

# Development of Syariah Fintech: Challenges and Opportunities in the Digital Economy

(Pengembangan Fintech Syariah: Tantangan dan Peluang dalam Ekonomi Digital)

**Riska Ardila Hasanah<sup>1)\*</sup>, Zulfikar Hasan<sup>2)</sup>, Sona Muhandi<sup>3)</sup>**

<sup>1,2</sup>STAIN Bengkalis, Indonesia

<sup>3</sup>Universitas Ahmad Dahlan, Indonesia

Email: [riskaardilaa001@gmail.com](mailto:riskaardilaa001@gmail.com)

## ABSTRACT

**Purpose:** This study aims to analyze the challenges and opportunities in the development of Sharia Fintech in the digital economy era.

**Design/methodology/approach:** This study employs a library research approach. The researchers identify, evaluate, and analyze literature that discusses Islamic economics, digital technology, and the integration between the two.

**Findings:** The development of Islamic economics in the digital era faces various complex challenges. One of the main challenges is the low level of digital literacy among the target market of Islamic economics. Many individuals and small and medium enterprises (SMEs) have not fully understood or adopted digital technology, which hinders the integration of Islamic economic services with digital platforms.

**Research implications:** The Sharia Fintech industry needs to enhance education and services to make them more accessible to the public. The government also needs to strengthen regulations and infrastructure to support the growth of this sector. Additionally, society must improve digital literacy to fully utilize Sharia Fintech services. Therefore, collaboration between industry, government, and society is crucial in building an inclusive and sustainable Islamic financial ecosystem in the digital era.

**Keywords:** Halal Economic Ecosystem; BPJPH; CICOT

## ABSTRAK

**Tujuan Penelitian:** Penelitian ini bertujuan untuk menganalisis tantangan dan peluang dalam pengembangan Fintech Syariah di era ekonomi digital.

**Desain/Methodologi/Pendekatan Penelitian:** penelitian ini menggunakan pendekatan studi kepustakaan. Peneliti mengidentifikasi, mengevaluasi, dan menganalisis literatur yang membahas topik ekonomi Islam, teknologi digital, serta integrasi antara keduanya.

**Hasil Penelitian:** Perkembangan ekonomi Islam di era digital menghadapi berbagai tantangan yang kompleks. Salah satu tantangan utama adalah rendahnya literasi digital di kalangan masyarakat yang menjadi target pasar ekonomi Islam. Banyak individu serta usaha kecil dan menengah (UKM) yang belum sepenuhnya memahami atau mengadopsi teknologi digital, sehingga menghambat integrasi layanan ekonomi Islam dengan platform digital.

**Implikasi Hasil Penelitian:** Industri Fintech Syariah perlu meningkatkan edukasi dan layanan agar lebih mudah diakses masyarakat. Pemerintah juga perlu memperkuat regulasi dan infrastruktur untuk mendukung pertumbuhan sektor ini. Selain itu, masyarakat perlu meningkatkan literasi digital agar dapat memanfaatkan Fintech Syariah secara optimal. Dengan demikian, kolaborasi antara industri, pemerintah, dan masyarakat sangat penting dalam membangun ekosistem keuangan syariah yang inklusif dan berkelanjutan di era digital.

**Kata Kunci:** Ekonomi Digital; Fintech; Tantangan; Peluang

E-Journal Al-Dzahab  
Vol. 06, No. 01  
Maret 2025  
Hal. 63-70

p-ISSN: 2808-7631  
e-ISSN: 2808-758

## INTRODUCTION

Economic development has occurred continuously since the time of the Prophet and the time of the Khulafaurrasyidin, such as during the time of Umar bin Khattab, Utsman bin Affan, and Ali bin Abi Talib. Currently, the economy has advanced towards the industrial era 4.0 due to the increase in science, technology, and human needs and desires. This causes competition between organizations and companies that offer products and services to meet human needs to become more competitive (Ayu Sukreni Hakim, 2024).

Islamic Economic Thought began when Muhammad SAW was appointed as an Apostle. The Prophet SAW issued various policies that covered aspects of society, including law (fiqh), politics (siyasah), and economics (muamalah). The Prophet SAW's attention to the economic problems of the people was very great because the economy was considered an important pillar of faith that must be considered.

In the era of technology today, competition is not only in the face-to-face business sector but also in the world of software, web, and internet-based businesses in aspects of everyday life. The internet and technological advances in today's era which have developed very rapidly provide convenience and significant influence on all aspects of human life.

