



## The Impact of The Dollar (USD) Exchange on The Implementation of Umrah Worship at Hajj and Umrah Travel

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### Abstract:

By conducting a study at PT, this study explores the effects of the dollar (USD) exchange rate on the execution of Umrah worship. Makassar's Al-Jasiyah Travel Service. A Case Study, Field Research, and scientific technique are all used in this study's qualitative methodology. It is where this study got its information. Fatmala Anas (Division of Halal Tour), Nurul Fahmi (PT. Al-Division Jasiyah's of Hajj and Umrah), Dra. Nurhayat, MM. (President Director of PT. Al-Jasiyah Travel Service Makassar), and Dra. Hj. Both Sarianah and Hj. Marwah, St. (PT. Al-Jasiyah Umrah Congregation). Additionally, observation, interviews, and documentation are employed as the data collection methods. The data management method involved gathering data, decreasing data, presenting data, and drawing conclusions. The findings of this study suggest that the execution of Umrah worship at PT is impacted by the dollar exchange rate (USD). The cost of Umrah travel packages is significantly influenced by Al-Jasiyah Travel Service Makassar. The cost of the Umrah pilgrimage package increases along with the dollar (USD) exchange rate; however, if the dollar (USD) exchange rate declines, the cost of the Umrah pilgrimage package stays the same. All facilities, accommodations, modes of transportation, and consumer services are impacted by the adjustments to the package rates mentioned above. Since all aspects of congregational protection have been covered in the form, there is no relationship between technicians and variations in the value of the dollar (USD) in this context.

**Keywords:** Exchange Rate, Cost, Security, and Umrah





number of Umrah pilgrims in particular is not necessarily accompanied by the significant ability of Hajj and Umrah travel agency companies to facilitate the departure of pilgrims. This incident was encountered in 2018, with many reports of prospective pilgrims canceling their departure to the holy land of Mecca to perform the Umrah pilgrimage.

This Umrah pilgrimage is a worship carried out in the country of Saudi Arabia, and of course the journey to get there requires a relatively high amount of funds as a result of this international (cross-country) travel, so that the funds that must be spent by the congregation are quite large, and this is influenced by the exchange rate or the exchange rate of the rupiah (IDR) against the United States dollar (USD).

Price fluctuations are changes up or down in the prices of products in an economy. These price fluctuations are a common phenomenon in the world economy, especially among producers of products or services.

Since the last four years (2016-2019), the rupiah-to-dollar exchange rate in 2016 has reached Rp. 12,926 (Rp. 13,935 / 1 USD, equivalent to Rp. 13,154,00 (Rp. In 2018, it was Rp. 13,630 / 1 USD. 13,290,00 (Rp. In 2019, it reached Rp. 15,253 (about \$1). 13,901 (Rp. 14,513 / 1USD. The data shows that there has been a weakening of the exchange rate of the rupiah against the dollar in 2016 and 2017. A country's currency exchange rate that has fluctuated over a certain period has become commonplace in the Indonesian economy. This is usually influenced by demand and supply factors for foreign exchange (forex). If the demand for a currency increases while the supply stays the same or even decreases, then the exchange rate for that currency rises. Vice versa, if the demand for a currency decreases while the supply remains the same or even increases, then the exchange rate of the currency decreases.

This exchange rate is one of the more important prices in an economy, because of course it is determined by the demand and supply that occur. This is an activity that can never be separated from the implementation of cross-country worship, namely financing which is not small. With this change in the value of the currency that occurs due to differences in the exchange rate of a country's currency (exchange rate). This exchange rate is one of the more important prices in the economy, because it is determined by the balance between demand and supply that occurs in the foreign exchange market. Muchlas (2015, p. 76).

With so many factors affecting the exchange rate or exchange rate of the rupiah against the dollar, this could have implications for organizing Umrah pilgrimages, especially for PT. Al-Jasiyah Travel Service Makassar City, which has an impact on influencing the price of Umrah packages that will be marketed, also greatly affects all Umrah pilgrimage travel packages that will be received by pilgrims when carrying out the Umrah pilgrimage, starting from transportation guidance, accommodation, consumption, protection, and so on. This impact has the possibility that if the

rupiah exchange rate against the dollar is high or vice versa, it can affect whether or not the implementation of the Umrah pilgrimage starts from prices and travel packages (guidance, transportation, accommodation, consumption, and so on) to the protection of the congregation (protection for Indonesian citizens abroad, legal protection, security protection, life protection, accidents, and health).

