
ANALYSIS OF MSME DEVELOPMENT THROUGH E-COMMERCE REVIEW OF MAQASID SYARIAH (CASE STUDY IN MEDAN CITY)

Rofilla Salsabila¹, Nurbaiti², Khairina Tambunan³

¹ Faculty of Islamic Economics and Business, North Sumatra State Islamic University, Jl. William Iskandar Ps. V, Deli Serdang Regency, North Sumatra 20371, Indonesia, rofilasalsabila17@gmail.com

² Faculty of Islamic Economics and Business, North Sumatra State Islamic University, Jl. William Iskandar Ps. V, Deli Serdang Regency, North Sumatra 20371, Indonesia, nurbaiti@uinsu.ac.id

³ Faculty of Islamic Economics and Business, North Sumatra State Islamic University, Jl. William Iskandar Ps. V, Deli Serdang Regency, North Sumatra 20371, Indonesia, khairinatambunan@uinsu.ac.id

Abstract

This study aims to analyze the development of Micro, Small, and Medium Enterprises (MSMEs) through e-commerce in the context of maqasid syariah, with a case study in the city of Medan. The study employs a qualitative method, with the research location in the city of Medan. The findings indicate that e-commerce significantly contributes to the development of MSMEs, particularly in developing MSMEs on e-commerce platforms that align with the principles of maqasid syariah. Some challenges faced by MSMEs in adopting e-commerce include limited digital literacy, inadequate technological infrastructure, insufficient capital, and intense competition in the online market. Therefore, future research could address these limitations by expanding the sample size and research area, as well as conducting a more in-depth examination of effective e-commerce strategies and business models for MSMEs.

Keywords: MSMEs, E-Commerce, Business Development, Maqasid Syariah, Medan

INTRODUCTION

The existence of MSMEs is undeniable due to their ability to function and drive the economy, especially during economic crises. One economic sector that plays a crucial role in regional and national growth is micro, small, and medium enterprises (MSMEs). In addition to employing many people, MSMEs also support economic equality and contribute to Gross Domestic Product (GDP). The expansion of MSMEs can be an important indicator of local economic dynamics within the framework of regional development. By managing MSMEs, individual entrepreneurs can express their creativity and innovation. They can produce unique products and specific services, creating a strong business identity in the market. Meanwhile, the government provides various programs and incentives to support MSME growth, such as skills training, access to financing, and guidance in business management.

The development of MSMEs in Indonesia shows a positive trend, with the number of entrepreneurs continuing to increase, reaching approximately 66 million by 2023. MSMEs contribute 61% to Indonesia's GDP, making them a vital pillar of the national economy.

Medan is one of the cities in Indonesia that shows significant potential for MSME growth. Medan has developed into a cultural, educational, and commercial hub. In this regard, Medan's MSMEs are not only small businesses but also significant contributors to the local economy (Bunga, 2017). A total of 38,343 micro, small, and medium enterprises (MSMEs) were registered in the Medan City MSME Data Management Information System (SIMDAKOP) application at the end of 2022. The vitality and diversity of the MSME sector in Medan's economy are reflected in this figure. Meanwhile, 1,825 MSMEs have registered as assisted MSMEs. The Medan City Government's Goods/Services Procurement Program is another way the Medan City Government actively supports MSME participants. To help them access the local procurement market, authorities have provided professional assistance to 156 MSME companies. In addition to providing more business options for MSMEs, this assistance encourages collaboration between the public and private sectors, driving local economic growth.

Business digitalization is becoming increasingly important with technological advancements, especially for Micro, Small, and Medium Enterprises (MSMEs). E-commerce is one of the most relevant types of digitalization for MSMEs. However, not all MSMEs are able or willing to utilize this technology. E-commerce makes it easy for customers to shop from the comfort of their own homes or from any location with internet access (Ismanto et al., 2019). In e-commerce, customers can browse and select products from various sellers or online stores, compare prices, read product reviews, and make payments securely using electronic payment methods. Furthermore, e-commerce provides businesses with the opportunity to reduce operational costs, increase brand awareness, and reach a wider audience by eliminating the need for a physical location.

Approximately 21.8 million MSMEs in Indonesia have utilized e-commerce as a sales and marketing platform. This represents approximately 33.98% of the total number of MSMEs in Indonesia. The Indonesian government is targeting 30 million MSMEs going digital by 2024, demonstrating its continued efforts to encourage e-commerce adoption among MSMEs. Data on MSMEs in Medan City that have used e-commerce is not yet publicly available in a single, centralized database.

