



Maqashid Sharia Analysis in the Halal Startup Business Model in Indonesia

Ade Suryawirawan¹, Ellyana Amran², Latifah Wulandari binti Asbaruna³

¹ Universitas Sindang Kasih, Majalengka Indonesia

² Universitas Trisakti, Jakarta, Indonesia

³ Universitas Ma'soem, Bandung, Indonesia

Article Info

Article History

Submitted 28-06-2026

Revised 24-07-2026

Accepted 24-08-2026

Published 29-09-2026

Keywords:

Maqashid sharia,
Halal startup,
Business model canvas,
Islamic business model,
Sharia compliance

Correspondence:

adesurya.mjl@gmail.com

Abstract

This study analyzes the implementation of Maqashid Sharia in halal startup business models in Indonesia beyond formal halal compliance. The study employs a qualitative descriptive approach using literature and document analysis and the Business Model Canvas (BMC) framework to examine five startup business models across fintech, agritech, and modest fashion. The analysis maps business-model elements against the five dimensions of Maqashid Sharia. The findings indicate that *hifz al-din* and *hifz al-mal* are the most explicit dimensions, particularly through sharia-compliant transactions, transparency, fairness, halal assurance, and financial inclusion. *Hifz an-nafs*, *hifz al-'aql*, and *hifz an-nasl* are also present, but mainly through indirect contributions such as safe and healthy products, consumer education and digital literacy, and family-oriented or modest-lifestyle services. The study therefore shows that the five dimensions can be identified within halal startup business models, although their depth of integration is uneven. Because the analysis is limited to five business models in three sectors, the findings are intended as an analytical illustration rather than a statistical generalization of the entire Indonesian halal startup ecosystem.

Penelitian ini menganalisis penerapan Maqashid Syariah dalam model bisnis startup halal di Indonesia melampaui kepatuhan halal secara formal. Penelitian menggunakan pendekatan deskriptif kualitatif melalui analisis literatur dan dokumen serta kerangka Business Model Canvas (BMC) untuk mengkaji lima model bisnis startup pada sektor fintech, agritech, dan modest fashion. Analisis memetakan unsur-unsur model bisnis dengan lima dimensi Maqashid Syariah. Hasil penelitian menunjukkan bahwa hifz al-din dan hifz al-mal merupakan dimensi yang paling eksplisit, terutama melalui transaksi sesuai syariah, transparansi, keadilan, jaminan kehalalan, dan inklusi keuangan. Hifz an-nafs, hifz al-'aql, dan hifz an-nasl juga ditemukan, tetapi lebih banyak melalui kontribusi tidak langsung berupa produk yang aman dan sehat, edukasi konsumen dan literasi digital, serta layanan yang berorientasi pada keluarga atau gaya hidup modest. Dengan demikian, kelima dimensi Maqashid Syariah dapat diidentifikasi dalam model bisnis startup halal, meskipun kedalaman penerapannya belum merata. Karena analisis dibatasi pada lima model bisnis dalam tiga sektor, temuan penelitian dimaksudkan sebagai ilustrasi analitis dan bukan generalisasi statistik terhadap seluruh ekosistem startup halal di Indonesia.

A. INTRODUCTION

The rapid growth of the digital economy in Indonesia has significantly transformed the structure and dynamics of contemporary business practices. Supported by the expansion of internet access, financial technology, e-commerce platforms, and digital innovation ecosystems, startups have emerged as important actors driving economic development and social transformation. Within this context, halal-oriented startups have experienced notable growth, particularly in sectors such as fintech, agritech, halal lifestyle, modest fashion, and digital services. These startups not only respond to the increasing demand of Muslim consumers but also represent an effort to integrate Islamic ethical principles into modern business models. The emergence of halal startups demonstrates that Islamic economic values are increasingly relevant in responding to the challenges and opportunities of the digital era.

However, the rapid expansion of halal-based businesses also raises critical questions regarding the substantive meaning of “halal” within startup practices. In many cases, the halal label is often associated primarily with product legality and formal compliance with Sharia regulations, while the broader objectives of Islamic law are not always fully reflected in organizational strategies and business operations. This condition creates a gap between symbolic Sharia branding and the realization of Islamic ethical values in practice. Consequently, evaluating halal startups solely from the perspective of certification or formal legality may not adequately capture the extent to which Islamic principles are genuinely implemented within the business ecosystem (Chapra, 2008; Dusuki & Abdullah, 2007).