Companies must know the many benefits that will be obtained by the company after being able to build a reputation in the community. Some of the benefits that will be obtained, starting from the increased level of consumer confidence in the products or services that are produced, include an increased sense of satisfaction in consumers that will lead to repeat orders (reorders), recommendations given by consumers to prospective customers, increased income, and so on. Iwan Giwankara (2018, p. 320–321).

Organizers of Umrah Pilgrimage Travel (PPIU) aimed at PT Al-Jasiyah Travel Service is of good quality because it has received a B accreditation, has a permit to organize the Hajj pilgrimage, and has a permit to organize the Umrah pilgrimage. PT. Al-Jasiyah Travel Service has also been professional in dispatching pilgrims; this can be seen in terms of public trust in using Al-Jasiyah Travel, which has been operating since 2016 and markets Umrah pilgrimage travel packages at prices that are relatively cheap—three-star prices—and this five-star facility includes full service. Apart from that, the location of PT Al-Jasiyah Travel Service is very easy to reach, so it will be easier for researchers to carry out their research.

## **2. Research Method**

The type of research used in this study is qualitative research. Qualitative research is a research procedure that produces descriptive data in the form of written or spoken words from the people and behaviors of interest. This research was conducted by collecting data through descriptive methods, namely, by collecting data from informants.

The research approach used in this study is the field research approach, the case study approach, and the scientific approach to Hajj and Umrah management. Field study research is research that is carried out systematically by raising existing data in the field. The case study approach is an approach taken to investigate and understand an incident or problem that has occurred before by clearly collecting various kinds of information and then processing it to obtain a solution so that the problem raised can be resolved. The scientific approach taken by researchers is aimed at understanding the impact of currency exchange on the implementation of the Umrah pilgrimage. Data sources consist of two types: primary data and secondary data. Primary data is collected from trusted informants who are considered to have the potential to provide relevant information. For example, information obtained through interviews with informants, namely the main director of PT. Staff from PT Al-Jasiyah Travel Service Makassar, Hajj and Umrah Division, Halal Tour, and

Pilgrim Division. Makassar Al-Jasiyah Travel Service Secondary data is a source of data collection in the form of a literature review that is used to support primary data.

Methods of data collection include observation, interviews, and documentation. To obtain the data required for a study, several instruments must be used. This study used several tools, namely interview guides, cameras, tape recorders, and stationery needed during the interview process.

Processing techniques and data analysis in accordance with the approach taken. Because researchers use qualitative methods, data processing methods are carried out by describing data in the form of regular, coherent, logical, and effective sentences so as to facilitate understanding and interpretation of data. There are four data processing and analysis techniques used by researchers, namely data collection, data reduction, data presentation, conclusions. Data collection aims to facilitate the process of data reduction, presentation and drawing conclusions. Data reduction is a process of sorting, focusing attention on simplifying, abstracting, and transforming raw data that emerges from written records in the field. Presentation of data is an activity when a set of information is compiled, thus giving the possibility of drawing conclusions and taking action. Conclusion is the last step faced by researchers who answer all questions contained in the problem formulation with valid and updated evidence.

The data validity technique used in this study is the credibility test. The way to test the credibility of the data is to extend the observation time, increase accuracy, triangulate, analyze negative cases, use reference materials, and conduct member checks.

