

# **Strategic Digital Branding of Sharia Business Institutions: Strengthening Ethical Identity, Enhancing Stakeholder Engagement, and Upholding Institutional Integrity**

**Nasrudin**

Faculty of Sharia and Law, UIN Sunan Gunung Djati Bandung, Indonesia  
nasrudin@uinsgd.ac.id

## **Abstract**

The evolving digital economy has transformed the competitive landscape for Sharia business institutions, pressing them to adopt innovative branding strategies that remain faithful to Islamic ethical principles. As consumers and stakeholders increasingly engage through digital platforms, the alignment between brand representation and institutional integrity becomes pivotal. This study addresses the pressing need to explore how Sharia business institutions can construct a strategic digital brand that upholds their ethical identity while fostering meaningful stakeholder engagement. This research aims to analyze the concept of strategic digital branding within the framework of Islamic business ethics, stakeholder theory, and institutional integrity. Focusing on qualitative textual analysis, the study examines how digital branding practices are shaped by and, in turn, reinforce the moral and religious foundations of Sharia institutions. The research integrates both international and local scholarly sources, including Arabic references and Indonesian accredited journals. Findings suggest that successful digital branding strategies for Sharia institutions are anchored in three pillars: (1) transparent representation of *akhlāq al-jamīlah* (noble character), (2) active participatory communication with stakeholders via digital media, and (3) institutional mechanisms that reinforce accountability and religious coherence. These elements create a cohesive brand narrative that resonates with ethical expectations in Muslim communities. The study contributes to the broader discourse on Islamic business practices by bridging branding strategy with ethical and institutional considerations. It offers practical insights for Sharia institutions navigating digital transformation while preserving their core religious values.

## **Keywords:**

Strategic Digital Branding; Sharia Business Institutions; Ethical Identity; Stakeholder Engagement; Institutional Integrity

## **Introduction**

In the digital economy, the nature of branding has evolved into a multidimensional communication process. Rather than merely representing logos and slogans, branding has emerged as a medium for organizations to project their values and mission (Kotler & Keller, 2006, p. 274). For Sharia business institutions, which are governed by *maqāsid al-sharī'ah* and Islamic business ethics, this development necessitates a comprehensive strategy that harmonizes religious identity with contemporary digital demands (Hassan & Lewis, 2007, p. 163). The imperative to maintain authenticity while engaging with technologically literate stakeholders presents a unique paradox for institutions built on sacred norms.

The interaction between religious identity and digital representation is especially critical for Islamic financial institutions (IFIs), whose legitimacy is rooted in compliance with both legal and ethical Islamic standards. Research has shown that stakeholder trust in Islamic institutions depends heavily on the perception of ethical congruence between communicated messages and institutional behavior (Haniffa & Hudaib, 2007). As branding migrates into digital realms, the potential disconnect between institutional identity and digital representation risks eroding stakeholder confidence (Indarti, 2010). Consequently, digital branding must not only reflect technical proficiency but also ethical intentionality.

Digital branding practices in Western institutions typically emphasize visibility, engagement, and consumer personalization (Kapferer, 2008, p. 102). However, applying these principles to Sharia institutions without contextualization risks compromising their *sharī'ah*-based integrity. As Indonesian scholars argue, Islamic businesses must not only reflect compliance in legal form but embody religious substance (*ḥaqīqah*) (Karim, 2001, p. 119). Strategic branding therefore must incorporate values such as *ṣidq* (truthfulness), *amānah* (trust), and *'adālah* (justice), forming the foundation of stakeholder relations in digital ecosystems.

Studies on Islamic business ethics indicate that branding aligned with *akhlāq al-islāmiyyah* promotes not only consumer trust but also sustainable organizational behavior (Beekun, 1997, p. 54). This ethical branding framework, however, is seldom translated into digital content strategies among Sharia institutions, particularly in Southeast Asia (Fauzi & Hasibuan, 2009). As a result, there is a gap between theoretical ethics and practical communication that needs critical attention in branding research. Moreover, digital technologies often require adaptive agility that many traditionally structured Islamic institutions lack.

