
**ANALYSIS OF ISLAMIC BUSINESS ETHICS ON THE PRODUCTION
PROCESS OF DUMMA OFFICIAL MUSLIM FASHION: AN
ETHNOMETOLOGICAL APPROACH**



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Abstract

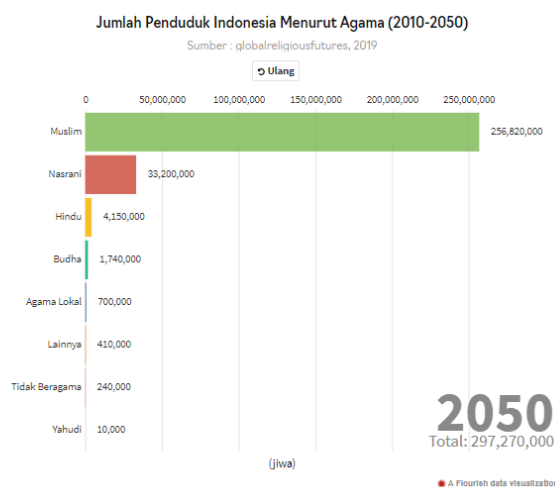
This study aims to analyze the application of Islamic business ethics in the production process at DUMMA Official and its impact on operational efficiency, work culture, and customer loyalty. The research problem stems from the lack of empirical studies that discuss how sharia principles are not only normative but also contribute to effective and sustainable business practices. To fill this research gap, the study was conducted using a qualitative approach through in-depth interviews, observation, and analysis of company documents. The results show that the implementation of values such as honesty, justice, social responsibility, and transparency contributes positively to the company's performance. Shariah-based SOPs and flexibility in working hours for religious needs enhance operational efficiency, while transparency in reporting and the use of halal and *thayyib* raw materials foster customer loyalty. This study offers implications for similar companies to adopt Islamic business ethics principles, thereby creating a balance between operational success and spiritual benefits.

Keywords: Islamic Business Ethics, Muslim Fashion, Production Transparency, Sustainability

INTRODUCTION

The Muslim fashion industry in Indonesia has experienced significant growth in recent years. As a country with the largest Muslim population in the world, Indonesia has become one of the main leaders in the modest fashion market globally. According to the State of the Global Islamic Economy Report 2022, Indonesia ranks third in the Muslim fashion sector, after the United Arab Emirates and Turkey, with a contribution of 17% to the total national creative economy, where the fashion sector dominates (Dinarstandar, 2022).

Figure 1
Global Islamic Economy Report 2020-2021



Source: katadata

The Muslim fashion industry in Indonesia is showing rapid growth, driven by the dominance of the Muslim population which is estimated to reach 256.82 million by 2050 (kusnandar, 2019), This makes Indonesia one of the major markets for Muslim fashion in the world. Apart from aesthetic factors, the growth of this industry is also influenced by consumers' increasing awareness of ethical aspects in production, such as halal certification and corporate social responsibility (Hassan et al., 2019). In line with this trend, the main challenge facing the industry is to ensure that every stage of production adheres to Islamic business principles, both in moral and spiritual terms. Consumers who are increasingly selective and critical of halal and ethical products encourage industry players to be more transparent in their production processes (Iqbal & Mirakhor, 2017).

A key challenge in the Muslim fashion industry is to ensure that every stage of production adheres to the principles of Islamic business ethics, which include honesty (şidq), justice ('adl), trustworthiness, and social responsibility (mas'uliyah). These values should not only be applied in marketing, but also in all aspects of production. (Syaifullah & Amir, 2023) revealed that although the implementation of Islamic business ethics in Muslim fashion transactions has increased customer trust, there are still obstacles in its consistency. Research (Irawan et al., 2021) shows that the application of Islamic ethics in supply chain management plays an important role in ensuring the halalness of raw materials, fair distribution, and compliance with social responsibility.

In addition, (Kim & Yoh, 2020) highlighted that increasing corporate awareness of production ethics and social responsibility can be done through formal training, which ultimately has a positive impact on customer loyalty and business reputation. Therefore, this research will examine more deeply how Islamic ethical principles can be effectively applied in the production of Muslim fashion, in order to support business sustainability that is not only competitive but also based on sharia values.

The implementation of Islamic business ethics principles in the Muslim fashion industry still faces various challenges, especially in ensuring compliance with Islamic values throughout the production chain. This study focuses on Dumma Official, a brand specializing in the production of Muslim gamis. By looking at the aspects of transparency in the supply chain, compliance with halal standards, as well as sustainable business practices, this study will provide insights into the impact of implementing these principles on the competitiveness and growth of the Muslim fashion industry in Indonesia.