The implementation of the use of the internet and technology that provides added value to organizations or companies has an impact on competition between companies to carry out continuous innovation to provide the best services and products for the community or customers who aim to dominate market share. The impact of the use of technology for internal organizations or companies is that it can save operational costs including labor costs, general and administrative costs, and promotional costs. The progress of the world which is considered an innovative disruption that has an impact on changes in the ways of carrying out social interactions and personal relationships so that it also affects the way transactions are made in economic activities which are reflected in the development of business entities and businesses based on the internet. Software, web, and internet-based companies that are the gateway to the industrial revolution in Indonesia have begun to show their existence in various forms, one of which is the existence of a breakthrough in technological progress in economic transactions called Fintech (Financial Technology). The shift in the business world has entered all aspects which also affects progress in the world of economic transactions (Yuliyani, 2015).

Fintech is an innovation in the financial services sector which no longer needs to use paper money. In other words, the existence of financial technology changes currency to digital to be more efficient. In several literatures, various definitions of Fintech are found. In general and in a broad sense, Fintech refers to the use of technology to provide financial solutions. In a broad sense, Fintech is defined as an industry of companies that use technology to make the financial system and distribution of financial services more efficient. Fintech is also defined as a technological innovation in financial services that can produce business models, applications, business processes, or products that have a significant impact on business activities related to the provision of financial services. The progress in economic transactions known as Fintech also has an impact on technological innovation in the world of Sharia economics and finance in Indonesia. However, with the existence of Fintech today, in addition to providing easy loan requirements that only require a photo of yourself, Identity Card (KTP), financial history, and loan purposes, there is this convenience that must be paid for with loan interest and service fees far above bank interest. Sharia Fintech in Indonesia has begun to attract a lot of public attention, especially with the establishment of the Indonesian Sharia Fintech Association (AFSI) Institute which oversees Sharia Fintech in Indonesia and the legalization of Sharia Fintech as an economic transaction that can also be registered with the Financial Services Authority (OJK). Sharia Fintech is a combination of information technology innovation with products and services in the financial and technology sectors that

accelerate and facilitate business processes from transactions, investments, and fund distribution based on Sharia values (Dhani Gunawan Idat, 2019)

However, Fintech also has several implications that need to be considered, such as data security and privacy risks, as well as the potential for misuse of technology for activities that are not under Sharia principles. Therefore, further analysis is needed on the impact of Fintech on the development of the Sharia economy in the digital era (Dhani Gunawan Idat, 2019).

The opportunities and challenges of Sharia Fintech in Indonesia are important to study along with the rapid development of Sharia Fintech in Indonesia. Furthermore, the formulation of the problem in this journal is limited by the following research questions:

1. What are the opportunities for Sharia Fintech in Indonesia?
2. What are the challenges of Sharia Fintech in Indonesia?

## **LITERATURE REVIEW**

As a cultured creature, humans have the instinct to group and interact with other humans. In fulfilling all their needs, no human can live without other humans. The mutualistic dependence between individuals and society on the order of life has given birth to a process of evolution and adjustment in the formation of a system in fulfills the needs of life together through the simplest economic activities.

The Qur'an as a guideline not only regulates matters of ritual worship but also provides perfect (comprehensive) and eternal (universal) guidance for all human activities, including problems related to economic activities. The perfection of Islamic teachings covers all aspects of human life, including economic problems as one of the important aspects of human life (Imma Rokhmatul Aysa, 2021).

Islamic economics can be simply understood as quoted by Ikit from several opinions. According to Abdul Manan (2011), Islamic economics is a social science that studies the economic problems of the people inspired by Islamic values. Meanwhile, according to Umar Chapra (2001), Islamic economics is knowledge that helps efforts to realize human happiness through the allocation and distribution of limited resources that are in a corridor that refers to Islamic teachings without providing individual freedom or without sustainable macroeconomic behavior and environmental imbalance.

In addition to the opinion above the definition, Syakir Sila gave his views on Islamic Economics, according to him, Islamic economics is a divine economy. The reason for Syakir Sila is that Islamic economic activities start from Allah, and the goal is to seek Allah's pleasure, and the methods do not conflict with the sharia. The unity of this activity system is the reason for Syakir Sila that Islamic economics is a divine economy. Furthermore, Syakir Sila explained that Islamic economic activities, both production, consumption, and distribution are tied to divine principles and goals as a consequence (Fuadi, 2021).

