

## COMPARATIVE ANALYSIS OF TYPOLOGY OF ḤIFẒ AL-MĀL PRACTICES IN MSMEs IN THE DIGITAL ERA



Farihin<sup>1</sup>

Universitas Islam Negeri Kiai Haji Ahcmad Siddiq, Jember, Indonesia  
[afka.zaka@gmail.com](mailto:afka.zaka@gmail.com)

Mahmudah<sup>2</sup>

Universitas Islam Negeri Kiai Haji Ahcmad Siddiq, Jember, Indonesia  
[mahmudahsyariah@uinkhas.ac.id](mailto:mahmudahsyariah@uinkhas.ac.id)

Ahmadiono<sup>3</sup>

Universitas Islam Negeri Kiai Haji Ahcmad Siddiq, Jember, Indonesia  
[ahmadiono.febi@uinkhas.ac.id](mailto:ahmadiono.febi@uinkhas.ac.id)

---

### Abstract

This study explores the typology of *ḥifẓ al-māl* (wealth protection) practices in the digital transformation of micro, small, and medium enterprises (MSMEs) in the handicraft industry of Desa Tutul, Indonesia. Using a qualitative case study approach, in-depth interviews and participatory observation were conducted with four MSMEs: Aren Handicraft, Kayu-Kayuku, Ruci Handicraft, and PT Nuansa Alam Oil, through the perspective of *ḥifẓ al-māl* and the ideas of three maqāṣid shari'ah thinkers: al-Ghazālī, al-Shāṭibī, and Ibn 'Āshūr, with seven indicators of *ḥifẓ al-māl*: asset protection and security, justice and transparency, efficiency, prevention of gharar and online fraud, business resilience and sustainability, product marketability and innovation, and loss prevention.. The research identifies four main typologies of *ḥifẓ al-māl* practice: Visionary, Adaptive, Realistic, and Inclusive. Each typology demonstrates unique mechanisms in digital asset protection, transaction transparency, operational efficiency, and collective empowerment. Digital practices such as the use of watermarks, return SOPs with video evidence, staged payments, and community-based training effectively reduce the risk of fraud and loss. This study underscores the relevance of maqāṣid al-sharī'ah as a dynamic foundation for MSMEs to achieve sustainable growth and ethical business in the digital economy. The results provide both theoretical contributions and practical recommendations for digital MSME development based on Islamic economic values.

**Keywords:** Digital Transformation, *Ḥifẓ Al-Māl*, Maqāṣid Al-Sharī'Ah, MSME, Asset Protection

## INTRODUCTION

Digital technology is increasingly asserting itself as a strategic factor for MSMEs (Winarsih et al., 2021). Businesses are beginning to optimize e-commerce platforms, social media, and digital marketing channels to expand the reach of their products and services. Globalization and digitalization are driving MSMEs to change the way they produce, market, and build relationships with consumers. (Novitasari, 2022). Digital transformation is inevitable to increase brand visibility, expand markets, accelerate sales processes, and strengthen customer loyalty, especially in the post-pandemic era, which has significantly shifted consumption behavior. (Sirajuddin & Sudarmiatin, 2023).

From an Islamic economic perspective, MSME performance is not measured solely by profitability, but also by the alignment of business practices with Sharia principles. (Mahendra et al., 2024). The *maqāṣid al-sharī'ah* framework, namely safeguarding religion (*din*), life (*nafs*), reason (*aql*), posterity (*nasl*), and wealth (*mal*), serves as a lens for assessing the benefits of economic activities. (Sarwat, 2019).

The literature on digital transformation in MSMEs has grown, particularly regarding marketing strategies, increasing competitiveness, and technology adoption. (Asfiah & Fathoni, 2024). Several studies also link digitalization to *maqāṣid al-sharī'ah*, for example, on the issue of digital business sustainability and the use of Sharia-compliant fintech. (Muzhafar, n.d.) (Restuti, 2024). However, specific focus on MSMEs in the handicraft sector remains relatively limited, despite this sector's significant contribution to the village economy and local product exports. Furthermore, previous research has focused more on the technical aspects of digitalization or marketing, while exploration of the typology of *ḥifẓ al-māl* practices and the integration of *maqāṣid al-sharī'ah* (Islamic principles) in the digital operations of MSMEs remains very limited. This situation indicates a need for research, particularly regarding the integration of *maqāṣid al-sharī'ah* values with the digitalization practices of craft MSMEs, which are economic pillars in various villages, including Tutul Village, Jember.

MSMEs in Tutul Village are worthy of study due to their rapidly growing local craft potential. Tutul Village, in Balung District, Jember Regency, is known as a craft center. The majority of its residents are artisans; of approximately 3,118 households, 2,710 are registered as wood craft entrepreneurs. (Soimah, n.d.). One prominent example is Aren Handicraft, which has consistently survived and grown since 2017, adopting digital marketing strategies through social media and e-commerce. This business's turnover is around IDR 100–200 million per month, with a reseller network across Indonesia (Junaidi, 2023). Therefore, the MSMEs in Tutul Village provide a relevant context for examining the application of Sharia values, with an emphasis on the good of the poor, in the digital transformation of craft MSMEs.

