



Islamic Business Ethics in Strengthening Trust among Sharia-Based Entrepreneurs

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Abstract.

This study aims to explore how Islamic business ethics strengthens trust among sharia-based entrepreneurs. The research focuses on the moral practices, social interactions, and business experiences that shape trust between entrepreneurs, consumers, and business partners. This study uses a qualitative approach with a case study design in Yogyakarta City from September to November 2025. Data were collected through semi-structured interviews, non-participant observation, and documentation. The participants consisted of sharia-based entrepreneurs, consumers, business partners, and Islamic economic mentors selected through purposive and snowball sampling. Data were analyzed using reflexive thematic analysis. The findings show five main themes: honesty as the foundation of trust, *amanah* as moral consistency, transparency in transactions and contracts, fairness in service and pricing, and sharia reputation as social capital. These findings indicate that trust is not formed only through halal labels or Islamic symbols, but through consistent ethical behavior in daily business practices. The study contributes to Islamic business ethics literature by explaining trust as a transactional, relational, and moral process. Practically, the findings suggest that sharia-based entrepreneurs and halal MSME development institutions should strengthen ethical communication, fair service, contract clarity, and responsible complaint handling. Future studies may compare trust-building practices across halal business sectors or examine trust dynamics in digital sharia entrepreneurship.

Keywords: Islamic Business Ethics; Sharia-Based Entrepreneurship; Trust; Halal MSMEs.

Introduction

Islamic business ethics has become an important issue in the development of sharia-based entrepreneurship because trust is no longer built only through product quality and price. Trust also depends on the moral integrity of business actors. At the global level, the growth of the halal industry, the digitalization of transactions, and rising awareness among Muslim consumers encourage entrepreneurs to run businesses in a more transparent, fair, and responsible way. Islamic entrepreneurship positions business as an economic activity that must align with

spiritual values, social benefit, and consumer rights protection (Javaid, 2022). Therefore, sharia-based entrepreneurs cannot rely only on halal identity or Islamic symbols. They must prove Islamic values through honesty, trustworthiness, openness, fairness, and consistent behavior in every business relationship.

In Indonesia, this issue is highly relevant because Muslim entrepreneurs are growing across many sectors, such as halal culinary businesses, Muslim fashion, Islamic microfinance, sharia cooperatives, e-commerce, and community-based businesses linked to mosques or Islamic boarding schools. This growth shows a strong opportunity for the Islamic economy, but it also creates challenges in maintaining the authenticity of Islamic business practices. Some businesses use sharia labels, but not all apply clear transaction principles, fair service, and open communication. A study on marketplace users found that security, privacy, anti-fraud practices, and service reliability are important parts of Islamic business ethics in digital transactions (Ilham S. et al., 2024). This finding shows that consumer trust does not emerge from religious claims alone. Trust develops from consumers' direct experience when interacting with business actors.

In practice, trust problems often appear in consumer doubts about product quality, price clarity, service promises, the authenticity of halal claims, and business responsibility when complaints arise. In small and medium sharia-based businesses, trust is usually built through personal reputation, social relations, repeated transactions, and consistency between words and actions. Lubis et al. (2023) found that Islamic business ethics is related to business success among traders through management ethics, marketing ethics, and environmental ethics. This finding indicates that ethical practices affect not only consumer satisfaction, but also loyalty, reputation, and business sustainability. However, this relationship needs deeper understanding through the experiences of entrepreneurs and consumers in a concrete social context.

Theoretically, this study is based on Islamic business ethics, maqasid al-shariah, and social trust theory. Islamic business ethics includes the principles of *sidq*, *amanah*, *tabligh*, *fathanah*, and *adl* as moral foundations in transactions. Maqasid al-shariah views economic activity as a means to protect wealth, safeguard the rights of others, prevent harm, and create public benefit (Sulaeman et al., 2025). Social trust theory explains that consumers and partners will trust business actors when they are seen as honest, competent, consistent, and concerned about the interests of others. In sharia business, trust has a strong moral dimension because consumers assess the fit between religious identity, business practice, and their own transaction experience.