The digital economy is based on the concept of big data, the internet for all activities, artificial intelligence, robotics, and sensor technology in general, making economic transactions faster, cheaper, and more effective. However, in addition to having positive impacts, there are also negative impacts. Positive impacts generally indicate an increase in productivity and efficiency of business processes, as well as optimization of marketing and distribution chains. Entrepreneurs and institutions welcome the digital economy as a positive change. The digital economy also helps a lot in the development of small, micro, and medium enterprises (SMEs) through online trading services and electronic banking. The existence of digital economic transactions also encourages changes in the mindset of individuals and organizations in making economic decisions and transactions that are more effective and efficient.

In the digital era, the development of the sharia economy faces various complex challenges. One of the main challenges is regulation and sharia compliance in digital

transactions. With the rapid development of financial technology (fintech), many financial transactions are carried out online, which requires strict supervision to ensure compliance with sharia principles. In addition, Sharia financial literacy among the community is still relatively low, so intensive educational efforts are needed to increase public understanding and trust in Sharia financial products and services (Shinta Maharani, n.d.).

The digital economy has a concept of competition and innovation that can easily be adopted by start-up entrepreneurs who prioritize collaboration and synergy. So the digital economy can be interpreted as a "sharing economy" that invites small and medium businesses to enter a wider business. In addition, to create a better climate for consumers, there needs to be a balance between the interests and capacities of businesses, especially for small and medium companies. This is where it is needed (Shinta Maharani, n.d.).

Clear regulations that support innovation are needed to create a conducive environment for the growth of Sharia fintech. In addition, the government needs to encourage sharia financial education and literacy programs to increase public understanding. Support for research and development in the field of Islamic economics is also needed to produce innovations that meet market needs.

## **METHODS**

The methodology of this research will use a library research approach. This library research involves collecting secondary data from various relevant literature sources, such as books, journal articles, research reports, and official documents (Hasan, 2020). The researcher will identify, evaluate, and analyze literature that discusses the topic of Islamic economics, digital technology, and the integration between the two. The main focus will be given to literature that examines the challenges and opportunities faced in developing Islamic economics in the digital era, including relevant case studies and existing policy analysis. The research process will begin with a literature search. After the literature is collected, the researcher will conduct a content analysis to identify the main themes that emerge related to the challenges and opportunities in developing Islamic economics in the digital era. This analysis will include a comparison and synthesis of findings from various sources to compile a comprehensive picture of the current situation and future projections.

## **RESULT AND DISCUSSION**

In Arabic, the word economy can be interpreted as the word "iqtisad" which originates from the root word Qasd which has the basic meaning of simple, economical, moderate, straight, and middle. While the word "iqtisad" has the meaning of simple, economical, and straight. This term is then famously used as an economic term in Indonesian. Islamic economics is a social science that provides an understanding of people's economic problems whose core discussion is in Islamic values (Alvin Edgar Permana, 2021).

There are many ideas around the understanding and scope of Islamic economics. Dawan Rahardjo, defines Islamic economic principles into 3 possible meanings, first, what is meant by Islamic economics is an economy based on Islamic values or teachings. Second, what is meant by Islamic economics is a system. This system concerns regulation, namely the regulation of economic activities in citizens or countries based on certain procedures or procedures. The third option is Islamic economics in the sense of the economy of Muslims. Islamic economics is discussed here in terms of all three, with a focus on Islamic economics as an idea and economic system. The thoughts, systems, and economic activities of Muslims are three pillars that must work together to build synergy. The life of a Muslim at the individual and societal level is governed by different sets of rules.

The first, known as aqidah (faith), concerns the core relationship between man and the Creator and agreement with all matters relating to a Muslim's faith and belief. The second

regulates agreement by transforming and manifesting faith and belief into daily actions and practices and is formally known as Shariah (Law). The third is akhlaq which encompasses the behavior, attitudes, and work ethics adopted by a Muslim in his social life. Shariah is further divided into two components: ibadah (ritual) focuses on the rites and rituals through which individuals come to an inner understanding of their relationship with Allah SWT; muamalat, on the other hand, defines the rules governing social, political, and economic life. Indeed, a significant part of muamalat defines the conduct of economic activities within an economic system, ultimately laying down the rules for commercial, financial, and banking systems. Ijtihad (from the root word jahd, meaning “struggle”) plays a vital role in deriving rules to resolve problems arising from time-dependent challenges. Ijtihad refers to the efforts of individual jurists and scholars to find solutions to problems that arise during the evolution of human society and which are not specifically discussed in the primary sources. Ijtihad is based on the initial consensus of the jurists (ijma’), analysis (qiyas), judicial preference (istihsan), public interest (maslahah), and custom (urf). Secondary sources of Sharia should not introduce any rules that contradict the main principles of Islam (Nidya Waras S, 2018).