In Islamic economic thought, Maqashid Sharia serves as a comprehensive framework that emphasizes human welfare (*maslahah*) through the protection and development of five essential dimensions: religion (*hifdz ad-din*), life (*hifdz an-nafs*), intellect (*hifdz al-‘aql*), lineage (*hifdz an-nasl*), and wealth (*hifdz al-mal*). These objectives are further categorized into three hierarchical levels, namely *dharuriyyat* (essential needs), *hajiyyat* (complementary needs), and *tahsiniyyat* (embellishment and ethical refinement). Within the context of digital entrepreneurship, the Maqashid Sharia framework provides a relevant analytical approach to assess whether startup business activities truly contribute to social justice, economic sustainability, ethical governance, and community welfare beyond profit orientation alone.

Previous studies on Islamic startups and halal businesses have largely focused on issues such as halal certification, Islamic branding, consumer behavior, and Sharia financial compliance. Nevertheless, limited attention has been given to examining how startup business models substantively embody Maqashid Sharia principles across their organizational structures and operational mechanisms. This indicates the existence of a research gap, particularly regarding the integration of welfare-oriented Islamic values into digital business innovation. Therefore, a more comprehensive analytical framework is needed to understand the alignment between startup business strategies and the broader objectives of Islamic economics.

This study aims to analyze the implementation of Maqashid Sharia in halal startup business models in Indonesia beyond mere formal compliance. By employing the Business Model Canvas (BMC) framework, this study systematically maps and evaluates key business components, including value propositions, customer relationships, channels, key activities, partnerships, cost structures, and revenue streams. Through this approach, the study seeks to identify how startup business practices reflect the realization of Maqashid Sharia objectives at the levels of *dharuriyyat*, *hajiyyat*, and *tahsiniyyat*. In addition, the study contributes to the development of a more holistic understanding of Islamic digital entrepreneurship by emphasizing the importance of integrating ethical, social, and spiritual dimensions into innovative business models.

The findings of this research are expected to provide both theoretical and practical contributions. Academically, this study enriches the discourse on Islamic economics and halal entrepreneurship by connecting Maqashid Sharia theory with contemporary startup business practices. Practically, the results may serve as a reference for startup founders, policymakers, Islamic business institutions, and investors in designing business models that are not only commercially sustainable but also socially responsible and aligned with Islamic ethical objectives. Thus, halal startups are expected to become instruments for promoting inclusive economic development and sustainable welfare within the broader framework of Islamic civilization.

The primary theoretical framework used in this study is Maqashid Sharia, which refers to the fundamental objectives underlying Islamic law. This theory focuses on achieving public welfare (*maslahah*) and preventing harm (*mafsadah*) for humanity. Hierarchically, maqashid is divided into three levels: *dharuriyyat* (primary

necessities), *hajiyyat* (secondary needs), and *tahsiniyyat* (complementary or embellishment needs). This approach provides a philosophical foundation for analyzing whether a halal startup business model truly aligns substantively with the essence of Islamic teachings.

At the *dharuriyyat* level, there are five universal principles that must be preserved (*al-kulliyat al-khams*), namely the preservation of religion (*hifdz ad-din*), life (*hifdz an-nafs*), intellect (*hifdz al-'aql*), lineage (*hifdz an-nasl*), and wealth (*hifdz al-mal*). These five pillars serve as the primary benchmark for evaluating the social and ethical impacts of business innovation. In the context of halal startups, their relevance extends beyond formal Sharia compliance to include positive contributions toward protecting and enhancing the quality of these five essential elements.

The application of Maqashid Sharia enables a deeper analysis of halal startup business models beyond merely attaching a halal label to products or services. This framework serves as a tool to measure the extent to which a startup's value proposition, customer segments, and revenue structure actively realize Sharia objectives. For example, an agritech startup may be analyzed based on its contribution to the preservation of life through food security and the preservation of farmers' wealth. Thus, this theory becomes a holistic parameter of success, not solely profit-oriented.