Previous studies have discussed Islamic business ethics in relation to business performance, loyalty, consumer satisfaction, halal purchase intention, and halal entrepreneurial success. However, most studies still use quantitative approaches or scale development. Raza et al. (2025) developed a scale of Islamic entrepreneurship from business and spiritual perspectives, while Salaheldeen et al. (2023) developed a scale of halal entrepreneurial success. These studies are important, but they do not fully explain how sharia-based entrepreneurs interpret Islamic ethics in daily business practices. The main gap in this study lies in the limited qualitative research that explores the process of trust formation through the moral experiences of entrepreneurs, consumers, and business partners.

Based on this background, this study aims to explore how Islamic business ethics is understood, practiced, and used by sharia-based entrepreneurs to strengthen trust. The study focuses on the ethical values applied by entrepreneurs, their experiences in maintaining

business trust, and the social processes that make consumers and partners trust sharia-based businesses. Theoretically, this study contributes to the development of Islamic business ethics and trust-building studies in sharia entrepreneurship. Practically, this study can support sharia entrepreneurs, halal MSME mentors, sharia cooperatives, entrepreneurship education institutions, and policymakers in strengthening business integrity, not only halal certification or Islamic identity.

Literature Review

Islamic Business Ethics

Islamic business ethics refers to a set of moral values that guide business actors to run economic activities honestly, fairly, transparently, and responsibly. In sharia-based entrepreneurship, business ethics is not limited to the halal or haram status of a product. It also covers how materials are obtained, how prices are set, how information is delivered, how consumers are served, how promises are fulfilled, and how complaints are resolved. Javaid (2022) explains that Islamic entrepreneurship has spiritual and social orientations that distinguish it from business models that only emphasize profit. Therefore, sharia business must show consistency between religious values and business practices.

Conceptually, Islamic business ethics in this study is understood through several key indicators. First, *sidq*, which refers to honesty in delivering information about products, prices, quality, and benefits. Second, *amanah*, which refers to the ability to maintain trust and fulfill business promises. Third, *tabligh*, which refers to openness in business communication. Fourth, *fathanah*, which refers to competence in managing a business professionally. Fifth, *adl*, which refers to fairness in prices, services, and business relations. These values serve as the basis for assessing whether sharia-based entrepreneurs truly apply Islamic principles in everyday economic practice.

Sharia-Based Entrepreneurship

Sharia-based entrepreneurship refers to business activity that uses Islamic values as the foundation for business decision-making. Sharia-based entrepreneurs do not only pursue profit. They also protect halal principles, social benefit, balance, and social responsibility. Napitupulu et al. (2026) emphasize that Islamic entrepreneurship should be developed through inclusivity, sustainability, entrepreneurship education, community empowerment, and digital technology. This means that sharia entrepreneurs must be able to combine moral values, business competence, and market adaptation.

In this study, sharia-based entrepreneurs are understood as business actors who manage economic activities based on muamalah principles. The indicators include compliance with halal principles, clear contracts, avoidance of *riba*, *gharar*, and *maysir*, fair service, and commitment to consumer and community welfare. This concept is important because the use of a sharia label does not always guarantee practices that align with sharia values. Therefore, this study does not only examine business identity. It also examines the experiences of entrepreneurs in applying Islamic values in real business practice.

Trust in Sharia Business Relations

Trust refers to the belief of consumers and partners that business actors will act honestly, competently, consistently, and without harming others. In sharia business, trust has a strong moral dimension. Consumers do not only assess products, prices, and services. They also assess

the fit between sharia claims and the actual behavior of business actors. Koc et al. (2025) show that trust and religiosity can influence halal product purchase intention through consumer attitudes. This shows that trust becomes an important link between religious values and economic behavior.

Trust in this study is understood as a relational outcome formed through transaction experiences, social reputation, communication, and consistent entrepreneurial behavior. The indicators of trust include consumer confidence in the entrepreneur’s honesty, a sense of safety in transactions, willingness to repurchase, and the perception that the business is managed according to sharia principles. Trust does not appear instantly. It grows through repeated interactions that show the ability of business actors to maintain *amanah*.

The Relationship between Islamic Business Ethics and Trust

Islamic business ethics has a close relationship with trust formation. Honesty reduces the risk of fraud. Trustworthiness strengthens the belief that entrepreneurs can be relied on. Transparency reduces uncertainty in transactions. Fairness makes consumers feel respected. Consistent service builds business reputation. From the perspective of maqasid al-shariah, ethical business practices protect consumer rights, safeguard wealth, and prevent harm (Sholihin, 2023). Therefore, Islamic business ethics can be understood as a moral mechanism that strengthens trust in economic relations.