Furthermore, the basis of Islamic economics is not only oriented toward the physical material development of individuals, society, and the state. But also pays attention to the development of other aspects which are also important elements for a prosperous and happy life. The development of faith is the foundation for all individual and societal behavior. If a person's faith is strong and correct, namely holding Islam in its entirety, then surely muamalah will also be good. Ahmad Mundir, (2015). According to Karim, (2002), Sharia economics is likened to a building based on five universal values, namely: Tauhid (total devotion to Allah), al-'adl (justice), nubuwwah (imitating the sunnah of the Prophet Muhammad), khilafah (humans as Allah's caliphs on earth), and ma'ad (afterlife oriented). With these values, it is hoped that sharia economic actors will be able to apply them into concrete systems that are not only at the academic level (Nidya Waras S, 2018).

### **Challenges in Developing Sharia Economy**

The development of sharia economy in the digital era faces various complex challenges. One of the main challenges is the lack of digital literacy among the community that is the target market of sharia economy. Many individuals and small and medium enterprises (SMEs) do not fully understand or adopt digital technology, which hinders the integration of sharia economic services with digital platforms. This lack of knowledge can reduce the effectiveness and reach of technology-based sharia financial services, such as sharia fintech, which should be able to provide wider and more inclusive access (Soemarwoto, 2020).

In addition, regulatory and compliance challenges are also significant issues. The legal and regulatory systems in many countries do not fully support the development of the digital sharia economy. Existing regulations are often inadequate or too slow to respond to digital innovation in the sharia financial sector, creating uncertainty and risk for industry players. Compliance with sharia principles in the context of digital technology also adds a layer of complexity, as it must be ensured that all transactions and products remain in accordance with sharia law, while technology continues to develop rapidly.

Another challenge is competition with conventional financial services that have adopted digital technology earlier and have a larger market share. Conventional financial services are often better known and trusted by the public, so the Islamic economy needs to work harder to build credibility and attract users. The digital ecosystem that supports the Islamic economy is also still in its infancy, with the need for more platforms, applications, and infrastructure specifically developed to support Islamic transactions. Without a strong ecosystem, the digital Islamic economy may struggle to grow and compete effectively.

### **Opportunities in the Digital Era**

Today, the development of information and communication technology has brought about various innovations in various lines of life, including Islamic banking and/or Islamic entrepreneurship. Islamic economics is expected to be able to answer these opportunities at a practical level in pioneering and managing Islamic entrepreneurship as an anticipation of limited employment opportunities. The digital economy currently provides opportunities for Islamic economics to be able to play a maximum role, especially in the Islamic banking sector which is starting to show its enthusiasm. Ease, comfort, speed, efficiency, security and flexibility of economic transactions are expected to be obtained from the use of the digital economy so that the wider community can still run their businesses even though they have high mobility. Economic activities such as online payment transactions are not only easy because they can be carried out by the seller/producer or by the buyer/consumer themselves, all of whom are included in Islamic entrepreneurs, but can also involve Islamic banking, meaning that both parties have easy access to make transactions with the aim of increasing Islamic economic activities periodically (Kominfo, 2019).

This digital economy gradually anticipates this by trying to maintain consumer/buyer trust by giving a good impression in order to build trust between the two parties so that transactions and sharia economic activities can increase and opportunities can be utilized optimally.

The majority of Muslim consumers currently carry out sharia economic activities through the digital economy. The digital economy has formed a new marketing space that has a very accurate, fast and wide reach. Personal marketing networks can be formed by Producers/sellers with Muslim consumers, in addition, sellers/producers can directly build or introduce their products to the "world" with "fingers" through the digital economy. One of the sharia economic activities is promotion through digital media, this is categorized as an activity that is relatively affordable and has a very large effect if it can be managed properly, this is one of the reasons why promotion through digital media can have a significant influence on the challenges of the future of the sharia economy. One of the challenges of promotion is interesting content to get the attention of buyers/consumers. This is one of the challenges for the sharia economy, how to make consumers/society interested in carrying out sharia economic activities, be it sharia entrepreneurship or through sharia banking. Another challenge of the Sharia economy is that Sharia banking and/or Sharia entrepreneurship must be able to prove that the economic activities carried out are equivalent to the transactions that have been carried out, therefore the quality of goods becomes urgent so that Muslim consumers do not feel cheated or disappointed. This is very important because in this digital economic system the physical form of the product is direct and real, buyers/consumers cannot see and know it. By utilizing the potential of this digital technology, the Sharia economy has a great opportunity to continue to grow and make a significant contribution to the welfare of society at large (Kasidi, 2020).

