living example of minority-led community tourism development, where religious tolerance and cultural hybridity shape the dynamics of innovation and destination identity.

Participants were selected using purposive and snowball sampling techniques to ensure the inclusion of key informants aligned with the study's objectives. A total of 20 individuals were interviewed, comprising six community leaders and religious figures

(including imams and elders), five local tourism stakeholders (such as homestay operators, tour guides, and representatives of micro, small, and medium enterprises), three government officials from local tourism and cultural departments, three academics and NGO practitioners, and three Muslim tourists with repeat visitation experience to the area. The selection criteria emphasized participants' active involvement in Muslim-friendly tourism initiatives or their direct engagement with tourism activities in Kampung Gelgel.

Primary data were collected through in-depth semi-structured interviews, participant observation, and document analysis (including village tourism master plans, local government regulations, and media reports). Interviews were conducted between July and October 2024, each lasting approximately 45–90 minutes, and were recorded and transcribed with participants' consent. Field notes were taken during community events and tourism activities to contextualize data interpretation.

Data were analysed using Interpretative Phenomenological Analysis (IPA), following the six-step framework developed by Smith, Flowers, and Larkin (2009). The process comprised: (1) repeated reading of transcripts to ensure familiarity; (2) initial noting of descriptive, linguistic, and conceptual elements; (3) development of emergent themes; (4) exploration of thematic connections within each case; (5) iteration of the process for subsequent cases; and (6) identification of patterns across all cases. IPA was deemed appropriate for uncovering the subjective meanings and systemic dynamics experienced by

participants in relation to the development and sustainability of Muslim-friendly tourism. To ensure the trustworthiness of the findings, the study adopted Lincoln and Guba's (1985) criteria of credibility, transferability, dependability, and confirmability. Techniques such as data triangulation across diverse sources and member checking were employed to enhance validity. Ethical approval was obtained from the [Institutional Review Board Name], and informed consent was secured from all participants. Anonymity and confidentiality were strictly maintained throughout the research process.

4. RESULT

This section presents the findings of the study on community-based systemic innovation in the development of Muslim Friendly Tourism in Kampung Gelgel, Klungkung Regency, Bali. Thematic analysis of interviews, field observations, and documentation revealed five core dimensions of systemic innovation: (1) Initiators of Change, (2) Types of Change, (3) Innovation Dynamics, (4) Collaborative Structures, and (5) Cultural-Religious Integration. These dimensions are discussed in detail below.

Initial efforts toward Muslim-friendly tourism development were spearheaded by local community leaders and youth groups. These actors served as early adopters and visionaries, later gaining support from local government and academic institutions. The religious leadership, particularly the Imam and mosque committee, played a significant role in aligning tourism activities with Islamic principles.

Table 1. Key Initiators and Their Roles in Muslim-Friendly Tourism Development

Initiator	Role in the Innovation Process
Local religious leaders	Norm-setting, trust-building, Islamic compliance
Youth organizations	Tourism promotion, digital outreach, tour guide training
Community women's groups	Culinary entrepreneurship, homestay preparation
Sub-district government (Kecamatan)	Regulatory support, infrastructure facilitation
Academic institutions	Research, capacity building, participatory planning

The study revealed four primary types of change resulting from the community-based innovation process in developing Muslim-friendly tourism. First, institutional change was marked by the formation of local tourism task forces that integrated religious leaders, cultural custodians, and administrative stakeholders, fostering collaborative governance and shared responsibility. Second, social change emerged through increased interfaith interaction, rising levels of youth engagement, and the inclusion of women in tourism-related activities, indicating a broader shift toward social inclusivity. Third, cultural reframing was observed in the redefinition of traditional religious events—such as Maulid Nabi celebrations—

into cultural heritage tourism products, thus aligning local customs with visitor interests. Fourth, economic change manifested in the diversification of livelihoods, particularly through the establishment of homestays, halal culinary enterprises, and the production of locally made souvenirs. The innovation process underlying these changes was nonlinear and adaptive, characterized by cycles of experimentation, reflective learning, and continuous stakeholder interaction. Trust-building practices, including co-hosted events and participatory capacity-building activities, were instrumental in enhancing community engagement and strengthening cooperation among diverse actors.

Figure 2. Modified Trihelix Model of Collaboration in Kampung Gelgel

Caption: Inclusion of religious leadership alongside government, community (religious Leadership), and industry actors in a localized systemic innovation framework.



This modified structure recognizes that in minority Muslim communities embedded in predominantly Hindu contexts, religious legitimacy plays a key role in ensuring both community support and the ethical implementation of tourism development.

A unique feature of Muslim-friendly tourism in Kampung Gelgel is its emphasis on peaceful cultural coexistence. Islamic values are not positioned in opposition to local customs, but rather, are integrated through mutual respect and shared social practices.

Table 2. Examples of Cultural-Religious Integration in Muslim-friendly tourism

Tourism Practice	Description
Heritage Mosque Tours	Guided tours with religious and historical explanations
Halal Culinary Experiences	Traditional dishes served with halal certification
Interfaith Festival Participation	Muslim participation in shared local festivals
Communal Space Sharing	Mosques and banjar halls used for inter-community dialogue

This integration strategy contributes not only to tourism appeal but also to social cohesion and long-term sustainability of innovation initiatives.

5. DISCUSSION

The emergence of Muslim Friendly Tourism (MFT) in Kampung Gelgel, Klungkung Regency, presents a compelling case of community-based systemic innovation within a minority religious enclave operating under the broader hegemony of Balinese Hindu culture. This study contributes to the theoretical expansion of innovation systems in tourism by contextualizing the Trihelix model within a pluralistic sociocultural landscape. The findings underscore how local religious actors, in concert with government, community, and industry stakeholders, co-produce adaptive and sustainable tourism practices that align with both Islamic principles and Balinese cultural norms.