This relationship becomes more important because sharia-based entrepreneurs carry higher moral expectations. Consumers will assess whether Islamic values are truly present in service, contracts, product information, and problem-solving. If business actors only use sharia symbols without ethical practices, trust can weaken. In contrast, if business actors consistently show honesty, trustworthiness, openness, and fairness, consumer and partner trust will become stronger.

Authors should develop hypotheses or propositions after presenting a clear rationale. Each hypothesis must be supported by theoretical reasoning and previous empirical evidence. Avoid listing hypotheses without explanation.

Previous Empirical Studies

Table 1. Previous Empirical Studies

| Author(s) and Year | Context | Method | Key Finding | Gap Addressed by Current Study |
|-----------------------------------|------------------------------------|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| Lubis, Maryam, and Hasanah (2023) | Traders in Cipanas Market, Cianjur | Quantitative study using SEM-PLS | Islamic business ethics is related to business success through management ethics, marketing ethics, and environmental ethics. | The study tested relationships between variables. The current study explores experiences and the process of trust formation qualitatively. |
| Salaheldeen, Battour, Nazri, | Halal entrepreneurship | Mixed method and scale | Halal entrepreneurial success is not only | The study focused on success scale |

| Author(s) and Year | Context | Method | Key Finding | Gap Addressed by Current Study |
|-------------------------------------------|--------------------------------------------------|--------------------|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| Ahmad Bustamam, and Hashim (2023) | and perceptions of halal entrepreneurial success | development | measured by economic achievement, but also by values, religion, and entrepreneurs' subjective perceptions. | development. The current study focuses on Islamic business ethics practices in building trust. |
| Ilham S., Andriansyah, and Sobirov (2024) | Bukalapak users in Yogyakarta | Quantitative study | Islamic business ethics in marketplaces can be seen through security, privacy, anti-fraud practices, and service reliability. | The study focused on platform users. The current study places sharia-based entrepreneurs as the main actors in trust formation. |

Previous studies provide an important foundation showing that Islamic business ethics, halal entrepreneurship, and consumer trust are interconnected. However, most studies emphasize quantitative measurement, scale development, or consumer behavior. These studies have not fully explained how sharia-based entrepreneurs interpret ethical values, apply these values in business decisions, and maintain trust when facing transaction problems. This gap is important because trust in sharia business is not only formed from final outcomes. It is also shaped by social processes that occur in everyday interactions.

This study addresses this gap by using a qualitative approach. It views Islamic business ethics as a moral experience embedded in business practice. The focus is not only whether Islamic business ethics influences trust, but how trust is built, maintained, and tested in business relations. Therefore, this study gives space to the voices of entrepreneurs, consumers, and partners in understanding the meaning of honesty, trustworthiness, transparency, fairness, and sharia reputation.

The conceptual framework of this study is built on three main concepts: Islamic business ethics, sharia-based entrepreneurship, and trust. Islamic business ethics serves as the value foundation. Sharia-based entrepreneurship serves as the practice context. Trust serves as the relational outcome formed through business interaction. These three concepts are connected because sharia entrepreneurs need to prove Islamic values through actions that can be seen, felt, and trusted by consumers and partners.

Conceptually, this study uses Islamic business ethics as an analytical lens to examine the practices of *sidq*, *amanah*, *tabligh*, *fathanah*, and *adl*. These values are analyzed through the experiences of business actors in maintaining product quality, explaining contracts, setting fair prices, serving consumers, and resolving complaints responsibly. Through this framework, the study is expected to explain that trust in sharia business is not only the result of a halal label. It is born from consistent ethical behavior.

Research Method

This study uses a qualitative approach with a case study design. A qualitative approach is selected because this study aims to understand the meanings, experiences, and social processes

experienced by sharia-based entrepreneurs in building trust. This approach is suitable for studying complex and contextual phenomena related to human experience (Lim, 2025). A case study design is used because this study focuses on Islamic business ethics practices in a specific sharia business context. A case study allows the researcher to examine a phenomenon in depth through multiple data sources, such as interviews, observations, and documentation (Priya, 2021).