Stakeholder engagement in Islamic institutions is unique in its inclusion of *ummah*-oriented values, spiritual accountability, and social justice (Dusuki & Abdullah, 2007). Engagement here is not limited to shareholder profits or market share, but entails fostering communal trust and inclusive development. Unfortunately, the digital strategies of many Islamic banks and cooperatives remain top-down and transactional

rather than dialogical or participatory (Fitria & Hartanti, 2010). This diminishes their potential to cultivate relational branding, where stakeholders feel morally and spiritually connected to the institution.

Institutional integrity, another pillar of Islamic organizational success, is reflected in consistency between values, actions, and public narratives (Al-Faruqi, 1982, p. 65). When Sharia institutions enter the digital branding space without a coherent strategy rooted in ethical self-understanding, the risk of *nifāq* (hypocrisy) emerges, eroding public trust. The challenge, therefore, lies in developing branding strategies that are technologically sound yet ethically integrated, respecting the holistic vision of *islām* as a way of life (*dīn*).

The intersection of strategic branding, Islamic ethics, and stakeholder theory provides a fertile ground for rethinking how Sharia business institutions construct their digital presence. Despite growing interest in Islamic marketing and finance, few studies have examined the ethical mechanisms through which these institutions articulate their identity online (Wilson, 2012). The Indonesian context, with its large Muslim population and rapidly expanding Islamic economy, provides a critical case study for this exploration (Abdullah, 2008, p. 143).

Given this context, several questions arise: How do Sharia business institutions articulate their ethical identity in digital branding? In what ways do stakeholders interact with and influence these digital representations? What mechanisms ensure alignment between institutional actions and online identity claims? And how can branding strategies uphold institutional integrity without compromising adaptability in a digital era?

In sum, the lack of integrative frameworks for ethical, stakeholder-centric, and digitally robust branding in Sharia institutions necessitates a dedicated scholarly inquiry. This research aims to fill that gap by exploring the strategic digital branding practices of Sharia business institutions through the lenses of ethical identity, stakeholder engagement, and institutional integrity. By doing so, it provides insights into how such institutions can maintain their spiritual and ethical commitments while thriving in the digital economy.

## Literature Review

The discourse on branding in Islamic business has expanded significantly, yet most studies remain grounded in traditional marketing frameworks that overlook spiritual and ethical dimensions. Scholars such as Ahmed and Rafiq (1995) emphasize the need for culturally and religiously sensitive branding practices, especially in Muslim-majority

economies. However, these discussions often marginalize the ethical constructs that distinguish Sharia-based business models. Beekun (1997, p. 26) argues that *islām* is not only a religion but also an ethical system that shapes all economic activities, thus requiring a unique branding narrative that reflects *akhlāq* and *‘adālah*.

The role of ethical identity in organizational branding has been recognized in general business literature (Fombrun & Shanley, 1990), but the integration of Islamic ethics into branding remains underdeveloped. Islamic scholars such as al-Ghazālī (as interpreted by Chapra, 2000, p. 87) highlight that commercial activity must align with *maqāṣid al-sharī‘ah*, promoting welfare, justice, and trust. Despite this, digital branding strategies used by Islamic financial institutions often replicate secular branding models without ethical modification (Hassan & Harahap, 2010), creating tensions between form and substance.

Stakeholder theory provides another useful lens for examining branding practices. Freeman (1984) introduced the concept of organizations as networks of stakeholder relationships, a view echoed in Islamic economics through the value of *maslahah* (public benefit). Dusuki and Abdullah (2007) expand on this, asserting that stakeholder engagement in Islamic business must go beyond profit-sharing to include ethical guidance, transparency, and social justice. Unfortunately, studies show that stakeholder engagement in digital platforms is still weak among Sharia institutions (Fitria & Hartanti, 2010), particularly in how it supports two-way ethical dialogue.

