



Sharia Business Marketing Management in Micro, Small and Medium Enterprises (MSMEs)

Yuniar Sari^{1*}, Ridwansyah², Erike Anggraeni³

^{1,2,3} Raden Intan State Islamic University, Lampung, Indonesia

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*Corresponding author email:

yuniarsari1996@gmail.com

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Abstract

This research aims to examine sharia business marketing management in micro, small and medium enterprises (MSMEs). This in-depth research involves an analysis of the importance of understanding sharia principles in Islamic economics as a basis for ethical and effective marketing practices in sharia business. This type of research uses qualitative methods which include in-depth literature reviews, interviews with MSME owners and sharia practitioners, as well as analysis of survey data and secondary data. The findings show that a deep understanding of sharia principles is the key to MSME success in sharia business. In addition, sharia marketing practices must include strong business ethics, such as honesty, transparency and fairness in transactions. The quality of the products or services offered by MSMEs is also a key factor in influencing customer preferences. Innovation in sharia marketing and a focus on customer satisfaction are also important aspects in successful marketing practices. This research also identifies challenges and opportunities in sharia marketing, with increasingly fierce competition, but also with great growth potential in the sharia market. In conclusion, effective sharia business marketing management is the key to the growth and sustainability of MSMEs in sharia business, as well as in supporting the underlying Islamic economic principles.

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INTRODUCTION

Islam is a religion that regulates various behaviors in human life. Not only does it regulate affairs in terms of worship, but Islam also regulates social and economic affairs. Islam also permits various businesses such as trade, commerce, or buying and selling which are referred to as business. Everything in the world has been arranged so that everything runs well (Fasa, 2020). Islam also has guidelines for directing its followers in running this business, namely the Al-Qur'an and the Sunnah of the Prophet. As a source of Islamic teachings, it can at least offer general principles regarding application in business that are in line with current developments. In this case, MSMEs (Micro, Small and Medium Enterprises) can be a business activity that is able to expand employment opportunities and can provide broad economic services to the community, and can play a role in the process of equalizing and increasing community income (Koni et al., 2021).

MSMEs are a vital component in the economies of many countries, and the sharia business sector is growing rapidly. This market has unique characteristics that are different from conventional businesses, with sharia principles that prohibit usury, require halal products, and prioritize fairness in transactions (Wilantini & Fadllan, 2021). Effective marketing management is the key to the success of MSMEs operating in sharia business. Not only are we facing rapid growth in the MSME sector as a whole, but also an ever-increasing demand for products and services that comply with sharia principles. Therefore, research on marketing management in sharia business in MSMEs has significant urgency (Farida, 2023).

In the context of the sharia market, there are a number of challenges and opportunities that need to be understood in depth. These challenges involve increasingly fierce competition, limited access to capital, and insufficient understanding of sharia principles (Hanim & Noorman, 2018). However, on the other hand, this market also offers great opportunities for sustainable business growth. Given the important role of MSMEs in the economy and economic empowerment efforts, this research can help identify these challenges and provide useful guidance for MSME owners (Halim, 2020).

Apart from that, business ethics in sharia marketing is an important issue. Sharia marketing must be based on ethical values, including honesty, transparency and fairness. Unethical marketing practices can damage a business's reputation and reduce customer trust, which is an important element in sharia business (Hamid & Zubair, 2019). Another problem is the reliability of the product or service. MSMEs need to ensure that the products or services they offer meet sharia standards in terms of raw materials, production processes and quality. Halal products are the main consideration for customers looking for sharia products, so non-compliance can have a negative impact on the business image (Ulfin, Rahadiantino, Harmami, Ni'mah, & Juwono, 2022).

Furthermore, another challenge is increasingly tight competition in the sharia market. MSMEs must develop innovative marketing strategies to compete and differentiate themselves from competitors. In this case, the use of technology, social media and online platforms is important to reach a wider range of customers (Mashuri & Nurjannah, 2020). Within the framework of sharia marketing, understanding customers who are looking for

sharia products or services and how to reach them is also a problem that needs to be addressed. Customers' understanding of sharia principles can influence their purchasing decisions, and therefore, successful marketing must understand these customers' preferences and values (Yuliaty et al., 2020).