### **3. Results and Discussion**

The impact of the dollar exchange rate (USD) on the price of Umrah pilgrimage travel packages at PT. Al-Jasiyah Travel Service Makassar

#### **3.1 Congregational Services at PT. Al-Jasiyah Travel Service Makaassar**

Service is an activity carried out by a person or group of people on the basis of material factors through a system of procedures and certain methods in an effort to fulfill the interests of other people according to their rights. Services are a series of activities that are processed routinely and continuously, covering elements of individual needs or those of the general public. A.S. Moenir (2010, p. 26)

Related to this service, it can also be interpreted as a service that can influence the community to assess it based on the fact that it is something that can only be enjoyed and not fully owned. In the service of organizing the Umrah pilgrimage, of course, each travel operator has different services. PT. As a core for its congregation, Al-Jasiyah Travel Service Makassar provides the best service. Based on the research results, it is known that the services provided by PT. Al-Jasiyah Travel Service Makassar is a service that really pays attention to the congregation, from the

smallest things to the biggest things, and the best service is the main thing for PT. Makassar Al-Jasiyah Travel Service

Before registering with one of the travel agencies that organize the Hajj and Umrah pilgrimages, the congregation must first understand the route that will take them to perform their worship. Pilgrims must ensure the time of departure, service, accommodations, and others. There are at least five things that the congregation must ensure for the traveling party, as follows:

- a. Make sure the trip has official permission.
- b. Check the implementation schedule.
- c. Confirm the flight.
- d. Check with the hotel.
- e. Confirm the visa.

Other services provided by PT Al-Jasiyah Travel Service Makassar provides guidance, transportation, accommodation, consumption, and so on. Regarding the impact of the dollar exchange rate (USD) on the services of the congregation, it affects the services, especially the accommodation facilities provided to the congregation.

Facilities are something that is important in the service business, therefore existing facilities, namely the condition of the facilities, interior and exterior design and cleanliness must be considered, especially those that are closely related to what consumers feel directly, Suhesti (2021, p. 57). The facilities provided by PT Al-Jasiyah is when the dollar exchange rate (USD) has increased, and what has changed are the facilities, especially in the hotel or congregational lodging section.

Thus, changes in package prices affect the whole series of procedures for organizing Umrah services at PT. Makassar Al-Jasiyah Travel Service

### **3.2 Prices for Umrah Pilgrimage Travel Packages by PT. Al-Jasiyah Travel Service Makassar**

In general, the price symbolizes the quality of the product, but in the reality of marketing, the actual facts do not have to be correct to be used as the basis for strategic pricing. Even though price is important, it is realized that the price factor plays a role in influencing users to buy the product or service (Suhesti 2021, p. 36). Pricing for Umrah travel organizers PT Al-Jasiyah Travel Service Makassar focuses on the community's field or market. Most of the needs of the congregation or the community are oriented toward the needs of worship. So that PT Al-Jasiyah Travel Service Makassar provides three service package items that are ready to be offered to the congregation.

The service packages offered by PT There are three types of Al-Jasiyah Travel Service Makassar, namely: Halal Tour Packages, Umrah Pilgrimage Travel Packages, Special Hajj Travel Packages, and Hajj Furada. Among these three service items, each has a different market and different benefits for PT. Al-Jasiyah Travel Service Makassar.

In addition to thinking about the benefits to be gained, companies in determining the price of products or services that will be marketed to the public certainly have their own way or method in the process of determining them. Pricing in Islam also emphasizes that it is prohibited to set prices excessively and not to discriminate against prices that will be marketed. In the Al-Quran clearly Allah swt. prohibits cheating in weighing as part of the pricing policy as stated in the word QS. Al-Mutaffifin/83: 1-3

وَيْلٌ لِّلْمُطَفِّفِينَ الَّذِينَ إِذَا أَكْتَالُوا عَلَى النَّاسِ يَسْتَوْفُونَ وَإِذَا كَالُوهُمْ أَوْ وَزَنُوهُمْ يُخْسِرُونَ

(1). Woe to those who cheat (in measuring or weighing), (2). (That is) people who when they receive a measure from other people they ask for it to be fulfilled, (3). and when they measure or weigh (for others), they reduce.

In terms of Umrah pilgrimage travel packages offered by PT. Al-Jasiyah Travel Service Makassar includes economical packages, regular packages and VIP packages. Economical packages and regular packages that are most in demand by the public. One of the determinants of the price and facilities provided to the congregation is the rotation of the dollar (USD) exchange rate. The graph of the rotation of the value of the dollar (USD) in the international economy in the business world must be considered. Especially in the haj and umrah travel business which is clearly cross-country, therefore the rotation of the dollar (USD) exchange rate has a big opportunity.