This new landscape requires MSMEs to not only make technical adaptations but also to build governance and protection systems that align with the principles of justice, efficiency, and the protection of the common good, as mandated by the *maqāṣid* of Sharia (Chapra, 2008; Dusuki & Abdullah, 2007). Protecting assets in the digital context requires innovative strategies, ranging from the use of watermarks and installment payment systems to standard operating procedures (SOPs) for handling digital disputes. However, previous research has focused more on the technical aspects of digitalization or marketing, while

exploration of the typology of *ḥifẓ al-māl* practices and the integration of *maqāṣid shari'ah* (Islamic principles) into the digital operations of MSMEs remains very limited.

Based on these issues, a fundamental question arises: How are the various typologies of *ḥifẓ al-māl* practices implemented by digital craft MSMEs at the local level, and to what extent are the approaches adopted capable of protecting assets, building trust, and ensuring the sustainability of Shari'ah-based businesses? Given the diversity of experiences, strategies, and market orientations, an in-depth comparative analysis is essential.

This study aims to examine and compare the typologies of *ḥifẓ al-māl* practices across four digital MSMEs in Tutul Village: Aren Handicraft, Kayu-Kayuku, Ruci Handicraft, and PT Nuansa Alam Oil. This study uses a qualitative-comparative approach. This study offers novelty by examining the digital transformation of craft MSMEs in Tutul Village, Jember, through the perspective of *ḥifẓ al-māl* and the ideas of three *maqāṣid shari'ah* thinkers: al-Ghazālī, al-Shāṭibī, and Ibn 'Āshūr, with seven indicators of *ḥifẓ al-māl*: asset protection and security, justice and transparency, efficiency, prevention of *gharar* and online fraud, business resilience and sustainability, product marketability and innovation, and loss prevention.

This study seeks to expand the literature on the integration of *maqāṣid shari'ah* and the digital economy at the micro level. In addition to providing conceptual contributions, the research findings are expected to serve as a reference for strengthening MSME empowerment policies, developing practical guidelines for digital asset protection, and providing Shari'ah economic literacy education in the era of digital transformation.

## REVIEW OF LITERATURE

### Digital Transformation

Digital transformation refers to fundamental changes in how organizations manage operations, build interactions with customers, and create value through the use of digital technology. (Symsidar et al., 2024). It is positioned as a core strategy that leverages technology to reengineer business operational systems while transforming customer service delivery patterns. (Ohyver, 2024)

According to Sébastien Gamache, Georges Abdul-Nour, and Chantal Baril, digital transformation is a comprehensive overhaul of a company's work methods and strategies, including revenue generation, the adoption of flexible management models to respond to competition, and the ability to react quickly to market dynamics. (Sidanti & Purwanto, 2022). This process includes business reconstruction through the digitization of operations and the expansion of networks within the supply chain. The use of the internet becomes functional across various lines of design, production, sales, and after-sales service with data as the foundation for decision-making.

In line with Verhoef et al., digital transformation and business innovation are triggering major shifts in the business world. These changes not only alter internal company processes but also reshape customer expectations and behaviors. Consequently, many traditional companies are facing pressure and even market disruption. Evolving customer needs and behaviors require businesses to adapt and excel in the digitalization process. (Verhoef et al, 2021).

In the context of MSMEs, digital transformation is a key lever for competitiveness in the digital economy era, particularly in the marketing and distribution sectors. Digitalization enables MSMEs to expand their markets, improve operational efficiency, and deliver a better

customer experience through e-commerce, social media, and digital payment systems.(Winangun & Indrawirawan, 2023). However, adoption rates and success vary, influenced by technological readiness, digital literacy, and access to financing.(Sudirman & Nurfaisah, 2025). Therefore, a deeper understanding of technology adoption strategies and barriers is crucial. This research focuses on the factors influencing digital transformation and digitalization practices within the marketing function of MSMEs to examine how technology supports business resilience and sustainable growth.

### **MSMEs**

Micro, Small, and Medium Enterprises (MSMEs) are economic activities carried out within the scope of small-scale businesses, with criteria determined based on net assets, annual revenue, and ownership. (Wahyu, 2021). In Indonesia, the legal basis governing Micro, Small, and Medium Enterprises (MSMEs) is stipulated in Government Regulation No. 7 of 2021 in conjunction with Law No. 20 of 2008. In Government Regulation No. 7 of 2021, MSMEs are defined as small-scale businesses owned and operated by individuals or small groups, subject to certain limitations on their wealth and income. (Government Regulation of Republic of Indonesia, 2021)

The classification of MSMEs is based on the number of employees as the primary indicator. Due to their limited workforce, MSMEs generally have simple organizational structures and flexible operational systems, enabling them to respond quickly to market dynamics and consumer needs. Under the law, the maximum assets owned by MSMEs is Rp10 billion, excluding land and buildings, with annual revenues of up to Rp50 billion. This provision reinforces the reality that the majority of business entities in Indonesia fall into the micro- to medium-sized enterprise (MSME) category. (Government Regulation of Republic of Indonesia, 2021)

### **Maqāṣid al-Sharī‘ah**

Etymologically, maqāṣid al-sharī‘ah is composed of “maqāṣid” (plural of maqṣad, goal/desire) and “sharī‘ah” (path to the source of life). (Fauzia & Riyadi, 2018). In classical literature, the operational definition of maqāṣid al-sharī‘ah has not been clearly formulated even al-Shāṭibī, who is often called the “Father of Maqāṣid al-Sharī‘ah,” does not provide explicit boundaries. In the realm of muamalah, contemporary scholars such as Ibn 'Āshūr define it briefly as a set of syāri' (Allah's) wills to realize human benefit goals and maintain the public interest in their various transactions. (Ibn 'Āshūr, 2011).