This research aims to analyze the application of Islamic business ethics in the production of Muslim fashion at Dumma Official with an ethnomethodological approach. The contribution of this research lies in exploring how sharia values are internalized in the production process, as well as its impact on operational efficiency, work culture, and customer loyalty. In addition, the results of this study are expected to serve as a reference for other Muslim fashion industries in applying the principles of Islamic business ethics to create sustainability and increase customer loyalty.

REVIEW OF LITERATURE

Islamic Business Ethics in the Muslim Fashion Industry

Islamic business ethics is the main foundation in sharia-based economic activities, which aims to create a balance between business profits and social interests. However, studies on the implementation of Islamic business ethics in the production process are still minimal. A study (Indarti & Peng, 2017) shows that companies that apply halal principles in production experience a 20% increase in consumer loyalty, but this study focuses more on halal products in general, not on the Muslim fashion industry. The main principles in Islamic business ethics include honesty (*ṣidq*), justice (*'adl*), trustworthiness, and social responsibility (*mas'uliyah*) (Iqbal & Mirakhor, 2017). The implementation of these values includes not only compliance with halal standards but also fairness in labor management, transparency in raw material procurement, and sustainability in production (Hassan et al., 2019). Honesty in Islamic business requires producers to disclose information transparently about the raw materials used and the production process applied. In the Muslim fashion industry, this practice is realized through supply chain transparency, the use of halal-thayyib materials, and product quality assurance (Putri et al., 2024).

In addition, justice in human resource management reflects the company's obligation to ensure the welfare of workers, from a decent wage system to a conducive and exploitation-free work environment (Iqbal & Mirakhor, 2017). Amanah in business reflects compliance with promises made to consumers, both in product quality and distribution practices. This principle plays a role in maintaining production standards in accordance with Islamic teachings and ensuring that the products offered actually fulfill the claims promoted (Hassan et al., 2019). Meanwhile, social responsibility in the fashion industry includes aspects of

sustainability, such as the use of environmentally friendly materials, energy efficiency in production, and concern for the surrounding community through workforce empowerment programs.

Ethnomethodological Approach in Social Research

Ethnomethodology as a research method helps in understanding how workers, management, and business owners interpret Islamic values in daily production practices. In the business context, this approach is relevant to examine how workers and management in the Muslim fashion industry internalize and apply Islamic values in production practices. The ethnomethodology approach is used in this study to analyze the social interaction in the production environment. (Lindgren & Packendorff, 2009) emphasizes that ethnomethodology can be used to examine how workers and management interpret and apply normative principles in the company's operational processes. As such, this approach provides an in-depth insight into how Dumma Official integrates Sharia values in their social interactions and production system.

Garfinkel sets out three stages in ethnomethodological analysis, namely indexicality analysis, reflexivity analysis, and contextual action analysis. Indexicality analysis focuses on how individuals within the company understand the concept of Islamic business ethics in their work context. In this case, reflexivity covers the communication mechanism between workers and management in enforcing Sharia standards and how the policy evolves over time. Contextual action analysis explores how social interactions in the production environment reflect or contradict Islamic values, including the pattern of relationships between business owners, managers, and workers. This research can provide deeper insights into how Islamic business ethics are applied in the operations of Muslim fashion companies, as well as how these values become part of the work culture that develops in the industry.

Muslim Fashion Industry and Sustainability

The Muslim fashion industry is experiencing rapid growth, with Indonesia occupying a strategic position in the global market. According to Global Religious Futures (2019) the Muslim population in Indonesia is projected to reach 256.82 million by 2050, making the country one of the largest markets for sharia-based fashion products. The increase in Muslim fashion consumption is also influenced by the global trend towards more inclusive and sustainability-oriented products (Hassan et al., 2019).

The concept of halal and thayyib in the selection of raw materials is one of the main aspects in the Muslim fashion industry. The materials used in production must not only be halal by Islamic law, but also of high quality and safe for users. This is related to consumer demands for products that not only fulfill spiritual aspects but also provide comfort and safety in use. (Putri et al., 2024). Equitable and sustainable production reflects the industry's efforts to balance economic growth with environmental and labor welfare concerns. This principle is part of the long-term business strategy for Muslim fashion brands that want to maintain competitiveness and consumer loyalty.