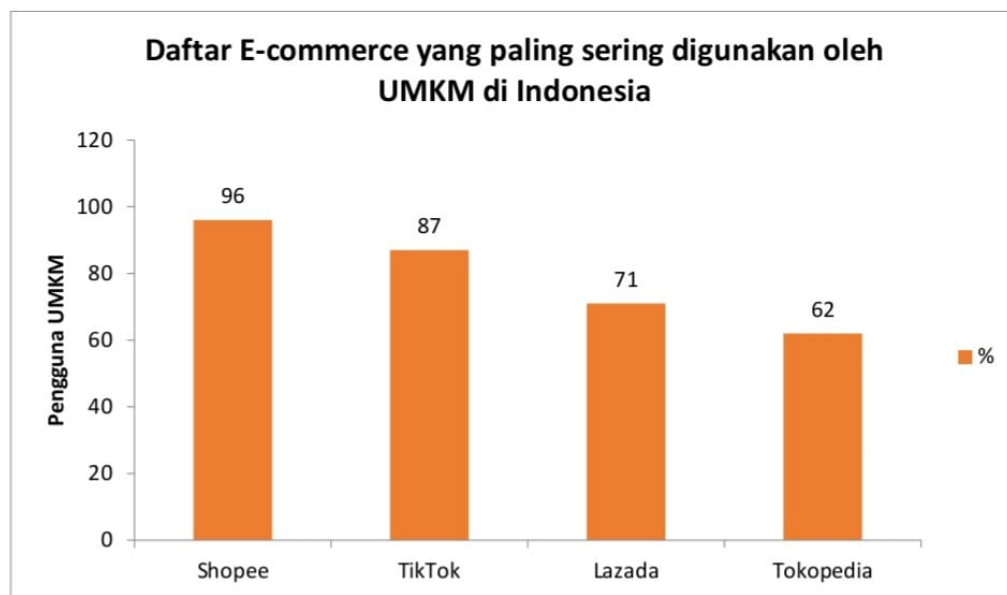


Figure 1. List of E-Commerce Platforms Most Frequently Used by MSMEs in 2024

Source: cnb Indonesia 2024

Based on the diagram, with a utilization rate of 96%, Shopee is the most popular e-commerce platform among MSMEs in Indonesia. TikTok is in second place with 87% of users, followed by Lazada with 71% and Tokopedia with 62%. This indicates that although MSMEs in Indonesia generally choose different e-commerce platforms, Shopee maintains its top position. This is because it is a representative data summary that guarantees the highest level of external validity, contributing to scientific analysis and data economics (Waldmann, 2024).

MSMEs play a crucial role in the economic growth of Medan City. They provide local communities, especially those from low-income backgrounds, with access to economic prospects. Furthermore, by introducing distinctive and authentic local products, MSMEs contribute to economic diversification. MSMEs in Medan City have gained access to regional, national, and even international markets through creativity and innovation (Ariza & Aslami, 2021). One of the biggest barriers to using e-commerce is low digital literacy. Digital literacy is more than just the ability to use digital devices. It also encompasses knowledge of cybersecurity, online store management, and bold marketing (Sasmito & Prestianto, 2021).

According to Edi Irawan, digital literacy is the ability of MSMEs to use digital technology and online communication to produce and obtain business information. It is estimated that the use of digital technology can help MSMEs maintain their business continuity while also increasing their productivity, income, and turnover (Irawan, 2023). Despite high levels of internet access, digital literacy encompasses more than just the ability to access the internet. It involves the ability to understand, transmit, and use digital information effectively and ethically. To improve the community's digital literacy skills, the Medan City Government has held several events in collaboration with the National Digital Literacy Movement (GNLD) Siberkreasi and the Ministry of Communication and Informatics (Kemenkominfo).

Many MSMEs still use traditional sales techniques and are unaware of how e-commerce can help them grow their businesses. The availability of technological infrastructure, such as a stable internet connection, supporting devices (smartphones or computers), and access to digital services, remains uneven. MSMEs located in remote areas or with limited resources often struggle to access digital platforms (Hafitasari et al., 2022). Limited digital understanding and literacy are key obstacles. Many MSMEs lack basic skills in managing digital platforms, both technically and strategically. Furthermore, economic factors are also a consideration, as some business owners feel they lack sufficient capital or resources to digitize their businesses. Lack of access to training and supporting infrastructure also pose structural barriers that slow down the adoption of this technology.

The first study, conducted by Ali Mutaufiq et al., entitled "E-Commerce Business Ethics on TikTok from the Perspective of Maqasid Sharia (Case Study of Halal Product Sellers) Vol. 3, No. 3 November 2024," emphasizes the importance of maintaining consumer safety and health. Sellers must commit to providing customers with clear and accurate information about their products, including the origin of raw materials, the manufacturing process, and whether the product is halal certified. This study also emphasizes the importance of improving regulations to support the sustainability of halal businesses, as well as the role of integrity, consumer education, and transparency in business processes. To increase customer trust and ensure their business continuity, sellers are encouraged to use technology wisely and in accordance with the maqasid sharia.

A second study conducted by Lidya Lestari, entitled "Analysis of the Utilization of Digitalization by Muslim MSMEs in Medan City (Viewed from the Maqasid Sharia Perspective) Vol. 5, No. 2 October-December 2023," explains the benefits and challenges faced by Muslim MSMEs in Medan City in terms of digital payments, digital marketing, and digital sales. Muslim MSMEs in Medan City utilize digitalization in various ways, including digital sales through personal websites and applications such as Grabfood, Gofood, and Shopeefood. Digital marketing strategies include the use of social media platforms such as Facebook, Instagram, and TikTok.

Within the framework of the maqasid sharia (Islamic principles), e-commerce is centered on values such as justice, transparency, and ethical business practices that support societal well-being. To achieve the goals of sharia in this context, e-commerce transactions must fulfill three needs: basic needs (al-ḍarurīyāt), secondary needs (al-ḥājīyāt), and tertiary needs (al-taḥsinīyāt). Buying and selling transactions, on the other hand, are muamalah activities included in the maqasid hajiyyat (Islamic principles of good conduct), all of which aim to protect religion (ḥifẓ al-dīn), life (ḥifẓ al-naḥs), intellect (ḥifẓ al-‘aql), posterity (ḥifẓ al-naṣl), and property (ḥifẓ al-māl), which constitute the maqasid dharuriyyat. The verses of the Qur'an that are relevant to e-commerce are Surah Al-Baqarah verse 275 which permits buying and selling and prohibits usury, Surah Al-Baqarah verse 282 which recommends recording debts and receivables in detail to avoid disputes.