The aim of maqāṣid al-sharī‘ah is to realize benefit (*maslahah*) human goodness and welfare in this world and the hereafter. Benefits are achieved optimally when the five main elements are maintained, namely religion, soul, heredity, reason and wealth. (Shatibi, 2003). Sharia law was revealed to bring goodness through a set of *darūriyyāt* (primary), *hājiyyāt* (secondary), and *taḥsīniyyāt* (tertiary) needs. (Rosyada, 1993).

One of the central pillars is ḥifẓ al-māl (protection of assets) which emphasizes the protection and management of wealth in a fair and beneficial manner. Al-Ghazālī places the protection of assets as a *darūriyyāt* need that must be guaranteed by the Shari'a: loss of assets has the potential to interfere with the realization of other goals. In al-Mustasfā and expanded upon in Shifā' al-Ghalīl, he emphasized the prevention of the appropriation of others' property, the provision of guarantees to prevent loss/damage, and the protection of ownership, including the prevention of theft through proportionate sanctions. He also rejected wastefulness and emphasized justice through the observance of correct weights and

measures. Thus, *ḥifẓ al-māl* concerns not only physical aspects, but also fairness, prevention of loss, efficiency, and transaction integrity. (Al-Ghazālī, 1993).

Al-Shāṭibī expanded the meaning of *ḥifẓ al-māl* by emphasizing the principles of justice, the prohibition of *gharar* (uncertainty that causes harm), the prevention of fraud, the guarantee of rights, and efficiency through the prohibition of *isrāf* (waste). (Al-Shāṭibī, 2004). Meanwhile, Ibn ‘Āshūr highlighted the economic objectives of *maqāṣid*, which include *rawāj* (marketability), *wuḍūḥ* (transparency), *thabāt* (business sustainability), and *‘adl* (justice), along with the protection of assets from bankruptcy and unauthorized asset transfer. (Ibn ‘Āshūr, 2011).

Based on this summary, this study limits the focus of *maqāṣid al-sharī‘ah* to *ḥifẓ al-māl* through seven indicators formulated by al-Ghazālī, al-Shāṭibī, and Ibn ‘Āshūr: (1) asset protection and security, (2) justice and transparency, (3) efficiency, (4) prevention of *gharar* and online fraud, (5) business resilience and sustainability, (6) marketability (*rawāj*) and product innovation, and (7) loss prevention. These indicators are used to understand the digital transformation practices of MSMEs, particularly in the crafts sector, and to assess how technology plays a role in protecting and optimizing assets within a sharia framework.

## RESEARCH METHOD

This research uses a qualitative approach with a multiple-case study design focusing on digital craft MSMEs in Tutul Village, Balung District, Jember Regency. The qualitative approach was chosen to provide an in-depth and contextual understanding of the typology of *ḥifẓ al-māl* practices implemented by MSMEs in the digital environment.

### Research Subjects and Location

The research focused on four craft business units: Aren Handicraft, Kayu-Kayuku, Ruci Handicraft, and PT Nuansa Alam Oil. These four MSMEs were purposively selected because they have significantly implemented digitalization in their business operations and represent a variety of digital asset management strategies at the local level. Tutul Village was chosen because it is a growing digital-based craft center and has a strong community ecosystem.

### Data Collection Techniques

Primary data was obtained through in-depth interviews with MSME owners and employees. The interviews were conducted in a semi-structured manner, with a guideline that focused on experiences, strategies, and challenges in protecting and managing digital assets in accordance with the principles of *maqāṣid shari‘ah*. In addition, direct observation of digitalization activities, the use of marketplace platforms, transaction systems, and documentation in the form of photos, screenshots, and evidence of digital transactions were conducted. Secondary data was obtained from internal MSME documents, sales reports, and official publications related to the digital MSME ecosystem in the region.

### Data Analysis Techniques

Data analysis was conducted following the interactive model of Miles and Huberman (1992), which includes three main stages:

1. Data Condensation: Filtering and categorizing raw data from interviews and observations into key themes, such as asset protection, transaction fairness, prevention of *gharar*, efficiency, innovation, and business resilience.



2. Data Display: Categorized data is presented in the form of descriptive narratives, comparative tables, and flowcharts to visualize the differences and similarities in the typology of *ḥifz al-māl* practices in each MSME.
3. Conclusion Drawing and Verification: Researchers interpret the findings and draw typological patterns, and verify them using triangulation of sources and techniques (interviews, observation, documentation) to ensure the validity and reliability of the research results.