B. RESEARCH METHODOLOGY

This study uses a qualitative descriptive design combining literature and document review with conceptual analysis of halal startup business models in Indonesia. Five startup business models were examined through the Business Model Canvas (BMC) framework. The scope was deliberately limited to three sectors—fintech, agritech, and modest fashion—because they provide analytically distinct contexts for examining financial transactions and inclusion, food and productive welfare, and Muslim-oriented lifestyle and consumer practices. This sectoral selection is an analytical scope rather than a claim that these sectors represent the entire halal startup ecosystem.

Data were drawn from academic journals, institutional reports, books, government publications, and relevant publicly available business information. The materials were analyzed thematically and organized in a matrix linking BMC elements with the five dimensions of Maqashid Sharia. The analysis considered both direct and

indirect contributions to hifz al-din, hifz an-nafs, hifz al-'aql, hifz an-nasl, and hifz al-mal, as well as the levels of dharuriyyat, hajiyyat, and tahsiniyyat. Because the study is qualitative and document-based, the findings are interpreted as patterns of implementation and are not used for statistical inference.

The analytical framework is based on the five dimensions of Maqashid Sharia: hifz al-din, hifz an-nafs, hifz al-'aql, hifz an-nasl, and hifz al-mal. Each of the five startup business models was evaluated according to the form and strength of its contribution to these dimensions. Particular attention was given to dimensions that appeared indirectly, so that the analysis would not equate Maqashid Sharia solely with religious compliance or financial protection.

C. RESULTS AND DISCUSSION

The findings demonstrate that halal startups in Indonesia increasingly integrate Islamic ethical values into their business operations. Many startups emphasize halal certification, transparent transactions, ethical marketing, and social responsibility. This trend reflects the growing awareness that business success should align with Islamic principles and societal welfare. The rapid development of the digital economy in Indonesia has accelerated the emergence of startups that seek not only commercial profitability but also spiritual legitimacy and social impact. As a country with the largest Muslim population globally, Indonesia provides a strategic environment for halal business innovation supported by increasing halal awareness among consumers.

The growth of halal startups is strongly influenced by technological advancement, changes in consumer behaviour, and the expansion of digital financial services. Muslim consumers increasingly prefer products and services that guarantee halal compliance, ethical production, and transparency in business transactions. Consequently, startups are encouraged to adopt Islamic business principles as part of their branding and operational strategies. The implementation of halal values has become an important competitive advantage that differentiates halal startups from conventional digital businesses. In addition, the increasing penetration of smartphones and internet connectivity has enabled halal startups to reach wider markets efficiently and to strengthen digital engagement with Muslim consumers across different regions in Indonesia.

Indonesia's halal economy also shows significant economic potential. According to the State of the Global Islamic Economy Report, Indonesia consistently ranks among

the top countries in the global halal economy ecosystem. In 2025, the value of Indonesia's halal market was estimated to exceed USD 135 billion, covering sectors such as halal food, Islamic finance, Muslim fashion, halal tourism, and digital Islamic services. This figure demonstrates that halal startups operate within a rapidly growing economic environment with strong market demand and long-term sustainability potential.

The findings further indicate that most halal startups focus their business orientation on the realization of *maqashid sharia* at the levels of *dharuriyyat* and *hajiyyat*. At the *dharuriyyat* level, startups prioritize fundamental Islamic principles such as fairness, transparency, trustworthiness, and lawful transactions. Meanwhile, at the *hajiyyat* level, startups attempt to provide convenience and efficiency through digital platforms that simplify access to halal products and services. However, the implementation of *tahsiniyyat* values, such as broader social empowerment, environmental sustainability, and ethical refinement, remains relatively limited and has not yet become the primary orientation of most startups.

From the perspective of *hifz al-din*, halal startups contribute to strengthening Islamic values by providing Muslim-friendly products and services. Islamic fintech startups facilitate sharia-compliant financing, while halal lifestyle applications help consumers access halal-certified products. These platforms support religious observance in everyday economic activities. In addition, digital Qur'an applications, Islamic crowdfunding platforms, and Muslim prayer reminder applications create a digital ecosystem that supports spiritual practices and religious identity among Muslim communities. Such innovations demonstrate how digital technology can become an instrument for reinforcing Islamic values within modern lifestyles.