Al-Baqarah · Ayat 275

الَّذِينَ يَأْكُلُونَ الرِّبَا لَا يَقُومُونَ إِلَّا كَمَا يَقُومُ الَّذِي يَتَخَبَّطُهُ الشَّيْطَانُ مِنَ الْمَسِّ ذَلِكَ بِأَنَّهُمْ قَالُوا إِنَّمَا الْبَيْعُ مِثْلُ الرِّبَا وَأَحَلَّ اللَّهُ الْبَيْعَ وَحَرَّمَ الرِّبَا فَمَنْ جَاءَهُ مَوْعِظَةٌ مِنْ رَبِّهِ فَانْتَهَى فَلَهُ مَا سَلَفَ وَأَمْرُهُ إِلَى اللَّهِ وَمَنْ عَادَ فَأُولَئِكَ أَصْحَابُ النَّارِ هُمْ فِيهَا خَالِدُونَ ﴿٢٧٥﴾

alladzîna ya'kulûnar-ribâ lâ yaqûmûna illâ kamâ yaqûmulladzî yatakhabbathuhusy-syaithânu minal-mass, dzâlîka bi'annahum qâlû innamal-bai'û mitslur-ribâ, wa aḥallallâhul-bai'a wa ḥarramar-ribâ, fa man jâ'ahû mau'idhatum mir rabbihî fantahâ fa lahû mâ salaf, wa amruhû ilallâh, wa man 'âda fa ulâ'ika ash-ḥâbun-nâr, hum fihâ khâlidûn

Meaning: Those who consume (transact in) usury cannot stand, except as one who staggers because of a devil. This is because they say that buying and selling is the same as usury. But Allah has permitted buying and selling and forbidden usury. Whoever receives a reminder from his Lord (regarding usury), then he desists until what he had previously acquired becomes his own and his affair is with Allah. Whoever repeats (usury transactions), those are the inmates of the Fire, they will abide therein forever.

The purpose of this study is to analyze the development of Micro, Small, and Medium Enterprises (MSMEs) through e-commerce platforms using the maqasid sharia approach in Medan City. Specifically, it analyzes the role of e-commerce as a strategic tool in MSME development, assesses the application of maqasid sharia principles in the business practices of MSMEs operating on e-commerce platforms, and develops strategic recommendations for MSMEs in developing products and services that align with maqasid sharia principles on e-commerce platforms. This framework is expected to serve as a reference for further research and future MSME business practices.

This research makes an important contribution to the development of scientific literature that integrates the concept of the digital economy with the principles of maqasid sharia, particularly in the context of MSME development through e-commerce in Medan City. Theoretically, this study enriches the scientific literature by in-depth examining the principles of maqasid sharia regarding MSMEs within e-commerce platforms. Practically, this research can serve as a basis for consideration for MSMEs, local governments, and other stakeholders in formulating strategies and policies that support the digital transformation of MSMEs to maintain halal and sustainable business continuity.

Business transactions between companies conducted online using faster and more flexible information technology to provide product sales services are referred to as "electronic commerce" or "e-commerce" (Hafitasari et al., 2022). Companies or organizations that can use information technology to develop online systems quickly and effectively are referred to as e-businesses or e-commerce (Fahmi, 2016).

E-commerce has transformed the way people shop and conduct business globally. It has facilitated the expansion of small and medium-sized enterprises, increased accessibility to goods and services, and created new opportunities for international trade. However, e-commerce also has many drawbacks, including concerns about data security, consumer protection, and intense competition. Relevant regulations and laws need to be updated and modified to reflect e-commerce trends and technical advances to protect the interests of all parties (Sukarmi, S., Liemanto, 2020). Indonesia's e-commerce sector has grown rapidly in recent years. More and more people in Indonesia are able to conduct business online thanks to their access to digital devices such as computers, mobile phones, and the internet.

In recent years, the e-commerce industry in Indonesia has grown rapidly. To purchase and sell online, more and more Indonesians have access to digital devices such as computers and smartphones, as well as the internet. One of the main factors driving the expansion of e-commerce in Indonesia is increasing internet penetration (Purwaningwulan et al., 2019). The increasing number of internet users in Indonesia has made it easier for more people to shop online. This is also supported by technological advances that have made internet connections easier to use and more affordable.

E-commerce also provides opportunities for businesses to innovate. By leveraging digital technology, they can improve customer satisfaction, create new business models, and increase operational efficiency. Innovation in e-commerce has the potential to drive local economic growth and improve living standards.

Overall, e-commerce is highly relevant to Islamic economics because it ensures halal transactions, supports the values of fairness and integrity, strengthens the local economy, protects consumers, and encourages innovation. By integrating Islamic values into e-commerce operations, we can build a business ecosystem that adheres to Islamic economic principles and generates long-term financial returns.

The primary objective of Islamic law, known as Maqasid Sharia, is to protect five essential elements to improve societal well-being: preserving religion (*hifdz al-din*), life (*hifdz al-nafs*), reason (*hifdz al-'aql*), progeny (*hifdz al-nasl*), and property (*hifdz al-mal*) (Asy-Syatib) (Ferliadi, 2025). This idea serves as a normative basis for controlling economic activity to generate not only material profits but also long-term social and spiritual benefits.