## RESULTS AND DISCUSSION

### Description of MSME Digitalization Practices

Digitalization has become mainstream in the management and development of craft MSMEs in Tutul Village, driving fundamental changes in how businesses market their products, interact with consumers, and protect their business assets. The four MSMEs focused on in this study, Aren Handicraft, Kayu-Kayuku, Ruci Handicraft, and PT Nuansa Alam Oil, demonstrate digitalization practices that are not only technical but also strategic, rooted in the values of asset protection (*ḥifz al-māl*) in accordance with the *maqāṣid shari'ah* (Islamic principles).

Aren Handicraft has pioneered digital transformation in Tutul Village. Since 2017, the business has completely shifted its marketing channels from a mobile market system to online platforms, including major marketplaces like Shopee, Tokopedia, Lazada, and live-commerce on TikTok. Aren Handicraft emphasizes disciplined digital management, from appointing dedicated administrators, establishing internal SOPs, to managing scheduled live-commerce. The order process, payment verification, and customer complaint handling have been digitized to ensure service efficiency and reliability. Eko Hadi Purnomo, owner of Aren Handicraft, emphasized the importance of regular monitoring and evaluation as part of digital management.

Kayu-Kayuku represents a business born in the digital era, particularly during the COVID-19 pandemic. Since its inception, Kayu-Kayuku has immediately adopted a marketing strategy through marketplaces and social media. They have also innovated by using a payment system in stages (down payments, checking transactions, and paying in full before delivery) and integrating a digital cashier application for bookkeeping and transaction recording. Furthermore, Kayu-Kayuku actively follows market trends, adapting product designs based on customer needs, and securing digital content with watermarks on product photos and videos.

PT Nuansa Alam Oil showcases an inclusive, community-based digital ecosystem model. This business manages a production and distribution network involving over one hundred local artisans, supported by multiple marketplace accounts. Sales through marketplaces and collaboration with community members are key to maintaining business resilience and expanding market access, while the use of escrow features and video call verification ensure transaction security and asset protection.

Ruci Handicraft demonstrates realistic and adaptive digitalization practices. They utilize marketplaces like Shopee and TikTok as primary transaction channels and implement a video-unboxing-based returns standard operating procedure (SOP) as a fraud prevention mechanism and consumer rights protection. In addition to focusing on product quality, Ruci

Handicraft is responsive in handling customer complaints and open to product changes based on market demand.

In general, the descriptions of digitalization practices in these four MSMEs demonstrate diverse strategies and adaptation dynamics rooted in local contexts, human resources, and the maqāṣid shari'ah value orientation, particularly regarding asset protection. Digitalization is not simply the adoption of technology; it is also the process of creating a more secure, efficient, and inclusive business ecosystem, while strengthening business sustainability in the digital economy era.

### **Typology of Asset Protection Practices**

Based on interviews, observations, and in-depth analysis of four digital MSMEs in Tutul Village, this study identified a variety of typologies of asset protection and management practices uniquely implemented by each business owner. Each MSME developed a unique approach to responding to the challenges of digitalization, influenced by their business vision, experience, market orientation, and the character of the surrounding community. The emerging typologies are not simply the result of technological adaptation, but rather a reflection of the strategies, values, and business culture that have developed organically within the local environment.

#### **1. Visionary Typology: Aren Handicraft**

Aren Handicraft stands out for its creative approach and strict quality control across all its digital operations. Asset protection practices are realized not only through the use of watermarks on all digital content but also through active reporting of digital rights violations in the marketplace. Aren implements a video-unboxing-based return SOP, builds work discipline through routine monthly evaluations, and prioritizes customer service. Product innovation, digital branding, and multi-channel integration are the main pillars of Aren Handicraft's *ḥifz al-māl* strategy.

#### **2. Adaptive Typology: Kayu-Kayuku**

Kayu-Kayuku represents a player highly adaptable to digital trends and market changes. Asset protection is implemented through a phased payment system, strict transaction verification, and the use of watermarks on content. Product adjustments based on social media trends, design innovation using CNC machines, and the use of applications.

#### **3. Realistic Typology: Ruci Handicraft**

Ruci Handicraft presents a realistic typology that prioritizes product quality, humane service, and honesty in every transaction. While aware of the risk of digital content theft, Ruci Handicraft prefers to focus on customer satisfaction and let product quality be the main differentiator in the market. Consumer protection is implemented through video-unboxing-based return SOPs and a quick response to complaints. Flexibility and openness to product changes are key to survival amidst the dynamics of the digital market.

#### **4. Inclusive Typology: PT Nuansa Alam Oil**

PT Nuansa Alam Oil represents an inclusive typology by emphasizing the values of togetherness, solidarity, and empowerment of the artisan community. Asset protection is not solely focused on individuals but extends to the common good through digital training, product stock sharing, and tolerance for content duplication. PT Nuansa Alam Oil also emphasizes the importance of transaction verification through digital features and utilizes multiple marketplace accounts to manage risk and expand the market collectively.

These four typologies demonstrate that the practice of *ḥifẓ al-māl* among digital MSMEs is not uniform, but rather grows dynamically and adapts to the digital ecosystem. Each typology has its own advantages and challenges in maintaining business sustainability, strengthening asset protection, and building consumer trust. These findings emphasize the importance of a contextual approach and strengthening the capacity of business actors to optimally integrate the *maqāṣid shari'ah* (Islamic principles) into MSME digitalization practices.