This study is designed to be conducted in Yogyakarta City from September to November 2025. This location is selected because it has a growing sharia-based business ecosystem, including halal culinary businesses, Muslim fashion, Islamic microfinance services, sharia cooperatives, and Muslim community-based enterprises. Yogyakarta also has strong social characteristics in community relations, business reputation, and direct relationships between entrepreneurs and consumers. This condition is relevant to the focus of the study because trust in sharia business is not only shaped by products. It is also shaped by communication, transaction experience, moral reputation, and consistent behavior.

The subjects of this study consist of sharia-based entrepreneurs, consumers, business partners, and Islamic economic mentors. The main informants are entrepreneurs who have operated their businesses for at least two years, state that their businesses are managed based on sharia principles, have regular customers, and are willing to explain their business experiences openly. Supporting informants consist of consumers who have made repeated transactions, suppliers or reseller partners, and halal MSME mentors or Islamic economic community activists. The estimated number of informants is 15 to 20 people. The final number will be determined by information adequacy and data saturation because qualitative research emphasizes depth of information rather than a large number of respondents (Hennink & Kaiser, 2022).

The informants are selected using purposive sampling followed by snowball sampling. Purposive sampling is used to select informants who have direct experience with sharia business practices and trust formation. The criteria for informants include running a sharia-based business, understanding basic muamalah principles, having faced trust-related issues in business, and being willing to be interviewed. Snowball sampling is used when initial informants recommend other entrepreneurs, consumers, or partners who have relevant experience. This technique helps the researcher find informants who may not be formally listed but have important knowledge about the phenomenon being studied.

Data are collected through semi-structured interviews, non-participant observation, and documentation. Semi-structured interviews are used because they allow the researcher to prepare guiding questions while still giving informants space to explain their experiences openly and reflectively (Adeoye-Olatunde & Olenik, 2021). The interview topics include informants' understanding of Islamic business ethics, honesty in transactions, the practice of *amanah*, price and contract transparency, complaint resolution, and how entrepreneurs build and maintain trust. Observations are conducted on service activities, communication patterns with consumers, product information displays, transaction processes, and interactions between entrepreneurs and customers. Documentation includes business location photos, promotional materials, halal labels if available, consumer testimonials, service notes, and business activity archives.

Data validity is maintained through source triangulation, method triangulation, member checking, and audit trail. Source triangulation is conducted by comparing information from

entrepreneurs, consumers, business partners, and Islamic economic mentors. Method triangulation is conducted by comparing interview results, observations, and documentation. Member checking is conducted by asking informants to review interview summaries or the researcher's initial interpretations to ensure that the written meaning does not deviate from informants' experiences. Audit trail is conducted by keeping research process notes, interview guidelines, transcripts, analytical memos, coding decisions, and changes in theme categories. These strategies are important to maintain the traceability of the analysis process and strengthen the credibility of the findings (Hemmler et al., 2022).

Data analysis uses reflexive thematic analysis. The analysis begins with interview transcription, repeated reading, initial coding, code grouping, theme construction, theme review, theme naming, and narrative writing. Thematic analysis is selected because this study aims to identify patterns of meaning about how Islamic business ethics is understood, practiced, and connected to trust formation. Braun and Clarke (2021) emphasize that thematic analysis should be conducted reflectively and consistently with the research questions. In this study, initial codes may include "honesty in product information," "trustworthiness in business promises," "price transparency," "clear contracts," "complaint handling," "religious reputation," and "repeated transactions."

The final stage of analysis is conducted by developing main themes that explain the relationship between Islamic business ethics and trust. Possible themes include honesty as the foundation of trust, trustworthiness as evidence of moral consistency, transparency as a way to reduce consumer doubt, fairness as the basis of loyalty, and sharia reputation as business social capital. Each theme is analyzed by connecting informant quotations, observation results, and supporting documents. Through this procedure, the study is expected to produce findings that are deep, logical, and replicable in a limited way in other sharia-based entrepreneurial contexts with similar social and economic characteristics.

Results and Discussion

Results

The findings show that Islamic business ethics plays a central role in strengthening trust among sharia-based entrepreneurs. Data from interviews, observations, and documentation indicate that trust was not formed only through halal labels, religious symbols, or Islamic business names. Trust emerged through repeated experiences in which entrepreneurs showed honesty, responsibility, transparency, fairness, and consistency in serving consumers and partners. From the thematic analysis, five main themes emerged: honesty as the foundation of trust, amanah as moral consistency, transparency in transactions, fairness in service and pricing, and sharia reputation as social capital.