The application of Maqasid Sharia in the context of MSME development requires micro, small, and medium enterprises to consider sustainability, justice, and the welfare of the wider community in addition to financial gain. For example, MSME development must avoid harmful activities such as fraud, usury, or exploitation, as the principle of *hifdz al-mal* emphasizes the importance of protecting wealth in a halal and appropriate manner (Ferliadi, 2025).

The role of e-commerce in the growth of MSMEs can be seen as a contemporary application of the maqasid sharia, particularly regarding the *hifdz al-mal* (obligatory provision of goods and services) and *hifdz al-nafs* (obligatory provision of rights and services). MSME owners can increase market access, improve transaction efficiency, and distribute products more fairly and transparently through e-commerce. Thus, through ease, security, and fairness in transactions, e-commerce promotes asset protection and the well-being of customers and business owners (Wahyuni et al., 2023).

Despite e-commerce's numerous advantages, there are obstacles to the practical implementation of maqasid sharia, including unfamiliarity with sharia principles among micro, small, and medium enterprises (MSMEs), a lack of regulations that take Islamic values into account, and the need for efficient oversight to ensure fair and halal transactions (Wahyuni et al., 2023). Therefore, to create policies and procedures that support sharia objectives, collaboration between the government, companies, and religious organizations is crucial.

RESEARCH METHODS

This study used a qualitative method, located in Medan City, focusing on MSMEs that have implemented e-commerce as a means of business development. The subjects were MSMEs that actively use e-commerce platforms and have experience in digital business development. Based on the pre-research, several MSMEs that actively use e-commerce were identified, as follows:

Nama UMKM	Durasi Penggunaan E-Commerce	Nama E-Commerce
Pisang Crispy Mas Jeff	2020-Sekarang	ShopeeFood, GoFood, GrabFood
Kebab Mustafa	2022-Sekarang	GoFood, GrabFood
Bika Ambon Zulaikha	2021-Sekarang	GrabFood
Nielsen Fashion	2023-Sekarang	Shopee
Hawa Hijab Fashion	2021-Sekarang	Shopee
Babe Snack Medan	2023-Sekarang	GrabFood, ShopeeFood, GoFood, Tiktok Shop
Kusuma Kilau Packindo	2023-Sekarang	Tiktok Shop, Tokopedia, Shopee
Susuqu Indonesia	2020-Sekarang	TikTok Shop
Nagih Skuy.id	2020-Sekarang	GoFood, GrabFood, ShopeeFood
Bubuk Minuman Medan	2020-Sekarang	Shopee, Tokopedia

Source: Research Results Framework

Based on Imam Ghazali's theory of maqasid sharia, the researchers posed the following questions to the interviewees:

1. How can MSMEs ensure that their e-commerce business practices align with maqasid sharia?
2. What are the risks faced by MSMEs in running an e-commerce business that aligns with maqasid sharia?
3. How can MSMEs apply maqasid sharia principles in developing products sold on e-commerce platforms?

4. How can training to increase employee awareness influence product innovation and competitiveness in e-commerce that aligns with maqasid sharia principles?
5. How can MSMEs contribute to the education and development of the younger generation through the products and services they offer that align with maqasid sharia?

RESULT AND DISCUSSION

Overview of Maqasid Sharia: Hifz al-Din Aspect

One of the primary objectives of Maqasid Sharia, which emphasizes the importance of preserving and protecting Islamic teachings and practices, is hifz al-din (preserving religion). There are several ways to integrate hifz al-din into daily life, including institutional, social, and individual aspects. Religious education is an essential first step in implementing hifz al-din, encompassing formal education in Islamic schools as well as informal education at home and in the community. Performing acts of worship not only strengthens an individual's relationship with Allah but also serves as a reminder of religious obligations. Practicing values such as honesty, justice, and compassion reflect an individual's ethical and moral behavior in social interactions. By integrating these principles into daily life, individuals can not only maintain their faith but also contribute to the overall well-being of society.

The implementation of hifz al-din is particularly important in the context of Micro, Small, and Medium Enterprises (MSMEs) to ensure that business operations are not only financially profitable but also compliant with Sharia principles. MSMEs must adopt business ethics in accordance with Islamic teachings, including honesty in transactions, price transparency, and avoiding fraud. MSMEs not only maintain their integrity but also build trust among consumers. Micro, Small, and Medium Enterprises (MSMEs) need to ensure that their products are high-quality and halal. This includes production methods and raw materials used, both of which must comply with Sharia principles. Technology now helps MSMEs launch their products on a large scale. Digital platforms and social media can be used by MSMEs to provide customers with easy access to information about the goods they purchase.

Based on interviews, a number of MSMEs have used e-commerce to develop their businesses. MSMEs can ensure that the products they offer on e-commerce sites comply with halal principles. As stated in the following interview: "As an MSME, I definitely ensure that the products I sell meet halal standards, both in terms of raw materials and the production process. Because some of my buyers are Muslim, I must be very careful in sourcing materials and the manufacturing process so that buyers trust my business."

Overview of Maqasid Sharia Aspects of Hifz Al-Nafs

Hifz al-nafs focuses on protecting human life and soul. It encompasses efforts to protect individuals from all forms of threats that could endanger their lives, both physically and mentally. To ensure that people can live safely, healthily, and prosperously, hifz al-nafs must be implemented in daily life. In everyday life, physical health not only improves one's quality of life but also makes it easier for people to fulfill their social and religious obligations. Hifz al-nafs also encompasses protecting one's emotional and mental health. People need to manage stress, anxiety, and depression. Prayer, remembrance of Allah, and reading the Quran can help people feel calmer. Building healthy relationships with friends, family, and the community can also create a positive atmosphere and provide important social support.