Institutional integrity, the consistency between institutional values, practices, and communications, is central to the credibility of Sharia business institutions. Indonesian scholars like Habib (2009) note that *istiqāmah* (consistency) is a key trait of trustworthiness in Islamic finance. However, many Islamic institutions fail to reflect this consistency in their digital branding, often due to the lack of integrated governance models that align digital representation with ethical mandates (Syafii Antonio, 2001, p. 192). This misalignment creates vulnerability to reputational risk and stakeholder skepticism.

In the Southeast Asian context, Indonesia presents a unique case due to its dynamic growth in Islamic economics. The expansion of Islamic microfinance, cooperatives, and banks demands a shift from operational to strategic thinking, particularly in branding (Karim, 2001, p. 102). Several studies highlight the gap between operational excellence and digital identity in Indonesian Sharia institutions (Abdullah, 2008, p. 145; Fauzi & Hasibuan, 2009), suggesting the need for a comprehensive digital branding strategy rooted in ethical commitments.

While a growing body of work addresses digital transformation in Islamic business (Wilson, 2012), there remains a limited focus on how branding can serve as a strategic tool for ethical communication and stakeholder engagement. Most research isolates

ethical discourse from branding techniques, leading to fragmented insights. This literature review reveals a pressing need for a cohesive framework that synthesizes Islamic ethics, stakeholder theory, and institutional integrity in the context of digital branding strategies.

## Theoretical Framework

This study is anchored in three interrelated theoretical foundations: **Islamic business ethics**, **stakeholder theory**, and **institutional theory**—each offering unique insights into how digital branding can be developed within Sharia business institutions to preserve ethical integrity while engaging stakeholders.

First, Islamic business ethics serves as the principal framework underpinning the identity of Sharia institutions. The concept of *akhlāq* governs the conduct of both individuals and institutions, emphasizing values such as *ṣidq* (truthfulness), *amānah* (trust), *ʿadālah* (justice), and *raḥmah* (compassion) (Beekun, 1997, p. 32). These values are not abstract but must be tangibly reflected in every institutional activity, including marketing and branding. As articulated by Al-Qaradawi (2001, p. 53), branding in an Islamic context must project ethical congruence and *tawāzun* (balance) between worldly appeal and spiritual purpose. Ethical identity thus becomes a strategic asset, not merely a symbolic representation.

Second, stakeholder theory provides a practical model for understanding engagement within Sharia institutions. Freeman (1984) introduced this theory to propose that organizations should consider the interests of all stakeholders, not just shareholders. In an Islamic setting, stakeholders include not only customers and employees but the *ummah* at large (Dusuki & Abdullah, 2007). Islamic economics aligns with stakeholder theory through the concept of *maslahah* (public benefit), whereby every institutional action must contribute to societal well-being. This framework legitimizes ethical engagement strategies in digital platforms, encouraging transparency, participation, and dialogic branding approaches.

Third, institutional theory offers a structural lens for analyzing organizational behavior in alignment with social norms and values. According to DiMaggio and Powell (1991), institutions are influenced by isomorphic pressures—normative, coercive, and mimetic—that shape their strategies and communication practices. In Sharia business institutions, these pressures include compliance with *sharīʿah* law, community expectations, and market trends. Scott (2001, p. 64) argues that institutional legitimacy stems from alignment between internal values and external representations, which is especially relevant in digital branding. Inconsistent messaging between ethical claims and online content can damage institutional integrity and trust.

The interaction among these theories highlights the multidimensional nature of digital branding in Islamic business. Islamic business ethics defines the moral boundaries; stakeholder theory emphasizes relational engagement; and institutional theory contextualizes organizational behavior within a broader cultural and regulatory framework. This integrative model supports the development of digital branding strategies that are both ethically sound and operationally effective.