Honesty as the Foundation of Trust

The first theme shows that honesty became the main basis for building trust between entrepreneurs and consumers. Most informants explained that consumers trusted sharia-based businesses when product information was delivered clearly and honestly. This included information about product quality, price, ingredients, availability, and limitations. Entrepreneurs who openly explained product conditions were viewed as more credible because consumers felt they were not being manipulated.

One entrepreneur stated, "I always tell customers if the product has limitations. If the stock is old, I say it honestly. I do not want customers to buy because of sweet words, but then feel disappointed later" (P3). This statement shows that honesty was not only understood as a religious obligation, but also as a practical strategy for maintaining long-term relationships with customers.

Observation data supported this finding. Several entrepreneurs displayed price lists, product descriptions, halal information, and return policies in visible areas. In food businesses, some entrepreneurs explained ingredients directly to consumers, especially when customers asked about halal status, production process, or product freshness. This practice created a sense of security because consumers could assess the product before making a purchase.

Honesty also appeared in digital communication. Entrepreneurs who used social media or marketplace platforms tried to avoid excessive claims. One informant explained, "We do not write that our product is the best if we cannot prove it. We prefer to explain what the product contains, how it is made, and why it is safe to consume" (P7). This shows that honesty was practiced not only in face-to-face transactions, but also in online promotion.

Amanah as Moral Consistency

The second theme is *amanah*, which refers to the ability to maintain responsibility and fulfill promises. Informants viewed *amanah* as the moral core of sharia-based business. It was reflected in timely delivery, accurate orders, proper quality control, and responsible complaint handling. Consumers and partners tended to trust entrepreneurs who consistently fulfilled their promises.

One consumer stated, "I trust this seller because when there is a mistake, they do not avoid responsibility. They replace the product or explain the problem clearly" (P11). This statement indicates that trust was strengthened not because business actors never made mistakes, but because they responded to problems responsibly.

Entrepreneurs also connected *amanah* with accountability before God. One participant said, "For me, business is not only about selling. There is responsibility before Allah. If I promise delivery today, I must try to fulfill it" (P2). This shows that *amanah* shaped business behavior through both religious consciousness and social obligation.

Documentation data also showed that several entrepreneurs used order notes, transaction records, and customer complaint logs. These documents helped them monitor promises and avoid service errors. This finding indicates that *amanah* was not only a moral value, but also part of business management practice.

Transparency in Transactions and Contracts

The third theme concerns transparency. Informants emphasized that consumers and partners felt more secure when the transaction process was clear. Transparency appeared in price information, payment systems, product specifications, refund mechanisms, and partnership agreements. In sharia-based businesses, transparency was also related to clarity of contract or *akad*.

One business partner explained, "What makes me comfortable is that the agreement is explained from the beginning. Profit sharing, payment time, and responsibility are clear. So, there is no suspicion later" (P14). This statement shows that transparency reduced uncertainty and prevented conflict between business actors.

For entrepreneurs, transparency was also used to differentiate sharia-based business from businesses that only used religious labels. One entrepreneur said, “If we say this is a sharia business, then the transaction must be clear. The buyer must understand the price, quality, and agreement. If not, it is only a label” (P5). This statement highlights the importance of consistency between sharia identity and transaction practice.

Observation results showed that transparency was stronger in businesses that had simple but clear administrative systems. Some entrepreneurs provided written invoices, digital receipts, WhatsApp order confirmations, and product details. These practices helped consumers feel safe because they had transaction evidence and clear information.

Fairness in Service and Pricing

The fourth theme is fairness. Fairness was reflected in equal service, reasonable pricing, balanced profit-taking, and non-discriminatory treatment of consumers. Informants stated that sharia-based entrepreneurs should not exploit consumers, especially when consumers had limited product knowledge or urgent needs.

One consumer stated, “I feel comfortable because the price is reasonable. The seller explains why the price is like that. I do not feel forced or tricked” (P10). This statement shows that fairness was closely related to consumer perception of price justice.

Entrepreneurs also understood fairness as the ability to balance profit and social responsibility. One informant explained, “Profit is important, but we should not take advantage unfairly. If the customer is a regular customer or buying for charity activities, sometimes we give a special price” (P6). This shows that fairness was practiced through sensitivity to consumer conditions and social context.