In the context of MSMEs, implementing hifz al-nafs is crucial to ensure that business practices are not only financially profitable but also contribute to the well-being of individuals and society. MSMEs must prioritize the health and well-being of their employees, including providing a safe work environment, health facilities, and welfare programs to maintain their physical and mental health. Consumer protection is also crucial, including providing clear product information, halal certification, and product testing. This is expected to ensure integrity, quality products, and transparency in transactions.

Based on interviews with informants who already use e-commerce as their sales medium, the researcher presented the following: "Sometimes I don't understand Sharia principles, because I only know about buying halal ingredients and clean production methods. But there are some people who don't trust our products, especially on Shopee and GoFood. That's the difficult part: how can consumers trust our products? I hope we, as MSMEs, receive training and support from the government regarding these Sharia principles."

The types of advice and guidance that can be provided include advice and guidance in technology, accounting, management, planning, and entrepreneurship (Wasis, 2015). MSMEs can transcend national borders and access larger markets, including international ones. This allows them to compete with larger companies in the global marketplace. Furthermore, e-commerce allows MSMEs to respond to customer needs more quickly, easily, and efficiently, providing customers with additional options.

Overview of Maqasid Sharia: Hifz Al-Aql

Hifz al-aql, meaning the protection of the mind, is one of the main objectives of Maqasid Sharia, focusing on preserving and protecting the human mind. Hifz al-aql is crucial in daily life, both individually and within MSMEs. MSMEs are expected to continuously learn and improve their knowledge through formal and informal education on Islamic values and ethics. A positive social environment can support and motivate positive thinking. Family, friends, and the community play a crucial role in creating a

conducive atmosphere for mental and emotional growth. MSMEs need to provide relevant training to improve employee skills and knowledge. This not only increases productivity but also empowers employees to think critically and innovatively to create quality products and services. This is important for MSMEs to compete in an increasingly competitive market.

Based on interviews, MSMEs often have business principles regarding their sales. Here's the interview: "To continue selling, we definitely have to implement environmentally and socially friendly business principles, sis. Because the environment is also part of our responsibility as human beings." Because they have more time and resources to develop more innovative products, services, and marketing strategies, MSMEs will become more competitive in the market. As a result, MSMEs have been able to grow and thrive in today's digital age thanks to the commercial efficiencies brought by e-commerce.

Overview of Maqasid Sharia: Hifz Al-Nasl

Hifz al-nasl, meaning protection of descendants and future generations, is one of the objectives of Maqasid Sharia, encompassing efforts to ensure that future generations can live well, receive a good education, and be protected from negative influences that can damage morals and ethics. Parents' duty is to instill moral principles, Islamic teachings, ethical behavior, and the importance of worship in their children. Character education, which shapes a child's personality, is as important as academic education in quality education. By building a strong spiritual foundation, future generations will be better able to face life's challenges and maintain their identity as Muslims. Within MSMEs, hifz al-nasl can be achieved through corporate social responsibility (CSR). MSMEs must contribute to the welfare of society by supporting educational, health, and environmental programs. By investing in the community, MSMEs not only protect future generations but also create a broader positive impact.

According to interviews, several micro, small, and medium enterprises (MSMEs) have brand awareness when registering their businesses on e-commerce platforms. The interview results are as follows: "When I registered this business on Shopee, GoFood, and GrabFood, I saw many opportunities from a wider customer reach than offline sales. It's more well-known, sis."

Increasing brand awareness can also be seen as an effort to build a good reputation among consumers. MSMEs with well-known brands not only attract more customers but also contribute to the advancement of society by providing high-quality goods and services. MSMEs (Micro, Small, and Medium Enterprises) have the ability to showcase their goods and services to potential customers worldwide through their online marketplace platforms. The various promotional opportunities offered by e-commerce

platforms, such as affiliate programs, product promotions, and paid advertising, can help MSMEs increase their brand awareness amidst competition from larger competitors.

Customers may become more aware of the brand and develop a consistent brand identity as a result of these marketing campaigns (Sudirjo et al., 2023). Furthermore, interacting with customers through e-commerce platforms—for example, by providing product reviews and quick answers to questions—can strengthen the relationship between companies and customers. Factors that continue to increase in terms of both quantity and quality will ultimately increase a country's ability to produce products and services (Imsar, Nurhayati, & Harahap, 2023).

E-commerce has provided significant benefits for micro, small, and medium enterprises (MSMEs), particularly in expanding their market reach. Before the widespread adoption of e-commerce, MSMEs were often limited to local or regional markets. However, the emergence of e-commerce platforms has enabled MSMEs to reach customers nationwide and even abroad (Darmastuti et al., 2023).

Overview of Maqasid Sharia: Hifz al-Mal Aspect

Hifz al-Mal refers to the protection of property and wealth. Protecting property is considered essential to ensure that individuals and communities can manage their resources effectively and avoid waste and practices that harm their wealth. This includes avoiding unnecessary purchases and avoiding unproductive spending. Individuals can ensure they have enough money to cover current expenses and save for the future by implementing prudent financial management.