The Impact of Implementing Islamic Business Ethics in the Fashion Business

The application of Islamic business ethics in the Muslim fashion industry has a significant impact on consumer loyalty, brand image, and the company's competitive advantage (Wijaya, 2022) confirmed that brands that actively implement Islamic business ethics principles, such as information disclosure regarding raw materials, production processes that comply with halal-thayyib standards, as well as fair and responsible business

practices, tend to be more trusted by customers than brands that only prioritize aesthetic aspects.

In terms of brand image, the integration of Islamic values in business operations creates a positive perception in the eyes of consumers. Brands that consistently apply halal-thayyib principles in production are more likely to find a place in the Muslim market, which is increasingly selective about ethical and sustainability aspects (Putri et al., 2024). In addition, a sharia-based business approach provides a strong competitive advantage, as product differentiation is not only based on design but also on the values held by the company

Previous Research and Its Relevance

Previous research has extensively discussed aspects of Islamic business ethics in the context of marketing and finance, but studies that specifically address the implementation of Islamic values in production are still limited. The study by (Iqbal & Mirakhor, 2017) highlights the importance of transparency and fairness in an Islamic-based work system. In the context of the Muslim fashion industry, this study contributes by delving deeper into how Islamic values are not only part of the marketing strategy but also internalized in production practices and social interactions within the work environment.

RESEARCH METHOD

This research uses a qualitative approach with the ethnomethodology method, which allows researchers to understand how Islamic business ethics practices are applied in Muslim fashion production. Ethnomethodology was developed by Garfinkel as an approach to understand how individuals in a group interpret and maintain social rules in daily life. In this context, this method is used to explore how Dumma Official, as a Muslim fashion brand, applies the principles of honesty (ʿsidq), justice ('adl), trustworthiness, and social responsibility (mas'uliyah) in the production of sharia-based gamis.

The ethnomethodological approach in this study is relevant to the concept of Islamic business ethics that emphasizes transparency in trade, as emphasized in the Qur'an Surah Al-Mutaffifin (83:1-3). A Prophetic Hadith also states that "Honest and trustworthy traders will be with the prophets, shiddiqin, and martyrs in the hereafter" (HR Tirmidzi). Therefore, this study aims to understand how these principles are applied in Dumma Official's production activities as well as how social norms and Islamic business practices take shape in their work environment.

This research was conducted at Dumma Official, a Muslim fashion brand that focuses on sharia gamis production. The informants in this study were selected using purposive sampling technique, involving production managers, production supervisors, production employees, and consumers. The selection of informants was based on their experience and role in understanding and applying Islamic values in business operations. Data were collected through participatory observation, in-depth interviews, and analysis of company documents. Observations were made by directly observing the production process, interactions between workers, and how managerial decisions are made based on sharia principles. Interviews were conducted in a semi-structured manner to explore in-depth understanding of how Islamic business ethics are applied in company policies and how Islamic values are internalized by workers in operational activities. Document analysis was used to review production SOPs,

halal-thayyib certification policies, production reports, and other related documents that illustrate the implementation of Islamic values in the work system.

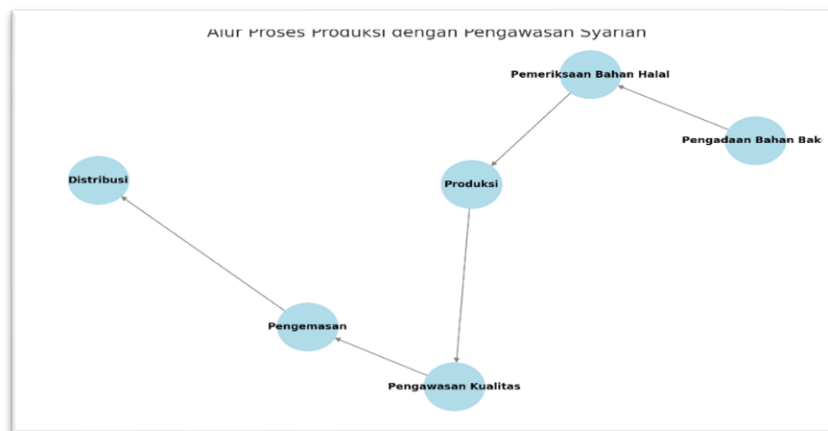
Data were analyzed using a thematic analysis approach, following the three stages in Garfinkel's (1967) ethnomethodology, namely indexicality analysis, reflexivity, and contextual action. Indexicality analysis was used to understand how workers interpret Islamic values in their daily work, such as honesty in the use of raw materials and transparency in product distribution. Reflexivity analysis examines how sharia-based policies are adapted in production practices, including work systems, quality control, and labor welfare. Contextual action analysis explores how social interactions in the production environment reflect or contradict Islamic principles, including in aspects of labor relations, communication between management and employees, and decision-making related to product halalness.

