

Beyond Digital: Bringing Technology and Value Together in Sharia Fintech

¹ Frida Yanti Sirait

¹Faculty of Islamic Studies, Universitas Muhammadiyah Sumatera Utara

*fridasirait9@gmail.com

ABSTRACT

The digital transformation that has taken place in the last decade has changed the face of the global financial system as a whole. Financial technology or fintech has opened up new spaces for financial inclusion, especially for people who were previously unreached by formal financial services. In the context of Muslim society, the presence of sharia fintech is very important because it offers financial services that are not only innovative, but also in line with Islamic values. This research aims to examine in depth how sharia fintech plays a role in answering the challenges of financial inclusion based on Islamic values in the digital economy era. The qualitative approach was used by the method of literature study and in-depth interviews with industry players, academics, and users of sharia fintech. The results of the study show that sharia fintech is not only a technological solution, but also a value movement that brings the spirit of justice, transparency, and blessings in modern financial practices. This study concludes that the success of sharia fintech in expanding financial inclusion depends on the community's sharia financial literacy and regulations that support the principles of sharia maqashid as a whole.

Keywords: sharia fintech, digital economy, financial inclusion

Beyond Digital: Menyatukan Teknologi dan Nilai dalam Fintech Syariah

¹ Frida Yanti Sirait

¹Fakultas Agama Islam, Universitas Muhammadiyah Sumatera Utara

*fridasirait9@gmail.com

Abstrak

Transformasi digital yang berlangsung dalam dekade terakhir telah mengubah wajah sistem keuangan global secara menyeluruh. Teknologi keuangan atau fintech telah membuka ruang baru bagi inklusi keuangan, khususnya bagi masyarakat yang sebelumnya tidak terjangkau oleh layanan

keuangan formal. Dalam konteks masyarakat Muslim, kehadiran fintech syariah menjadi sangat penting karena menawarkan layanan keuangan yang tidak hanya inovatif, tetapi juga selaras dengan nilai-nilai Islam. Penelitian ini bertujuan untuk mengkaji secara mendalam bagaimana fintech syariah berperan dalam menjawab tantangan inklusi keuangan berbasis nilai-nilai Islam di era ekonomi digital. Pendekatan kualitatif digunakan dengan metode studi literatur dan wawancara mendalam terhadap pelaku industri, akademisi, dan pengguna fintech syariah. Hasil penelitian menunjukkan bahwa fintech syariah tidak hanya menjadi solusi teknologi, melainkan juga sebagai gerakan nilai yang membawa semangat keadilan, transparansi, dan keberkahan dalam praktik keuangan modern. Penelitian ini menyimpulkan bahwa keberhasilan fintech syariah dalam memperluas inklusi keuangan bergantung pada literasi keuangan syariah masyarakat dan regulasi yang mendukung prinsip maqashid syariah secara menyeluruh.

Kata kunci: fintech syariah, ekonomi digital, inklusi keuangan,

INTRODUCTION

The rapid development of information technology has given birth to a new era known as the digital economy, where almost all economic activities can be carried out online through data-based systems and internet networks. One of the most significant innovations in this context is the presence of financial technology (fintech), which has transformed the way people access, use, and understand financial services. Fintech offers greater efficiency, speed, and access than the conventional financial system (Ha et al., 2025) (Jouti, 2021)

In Muslim societies, however, ethical and normative questions arise: how to ensure that these rapidly evolving financial innovations remain within the sharia corridor a value system that expressly rejects the elements of *riba* (Rahmi & Pratiwi, 2022)(exploitative interest or excess), *gharar* (uncertainty or ambiguity in the contract), and *maysir* (speculation or gambling that could harm either party)? This question is very crucial, given that the acceleration of digitalization in the financial sector not only brings efficiency and ease of access, but also opens up opportunities for practices that are fundamentally contrary to Islamic teachings. For example, the use of algorithms and artificial intelligence in the borrowing process without full transparency can contain elements of *gharar*, or a high-interest-based business model hidden in service fees can resemble usury.

More than that, the spirit of Islamic economics not only aims to create a financial system that is free from sharia prohibitions, but also to build an economic order that is fair, ethical, and oriented towards common welfare (*maslahah*) (Sholihin et al., 2021). Therefore, every technological innovation in the financial sector including fintech must be studied in depth, not only in terms of the effectiveness of its function, but also the extent to which it is able to maintain the noble values of Islam in practice. In this context, sharia fintech is present as a form of collective effort to answer the challenges of the times while maintaining the integrity of sharia principles, so that people are not only users of technology, but also active subjects in forming an ethical, sustainable, and blessed digital financial ecosystem (Agustina & Faizah, 2023).