Efficient financial management for MSMEs requires accurate financial reporting, cost analysis, and cash flow monitoring. MSMEs can protect their assets and have a broader positive impact by implementing corporate social responsibility (CSR), which includes allocating a percentage of their profits to environmental, social, and educational initiatives. Through honesty, integrity, and transparency in every transaction, the application of business ethics also helps build a positive reputation among the community and customers.

MSMEs that use e-commerce tend to be more efficient than those that don't, according to interviews. The interview results are as follows: "We also registered this shop on Shopee, because e-commerce, or online shopping, helps businesses like our shop. Many orders also come from outside the city, so using e-commerce is efficient nowadays. Besides, many people don't want to leave the house, so they can just open their phones and order from home."

E-commerce can help MSMEs manage their businesses more efficiently. Online transactions reduce reliance on complicated manual processes and increase the speed and efficiency of the buying and selling process (Alwendi, 2020).

By leveraging data and research provided by e-commerce platforms, MSMEs can also analyze consumer behavior, product preferences, and market trends more accurately. This helps them make more strategic and informed decisions regarding marketing and product development. By implementing e-commerce effectively, businesses can thrive in an increasingly competitive market while also helping them adapt to the dynamics and changes of the contemporary digital era.

Research Discussion

MSME Development Through E-Commerce Maqasid Sharia in Medan City

Islamic law permits the growth of MSMEs through e-commerce, as it offers various benefits, in accordance with the maqasid sharia. Regarding Hifz Al-Din (preserving religion), Islam instructs us to maintain freedom of worship without interference in order to maintain equality for all. There is no distinction in the services or goods offered in e-commerce, as this allows MSMEs to access a wider market by providing halal goods, thus meeting the demands of Muslim customers. Based on research interview findings by Sri Wahyuni (2023), MSMEs must ensure that all products sold on e-commerce platforms meet halal standards to meet the needs of Muslim consumers and maintain religious integrity. This is because consumers can trust the products sold (Wahyuni, Asmuni, & Anggraini, 2023). E-commerce sales that meet halal standards, transparent and honest business practices are crucial for building consumer trust. MSMEs must provide clear product information, including pricing, specifications, and return policies.

Second, Hifz Al-Nafs (protection of life). This relates to inalienable human rights, such as the right to life. Provisions relating to goods sold in an e-commerce context demonstrate the protection of the right to life. MSMEs can contribute to the protection of life by providing products and services that support public health and well-being. Through e-commerce, MSMEs can offer health products, nutritious food, and easily accessible healthcare services. Provisions relating to products sold online include a prohibition on the sale of illegal drugs, potentially life-threatening sharp objects, explosives, or products capable of spontaneous combustion, as well as other goods prohibited for sale in Indonesia under applicable Indonesian laws and regulations. Based on research interview findings from Ary Dean Amry et al. (2024), one of the biggest risks is compliance with applicable regulations, including halal certification and e-commerce regulations. MSMEs often have to compete with large companies and well-known e-commerce platforms. This presents challenges in terms of price, product quality, and innovation. If they cannot meet consumer expectations regarding halal products or ethical

business practices, they risk losing customer trust (Dean Amry et al., 2024). The types of guidance and training that can be provided to MSMEs to understand sharia sales and training in caring for the health and well-being of their employees, including providing a safe work environment and facilities to maintain employee physical and mental health. Government support for this training and guidance is also essential.

Third, *Hifz Al-Aql* (protecting the mind), which is the source of thinking and knowledge, is what distinguishes humans from other creatures. In the context of MSMEs, protecting the mind can be realized through education and training provided to employees. In e-commerce, this protection of the mind can also be used as a platform to provide access to relevant information and knowledge. By improving digital literacy and business knowledge, MSMEs can operate more efficiently and innovatively. Based on research interview findings from Ulfa Maria et al. (2022), good training can increase employee motivation and engagement. When employees feel they have the skills and knowledge necessary to contribute, they are more motivated to innovate and give their best. Engaged employees tend to be more proactive in seeking ways to improve products and services (Ulfa Maria, 2022). As MSMEs, it is necessary to provide relevant training to improve employee skills and knowledge. This not only increases productivity but also empowers employees to think critically and innovatively to create good products and services. They must implement environmentally and socially friendly business principles. The program should also seek to determine the function and influence of advice, guidance, and mentoring provided by the Indonesian Ministry of Cooperatives and Small and Medium Enterprises in improving the performance of MSMEs (Ichsan, Syahbudi, & Nst, 2023).

Fourth, *Hifz Al-Nasl* (Protection of Offspring) MSMEs can contribute to the protection of offspring by providing products and services that support children's education and development. Through e-commerce, MSMEs can offer books, educational tools, and services that support child development. This will create a brighter future for future generations. Based on research interview findings by Ary Dean Amry et al. (2024), many MSMEs hold training programs and workshops for the younger generation. This can include technical skills training, entrepreneurship training, or soft skills development. By providing this training, MSMEs not only help the younger generation acquire skills needed in the job market but also encourage them to become independent entrepreneurs (Dean Amry et al., 2024). This opportunity is evident from a wider customer reach than offline. Increasing brand awareness can also be seen as an effort to build a good reputation among consumers. When MSMEs have a well-known brand, they not only attract more customers but also contribute to the welfare of society by providing quality products and services.