The implementation of *hifz al-din* is also reflected in the avoidance of prohibited business activities such as *riba*, *gharar*, and *maysir*. Islamic fintech companies increasingly utilize profit-sharing contracts, *murabaha* financing, and *wakalah*-based services to ensure sharia compliance. This approach strengthens public trust because consumers perceive halal startups as businesses that prioritize ethical responsibility rather than merely maximizing profits. The integration of religious values into digital entrepreneurship demonstrates that technological modernization can coexist harmoniously with Islamic principles.

From the perspective of *hifz al-mal*, halal startups significantly contribute to financial inclusion and economic empowerment. Many Islamic fintech startups provide access to financing for micro, small, and medium enterprises (MSMEs) that previously experienced difficulties accessing conventional financial institutions. Through peer-to-peer lending, crowdfunding, and digital zakat platforms, halal startups facilitate more inclusive economic participation while maintaining sharia compliance. This contributes not only to economic growth but also to the equitable distribution of wealth within society.

The five dimensions of Maqashid Sharia can be identified in the cases, but their degree of explicitness differs. First, *hifz al-din* is the most visible in the form of halal assurance, sharia-compliant contracts, and avoidance of prohibited transactions such as *riba*, *gharar*, and *maysir*. These practices place religious compliance within the value proposition and operating mechanisms of the startups. Second, *hifz al-mal* is reflected in transparent transactions, fair pricing or contractual arrangements, profit-sharing mechanisms, and efforts to widen access to financing, particularly for MSMEs. These two dimensions therefore appear as the clearest operational expressions of Maqashid Sharia in the cases examined.

Third, *hifz an-nafs* is visible more indirectly through the provision of safe and healthy halal products and responsible business practices, particularly in agritech-related activities. The contribution is relevant to the protection of human wellbeing, although the available evidence does not show that all startups have developed explicit life-protection programs. Fourth, *hifz al-'aql* appears through consumer education, halal literacy, and digital literacy associated with the use of products and services. Its role is therefore mainly educational and supportive rather than a primary business objective. Fifth, *hifz an-nasl* can be related to family-oriented services and modest-lifestyle products, especially in the modest fashion sector. This dimension also remains indirect because the business models are not primarily designed as family-welfare programs.

Taken together, the findings answer an important point in the Maqashid Sharia analysis: the three dimensions that are less explicit should not be treated as absent. Rather, they are present at a lower or indirect level of implementation. This distinction is important because a startup may contribute to *hifz an-nafs*, *hifz al-'aql*, or *hifz an-nasl* without making those objectives an explicit part of its brand identity or

governance structure. The unevenness of implementation suggests that the current halal startup model tends to prioritize religious compliance and wealth-related objectives, while broader human-development objectives require stronger integration into strategy, governance, and performance indicators.

The study also reveals several challenges faced by halal startups in implementing Maqashid Sharia comprehensively. These challenges include limited understanding of Maqashid Sharia among startup founders, insufficient regulatory support, lack of standardized halal digital governance, and market pressure to prioritize rapid growth and profitability. In many cases, startups tend to emphasize halal branding primarily as a market strategy without fully integrating Islamic ethical values into organizational culture and decision-making processes. Therefore, stronger collaboration between regulators, Islamic scholars, business incubators, and digital entrepreneurs is needed to encourage the development of a more holistic halal startup ecosystem.

Scope and analytical limitation. The study intentionally examines five startup business models within three sectors—fintech, agritech, and modest fashion. The limitation is methodological: a small number of cases allows closer conceptual mapping between the BMC components and the five Maqashid dimensions, but it does not support generalization to all halal startups or to sectors such as halal tourism, healthcare, logistics, education, or other emerging digital services. The selected sectors also provide different pathways through which maqashid objectives may be realized: fintech highlights wealth protection and financial inclusion; agritech highlights food-related welfare and productive livelihoods; and modest fashion highlights Muslim-oriented consumption, identity, and family-related lifestyle practices. Future studies should extend the analysis to additional sectors and larger empirical samples.