Islamic fintech is then present as an answer to this need. It is not only a form of technological adaptation within the framework of Islam, but also an effort to present financial solutions that are fair, transparent, and value-based. In the midst of the challenge of financial inclusion, which is still a chronic problem in various regions of Indonesia, especially in rural areas and among MSMEs, sharia fintech has great potential to be a bridge that unites technology, religious values, and social justice (OJK, 2022) Therefore, this paper seeks to examine how sharia fintech is able to answer the challenges of financial inclusion in the digital era while upholding the noble principles of Islam.

Research Methods

This research was conducted with a qualitative approach because the focus is to explore the meaning, understanding, and experience of Islamic fintech actors and users in the context of value-based financial inclusion. The main data collection techniques used were literature studies and in-depth interviews with three groups of informants that were considered relevant, namely sharia fintech industry players, Islamic economics academics, and sharia fintech application users from MSMEs. Interviews are conducted in a semi-structured manner to allow flexibility in exploring the informant's perspectives broadly and in depth.

Secondary data was obtained from various sources of scientific literature, including journal articles, OJK annual reports, fintech regulations, and policy documents related to the development of the digital economy and Islamic finance. The data was analyzed using a thematic analysis approach, namely by identifying key themes that emerged from the interview transcripts and the analyzed literature. The validity of the data is maintained by triangulation techniques of sources and discussions with Islamic economic experts to ensure the accuracy and depth of interpretation (Creswell & Poth, 2018)

RESULTS AND DISCUSSION

After going through a data collection and analysis process that includes literature studies, a number of important findings were obtained that represent the actual condition of the sharia fintech ecosystem in Indonesia.

This section will discuss the results of research in three main interrelated themes. First, how sharia fintech plays a role in expanding financial access for groups that have been marginalized from the formal financial system. Second, how Islamic values such as justice, transparency, and blessings are integrated into the fintech business model. Third, how regulatory aspects and institutional support affect sustainability and trust in the sharia fintech ecosystem.

Sharia Fintech as a Means of Financial Inclusion

Islamic fintech is proven to play a crucial role in reaching groups of society that were previously untouched by conventional financial services. Sharia peer-to-peer lending services such as Investree Syariah and Ammana have become the driving force in providing access to financing for MSME actors in various regions by using contracts that are in accordance with Islamic law, such as murabahah and mudharabah (Desky & Savitri, 2024). One of the players in the sharia fintech industry said that a value-based approach and trust in sharia is the main reason why many small business actors are more comfortable using sharia services.

Social trust built through Islamic values is a competitive advantage of sharia fintech. In an interview, one of the speakers stated:

"We target MSMEs in areas with a sharia approach because their trust is higher in a system that does not contain usury" (Interview, 2025).

Many small businesses and users in the region choose Islamic financial services because they feel more comfortable and safe spiritually and socially when using a system that is considered to be in line with Islamic principles (Desky & Savitri, 2024). In this context, social trust is a very important asset for the sustainability of sharia-based financial services.

This shows that financial inclusion is not only a technical and access issue, but also concerns trust and value matching between financial service providers and users (Iqbal & Mirakhor, 2012). When the financial system is designed with the dimensions of values and ethics believed by its users, community involvement and participation will increase significantly (Alhammadi et al., 2022). Therefore, the value-based approach is a competitive advantage inherent in Islamic fintech and at the same time a major differentiator compared to conventional fintech.

2. Islamic Values in Digital Innovation

Sharia fintech does not only function as a transaction tool or financing instrument, but also as a vehicle for economic da'wah that carries an ethical and spiritual mission. The concepts of justice (al-'adl), transparency (al-shafafiyah), and blessing (al-barakah) are the core values that animate all transactions in sharia fintech. All contracts in sharia fintech transactions must be clear, free from the element of uncertainty (gharar), and not harm one party.

However, major challenges are still faced in terms of community literacy. Many Islamic fintech users do not fully understand the basic principles of Islamic finance. This ignorance often leads to misuse or inaccuracy in the use of sharia digital services. (OJK, 2022) noted that the level of Islamic financial literacy in Indonesia is still far behind general financial literacy. This ignorance often leads to misuse or inaccuracies in the use of Islamic digital services, such as considering sharia loans to be synonymous with conventional loans wrapped in Islamic terms.