Fifth, *Hifz Al-Mal* (protection of wealth) in the context of MSMEs can be achieved through efficient financial management and the implementation of good business ethics. MSMEs have the opportunity to increase revenue and optimize cost

control through e-commerce. MSMEs can increase competitiveness and reach a wider market by utilizing digital platforms. Based on the results of an interview study by Raaken Danendra et al. (2025), to understand the needs and preferences of their customers, MSMEs must conduct market research. MSMEs can create unique and practical products by understanding community needs. MSMEs should avoid using dishonest and misleading marketing strategies. Product information must be presented in an easily understood and transparent manner (Raaken Danendra A W, Silvana Purbawanti, & Zella Fathona Aska, 2025). MSMEs can better understand consumer behavior and industry trends by leveraging the data and analytics provided by e-commerce platforms. Effective e-commerce implementation thus enables businesses to thrive in an increasingly competitive marketplace.

One of the problems frequently encountered in e-commerce development is the low level of digital literacy among micro, small, and medium enterprises (MSMEs). These challenges include a lack of knowledge about information and communication technology and an inability to utilize e-commerce platforms. Some MSMEs may still have limited understanding of digital technology and internet usage, making them uncomfortable or difficult to manage online stores or conduct electronic transactions (Mualfah et al., 2023).

Technological infrastructure includes internet networks, the availability of digital devices, signal quality, a stable electricity supply, and other digital system support. These infrastructure limitations directly impact the effectiveness of MSMEs' e-commerce utilization. For example, slow or unstable internet connections make it difficult for MSMEs to access digital platforms, update product catalogs, respond to orders, or optimally utilize digital payment services (Widjaya et al., 2025). Competition among Micro, Small, and Medium Enterprises (MSMEs) in e-commerce development is fierce. As more businesses shift to online platforms, competition in the e-commerce sector is intensifying (Fadhillah & Yuniarti, 2023). Large companies with extensive resources and well-known brands often compete with MSMEs.

CONCLUSION

When combined with the concept of maqasid sharia, the growth of MSMEs through e-commerce has offered significant potential to enhance the sustainability and competitiveness of companies. For MSMEs, e-commerce has become a highly successful way to increase market access and reach a wider customer segment. To optimally utilize e-commerce, MSMEs must overcome several barriers, according to the survey, including a lack of digital literacy, inadequate technological infrastructure, a lack of capital, and intense competition. Researchers offer several solutions to these challenges, including improving technological infrastructure, providing funding, opening online marketplaces, and providing e-commerce education and training. It is important to note that this study has limitations, including a limited sample size and regional focus. Future studies can address these limitations by expanding the sample size and research area, as well as delving deeper into effective e-commerce strategies and business models for MSMEs.

Therefore, further studies are expected to provide more relevant insights for the success of MSMEs in the e-commerce era.

BIBLIOGRAPHY

- Al Farisi, S., Iqbal Fasa, M., & Suharto. (2022). Peran Umkm (Usaha Mikro Kecil Menengah) Dalam Meningkatkan Kesejahteraan Masyarakat. *Jurnal Dinamika Ekonomi Syariah*, 9(1), 73–84. <https://doi.org/10.53429/jdes.v9ino.1.307>
- Alwendi, A. (2020). Penerapan E-Commerce Dalam Meningkatkan. *Manajemen Bisnis*, 17(3), 317–325. <http://journal.undiknas.ac.id/index.php/magister-manajemen/>
- Ariza, R. A., & Aslami, N. (2021). Analisis Strategi Pemasaran Usaha Mikro Kecil dan Menengah (UMKM) pada Era Digital di Kota Medan. *VISA: Journal of Vision and Ideas*, 1(2), 188–194. <https://doi.org/10.47467/visa.v1i2.834>
- Bunga, A. (2017). Pengaruh Inovasi dan Kreativitas Terhadap Kepuasan Konsumen Pada UMKM di Kota Medan. *JURNAL Manajemen Tools*, 7(1), 1–9.
- Darmastuti, S., Juned, M., Saraswati, D. P., Utami, R. A. A., & Raharjo, P. (2023). Peluang Dan Tantangan UMKM Di Indonesia Dalam Perkembangan e-Commerce: Studi Perbandingan Dengan UMKM Di Negara-negara ASEAN. *Sosio Dialektika*, 8(1), 42. <https://doi.org/10.31942/sd.v8i1.8786>
- Dean Amry, A., Mutia, T., Tania Anggun Lestari, L., Riqqa Nabila, D., Afrilian, B., Islam, E., ... Darat, M. K. (2024). Tantangan dan Peluang Etika Bisnis Islam Dalam Strategi Pemasaran Pengusaha Muslim Kota Jambi Di Era Digitalisasi Challenges and Oppotrunities Of Islamic Bussines Ethics In The Marketing Strategy Of Muslim Enterprenues In The City Of Jambi In The Era Of Digitalization. *Jurnal Ekonomi Syariah Dan Bisnis*, 7(2), 196–202. <https://doi.org/10.31949/maro.v7i2.9675>
- Fadhillah, P., & Yuniarti, A. (2023). Pemberdayaan UMKM: Melihat Peluang Bisnis UMKM di Era Digital di Desa Ujunge Kecamatan Tanasitolo Kabupaten Wajo. *Jurnal Pengabdian Masyarakat Dan Riset ...*, 2(1), 291–298. <http://jerkin.org/index.php/jerkin/article/view/176%0Ahttps://jerkin.org/index.php/jerkin/articl e/download/176/111>
- Fahmi, I. (2016). *Pengantar Manajemen Keuangan: Teori dan Soal Jawab*. Bandung: CV Alfabeta.
- Ferliadi, A. S. (2025). Izin Usaha E-Commerce di Indonesia Perspektif Maqashid Syariah. 6(2), 327–347.
- Hafitasari, I. A., Adzani, D. A., & Mafruhah, A. Y. (2022). Analisis Hubungan E-Commerce terhadap UMKM di Indonesia. *Jurnal Dinamika Ekonomi Pembangunan*, 5(2), 95–105. <https://doi.org/10.33005/jdep.v5i2.401>
- Ichsan, R. N., Syahbudi, M., & Nst, V. F. H. (2023). Development of Islamic Human Resource Management in The Digital Era For MSMEs and