### **Comparative Analysis Based on 7 Indicators of *Ḥifẓ al-māl***

A comparative analysis of the practice of *ḥifẓ al-māl* among digital craft MSMEs in Tutul Village was conducted using seven main indicators derived from the thinking of al-Ghazali, as-Syatibi, and Ibn 'Ashur. These seven indicators provide a holistic framework for assessing the integration of *maqāṣid shari'ah* values into MSME digitalization practices. The following is a comparison of each MSME based on these indicators:

#### **1. Asset Protection and Security**

All MSMEs recognize the importance of digital asset protection. Aren Handicraft, Kayu-Kayuku, and Ruci Handicraft have adopted the practice of using watermarks on every uploaded product photo and video as a form of digital rights protection and creative identity protection. Aren Handicraft even actively reports violations to the marketplace, while PT Nuansa Alam Oil prioritizes collective protection through community networks, assets are protected socially, not just individually.

#### **2. Fairness and Transparency**

All four MSMEs have implemented fairness in pricing and transparency of product information. Aren Handicraft and Kayu-Kayuku emphasize detailed and honest product descriptions, as well as clear pricing and separate variants in the marketplace. Ruci Handicraft prioritizes honesty in product materials and sizes, as well as a quick response to reviews and complaints. PT Nuansa Alam Oil prioritizes transparency in the distribution of benefits and business opportunities within the community, thereby promoting fairness in market access.

#### **3. Efficiency**

Digital transformation brings efficiency to operational management. Aren Handicraft optimizes internal SOPs, allocates administrative roles, and conducts monthly evaluations to ensure effective processes. Kayu-Kayuku uses a digital cashier application and a payment system to minimize risk and accelerate production flows. Ruci Handicraft streamlines marketing with photo-based and live promotions, eliminating the need for offline visits. PT Nuansa Alam Oil emphasizes distribution efficiency with multiple marketplace accounts and a widespread network.

#### **4. Prevention of *Gharar* and Online Fraud**

All MSMEs implement measures to prevent uncertainty and fraud. Video-unboxing-based return SOPs (Aren, Ruci), payment verification in stages and packaging photos (Kayu-Kayuku), and transaction validation via video call (Nuansa Alam) are best practices proven effective in reducing the potential for *gharar* and fraud. All players also actively respond to complaints, strengthening customer trust.

#### **5. Business Resilience and Sustainability**

Business resilience (*thabāt*) and sustainability are maintained through diversification of sales channels, product innovation, and a community ecosystem. PT Nuansa Alam Oil utilizes the KUBE Mandiri network as a distribution and training system. Aren Handicraft maintains



production capacity through live-commerce rotation and team evaluations. Kayu-Kayuku is responsive to market trends and needs, and maintains cash flow with a phased payment system. Ruci Handicraft adapts to market changes through product innovation and agile marketing strategies.

### **6. Product Marketability and Innovation**

Innovation and marketability are prominent in Kayu-Kayuku (custom products, CNC designs) and Aren Handicraft (digital branding, live, and creative advertising). PT Nuansa Alam Oil leverages digital promotional opportunities and community outreach, while Ruci Handicraft focuses on niche products (smoking pipes/once made from unique materials) and loyalty bonuses to build market differentiation.

### **7. Loss Prevention**

All MSMEs have integrated loss prevention mechanisms, including evidence-based return SOPs (video unboxing), standardized packaging, pre-shipment photo documentation, and appeal mechanisms on marketplace platforms. Kayu-Kayuku mitigates the risk of default with installment payments and proof of packing, while Ruci and Aren Handicraft utilize digital platform features to fairly resolve customer disputes and complaints.

The four craft MSMEs in Tutul Village have successfully adapted the seven indicators of *ḥifz al-māl* into their digital business practices, albeit with diverse strategies and nuances according to the typology. Aren Handicraft and Kayu-Kayuku excel in protection, efficiency, and innovation; Ruci Handicraft in justice-transparency and prevention of *gharar*; and PT Nuansa Alam Oil in resilience and community empowerment. These practices demonstrate that the values of *maqāṣid sharia* can be operationalized adaptively and contextually in managing locally-based digital MSMEs, ensuring business sustainability and well-being.

### **Similarities and Differences**

While all MSMEs strive to integrate the principles of *ḥifz al-māl* into their digitalization practices, their approaches differ according to the typology. Aren Handicraft excels in innovation and control, Kayu-Kayuku in trend adaptation and efficiency, Ruci Handicraft in realistic relationships and honesty, and PT Nuansa Alam Oil in community inclusivity and benefit distribution. The limitations of each approach are also evident: strict control sometimes increases administrative costs, while collective openness risks content theft. However, this overall typology demonstrates that no single model fits all businesses; instead, contextuality, adaptability, and organizational culture are key to the effectiveness of *ḥifz al-māl* practices in a sharia-based digital economy.

### **Impact on *Ḥifz al-Māl* and MSME Sustainability**

The implementation of various typologies of *ḥifz al-māl* practices in digital MSMEs in Tutul Village has significantly contributed not only to asset protection but also to long-term business sustainability and resilience. Research findings indicate that the integration of *maqāṣid shari'ah* values into the digital transformation of MSMEs acts as a catalyst in building an asset protection system that is adaptive, innovative, and contextualized to local needs.