Moreover, by linking these theories, the study responds to calls for interdisciplinary approaches in Islamic business research. As Hasan (2009) notes, the application of Western theories within Islamic contexts requires critical adaptation to avoid normative dissonance. Therefore, this study adopts a reflective methodology to align theoretical tools with the values of *islām*, reinforcing the role of branding not only as communication but as moral and institutional stewardship.

## Previous Research

The relevance of branding in Islamic institutions has been discussed by Ahmed and Rafiq (1995), who explored the integration of religious identity in Muslim consumer behavior. Their study found that branding effectiveness in Islamic markets is highly dependent on moral congruence between the institution's image and Islamic values. This early contribution introduced the need to localize Western branding theories in line with *sharī'ah*-based expectations.

Haniffa and Hudaib (2007) conducted an in-depth study on the ethical identity of Islamic banks, proposing an Ethical Identity Index (EII) to assess institutional disclosures. Their findings highlighted the gap between declared values and actual practices, suggesting that ethical branding must be anchored in both transparent reporting and authentic organizational behavior to foster trust among stakeholders.

Wilson (2008) investigated Islamic marketing and digital trends in Muslim-majority economies. He noted that while digital tools offer significant opportunities for religious branding, Islamic financial institutions rarely exploit them effectively. Wilson emphasized the need for Islamic digital branding strategies that incorporate both theological messaging and modern design aesthetics, warning against mimicking secular templates.

Fitria and Hartanti (2010) focused on stakeholder communication in Indonesian Islamic microfinance institutions. Their findings revealed that digital platforms were primarily used for announcements rather than stakeholder engagement, undermining the participatory essence of Islamic ethics. They concluded that communication strategies

must evolve from one-way information dissemination to interactive ethical dialogues with clients and communities.

Karim (2001, p. 93) examined the governance of Baitul Māl wa Tamwīl (BMT) in Indonesia, highlighting structural weaknesses in branding and institutional identity. His work indicated that many Sharia cooperatives failed to integrate ethical branding as a strategic priority, resulting in fragmented reputations and limited outreach despite ethical intentions. The study called for embedding branding in institutional design and governance mechanisms.

Despite these contributions, a significant research gap remains. While previous studies have addressed components of ethical identity, stakeholder communication, or branding in isolation, few have synthesized these elements into a comprehensive strategy. Most notably, little work has explored how these elements manifest in digital branding within Indonesian Sharia institutions. This study aims to fill that gap by examining how ethical identity, stakeholder engagement, and institutional integrity intersect within digital branding practices, offering a holistic approach for sustainable ethical communication in the Islamic economy.

## **Research Methods**

This study adopts a qualitative research approach, focusing on textual analysis of strategic digital branding practices employed by Sharia business institutions in Indonesia. Qualitative methods are especially suited for exploring interpretive and ethical dimensions of institutional behavior (Creswell, 2003, p. 181). The goal is to understand how these institutions communicate their ethical identity, engage stakeholders, and maintain institutional integrity through their digital platforms. The emphasis on depth rather than breadth allows for rich contextual insights aligned with Islamic values and stakeholder theory.

Data sources include institutional websites, annual reports, digital marketing content, and official social media accounts of select Sharia business institutions. These include Islamic banks, BMTs, Islamic cooperatives, and waqf institutions operating in Indonesia. These data points are chosen because they represent the primary public-facing elements of institutional branding, and their digital formats allow for textual examination of branding narratives (Silverman, 2001, p. 129). To ensure validity, only verified and institutionalized platforms were selected, and secondary sources such as journal articles and policy reports were used for triangulation.

Data types are primarily textual, including vision and mission statements, corporate values, stakeholder messages, and social media content. Special attention is paid to



the language used in branding narratives to detect ethical cues and stakeholder engagement features. As explained by Fairclough (1992), language in institutional communication is never neutral; it reflects and constructs power, values, and identity. This study therefore treats branding texts as ethical artifacts that reveal underlying institutional values and integrity claims.