5.1. Toward a Quadruple-Helix Model: Integrating Religious Authority in Innovation Systems

This research proposes a Modified Trihelix Model that includes *religious leadership* as a fourth actor, alongside government, community, and industry—echoing elements of the Quadruple Helix framework (Carayannis & Campbell, 2009) but with localized cultural inflections. The inclusion of the *imam kampung* and religious elders as moral and cultural intermediaries highlights how faith-based leadership can serve as a catalyst in socially sensitive innovation contexts (Henderson, 2016). Their involvement ensures that Muslim visitor needs—such as halal food access, prayer facilities, and gender-sensitive accommodations—are fulfilled while

maintaining harmony with prevailing Balinese traditions.

5.2. Cultural Hybridization and Co-adaptive Governance

Findings from Kampung Gelgel align with Pongsakornrunsilp’s (2024) notion of co-evolutionary tourism adaptation in multicultural zones. The community’s ability to balance religious obligations with cultural diplomacy illustrates a form of cultural hybridization that operates not through contestation but through negotiated coexistence. This dynamic is facilitated by long-standing interethnic trust and social embeddedness (Putnam, 2000), which have enabled the Muslim minority to participate in tourism development without provoking sociocultural resistance.

This suggests a broader theoretical implication: religious minorities can act as systemic innovators, provided that trust networks and intercultural dialogue mechanisms are present. It also contributes to emerging literature on inclusive tourism innovation (Novelli et al., 2017; Smith et al., 2014), particularly in contexts marked by asymmetrical cultural power relations.

5.3. Grassroots Innovation and the Role of Community Agency

The innovation observed in Kampung Gelgel is not solely top-down or policy-driven, but is largely rooted in community agency—a characteristic of grassroots innovation systems (Smith et al., 2014). Women’s weaving cooperatives, youth-led tourism initiatives, and halal culinary MSMEs exemplify how local knowledge, social capital, and religious values are mobilized to produce context-specific tourism experiences.

Furthermore, this bottom-up model of innovation demonstrates functional

resilience, particularly in the face of limited formal support. Despite the absence of formal MFT certification or inclusion in national halal tourism strategies, Kampung Gelgel has developed a distinctive and culturally resonant product through endogenous capacity-building.

5.4. Institutional Challenges and Strategic Implications

Notwithstanding these successes, systemic challenges remain. The findings indicate a lack of integrative policy mechanisms that bridge minority-led tourism initiatives with formal tourism planning at the provincial or national level. This institutional gap echoes critiques raised by Battour et al. (2018) regarding fragmented governance in Muslim Friendly Tourism development, especially in non-Muslim majority destinations.

Moreover, the scalability and transferability of the Kampung Gelgel model may be constrained by the specificity of its historical and social context. Replicating similar innovation systems would require deep attention to local interfaith dynamics, minority representation in governance, and flexible regulatory frameworks that accommodate cultural plurality.

5.5. Theoretical Contributions and Emerging Hypotheses

This study advances the theoretical discourse in several ways:

First, by illustrating that systemic innovation in tourism can emerge from the periphery—in this case, a religious minority community—challenging center-periphery assumptions in tourism development models (Higgins-Desbiolles, 2020).

Second, it contributes to inclusive innovation literature by showing how religious actors, often omitted in secular development narratives, function as pivotal agents of change.

Finally, it proposes that cultural legitimacy and moral capital—not merely economic incentives or regulatory frameworks—can drive sustainable innovation in sensitive sociocultural environments.

CONCLUSION

This study has advanced understanding of how systemic innovation in tourism can be driven from the periphery—specifically, from within a minority religious community situated in a hegemonic cultural environment. By examining the case of Kampung Gelgel, this research demonstrates that Muslim Friendly Tourism (MFT) can be locally initiated and sustainably developed through community-based, culturally negotiated, and religiously guided innovation systems.

The proposed Modified Trihelix Model, which incorporates religious leadership as a distinct and dynamic actor, contributes to the theoretical refinement of innovation models in culturally plural societies. The findings highlight the importance of intercultural trust, grassroots agency, and religious legitimacy as key enablers of inclusive and adaptive tourism development—elements often underrepresented in conventional tourism policy discourse.

While the study offers rich qualitative insights, its context-specific nature presents limitations in terms of broader generalizability. Future comparative research across diverse socio-religious contexts is necessary to test the scalability and robustness of the proposed framework. Moreover, greater attention should be given to institutional mechanisms that can support minority-led innovation in tourism more systematically.

In sum, this study contributes to critical tourism scholarship by illustrating that religious minority communities are not merely passive recipients of tourism development but can emerge as pioneers of culturally embedded, sustainable innovation. The Kampung Gelgel case underscores the need for policy frameworks and academic inquiry that are attuned to the relational, place-based, and ethical dimensions of tourism in multicultural societies.

Declaration by Authors

Acknowledgement: None

Source of Funding: None

Conflict of Interest: No conflicts of interest declared.

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How to cite this article: B Syarifuddin Latif, Willy Arafah, Nurbaeti, Sri Mariati. Community-Based systemic innovation in Muslim friendly tourism pioneers amid of Balinese Hindu hegemony: a case study of Kampung Gelgel Village, Klungkung, Bali. *International Journal of Research and Review*. 2025; 12(7): 37-44. DOI: <https://doi.org/10.52403/ijrr.20250705>