1. **Sharia-Based Crowdfunding.** Crowdfunding, or collective financing, has become one of the main instruments in supporting entrepreneurship and projects in need of funding. In the context of the sharia economy, sharia-based crowdfunding offers an approach that is by sharia principles, such as the prohibition of usury and fairness in profit sharing.
2. **Sharia Financial Platform.** The sharia financial platform is one of the important innovations in expanding access to financial services that are in accordance with sharia principles. Through this platform, individuals and businesses can access

various sharia financial products and services, such as savings, loans, and investments.

3. Financial Technology Innovations that Meet Sharia Principles. Financial technology innovations, such as blockchain and artificial intelligence (AI), can also be utilized in the development of the sharia economy. Blockchain technology, for example, can be used to increase transparency and accountability in sharia financial transactions, while AI can be used for risk analysis and better decision-making.

In conclusion, digital technology offers great opportunities in developing the sharia economy in a more inclusive, equitable, and sustainable way. Through sharia-based crowdfunding, sharia financial platforms, and other financial technology innovations, the sharia economy can be more accessible to the wider community and provide greater benefits for social and economic welfare. Therefore, it is important for the government, financial institutions, and other stakeholders to continue to support the development of digital technology in the sharia economy through sustainable policies, investments, and collaborations.

## CONCLUSIONS

Digital technology has brought significant changes in the development of the sharia economy, creating new opportunities that can expand access and inclusiveness of sharia-based financial services. With the emergence of sharia fintech, crowdfunding platforms, and blockchain technology, the sharia economy can offer more efficient and transparent solutions. These innovations allow individuals and businesses to more easily access financial products and services that are in accordance with sharia principles, which in turn can support equitable and sustainable economic growth. To maximize this potential, supportive strategies and policies are needed. The government, financial institutions, and other stakeholders must continue to collaborate in developing adequate digital infrastructure and conducting educational campaigns to improve sharia financial literacy among the community.

## REFERENCES

- Alvin Edgar Permana, D. (2021). Analisis Transaksi Belanja Online pada Masa Pandemi Covid-19. *Jurnal At-Tamwil: Kajian Ekonomi Syariah*, 03(02).
- Ayu Sukreni Hakim. (2024). Pengembangan Ekonomi Syariah : Tantangan dan Peluang di Era Digital. *Jurnal Rumpun Manajemen Dan Ekonomi*, 01(03).
- Dhani Gunawan Idat. (2019). Memanfaatkan Era Ekonomi Digital untuk Memperkuat Ketahanan Nasional. *Jurnal Kajian Lemhannas RI*, 38.
- Fuadi, E. S. (2021). *Ekonomi Syariah*. Yayasan Kita Menulis.
- Hasan, Z. (2020). Distribution Of Zakat Funds To Achieve SDGs Through Poverty Alleviation In Baznas Republic Of Indonesia. *AZKA International Journal of Zakat & Social Finance*, 1(1), 25–43. <https://doi.org/10.51377/azjaf.vol1no01.7>
- Imma Rokhmatul Aysa. (2021). Tantangan Transformasi Digital Bagi Kemajuan Perekonomian Indonesia Challenges of Digital Transformation for Indonesia's Economic Progress. *Jurnal At-Tamwil: Kajian Ekonomi Syariah*, 03(02).
- Kasidi. (2020). Tantangan Kewirausahaan di Era Ekonomi Digital. *Journal of Economic Education and Entrepreneurship*, 01(1).
- Kominfo. (2019). *Perkembangan Ekonomi Digital di Indonesia Strategi dan Sektor Potensial*. Pusat Penelitian dan Pengembangan Aplikasi dan Informasi dan Komunikasi

Publik Badan Penelitian dan Pengembangan SDM Kominfo.

Nidya Waras S. (2018). Tantangan Perkembangan Ekonomi Digital di Indonesia. *Info Singkat*, X(05).

Shinta Maharani. (n.d.). Ekonomi Digital: Peluang Dan Tantangan Masa Depan Terhadap Ekonomi Syariah Di Indonesia. *Conference on Islamic Studies*.

Soemarwoto, S. (2020). Pemantapan Ekonomi Digital Guna Meningkatkan Ketahanan Nasional. *Jurnal Kajian Lemhannas RI*, 41.

Yuliyani. (2015). Konsep dan Peran Strategis Ekonomi Syariah Terhadap Isu Kemiskinan. *Iqtishadia*, 08(1).