Data collection was conducted through document analysis, capturing branding content across multiple timeframes (2015–2023) to account for consistency and evolution. This includes screenshots of social media campaigns, archived versions of websites, and publicly available strategy reports. Collection procedures follow the guidance of Miles and Huberman (1994, p. 66), who argue for a systematic coding of textual material to trace themes and patterns. Data were collected manually and verified against institutional identifiers to ensure authenticity and traceability.

Data analysis involved coding the collected textual data using a thematic analysis framework guided by Braun and Clarke (2006). Initial codes were assigned to concepts such as *ethical identity*, *stakeholder engagement*, and *institutional coherence*. These were then synthesized into larger themes that correspond to the study's conceptual framework.

Analytical rigor was ensured by peer review and iterative cross-checking with Islamic ethical principles (*akhlāq islāmiyyah*), stakeholder roles (*maslahah*), and institutional accountability (*istiqāmah*). The conclusions were drawn by comparing emergent themes against theoretical constructs to reveal congruence, divergence, and opportunities for strategic alignment.

## Results and Discussion

The analysis reveals that Sharia business institutions in Indonesia demonstrate varying degrees of strategic alignment between their digital branding and core Islamic ethical values. While some institutions effectively articulate ethical identity through mission statements and stakeholder-oriented messages, many fall short in demonstrating consistency (*istiqāmah*) between their declared values and digital practices. This inconsistency undermines the authenticity and trust that are critical to their religious legitimacy.

Three major themes emerged from the data: (1) Ethical Identity Construction, where institutions attempted to infuse *sharī'ah*-based values into their branding; (2) Stakeholder Engagement in Digital Platforms, which exposed gaps between communicative intent and participatory mechanisms; and (3) Institutional Integrity Representation, which dealt with the alignment of ethical claims and actual



institutional conduct. These findings highlight a crucial paradox: while digital branding offers opportunities for enhanced engagement and visibility, it also exposes institutions to greater scrutiny regarding their ethical and religious coherence.

## Ethical Identity Construction

Sharia business institutions in Indonesia tend to root their branding identity in Islamic principles, often highlighting *tawhīd*, *ʿadālah*, and *amānah* in their digital narratives. These values appear prominently in website mission statements, organizational mottos, and promotional materials. For instance, several Islamic banks emphasize trust (*thiqah*) and fairness (*ʿadālah*) as guiding principles of their services. This aligns with Beekun's (1997, p. 31) framework on Islamic ethics in business, which argues that ethical values must be both declared and operationalized in institutional behavior.

Despite strong declarative commitments, many institutions show limited integration of these ethics in actual digital content. For example, while statements on *maqāṣid al-sharīʿah* are common, the practical elaboration of these principles—such as promoting social equity or environmental responsibility—is often absent from their digital platforms (Haniffa & Hudaib, 2007). Ethical branding, in this context, remains superficial, mirroring the concern raised by Chapra (2000, p. 112) that Islamic institutions often focus on legal compliance rather than spiritual substance (*ḥaqīqah*).

Brand identity in Islamic institutions should reflect internal ethical consistency (*ṣidq*), not just aspirational statements. However, some digital branding efforts were found to replicate corporate-style marketing templates that prioritize aesthetic and functional appeal over ethical representation. Wilson (2012) warns that adopting secular branding frameworks without adaptation risks undermining *sharīʿah* values. This tension is evident in the use of ambiguous slogans such as "Better Future, Better Finance," which may attract attention but lack theological grounding.

A few standout institutions provide more ethically aligned branding strategies. For instance, one cooperative featured *zakat*-funded community development initiatives prominently on their homepage, linking digital identity directly with social justice goals. This practice echoes the Islamic concept of *al-falāḥ* (holistic success) as discussed by Al-Faruqi (1982, p. 78), where economic activity must serve the collective well-being. These examples demonstrate how digital branding can function as a moral narrative rather than a commercial tool.