The impact of the dollar exchange rate (USD) on the price of Umrah pilgrimage at PT. Al-Jasiyah Travel Service Makassar, namely an increase in the price of Umrah pilgrimage travel packages if the dollar exchange rate (USD) increases and if the dollar exchange rate (USD) decreases, the price offered by PT. Al-Jasiyah Travel Service Makassar remains. Prices set based on Umrah pilgrimage travel packages affect all services, accommodation, transportation, consumption and others. Therefore, the dollar exchange rate (USD) has an impact on pricing and services, consumption, accommodation, transportation. **The Impact of the Dollar Currency Exchange (USD) on the Protection of Umrah Pilgrims at PT. Al-Jasiyah Travel Service Makassar**

Business actors who already have business licenses to carry out programs for organizing Hajj and Umrah pilgrimages certainly have provisions set by the government, especially the protection section for pilgrims. The protection of these pilgrims has been emphasized in the Regulation of the Minister of Religion (PMA) of the Republic of Indonesia, Number 5 of 2021, concerning Standards for Business Activities for Organizing Umrah Pilgrimage and Organizing Special Worships, namely that Umrah pilgrims and Umrah officers receive protection:



- a. Protection for Indonesian citizens abroad is provided in the form of assistance and the completion of travel documents if Umrah pilgrims and Umrah officials face problems while carrying out the Umrah pilgrimage.
- b. Legal protection is provided in the form of guarantees for the certainty of departure and return of Umrah pilgrims and Umrah officials, as well as legal assistance services.
- c. Security protection is given to Umrah pilgrims and Umrah workers in the form of physical security, mental safety, and luggage security.
- d. Life, accident, and health protection are provided in the form of insurance.

It was also emphasized that legal protection in the form of guarantees for the certainty of departure and return of Umrah pilgrims was provided in the form of insurance. The insurance coverage period does not apply to Umrah pilgrims and Umrah workers who pass away after the visa validity period, except for those who are sick. As a regulator of the state, the government must provide the best service to the community in various forms of organizing state activities or activities, including this community's need for Umrah pilgrimage, so legal rules are required as a form of protection for pilgrims who will carry out their Umrah pilgrimage through travel intermediaries. or the administration used.

At PT. Al-Jasiyah Service Travel Makassar, the entire series, which is the policy of the Minister of Religion of the Republic of Indonesia No. 5 of 2021 specifically for the protection of the congregation, has been carried out. The state protects its citizens by making efforts to provide rights that citizens can obtain so that no rights are omitted. regulations imposed by the government to regulate the Umrah pilgrimage, with the hope of providing the best service for the people who will perform the Umrah pilgrimage to Baitullah.

#### **4. Conclusion**

The impact of the dollar exchange rate (USD) on the price of Umrah pilgrimage packages at PT Al-Jasiyah Travel Service Makassar indicates an increase in the price of the Umrah pilgrimage package when the exchange rate or value of the dollar (USD) increases, and when the currency exchange rate decreases, there is no change in the price of the Umrah pilgrimage package offered to the public. Changes in the price of this package affect all activities of organizing the Umrah pilgrimage, starting from services, accommodation, consumption, transportation, and others. That is what determines the quality of the packages offered by PT. Makassar Al-Jasiyah Travel Service This quality affects the selling price of the package, and the price depends on the exchange rate chart or the dollar (USD) exchange rate.

Congregational protection is provided by PT. Al-Jasiyah Travel Service Makassar meets standards according to existing government policies. Protection for Umrah pilgrims is provided by



PT. Al-Jasyiah Travel Service Makassar takes the form of insurance. The exchange rate of the dollar (USD) has absolutely no impact on the technical protection of Umrah pilgrims. This means that when the dollar exchange rate rises, the protection of the congregation will continue as usual, and vice versa. In fact, there are no additional costs incurred by the congregation when they want to get protection from the travel organizers that the congregation uses. However, indirectly, the protection of pilgrims who have been covered by passports and Umrah pilgrimage visas with protection in the form of insurance guarantees has a relationship that can be affected by the dollar exchange rate (USD), namely the price of making passports and issuing Umrah pilgrimage visas.

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