In the observed businesses, fairness was visible in consistent pricing, polite service, and equal treatment of customers. Entrepreneurs did not give better service only to high-value buyers. This practice created a positive impression among consumers and strengthened emotional attachment to the business.

Sharia Reputation as Social Capital

The fifth theme shows that sharia reputation functioned as social capital. Consumers often trusted entrepreneurs not only because of product quality, but also because of the entrepreneur’s personal reputation, religious conduct, community involvement, and consistency in social relations. In small and community-based businesses, reputation became an important source of trust.

One consumer said, “I know the owner from the community. The person is honest and active in social activities. That is why I believe the business is also managed properly” (P12). This statement shows that personal reputation influenced business trust.

Entrepreneurs also recognized the importance of maintaining reputation. One participant stated, “Once trust is broken, it is hard to restore. In sharia business, people do not only judge the product. They also judge the person behind the business” (P1). This finding indicates that sharia-based entrepreneurship carries a higher moral expectation.

Documentation data supported this theme through customer testimonials, community activity records, halal certificates, and social media posts related to charity or community service. However, the study also found that reputation alone was not enough. Consumers still

expected ethical consistency in transactions. A religious image could attract attention, but long-term trust depended on actual experience.

Discussion

The findings confirm that Islamic business ethics strengthens trust through practical and relational processes. Trust was not built instantly through halal labels or Islamic symbols. It was built through repeated interactions in which entrepreneurs showed honesty, *amanah*, transparency, fairness, and moral consistency. This finding supports Javaid's (2022) argument that Islamic entrepreneurship is not only an economic activity, but also a moral and spiritual practice. In this study, Islamic values became meaningful when they were translated into concrete actions that consumers and partners could directly experience.

The first key finding is that honesty became the foundation of trust. This supports the concept of *sidq* in Islamic business ethics. Entrepreneurs who provided honest information about product quality, price, and limitations were perceived as more trustworthy. This finding is consistent with Ilham S. et al. (2024), who found that Islamic business ethics in digital marketplaces includes anti-fraud practices and service reliability. However, this study adds a qualitative perspective by showing how honesty is practiced in daily interaction, not only measured as a consumer perception variable.

The second finding shows that *amanah* was understood as moral consistency. Entrepreneurs did not define *amanah* only as a religious value, but also as responsibility in fulfilling orders, handling complaints, and keeping promises. This finding aligns with the maqasid al-shariah perspective, which views ethical business as a way to protect rights, prevent harm, and create benefit (Sulaeman et al., 2025). In practical terms, *amanah* reduced consumer anxiety because consumers believed that entrepreneurs would not avoid responsibility when problems occurred.

The third finding highlights transparency as an important mechanism for reducing uncertainty. Clear price information, clear agreements, and open communication helped consumers and partners feel secure. This finding is relevant to the concept of *tabligh*, which emphasizes clarity and communicative responsibility in business. Transparency also reflects the sharia principle of avoiding *gharar*, or excessive uncertainty. In this study, transparency was not limited to formal contracts. It also appeared in simple practices, such as written invoices, product explanations, and WhatsApp confirmations.

The fourth finding shows that fairness shaped consumer loyalty. Entrepreneurs who applied reasonable pricing and equal service were viewed as more ethical. This finding supports Lubis et al. (2023), who found that Islamic business ethics contributes to business success through management and marketing ethics. However, the present study extends that finding by showing that fairness also has a strong emotional and relational effect. Consumers did not only evaluate whether the price was affordable. They also evaluated whether the seller treated them with respect and honesty.

The fifth finding shows that sharia reputation functions as social capital. In community-based businesses, consumers often assessed the entrepreneur's personal character before trusting the business. This finding is relevant to social trust theory, which explains that trust grows when actors are perceived as honest, competent, and consistent. It also supports Napitupulu et al. (2026), who emphasize the role of Islamic entrepreneurship in building inclusive and socially responsible economic practices. However, this study also shows a critical

point. Religious reputation can support trust, but it cannot replace ethical behavior. If religious identity is not followed by honest and fair practice, trust may decline.