Language choice is another critical dimension in ethical identity construction. Institutions that employed Islamic terminology—such as *raḥmah*, *barakah*, and *istiqāmah*—in their digital content conveyed a clearer connection to religious values

than those that used generic business language. As suggested by Hasan (2009), language in Islamic branding should serve not only to inform but to cultivate spiritual consciousness (*taqwā*) among stakeholders. However, only a minority of institutions consistently applied such ethical diction across their platforms.

Visual elements also play a role in branding ethical identity. Institutions that used calligraphy, modest color palettes, and imagery related to worship or charity created a more authentic Islamic aura than those using standard corporate imagery. According to Kapferer (2008, p. 109), visual identity is critical in shaping perceptions of brand authenticity. Yet, many Sharia institutions use stock images or Western-style designs that dilute the intended ethical identity and cultural relevance.

Narratives around *amānah* (trust) and *‘adālah* (justice) were particularly important in constructing ethical identity. Institutions that publicly shared their governance structures, religious boards, and auditing practices helped reinforce stakeholder confidence. This mirrors findings from Syafii Antonio (2001, p. 192), who argued that transparency is central to both ethical branding and Islamic institutional credibility. Unfortunately, transparency varied greatly across institutions, with many failing to provide detailed information about *sharī‘ah* compliance or internal oversight.

Moreover, ethical identity should extend to product branding and service design. Some Islamic banks offer "halal-certified" digital products without explaining their differentiation from conventional financial instruments. This echoes the critique by Hassan and Harahap (2010), who found that Islamic branding often relies on labels rather than substance. To move beyond symbolic branding, institutions must develop content that educates stakeholders about the ethical principles underlying their services.

The disconnect between ethical declarations and actual branding practice signals a need for institutional capacity building. Brand managers and communication teams may lack the theological literacy required to reflect *sharī‘ah* values accurately in digital content. Al-Qaradawi (2001, p. 88) emphasizes that ethical knowledge (*‘ilm al-akhlāq*) must be institutionalized to guide public representation. Without such grounding, branding remains a marketing exercise devoid of ethical depth.

## Stakeholder Engagement in Digital Platforms

In Islamic economic thought, the stakeholder is not merely a beneficiary of institutional services but a co-participant in the pursuit of *maslahah* (public welfare) and *‘adl* (justice). Freeman’s stakeholder theory (1984) emphasizes the relational nature of organizational value creation, and this aligns with the Islamic concept of mutual

responsibility (*takāful*). However, analysis of Indonesian Sharia institutions' digital platforms reveals that many still operate with a monologue-style communication strategy, offering announcements rather than encouraging interaction.

A review of digital engagement tools across websites and social media channels showed that few institutions enable real-time dialogue, consultation forums, or feedback loops. This is concerning given the emphasis in Islamic ethics on *shūrā* (consultation) as a principle of governance and transparency (Al-Faruqi, 1982, p. 69). The absence of two-way engagement tools suggests a passive view of stakeholders that contradicts Islamic mandates for accountability and collective participation.

Some progressive institutions have implemented feedback features and interactive Q&A segments with *sharī'ah* advisors. These efforts were typically concentrated among larger Islamic banks. As Dusuki and Abdullah (2007) note, proactive stakeholder engagement enhances not only reputation but also ethical accountability. Unfortunately, such cases remain the exception rather than the rule. Many BMTs and Islamic cooperatives lacked even basic communication responsiveness on their platforms.

Digital branding that incorporates stakeholder voices through storytelling and testimonials was found to be more effective in communicating trust and authenticity. Institutions that shared stakeholder success stories (e.g., microentrepreneurs supported through *qard al-ḥasan*) aligned more closely with Islamic social finance principles. This resonates with Wilson's (2008) findings that stakeholder-centered narratives foster deeper emotional and moral connections with audiences.