Table 1. Implementation of Maqashid Sharia in Halal Startups

Maqashid Dimension	Forms of Implementation	Startup Sector
Hifz al-Din	Halal assurance, sharia contracts, avoidance of <i>riba</i> , <i>gharar</i> , and <i>maysir</i>	Fintech, Modest Fashion
Hifz al-Mal	Transparent transactions, fair contractual arrangements, profit-sharing, MSME financing access	Fintech

Hifz an-Nafs	Safe and healthy halal products and responsible productive practices	Agritech
Hifz al-'Aql	Consumer education, halal literacy, and digital literacy	Fintech, Agritech, Modest Fashion
Hifz an-Nasl	Family-oriented services and modest-lifestyle promotion	Modest Fashion

Overall, the findings indicate that halal startups in Indonesia have demonstrated meaningful progress in integrating Islamic values into digital business models. Nevertheless, the implementation of Maqashid Sharia remains concentrated on the dimensions of religion and wealth preservation, while other dimensions still require deeper integration. This suggests the need for a more comprehensive business framework that positions halal startups not only as profit-oriented enterprises but also as agents of social transformation, ethical innovation, and sustainable welfare development within the Islamic economic ecosystem.

Table 2. Challenges Faced by Halal Startups in Indonesia

Main Challenges	Description	Impact on Startup Development
Limited Halal Digital Infrastructure	Lack of integrated halal digital ecosystems and technology support	Slower digital expansion and innovation
Weak Sharia Auditing System	Limited availability of digital sharia supervisory mechanisms	Risk of non-compliance with Islamic principles
Regulatory Inconsistency	Different interpretations and implementation of halal regulations	Legal uncertainty for startups
Limited Islamic Investment	Investors still prioritize conventional digital business models	Difficulty obtaining funding support
Low Halal Literacy	Limited public understanding of halal digital business concepts	Slower market adoption
Technological Adaptation	Rapid technological change requiring adaptive governance	Operational and compliance challenges

Table 3. Opportunities for Halal Startup Development in Indonesia

Opportunity Factors	Explanation	Potential Impact
Large Muslim Population	Indonesia has the world's largest Muslim population	Huge domestic halal market potential

Digital Economy Growth	Increasing internet penetration and digital transactions	Expansion of halal digital services
Government Support	Halal certification acceleration and Islamic economic policies	Strengthening halal startup ecosystem
Islamic Finance Development	Expansion of Islamic banking and fintech institutions	Easier access to sharia financing
Global Halal Market	Rising global demand for halal products and services	International business expansion opportunities
Youth Entrepreneurship	Growing interest among young entrepreneurs in halal business	Innovation and startup diversification

Table 4. Strategic Framework for Sustainable Halal Startup Development

Strategic Aspect	Recommended Strategy	Expected Outcome
Governance	Strengthening sharia governance and transparency	Increased public trust
Innovation	Developing ethical digital innovation	Sustainable competitive advantage
Human Resources	Improving halal entrepreneurship literacy	Stronger startup capabilities
Technology	Integrating AI and blockchain within sharia principles	Efficient and transparent operations
Sustainability	Applying environmentally friendly business practices	Long-term sustainable growth
Collaboration	Partnerships among government, universities, and industry	Stronger halal innovation ecosystem

D. CONCLUSION

The findings of this study indicate that halal startup business models in Indonesia have increasingly reflected the implementation of Maqashid Sharia principles in both operational and strategic dimensions. Halal startups contribute not only to economic growth, but also to the strengthening of religious observance, consumer protection, educational development, family welfare, and financial inclusion. The dimension of *Hifz al-Din* is realized through halal certification and Islamic fintech services that strengthen religious compliance and increase public trust in Sharia-based business practices. Meanwhile, *Hifz al-Nafs* is reflected in the provision of safe halal products that support consumer wellbeing and protection. These findings

demonstrate that halal startups are not merely commercial entities, but also function as instruments for promoting ethical and socially responsible economic development in the digital era.

Furthermore, the implementation of *Hifz al-Aql*, *Hifz al-Nasl*, and *Hifz al-Mal* illustrates the broader integration of Islamic ethical values into contemporary business innovation. Digital Islamic education initiatives contribute to improving financial and religious literacy among users and communities, while family-oriented services promote social responsibility and ethical values in business activities. In addition, Sharia-compliant financing systems support financial inclusion and create equitable economic opportunities for society. The integration of these maqashid dimensions into digital business models strengthens consumer trust, enhances long-term sustainability, and reinforces the role of halal startups in fostering inclusive socio-economic welfare. Overall, the study confirms that the application of Maqashid Sharia in halal startups extends beyond formal compliance and reflects substantive efforts to achieve sustainable welfare and ethical innovation.