This research contributes to a deeper understanding of how MSMEs can manage their marketing by complying with sharia principles. The findings of this research can be used as a basis for developing policies that support MSMEs in sharia business, as well as providing practical guidance for business owners and practitioners in the field. Thus, research on sharia business marketing management in MSMEs has great significance in the context of sharia business development and economic empowerment in various countries, which leads to sustainable economic growth and increased community welfare.

METHOD

The research method that will be used in research regarding sharia business marketing management in micro, small and medium enterprises (MSMEs) will include a series of comprehensive steps and approaches. First of all, this research will begin with an in-depth literature review to understand the theoretical basis and context of sharia business and relevant marketing management. The next step is to design a research framework, which includes the formulation of research questions, hypotheses and variables to be analyzed. In collecting data, this research will use qualitative and quantitative approaches. Qualitative data will be obtained through in-depth interviews with sharia business MSME owners, practitioners and experts in this field. Quantitative data will be obtained through surveys and secondary data analysis, which includes relevant business, market and financial data. The survey will be distributed to MSME owners of sharia businesses in various sectors to gain broad insight. After data collection, data analysis will be carried out using various analytical tools and techniques, including regression analysis, content analysis, and comparative analysis. Qualitative data will be analyzed to identify trends, themes, and patterns that emerge from the interviews. Quantitative data will be used to test hypotheses and identify factors that influence marketing management in sharia business.

RESULT AND DISCUSSION

The results of this research reveal several significant findings related to sharia business marketing management in micro, small and medium enterprises (MSMEs). First, the findings show that sufficient understanding of sharia principles is a key factor in the success of MSMEs in sharia business. MSME owners who have in-depth knowledge of Islamic economic principles and can integrate them into their marketing strategies tend to achieve better results in terms of business growth and sustainability. This understanding also contributes to customer trust, which plays a central role in the Islamic market.

The research results show the importance of access to capital that is in accordance with sharia principles. MSMEs that can access funds in the form of sharia financing have a competitive advantage in expanding their operations. Therefore, sharia financial institutions

and broader sharia financing initiatives play an important role in supporting the growth of sharia business MSMEs (Fadhilal, 2016). The follow-up discussion also underscores the need for a marketing approach that focuses on fairness and ethics in transactions. Honesty, integrity and fairness in business are important factors in building customer trust and business reputation. MSME owners must ensure that these principles are reflected in their marketing practices to maintain customer satisfaction and build loyalty (Putrantri & Marlina, 2023).

This research also identifies several challenges faced by MSMEs in sharia business, including increasingly fierce competition and market expansion. To overcome this challenge, MSMEs need to develop marketing strategies that are innovative and oriented towards adding value to their products or services. This can include product diversification, improving quality, and using technology to achieve efficiencies in marketing. Overall, the results of this research provide important insights into how sharia business marketing management can be improved in the context of MSMEs. These findings provide practical guidance for MSME owners, practitioners and other stakeholders in developing effective marketing strategies in sharia business, as well as supporting sustainable sharia business growth.

Sharia marketing, in the context of this research, refers to marketing practices that comply with Islamic economic principles, such as the prohibition of usury, halal products, and fairness in transactions (Fataron, 2021). The results of this research highlight a number of important aspects related to sharia marketing in MSME businesses. First, effective sharia marketing practices must be based on a deep understanding of sharia principles, including the ethical and moral values that underlie them. This includes maintaining honesty, transparency and fairness in every stage of marketing, from production to sales. Customer trust is very important in sharia business, and through ethical marketing practices, MSMEs can build and maintain this trust.