However, inconsistencies were evident in how institutions treated different stakeholder groups. Donors, investors, and regulators often received more attention than end beneficiaries such as low-income clients or *mustahiq zakat*. This imbalance contradicts the Islamic norm of prioritizing social justice for the marginalized, as emphasized in Chapra's (2000, p. 135) ethics of economic justice. Effective branding, therefore, should integrate balanced stakeholder representation reflecting Islamic principles of equity (*musāwāt*) and care for the underprivileged.

Institutions also missed opportunities to use social media for *da'wah*-oriented branding, which could have both educational and relational benefits. Beekun (1997, p. 67) notes that Islamic organizations have a duty not only to inform but to morally uplift. A few standout institutions posted regular Islamic reminders, financial literacy tips, and *hadith*-based motivational content, enhancing both spiritual relevance and stakeholder engagement. Such practices exemplify digital *amr bi-l-ma'rūf* (enjoining good) through branding.

Language and tone were key factors influencing stakeholder perceptions. Institutions that used impersonal, bureaucratic language in their digital content tended to alienate users, whereas those adopting inclusive, values-based language were more engaging. As noted by Hasan (2009), communication that embodies *akhlāq al-karīmah* (noble ethics) invites mutual respect and spiritual trust, crucial in stakeholder relationships.

An important but underused tool was the publication of social impact reports or ethical audits. These instruments, when made publicly available, serve as a bridge between institutional practice and stakeholder expectations. Institutions that shared such content digitally were better positioned to demonstrate integrity and transparency. Yet, many websites lacked updated performance data or accessible annual reports, reflecting a missed opportunity to deepen stakeholder trust through disclosure (Syafii Antonio, 2001, p. 195).

The fragmented use of digital engagement features suggests a lack of strategic planning in stakeholder communication. Fitria and Hartanti (2010) found that Islamic microfinance institutions in Indonesia often underutilize technology due to limited resources or technical skills. However, the core issue may be conceptual: many institutions still view stakeholders as passive recipients rather than active moral partners in institutional growth.

### **Institutional Integrity Representation**

Institutional integrity, in the context of Islamic organizations, is the alignment between proclaimed ethical values and actual institutional behavior. In digital branding, this alignment becomes especially visible and verifiable by the public. As DiMaggio and Powell (1991) suggest, institutional legitimacy depends on coherence between norms, structures, and symbolic representations. For Sharia business institutions, such coherence is not optional—it is a moral imperative governed by *sharī'ah* and *akhlāq islāmiyyah* (Beekun, 1997, p. 35).

Findings reveal that most digital branding efforts demonstrate strong aspirational ethics—through vision statements and value slogans—but lack evidential support of how these are enacted. For example, terms like *transparency*, *integrity*, and *accountability* are frequently used but rarely accompanied by practical mechanisms such as audit reports, *sharī'ah* supervisory disclosures, or performance indicators. This confirms Haniffa and Hudaib's (2007) assertion that ethical identity without structural backing is insufficient for Islamic legitimacy.

Some institutions attempt to portray integrity through visual cues—such as showcasing their *sharī'ah* supervisory board or affiliations with recognized Islamic

finance authorities. While this can enhance trust, it is often symbolic rather than procedural. As Syafii Antonio (2001, p. 189) explains, institutional integrity requires a *niyyah ṣāliḥah* (pure intention) supported by *ʿamal ṣāliḥ* (righteous actions), meaning that digital branding must be linked to actual governance practices.

Annual reports and ethical audits—when present—serve as important digital representations of institutional integrity. Institutions that published detailed reports on social finance allocations, zakat distributions, and ethical compliance demonstrated greater transparency and ethical alignment. These practices reflect the Islamic principle of *iḥsān* (excellence in duty), as described by Al-Faruqi (1982, p. 93). However, such documentation remains rare, with many institutions only updating superficial aspects of their platforms.