To ensure the validity and legitimacy of the data, this study applied method triangulation, where data from observations, interviews and documentation were compared to gain a more objective understanding. The member checking technique was conducted by reconfirming the interview results to the informants to ensure the accuracy of data interpretation. An audit trail was applied to ensure transparency in research documentation, while dependability was tested by comparing the consistency of results from various sources of information.

RESULTS AND DISCUSSION

This research reveals how Islamic business ethics are applied in the production process of Muslim fashion at Dumma Official, especially in the aspects of honesty (sidq), justice ('adl), trustworthiness, and social responsibility (mas'uliyah). Based on observations and interviews with the production manager and operational staff, it was found that honesty and transparency in the supply chain and production are the company's top priorities. This is realized through the selection of halal and thayyib raw materials, as well as information disclosure to consumers regarding the origin of ingredients and the production process.

Figure 2
Production Process Flow Mapping Dumma Official



The principle of fairness is also applied in the labor management system. The division of tasks is based on employee skills, and there is an incentive and reward system for outstanding workers. Employees are also given flexibility in practicing worship, which reflects the company's adherence to Sharia values. In addition, social responsibility is a major aspect of Dumma Official's business. The company not only pays attention to employee welfare but also ensures that the environmental impact of production remains under control, such as through more environmentally friendly textile waste management. To better understand the application of Sharia values in Dumma Official's operations, here is a table of the application of Islamic values in Muslim fashion production.

Table 1
Application of Islamic Values: Dumma Official

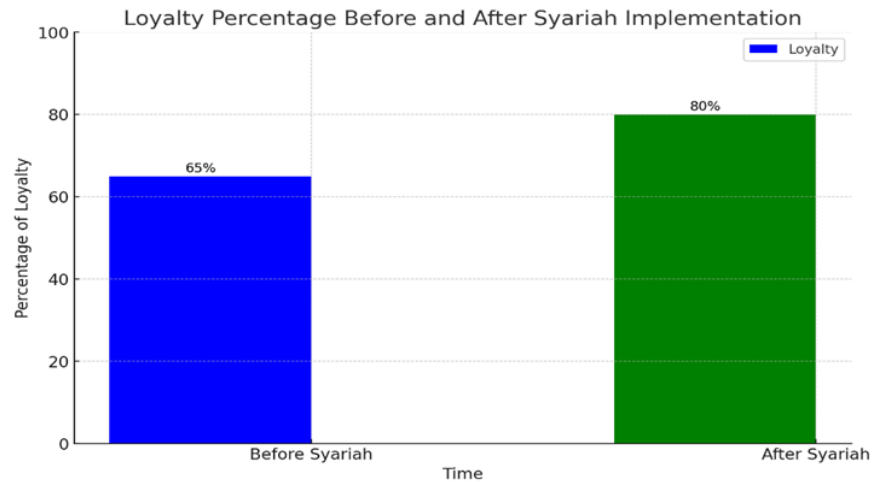
No	Islamic Ethical Principles	Implementation at Dumma Official	Impact
1	Honesty (<i>Sidq</i>)	Transparency of raw materials, prices, and production processes.	Increase customer trust and loyalty.
2	Fairness (<i>'Adl</i>)	Distribution of tasks and incentives according to contribution.	Productivity increases, work balance is maintained.
3	trustworthiness	Strict quality control and halal certification.	High quality and sharia compliant products.
4	Social Responsibility (<i>mas'uliyah</i>)	Use of halal and thayyib raw materials, flexibility in working time for worship.	Employee welfare, consumer loyalty.

Source: Data analyzed and compiled by researchers

Innovation in product differentiation is a key element in retaining customers while attracting new markets. Dumma Official can present collections that follow modest fashion trends while still promoting sustainability principles, such as the use of environmentally friendly materials and exclusive designs that comply with Sharia values. Products that are not only superior in terms of quality but also have advantages in aspects of sustainability and compliance with Islam can increase competitiveness and strengthen customer loyalty.

In addition, optimizing customer service based on Islamic values is an important factor in creating a more convenient and trustworthy shopping experience. Quick responses, transparency in product information, and professional complaint resolution can build closer relationships with consumers. Flexible after-sales policies, such as product warranty and ease of return, also play a role in increasing customer satisfaction and encouraging them to remain loyal to the brand. By integrating product innovation, service improvement, and a community-based approach, Dumma Official can strengthen its position as a trusted Muslim fashion brand that is able to establish long-term relationships with customers, not only in functional aspects, but also in emotional and spiritual dimensions.