At the asset protection level, preventive measures such as the use of watermarks, reporting digital rights violations, standard operating procedures for managing returns based on unboxing videos, and transaction validation through an escrow system or installment payments significantly reduce the potential for losses due to fraud, disputes, and digital content theft. As Eko Hadi Purnomo of Aren Handicraft explained, "Every photo has a

watermark; they're all watermarked. So, when we report it, it ends up... if the shop on Shopee isn't known, it's banned." This mechanism strengthens the legal standing of MSMEs in the digital space and builds customer trust, thus maintaining business reputations amidst increasingly fierce competition.

A broader impact is seen in strengthening business resilience (*thabāt*). Diversification of sales channels, trend-driven product innovation, and an inclusive distribution ecosystem significantly strengthen cash flow and expand the market. PT Nuansa Alam Oil's inclusive model even demonstrates that asset protection can be expanded to collective protection, strengthening artisan networks and opening access to collective economic empowerment. "The more people market a product, the more people will be interested in it. Especially now, in this era of online media... it has to go viral first. If it goes viral, it sells," said Mulyadi, emphasizing the importance of collaboration and solidarity in optimizing digital assets.

From a sustainability perspective, an adaptive and realistic approach like that adopted by Ruci Handicraft encourages businesses to remain resilient to market changes by flexibly adapting products and services. A focus on product quality and customer satisfaction, along with honesty and transparency in transactions, builds long-term loyalty and reputation, which are essential foundations for the sustainability of MSMEs. A similar approach applies to Kayu-Kayuku, which combines trend adaptation, transaction protection, and design innovation to mitigate risk while increasing revenue.

Overall, the implementation of *ḥifẓ al-māl* practices in Tutul Village's digital MSMEs has been proven to increase efficiency, expand market access, strengthen rights protection, and create a more resilient business system. The integration of digital protection, product innovation, and community management ensures that the values of *maqāṣid shari'ah* are not merely normative principles but are truly internalized in business strategies and daily operational processes. Thus, *ḥifẓ al-māl* in the digital era not only safeguards assets physically and administratively but also fosters business sustainability and blessings from an Islamic economic perspective.

## **Discussion**

The findings of this study indicate that digitalization in the craft MSMEs of Tutul Village is not simply an effort to adapt technology to face an external crisis such as the pandemic, but rather a comprehensive, systemic, and sustainable transformation. Digital transformation not only changes marketing and transaction patterns but also disrupts internal governance, organizational culture, and how business actors interpret asset protection (*ḥifẓ al-māl*) within the context of the *maqāṣid shari'ah* (obligatory principles of sharia). Each MSME develops a unique digitalization strategy, aligned with its business vision, community ecosystem, and the level of literacy and innovation of the business actors themselves.

## **Integration of Maqāṣid Shari'ah Values in MSME Digitalization**

The research findings reinforce the thesis of al-Ghazali (1993) and Ibn 'Āshūr (2006) that *ḥifẓ al-māl*, the protection of property, cannot be separated from the dimensions of justice ('*adl*), efficiency (*anti-isrāf*), transparency (*wuḍūḥ*), and the prevention of *gharar* and loss. Adopted digital protection practices, ranging from watermarks, video-based return SOPs, escrow and down payment systems, to reporting violations in marketplaces, demonstrate that Shari'ah principles can be operationalized contextually in the digital space. This refutes the long-held assumption that *maqāṣid* are merely ideal norms; instead, these values can serve

as concrete guidelines for managing risk, building trust, and strengthening business sustainability amidst technological disruption.

### **Typology Variations: Adaptation, Collaboration, Vision, and Realism**

The typology analysis found that Tutul Village's digital MSMEs are not homogeneous. Aren Handicraft adopts a visionary typology, with mature digital SOPs, internal discipline, and continuously updated content and product innovation. Kayu-Kayuku is highly adaptive to digital trends, emphasizing design innovations based on market demand and strict administrative protection. PT Nuansa Alam Oil pursues an inclusive approach, building a community-based distribution network, prioritizing the common good, and empowering members to become independent entrepreneurs. Ruci Handicraft, as a representative of the realistic typology, chooses to emphasize honesty, quality, and responsiveness to customers, believing that product and service excellence will be the primary filter for consumer loyalty.

These results align with organizational literature that emphasizes the importance of dynamic capabilities (Teece et al., 1997) in responding to market and external environmental changes. This research also expands on the findings of Dusuki & Abdullah (2007) on the integration of maqāsid (objectives of the principles of Islamic economics) into micro-economic practices by adding nuances of the digital context and the local characteristics of Indonesian MSMEs.

Digitalization has been proven to expand markets, increase efficiency, strengthen cash flow, and reduce the risk of fraud, in line with the objectives of *ḥifẓ al-māl*. However, this process is not without challenges: cases of digital content plagiarism persist, a literacy gap between senior and younger business actors, and a trade-off between administrative costs for digital protection and net profit margins.

The success of digitalization practices is also greatly influenced by a supporting ecosystem, from marketplace training, artisan communities, to local reseller networks. As Mulyadi from PT Nuansa Alam Oil stated, "The more people market a product, the more people will be interested in it... It has to go viral first. If it goes viral, it sells." This finding demonstrates that solidarity and collaboration among business actors are determining factors in building asset protection and collective competitiveness.