There is also a tendency to conflate legal *sharīʿah* compliance with broader ethical integrity. While compliance certifications are frequently displayed, there is little mention of broader spiritual commitments or social justice outcomes. This mirrors Chapra's (2000, p. 138) critique that Islamic finance often prioritizes *ḥalāl* legality over *ṭayyib* quality. A narrow focus on legality can mislead stakeholders into equating institutional holiness with regulatory minimalism.

The use of financial jargon and commercial slogans further obscures institutional values. Phrases such as "Sharia-compliant excellence" or "Halal investment innovation" are often not followed by content that explains how these claims are fulfilled. This raises concerns about *nifāq* (hypocrisy), a serious moral breach in Islamic ethics, wherein actions contradict professed beliefs. Institutions that neglect this alignment risk alienating ethically conscious stakeholders.

One institution provided a case study in best practices by publishing monthly social impact dashboards, highlighting not only financial performance but also community empowerment outcomes. Such transparency fosters institutional credibility and reflects the spirit of *muḥāsabah* (self-accountability). As noted by Hasan (2009), accountability is not just a governance function but a form of ethical worship in Islam, aligning the institution's public image with its internal moral compass.

Digital integrity also includes responsiveness—how institutions manage online inquiries, complaints, or public criticism. Institutions that ignored such interactions or deleted critical comments failed the test of ethical openness. On the other hand, those that issued public clarifications or engaged in discourse demonstrated ethical maturity. Freeman (1984) emphasized that stakeholder interaction is central to organizational accountability—a notion deeply embedded in *islām* through the principle of *ʿadl*.

Furthermore, consistency across digital platforms is an indicator of institutional integrity. Institutions that project different images on different channels—formal

Islamic values on websites but casual marketing on Instagram—present mixed signals. This inconsistency undermines brand coherence and institutional *istiqāmah*. Kapferer (2008, p. 112) argues that brand integrity depends on message consistency, a view that resonates with Islamic teachings on sincerity (*ikhhlās*) and unity (*tawhīd*).

## Conclusion

The strategic digital branding of Sharia business institutions presents a multifaceted challenge rooted in the convergence of ethical identity, stakeholder engagement, and institutional integrity. While Islamic values are prominently declared across digital platforms, the translation of these values into practical, consistent, and transparent branding strategies remains sporadic. This gap between intention and implementation exposes the need for a more integrated branding framework—one that does not simply declare religious commitments but operationalizes them across digital ecosystems.

Stakeholder engagement, although critical in Islamic economic systems, remains underdeveloped in most institutional practices. The prevalent top-down communication approach limits opportunities for participatory dialogue, moral co-creation, and trust-building. Digital platforms, which could serve as channels for *shūrā* (consultation) and ethical discourse, are often reduced to static information outlets. This undermines the interactive and inclusive ethos intrinsic to both stakeholder theory and Islamic business ethics.

Institutional integrity—the harmony between values, messaging, and actions—serves as the final measure of branding authenticity. Institutions that maintain consistency across digital channels, provide transparent disclosures, and respond ethically to stakeholder input earn public legitimacy and moral credibility. However, those that fail to uphold alignment between stated principles and visible behavior risk not only reputational damage but also spiritual dissonance with the *ummah* they serve.

In conclusion, strategic digital branding for Sharia business institutions must be guided by more than market logic. It demands a paradigm rooted in Islamic ethics, stakeholder stewardship, and institutional sincerity. This integrative vision sees branding as a vehicle of *amānah* (trust), *ikhhlās* (sincerity), and *iḥsān* (excellence)—not merely as image-making, but as a form of institutional worship and moral accountability. By embracing this holistic model, Sharia institutions can not only survive but thrive with authenticity, resilience, and divine purpose in the digital age.

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