Weak literacy also has an impact on low public participation in utilizing sharia fintech products optimally. Several studies show that although access to digital platforms has increased, understanding of sharia contracts and halal mechanisms of a financial product is still minimal,

even among urban Muslim communities (Oktaviana, 2025). This is certainly an important concern, because a healthy sharia fintech ecosystem is not only supported by technology and regulation, but also by user awareness that understands the underlying values and principles. Therefore, efforts to improve Islamic financial literacy must run in parallel with technological innovation so that there is no inequality of understanding in the midst of digital progress.

Regulation and Ecosystem Sustainability

Regulation is one of the determining factors for the success of the sharia fintech ecosystem. Unfortunately, the current regulations are still general and have not specifically accommodated the characteristics of Islamic finance. For example, POJK No. 77/2016 concerning Information Technology-Based Money Lending Services has not regulated in detail the sharia aspects in the fintech system. This creates a regulatory gap that can open up opportunities for practices that are not in accordance with the principles of sharia maqashid (Duriyanto et al., 2025).

To ensure the sustainability of the sharia fintech ecosystem in Indonesia, close synergy and collaboration between various stakeholders are needed, including the government as the director of macro policies, regulators as supervisors and controllers of the system, industry as the main actors of innovation, and fatwa institutions that guard the conformity of products and services to sharia principles. Without comprehensive and structured coordination among these four strategic actors, the development of sharia fintech has the potential to stagnate or even deviate from the Islamic values that are its foundation (Duriyanto et al., 2025)

The government has an important role in creating a conducive ecosystem through fiscal policies and incentives that support sharia-based financial innovation, including support for the digitalization of halal-based MSMEs. On the other hand, regulators such as the Financial Services Authority (OJK) and Bank Indonesia (BI) must not only play a role as supervisors of the financial system, but also as facilitators of strengthening industry capacity, including the drafting of regulations that favor Islamic values and financial inclusivity (OJK, 2022). Regulations that are normative and not adjusted to the characteristics of sharia financing contracts and structures will make it difficult for the sharia fintech industry to develop in a healthy and competitive manner.

In addition, the supervision system needs to be designed not only from a technical or administrative compliance perspective, but also integrates aspects of sharia principles such as justice, transparency, and the prohibition of elements of *riba*, *gharar*, and *maysir* (Huda & Maulana, 2020). Principle-based supervision will be more effective in ensuring the consistency of financial services to the sharia maqashid, rather than rule-based supervision that is too rigid and not adaptive to technological developments. Therefore, strengthening the capacity of sharia supervisory institutions, such as the Sharia Supervisory Council (DPS) and the Indonesian Ulema Council (MUI), is a crucial aspect so that they are able to understand new business models and potential risks appropriately (Virglerova et al., 2022)

No less important, regular sharia certification and audits also need to be enforced as a standard of accountability and a form of transparency to the community. Strong and reliable sharia

certification will increase public trust, which ultimately becomes social capital in building user loyalty and expanding the reach of Islamic financial services (Mukhibad & Setiawan, 2022). Especially in the digital world, trust is a very valuable asset, a trust capital that is not only determined by the efficiency of the system, but also by the moral commitment and value offered.

Thus, the sustainability of Islamic fintech cannot depend solely on the spirit of technological innovation, but must be built on a foundation of values, governance, and strategic and consistent multi-actor synergy (Santoso et al., 2023). If this ecosystem is developed in a structured and Islamic value-based manner, then sharia fintech will not only grow as an alternative, but also as a mainstream in the development of a fair, ethical, and inclusive digital economy.

Conclusion

Islamic fintech is a tangible manifestation of the integration between digital innovation and Islamic values in answering the challenges of financial inclusion in the digital economy era. It not only provides access to finance, but also presents value-based solutions that uphold justice, blessing, and social responsibility. In the context of Indonesia, where the majority of the population is Muslim and still faces the challenge of financial exclusion, sharia fintech has great potential as an instrument of fair and sustainable economic development.

However, to realize this potential optimally, strengthening is needed on two sides: increasing the community's sharia financial literacy and updating regulations in accordance with the principles of sharia maqashid. Literacy will strengthen understanding and trust, while regulations will provide legal protection and certainty. If these two aspects go hand in hand, then sharia fintech will truly become the main pillar in building an inclusive and valuable digital economy.

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