From a customer service perspective, digital evidence-based SOP models, such as returns with unboxing videos or photos of the packaging before shipping, are becoming new standards that promote fairness and transparency, while minimizing disputes and the potential for *gharar* (unlawful behavior) in transactions. Aren Handicraft and Kayu-Kayuku demonstrate that a disciplined quality control system and digital trend-driven product innovation are highly effective in enhancing reputation and consumer loyalty.

However, inclusive models like those at PT Nuansa Alam Oil are not without challenges, such as the difficulty of standardizing quality across community members and the potential for conflicts of interest. Meanwhile, realistic approaches like those at Ruci Handicraft face the risk of content theft, which cannot necessarily be addressed by product quality alone.

## **CONCLUSION**

This research shows that the implementation of digital asset protection practices among businesses varies, reflecting typologies influenced by their respective business visions, digital literacy levels, community ecosystems, and organizational cultures.

The four main typologies identified, visionary (Aren Handicraft), adaptive (Kayu-Kayuku), realistic (Ruci Handicraft), and inclusive (PT Nuansa Alam Oil) demonstrate that no single model of digital asset protection practices is absolutely superior; rather, each approach has its own advantages and challenges. The visionary typology emphasizes internal discipline, innovation, and administrative protection; the adaptive typology focuses on rapid response to market trends and operational efficiency; the realistic typology emphasizes honesty and customer service; and the inclusive typology emphasizes solidarity, empowerment, and the distribution of collective benefits.

The impact of digitalization on digital asset protection is very evident in the form of increased digital asset protection, transaction transparency, operational efficiency, business resilience, product innovation, and loss prevention. Various mechanisms, such as watermarks, video-based return SOPs, installment payment systems, and community training, have been proven to reduce the risk of fraud, expand market access, and build consumer trust.

However, this study also identified challenges such as the risk of plagiarism, limited digital literacy among senior players, and the trade-off between administrative protection costs and profit margins. The success of digitalization is greatly influenced by a supporting ecosystem, community collaboration, and marketplace policies responsive to digital rights protection.

Theoretically, this study broadens the understanding of the operationalization of *maqāṣid shari'ah* in the digital MSME ecosystem. Practically, these findings offer a reference model for adapting asset protection for locally based MSMEs and emphasize the importance of digital literacy mentoring, community strengthening, and digital rights protection regulations by relevant stakeholders.

Finally, the integration of digital transformation and *maqāṣid shari'ah* values in Tutul Village demonstrates that *ḥifz al-māl* can be a dynamic and contextual principle in building the sustainability, competitiveness, and blessings of micro-enterprises in the digital economy era. This research is expected to serve as a foundation for further study, policy development, and mentoring of more adaptive, innovative, and equitable MSMEs.

### **Policy Recommendations**

Efforts to improve digital literacy, provide community-based training, and provide legal support for digital rights protection need to be a top priority for local governments and MSME stakeholders.

Furthermore, regulators and marketplace platforms need to provide efficient and responsive complaint mechanisms for digital rights violations, as well as incentivize innovation and collaboration across business actors. Policy interventions that are responsive to the local context will ensure the effective and sustainable integration of *maqāṣid shari'ah* values into digital MSME governance.

### **Academic Implications**

This research contributes to the literature on Islamic economics and MSME management by demonstrating that integrating the *maqāṣid shari'ah* into digital business practices requires an adaptive, contextual, and participatory approach. Each MSME has its own unique approach to implementing the principles of asset protection, which cannot be standardized. The development of a typology model based on real-world practices can serve

as an important reference for further research in Islamic economics, MSME studies, and locally-based economic digitalization.

Overall, this discussion confirms that the practice of *ḥifẓ al-māl* in digital MSMEs cannot be standardized but must be placed within an adaptive, contextual framework that is responsive to changes in the business environment. Thus, the *maqāṣid shari'ah* is not merely a norm but rather a foundation for innovation, resilience, and sustainability in empowering digital businesses.