Figure 3
Production Process Flow Mapping Dumma Official



The application of Sharia principles in business is proven to contribute significantly to increasing customer loyalty. Before Islamic values were thoroughly implemented, customer loyalty was recorded at 65%. After the company integrated the principles of halalness, business ethics, and transparency in the production chain, the figure rose to 80%. This 15% increase shows that Muslim consumers are now increasingly considering sharia-compliance in purchasing decisions. This indicates a shift in consumer preferences that no longer focus solely on price or design, but also on values that align with their beliefs. The certainty of sharia-compliant business practices strengthens trust in the brand and encourages loyalty. Thus, Islamic business ethics is not only a moral aspect, but also an effective strategy in creating competitiveness in the Muslim fashion industry.

The results of this study are in line with previous studies that show that brands that consistently apply sharia principles in all aspects of their business are better able to build long-term relationships with customers and increase consumer loyalty. The integration of Islamic business ethics in the production process not only brings spiritual blessings but also has a positive impact on the economic growth and business sustainability of Dumma Official. The implementation of Islamic values in the company's operations is proven to contribute to increasing customer trust, creating welfare for employees, and strengthening the brand image as a Muslim fashion brand committed to the principles of honesty, justice, and social responsibility.

Honesty and Transparency

Consumers are more likely to buy products from brands that are open about their raw materials and production processes. This is in line with research conducted by (Zaid et al., 2021), which states that transparency in the supply chain has a direct impact on improving operational performance and customer satisfaction, which in turn strengthens brand loyalty.

Fairness in HR Management

Competency-based task division and merit-based incentives improve employee welfare. This is in accordance with the principle of QS. An-Nisa: 58, which emphasizes the importance of upholding justice in human resource management.

Trustworthy in Product Quality

Halal certification and strict quality control make Dumma Official products highly competitive. Studies by (Indarti, & Peng, 2017) show that Muslim fashion brands that maintain quality and halal-thayyib are more attractive to consumers..

Social Responsibility and Sustainability

The use of environmentally friendly materials and employee welfare programs contributes to business sustainability. In line with the findings of (Sayedahmed et al., 2019), sharia-based businesses have a more comprehensive approach in integrating social responsibility, which not only focuses on the interests of shareholders but also considers the welfare of employees, customers, and the wider community. In the Muslim fashion industry, the application of Islamic business ethics in social responsibility and sustainability can increase customer trust and strengthen the company's competitiveness in an increasingly competitive market.

CONCLUSION

This research highlights how the application of Islamic business ethics in the production process in the Muslim fashion industry, especially in the Dumma Official brand, contributes to operational efficiency, employee welfare, and increased customer trust and loyalty. By integrating the principles of honesty (ṣidq), justice ('adl), trustworthiness, and social responsibility (mas'uliyah) in every aspect of business, the company can create a more equitable, sustainable, and Sharia value-based production ecosystem.

The main implication of this study shows that the application of sharia principles in Muslim fashion production is not only limited to the aspect of legal compliance, but also serves as an effective business strategy to improve the competitiveness of the company. The findings support the concept that businesses that are transparent in supply chain management, have a fair system in labor management, and are responsible for the environment and social welfare, tend to be more trusted by customers and have higher loyalty.

From an academic perspective, this research contributes to the literature on Islamic business ethics by examining the production aspect, which previously focused more on marketing and branding strategies. Using an ethnomethodology approach, this research reveals how Islamic values are internalized in social interactions in the work environment, providing new insights into how Islamic principles are applied in real business operations. In addition, the results of this study can also serve as a reference for Muslim fashion businesses in designing business models that are not only oriented towards profitability but also based on sustainability and labor welfare. Although this research has provided in-depth insights into the application of Islamic business ethics in the production process, there are several limitations that can be studied for future research.

This research has limitations in the scope of the study, which only focuses on one Muslim fashion company, so the results cannot be widely generalized. Therefore, future research can conduct a comparative analysis with various other Muslim fashion brands, both at the national and international levels, to understand variations in the application of Sharia values in the production process. In addition, the qualitative approach used in this study can be combined with quantitative methods through customer and employee surveys

to measure the impact of production transparency and the application of Islamic business ethics on customer loyalty and workforce welfare. With a broader approach and more diverse methods, it is hoped that future research can provide more comprehensive insights in strengthening a sustainable, transparent, and highly competitive Muslim fashion industry.

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