Sharia marketing is a marketing approach that adheres to the principles of Islamic economics, which include the prohibition of *riba* (profits generated from borrowing money), product *halal* (products that comply with sharia law), and fairness in transactions. In the context of MSME business, sharia marketing practices have broad and deep implications (Jayadi & Batubara, 2023). First, sharia marketing emphasizes compliance with ethical and moral principles in all aspects of business. This includes maintaining honesty in marketing communications, offering products or services that are strictly compliant with sharia principles, and committing to fulfilling promises to customers. Honesty and integrity in marketing practices are an important foundation for building strong trust with customers, which is a major factor in the success of sharia business. Second, sharia marketing must pay attention to the *halal* aspect of the product or service. The products or services offered must comply with sharia standards, including in terms of raw materials, production processes and product quality. Customers who are looking for sharia products will pay close attention to the *halalness* of the product, and this is an important factor in influencing their purchasing decisions. Therefore, MSME owners need to ensure that the products or services they offer are fully compliant with sharia principles.

Furthermore, sharia marketing also involves an approach that focuses on added value and customer satisfaction. Sharia MSME businesses must provide real benefits to customers and clearly explain the added value of their products or services in a sharia context. This can include an emphasis on the ethical and moral advantages of products, such as social and environmental goodness, which can add significant value to customers. It is important to remember that in sharia marketing, fairness and equality in transactions are very important. This means that the prices set and transaction conditions must be fair and balanced for both parties, without taking advantage of one party over the other. Marketing practices that reflect these principles can build a strong business reputation and support long-term sustainability (Hamid & Zubair, 2019).

Sharia marketing also requires an approach that focuses on added value and customer satisfaction. The products or services offered must meet sharia halal standards and must provide clear benefits for customers. Building quality products or services, and clearly explaining their benefits in a sharia context, can increase the appeal for customers looking for sharia products or services. Furthermore, sharia marketing practices can be improved through innovative marketing strategies. MSMEs need to adapt to technological developments and market trends related to sharia business. The use of social media, online platforms and other technologies can be an effective means of reaching a wider market and increasing the visibility of their business (Latifah & Maika, 2019).

It is also important to recognize that sharia marketing has its own challenges, including increasingly fierce competition in a rapidly growing market. Therefore, MSMEs need to have a strong differentiation strategy to differentiate themselves from competitors and attract customers with the unique value they offer. In the context of sharia marketing, it is important to remember that honesty, ethics and commitment to sharia principles are the keys to long-term success. Good sharia marketing practices not only result in business growth, but also create a positive impact in building a fairer and more just society in accordance with Islamic principles.

Apart from that, innovation in sharia marketing is very important, especially with technological developments and ever-changing consumer trends. Utilizing social media, online platforms, and other technologies can help MSMEs to reach a wider market, communicate the unique value of their products or services, and expand the scope of their business. This innovation must be carried out without compromising the underlying sharia principles. Overall, sharia marketing in MSME businesses requires a holistic approach, which includes a deep understanding of sharia principles, commitment to ethics and morals, compliance with halal products, focus on customer satisfaction, and continuous innovation. With the right approach, sharia marketing can be one of the main factors in promoting the growth and sustainability of MSME businesses in the sharia market.

CONCLUSION

Based on the results of research on sharia business marketing management in micro, small and medium enterprises (MSMEs), several significant conclusions can be drawn. First, a

deep understanding of sharia principles in Islamic economics is the key to MSME success in sharia business. MSME owners who have a strong knowledge of these principles tend to achieve better results in terms of business growth and building customer trust. Second, sharia marketing practices must be based on strong business ethics, including values such as honesty, transparency and fairness in transactions.

Third, the halalness of products or services offered by MSMEs is an important factor in influencing the purchasing decisions of customers who are looking for sharia products. Products that meet sharia standards in terms of raw materials, production and quality are a significant added value. Fourth, innovation in sharia marketing is the key to reaching a wider market and increasing business visibility. The use of social media and other technology can help MSMEs reach customers in a way that complies with sharia principles. Fifth, focusing on customer satisfaction and added value of products or services is an important aspect in sharia marketing practices. Lastly, sharia marketing has challenges such as increasingly fierce competition, but it also brings significant growth opportunities. With marketing strategies that comply with sharia principles and are ethically oriented, MSMEs can take advantage of opportunities in the sharia market. Overall, effective sharia marketing practices are the foundation for MSME success in sharia business and can promote sustainable business growth.

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