## REFERENCES

- Al-Ghazali. 1993. *Al-Mustasfa Min 'Ilm Al-Usul*. Riyadh, Saudi Arabia: Daru al Maiman.
- . 1971. *Syifa'ul Ghalil: Bayān Al-Syabah Wa Al-Mukhīl Wa Masālik Al-Ta'Līl*. Baghdad, Iraq: Mathbaah al-Irsyad.
- Al-Shatibi. 2004. *Al-Muwafaqat Fi Usul Al-Shari'ah*. Cet 1. Beirut, Lebanon: Dar al-Kutub al-'Ilmiyyah.
- Ashur, Muhammad Al-Tahir Ibn. 2011. *Maqashid As-Syariah Al-Islamiyah*. Kairo, Mesir: Dar al Kitab Al-Masry.
- . 2006. *Treatise on Maqasid Al Shariah*. London: A: International Institute of Islamic Thought.
- Chapra, M.U. (2008). *The Islamic Vision of Development in the Light of Maqasid al-Shariah*. Islamic Research and Training Institute. DOI:[10.13140/RG.2.1.4188.5047](https://doi.org/10.13140/RG.2.1.4188.5047)
- Dusuki, A.W., & Abdullah, N.I. (2007). Maqasid al-Shari'ah, Maslahah, and Corporate Social Responsibility. *The American Journal of Islamic Social Sciences*, 41(1), 10-35. DOI:[10.35632/ajis.v41i1.3417](https://doi.org/10.35632/ajis.v41i1.3417)
- Fauzia, Ika Yunia & Riyadi, Abdul Kadir. 2018. *Prinsip Dasar Ekonomi Islam Perspektif Maqashid Al-Syari'ah*. Vol. Cet ke-3. Jakarta: Prenadamedia Group.
- Imam Fathoni, Nurul Asfiah. 2024. "Transformasi Digital Bisnis UMKM Di Indonesia Setelah Masa Pandemi." *INNOVATIVE: Journal Of Social Science Research* 4, Volume 4 Nomor 3: 19–36. <https://j-innovative.org/index.php/Innovative>.
- Isbahi, M. B., Zuana, M. M. M., & Toha, M. (2024). The Multi-Social Relation of the Cattle Industry in the Plaosan Subdistrict Animal Market of Magetan Regency. *Malacca: Journal of Management and Business Development*, 1(1), 31–46. <https://doi.org/10.69965/malacca.v1i1.51>
- Junaidi, Reynaldi Ode. "Handicraft Desa Tutul Mampu Ikuti Perkembangan Digital." [rri.co.id](https://rri.co.id), 2023. <https://rri.co.id/jember/bisnis/419318/handicraft-desa-tutul-mampu-ikuti-perkembangan-digital>.
- Mahendra, Hairunnas Esa, Misbahul Munir, and Mahmudah Ridlwan. 2024. "Determinants of Micro and Small Business Actors on the Motivation to Register for Free Halal Certification in Bondowoso Regency." *International Journal of Islamic Economics* 6, no. 01: 91. <https://doi.org/10.32332/ijie.v6i01.9143>.
- Matthew B. Miles, A. Michael Huberman, Johnny Saldaña. 2014. *Qualitative Data Analysis: A Methods Sourcebook*. Third Edit. United State of America: SAGE Publications, Inc.
- Muzhafar, Muhammad Daffa, Abdul Hafidz Alhakam, and Aprillia Farchatun. 2013. "Tinjauan Maqashid Syariah Terhadap Peran Fintech Dalam Pembayaran Qris Bagi Umkm Di Dusun Sapen Desa Demangan Yogyakarta" *Az-Zarqa'*, 5, no. 1. <https://doi.org/10.14421/0kcknq91>



- Nurfaisah, Nengsi dan Sudirman. 2025. "Digital Entrepreneurship and Business Innovation: Strategies for Indonesian SMEs in the Era of Industry 4.0." *Journal of Indonesian Scholars for Social Research* 5, no. 1: 24–34. <https://doi.org/https://doi.org/10.59065/jissr.v5i1.170>.
- Peraturan Pemerintah Republik Indonesia Nomor 07 Tahun 2021 Tentang Kemudahan, Pelindungan, Dan Pemberdayaan Koperasi Dan Usaha Mikro, Kecil, Dan Menengah.
- Restuti, Dwi Putri. 2024. "Developing Principle of Maqashid Sharia for Sustainability Engagement in Digital Business." *Proceeding 1th International Conference on Islamic Studies* 03, no. 01: 75–94.
- Rosyada, Dede. 1993. *Hukum Islam Dan Pranata Sosial: Dirasah Islamiyah III*. Jakarta: Rajawali Pers.
- Sarwat, Ahmad. 2019. *Maqashid Syariah*, Jakarta: Rumah Fiqih Publishing.
- Sidanti, Heny, and Hari Purwanto. 2022. *Pengantar Bisnis Era Transformasi Digital*. Unipma Press.
- Soimah, Ulfatus. "Kerajinan Tangan Di Desa Tutul, Warga Raup Untung Hingga Pasar Internasional." kolomdesa.com, t.t. <https://kolomdesa.com/kerajinan-tangan-di-desa-tutul-warga-raup-untung-hingga-pasar-internasional-26128/>.
- Subekti, Ohyver, D. A. 2024. *Transformasi Digital: Teori & Implementasi Menuju Era Society 5.0*. PT. Sonpedia Publishing Indonesia..
- Sumitro, Warkum. 2004. *Azas-Azas Perbankan Islam Dan Lembaga-Lembaga Terkait*. Jakarta: Raja Grafindo Persada.
- Syamsidar, Ramadhian Agus Triono Sudalyo, Muhammad Jamil, and Dedi Muliadi. 2024. *Kewirausahaan Di Era Digital Tantangan Dan Peluang Dalam Menghadapi Isu Kontemporer*, Malang: Litnus.
- Undang-Undang Republik Indonesia Nomor 20 Tahun 2018 Tentang Usaha Mikro, Kecil, dan Menengah.
- Verhoef, Peter C, Thijs Broekhuizen, Yakov Bart, Abhi Bhattacharya, John Qi Dong, Nicolai Fabian, and Michael Haenlein. 2021. "Digital Transformation: A Multidisciplinary Reflection and Research Agenda." *Journal of Business Research* 12 (2) : 889–901. <https://doi.org/https://doi.org/10.1016/j.jbusres.2019.09.022>.