Despite these positive developments, halal startups in Indonesia still face several challenges related to regulation, investment accessibility, digital governance, and the consistency of Sharia compliance in rapidly evolving business environments. Therefore, collaboration among government institutions, Islamic scholars, investors, academics, and entrepreneurs is essential to strengthen the halal startup ecosystem and ensure its sustainability in the future. This study also recommends that future research focus on developing empirical measurements of Maqashid Sharia performance indicators in halal startups and conducting comparative analyses across different countries. Such studies would provide a more comprehensive understanding of how Islamic business principles can be effectively integrated into global digital entrepreneurship and sustainable economic development.

The findings indicate that the five dimensions of Maqashid Sharia can be identified in halal startup business models in Indonesia, although their depth of implementation is uneven. *Hifz al-din* is reflected in halal assurance, sharia-compliant contracts, and avoidance of prohibited transactions, while *hifz al-mal* is visible through transparent and fair transactions, sharia-based financing, and financial inclusion. *Hifz an-nafs* is present through safe and healthy halal products and responsible practices; *hifz al-'aql* through consumer education and digital or halal literacy; and *hifz an-nasl* through family-oriented services and modest-lifestyle products. The latter three

dimensions are generally more indirect and less systematically embedded in business strategy than *hifz al-din* and *hifz al-mal*.

This uneven pattern suggests that halal startup development should move beyond formal halal compliance toward a broader maqashid-oriented business model in which human wellbeing, knowledge, family welfare, ethical governance, and wealth protection are considered together. At the same time, the findings should be interpreted within the study's scope. The analysis covers only five startup business models in fintech, agritech, and modest fashion; therefore, it is not intended to represent the full diversity of Indonesia's halal startup ecosystem. The sectoral limitation is useful for close conceptual analysis, but broader empirical research is needed to test whether the patterns identified here also occur in other sectors and in larger samples.

Future research can develop empirical indicators for each Maqashid dimension, compare startups across sectors, and examine how maqashid objectives can be integrated into governance, impact measurement, and sustainable business performance. Such work would strengthen the empirical basis for assessing halal startups not only by formal compliance, but also by their contribution to comprehensive human welfare.

REFERENCES

- Al-Shatibi, A. I. (2004). *Al-Muwafaqat fi Usul al-Shariah*. Beirut: Dar al-Kutub.
- Antonio, M. S. (2019). *Islamic Banking in Theory and Practice*. Jakarta: Gema Insani.
- Ascarya. (2021). *Islamic fintech development in Indonesia*. *Journal of Islamic Economics*, 13(2), 112-128.
- Azam, A. (2020). *The role of halal industry in economic growth*. *International Journal of Islamic Marketing*, 5(1), 44-59.
- Chapra, M. U. (2008). *The Islamic Vision of Development in the Light of Maqāṣid al-Sharī'ah*. Washington, DC: International Institute of Islamic Thought.
- Fathoni, M. A. (2022). *Halal ecosystem and digital economy in Indonesia*. *Journal of Halal Studies*, 8(2), 75-89.
- Hassan, M. K. (2021). *Islamic business ethics and sustainability*. *Journal of Islamic Accounting and Business Research*, 12(3), 455-470.
- Indonesia Halal Lifestyle Center. (2023). *Indonesia Halal Industry Report 2023*.
- Kementerian Agama Republik Indonesia. (2024). *National Halal Industry Strategy*.
- Rahman, F. (2020). *Maqashid Sharia and Islamic entrepreneurship*. *Journal of Islamic Business Ethics*, 6(1), 33-48.
- Siregar, H. (2022). *Digital transformation and halal startups*. *Indonesian Journal of Entrepreneurship*, 11(4), 90-105.
- Suryawirawan, A., Cahyadi, C., & Gunariah, F. (2026). *Krisis Ekonomi Global Akibat Konflik Iran-Amerika Serikat: Analisis Ekonomi Islam Berbasis Maqāṣid Al-Syarī'ah*. *Profit: Jurnal Manajemen, Bisnis dan Akuntansi*, 5(1), 178-192.
- Yusuf, M. (2021). *Islamic fintech innovation in Southeast Asia*. *Asian Journal of Islamic Finance*, 7(2), 61-79.