- Cooperatives in Indonesia. *IQTISHODUNA: Jurnal Ekonomi Islam*, 12(2), 497–512. <https://doi.org/10.54471/iqtishoduna.v12i2.2336>
- Imsar, Nurhayati, & Harahap, I. (2023). Analysis of Digital Education Interactions , Education Openness , Islamic Human Development Index (I-HDI) and Indonesia ' s GDE Growth. *Edukasi Islami: Jurnal Pendidikan Islam*, 12(01), 753–772. <https://doi.org/10.30868/ei.v12i01.4265>
- Irawan, E. (2023). Literature Review : Literasi Digital , Literasi Ekonomi , Dan Inovasi Bisnis Mempengaruhi Manajemen Strategi Pemasaran Usaha Mikro Kecil Menengah, 1(4).
- Ismanto, L., Ar, H. S., Fajar, A. N., Sfenrianto, & Bachtiar, S. (2019). Blockchain as E-Commerce Platform in Indonesia. *Journal of Physics: Conference Series*, 1179(1). <https://doi.org/10.1088/1742-6596/1179/1/012114>
- Mualfah, D., Malindo, Q., Gunawan, S., Zacki, M. S., & Novia5, S. O. (2023). Revolusi Digital Dalam Meningkatkan Sosial Branding Dan Pemasaran Kerajinan Rotan Untuk Kesejahteraan Umkm Di Kelurahan Meranti Pandak. *Jurnal Pengabdian UntukMu NegeRI*, 7(2), 211–220. <https://doi.org/10.37859/jpumri.v7i2.5763>
- Nurbaiti, N., Asmuni, A., Soemitra, A., Imsar, I., & Aisyah, S. (2023). Behavior analysis of MSMEs in Indonesia using fintech lending comparative study between sharia fintech lending and conventional fintech lending. 9(4), 92–99.
- Purwaningwulan, M. M., Suryana, A., Wahyudin, U., & Dida, S. (2019). Digital Commons University of Nebraska-Lincoln Creative Innovation Online Relationship Marketing Isslamic Fashion E-Commerce in Indoneisa. <https://digitalcommons.unl.edu/libphilprac>
- Raaken Danendra A W, Silvana Purbawanti, & Zella Fathona Aska. (2025). Peran E-Commerce dalam Meningkatkan Peluang bagi UMKM di Indonesia. *Jurnal Ekonomi, Akuntansi, Dan Perpajakan*, 2(1), 103–109. <https://doi.org/10.61132/jeap.v2i1.794>
- Sasmito, Y. W. D., & Prestianto, B. (2021). Analisis Tingkat Literasi Digital Dan Penerapan E-Commerce Pada Usaha Mikro Kecil Dan Menengah Di Kota Semarang. *Jurnal Ekonomi, Manajemen Akuntansi Dan Perpajakan (Jemap)*, 4(1), 145. <https://doi.org/10.24167/jemap.v4i1.3148>
- Sudirjo, F., Purwati, T., Budiman, Y. U., Jagakarsa, U. T., & Brawijaya, U. (2023). Analisis Dampak Strategi Pemasaran Digital dalam Meningkatkan Loyalitas Pelanggan : Perspektif Industri E-commerce. 7, 7524–7532.
- Sukarmi, S, Liemanto, A. (2020). Emerging Issues of Unfair Competition in Indonesia's E- Commerce Market. *Intellectual Economics*, 14(2), 36–49.
- Ulfa Maria, R. S. N. (2022). Manajemen Keuangan Usaha Mikro Kecil Dan Menengah Untuk Meningkatkan Akuntabilitas Pada Usaha Gula Merah Di Dusun Setono Pundung, Desa Ngadi, Kecamatan Mojo,Kabupaten Kediri, 2, 220–234.

-
- Wahyuni, S., Asmuni, A., & Anggraini, T. (2023). Analisis maqashid dan masalah transaksi e-commerce di Indonesia. *Jurnal Riset Pendidikan Ekonomi*, 8(2), 124–133. <https://doi.org/10.21067/jrpe.v8i2.8703>
- Waldmann, F. (2024). Prediction of Cart Abandonment Using Clickstream data in online shopping. Retrieved from <https://arno.uvt.nl/show.cgi?fid=182449>
- Wasis, G. (2015). Pengembangan Kewirausahaan Usaha Mikro, Kecil Dan Menengah Melalui Inkubator Bisnis. *Jurnal Ilmiah M-Progress*, 8(1). <https://doi.org/10.35968/m-pu.v8i1.185>
- Widjaya, M. A., Fasa, M. I., Syariah, P., Islam, U., Raden, N., Lampung, I., Islam, U., Raden, N., Lampung, I., Artikel, I., Economy, D., & Growth, E. (2025). *Jurnal Bersama Ilmu Ekonomi Analisis Peran E-commerce dalam Mendorong Pertumbuhan Ekonomi Digital di Indonesia*. 1(2), 96–102. <https://doi.org/10.55123/ekonom.v1i2.60>