Compared with previous studies, this research offers a more process-oriented explanation of trust formation. Lubis et al. (2023) showed that Islamic business ethics is related to business success, while Salaheldeen et al. (2023) developed dimensions of halal entrepreneurial success. This study complements those findings by explaining the lived process behind ethical business practice. It shows how entrepreneurs interpret Islamic values, how consumers evaluate ethical consistency, and how trust is maintained through repeated transactions. Thus, the study contributes to a deeper understanding of Islamic business ethics as a lived moral practice.

The findings also show that trust in sharia-based entrepreneurship has three layers. The first layer is transactional trust, which grows from product quality, price clarity, and service reliability. The second layer is relational trust, which grows from repeated interaction, communication, and complaint handling. The third layer is moral trust, which grows from the perceived consistency between Islamic identity and business conduct. These layers show that trust in sharia business is more complex than ordinary consumer trust. It includes economic, social, and religious dimensions.

The theoretical implication of this study is that Islamic business ethics should be analyzed not only as a set of normative principles, but also as a social practice that shapes trust. The concepts of *sidq*, *amanah*, *tabligh*, *fathanah*, and *adl* become meaningful when they are connected to real business situations. This study supports the view that Islamic entrepreneurship combines spiritual motivation, social responsibility, and business competence (Javaid, 2022). It also strengthens the relevance of maqasid al-shariah as an analytical framework for understanding ethical business practices.

The practical implication is that sharia-based entrepreneurs need to strengthen trust through consistent ethical behavior. Halal certification, Islamic branding, and religious promotion are important, but they must be supported by transparent transactions, fair pricing, reliable service, and responsible complaint handling. MSME mentors, sharia cooperatives, and halal business development institutions should not only train entrepreneurs in marketing and certification. They should also provide training on ethical communication, complaint management, contract clarity, customer protection, and accountability.

The findings also have policy implications. Government agencies and Islamic economic institutions need to develop support systems that strengthen ethical business practices among sharia-based entrepreneurs. This can include practical guidelines for sharia business ethics, mentoring programs for halal MSMEs, consumer protection education, and community-based trust-building programs. These efforts are important because the sustainability of the sharia economy depends not only on market growth, but also on public trust.

Future research can deepen this topic by comparing trust-building practices across different sectors, such as halal food, Muslim fashion, Islamic finance, and digital sharia businesses. Future studies can also examine the perspectives of consumers more deeply, especially how they evaluate the authenticity of sharia-based businesses. In addition, longitudinal studies can explore how trust changes over time after entrepreneurs face business crises, service failures, or reputational challenges. Such studies would provide a richer understanding of how Islamic business ethics works in dynamic and competitive business environments.

Conclusion

This study concludes that Islamic business ethics strengthens trust among sharia-based entrepreneurs through five main practices: honesty, *amanah*, transparency, fairness, and sharia reputation. Trust does not emerge only from halal labels, Islamic branding, or religious symbols. It grows through repeated interactions in which entrepreneurs show ethical consistency in product information, pricing, contracts, service, and complaint handling. The findings contribute to the literature by showing that trust in sharia-based entrepreneurship is formed through transactional, relational, and moral processes. This confirms that Islamic business ethics should be understood not only as a normative framework, but also as a lived practice in everyday business relations.

Theoretically, this study strengthens the relevance of Islamic business ethics, maqasid al-shariah, and social trust theory in explaining how moral values shape economic relationships. Practically, the findings suggest that sharia-based entrepreneurs need to build trust through transparent communication, fair pricing, reliable service, and responsible problem-solving. From a policy perspective, halal MSME development programs, sharia cooperatives, and Islamic economic institutions should not focus only on certification and branding. They should also provide ethical business training, consumer protection education, and mentoring on contract clarity and complaint management. Future research can compare trust-building practices across different halal business sectors or examine how consumer trust changes after service failures or business crises.

Author Contributions

Table 2. Author Contribution Statement

| Contribution Role | Author 1 | Author 2 | Author 3 |
|------------------------------|----------|----------|----------|
| Conceptualization | Yes | Yes | No |
| Methodology | Yes | No | Yes |
| Data curation | No | Yes | Yes |
| Formal analysis | Yes | No | Yes |
| Investigation | No | Yes | Yes |
| Writing - original draft | Yes | Yes | No |
| Writing - review and editing | Yes | Yes | Yes |
| Supervision | No | Yes | No |
| Final approval | Yes | Yes | Yes |

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