

EMPOWERING MUSLIM GENERATION Z IN DIGITAL HALAL ENTREPRENEURSHIP: A VALUE-DRIVEN TRANSFORMATION THROUGH SOCIAL MEDIA

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Abstract

This study aims to identify and analyze the role of Muslim Generation Z in promoting the development of halal entrepreneurship through the utilization of social media as the primary platform for promotion, education, and transactions. This research employs a descriptive qualitative approach using a literature review method, gathering data from various relevant sources to gain a comprehensive understanding of the phenomenon under study. The findings indicate that Generation Z, as digital natives, actively utilize digital platforms such as Instagram, TikTok, Facebook, and WhatsApp to promote halal products, educate consumers, and facilitate online transactions. However, limited understanding of Sharia principles and suboptimal digital infrastructure remain significant challenges that need to be addressed. A holistic strategy is required to strengthen the role of Generation Z in halal entrepreneurship, which includes enhancing Sharia and digital literacy, developing a digital ecosystem aligned with Sharia principles, and fostering cross-sector collaboration among entrepreneurs, government, and educational institutions. This study offers a new perspective on the involvement of Muslim Generation Z in the halal entrepreneurship ecosystem through social media, a topic that has been rarely explored in depth. The focus on digitalization by young Muslims within a Sharia-compliant context represents a significant contribution to the literature on halal entrepreneurship in the digital transformation era.

Keywords: Generation Z, Halal Entrepreneurship, Social Media

INTRODUCTION

Entrepreneurship is a form of economic activity that is highly encouraged in Islam, as it is firmly grounded in Sharia principles outlined in the Qur'an and Hadith (Bahri, 2018). One of its practical implementations is halal entrepreneurship, which refers to business practices that not only focus on financial gain but also uphold ethical values and Sharia-compliant principles in every transaction. In recent years, halal entrepreneurship has experienced significant growth in line with the increasing awareness among Muslim communities regarding the importance of halal in both products and services, both nationally and globally.

Indonesia, as the country with the largest Muslim population in the world, holds tremendous potential in developing the halal entrepreneurship sector. According to the *Indonesia Halal Markets Report* (2021), Indonesia's total halal consumer spending reached USD 184 billion in 2020 and is projected to grow to USD 281.6 billion by 2025, with an annual growth rate of 14.96%. This indicates that the sector is not only economically promising but also plays a significant role in enhancing social welfare (Miswati et al., 2023).

With the advancement of technology, younger generations—particularly Generation Z, born between 1997 and 2012—have emerged as key actors in the digital halal entrepreneurship ecosystem. Known as digital natives, they are familiar with technology and social media from an early age. This generation possesses high digital literacy, adapts quickly to change, and is actively engaged on platforms such as Instagram, TikTok, Facebook, and Twitter (Wibowo & Ayuningtyas, 2024; Adzka Tarigan et al., 2025). These platforms are not only used for promoting halal products and services but also serve as tools for educating the public about the importance of halal principles and Sharia values in economic practices (Ihsan et al., 2025).

However, Generation Z's immersion in global digital culture presents new challenges. Exposure to external values that may conflict with Islamic principles can affect their consistency in upholding the core values of halal entrepreneurship. Therefore, adaptive strategies are needed to reinforce the understanding of Sharia values and filter out contradicting influences. One effective strategy is collaboration with Muslim influencers who deliver educational and engaging content aligned with Generation Z's preferences. Research by Lestari & Rohman (2024) shows that influencers play a significant role in promoting halal products on social media—particularly Instagram—where credible and appealing influencers can increase consumer trust and influence purchasing intentions.

While numerous studies have explored the growth of the halal economy and the role of social media in marketing halal products, most of the existing research tends to focus on consumer behavior, marketing strategies, or general consumption patterns. There is a lack of scholarly attention given specifically to the active role of Muslim Generation Z as entrepreneurs in the halal sector and how they use social media not just for promotion but also as a tool for public education and value transformation in the digital ecosystem. Additionally, limited research has addressed how Generation Z navigates global digital cultural dynamics while maintaining the integrity of halal entrepreneurial values.

This study offers a novel perspective by examining the role of Muslim Generation Z in the development of halal entrepreneurship through social media—an area that remains underexplored in current academic literature. The focus on digitalization of halal entrepreneurship among young Muslims in the context of Sharia values constitutes an original contribution to bridging existing research gaps. This study not only highlights the technical aspects of social media use but also addresses value-based challenges, cultural influences, and collaborative strategies essential for building a sustainable halal digital ecosystem. Accordingly, this research contributes both conceptually and practically to the development of a generational and technology-driven model of halal entrepreneurship.

RESEARCH METHOD

This study was conducted in a scientific, structured, and objective manner to gain a deeper understanding of social phenomena and to contribute theoretically to knowledge development (Panjaitan, 2017). A descriptive qualitative approach was employed using a library research method, deemed appropriate for exploring and conceptualizing the role of Muslim Generation Z in promoting halal entrepreneurship through social media utilization.

Qualitative research aims to understand social reality from various perspectives, while the descriptive method is used to explain phenomena in detail based on current conditions (Adil, 2023; Sugiyono, 2013). Data were collected through systematic review and analysis of relevant literature, including scholarly articles, national and international journals, academic books, and official reports related to halal entrepreneurship, the characteristics of Muslim Generation Z, and digital marketing strategies via social media platforms.

RESULT AND DISCUSSION

The Unique Characteristics of Muslim Generation Z in Advancing Halal Entrepreneurship

Muslim Generation Z exhibits distinct characteristics that set them apart from previous generations, positioning them as strategic actors in the growth of halal entrepreneurship in the digital era. Growing up in a highly connected environment, they are digitally literate and adaptive to technological advancements, including social media and digital applications (Wibowo & Ayuningtyas, 2024). This digital fluency enables them to utilize social media not only as a communication tool but also as an effective platform for business. In addition, they are deeply value-oriented, where both their consumption behavior and entrepreneurial decisions are often guided by their religious beliefs and principles (Miswati et al., 2023).

They are also known for their critical thinking and independence in decision-making, which fosters an entrepreneurial spirit based on Islamic values (Adzka Tarigan et al., 2025). Many of them proudly express their Islamic identity through their lifestyle and business preferences, reflecting a form of economic da'wah through entrepreneurship (Ihsan et al., 2025). These four attributes—technological literacy, value orientation, critical thinking, and religious identity—enable Muslim Gen Z to become not only profit-driven entrepreneurs but also ethical agents committed to sustainability and Sharia compliance.

Social Media as a Catalyst for Halal Entrepreneurship

Social media plays a critical role in accelerating the growth of halal entrepreneurship among Muslim Generation Z. Platforms such as Instagram, TikTok, YouTube, and Twitter are leveraged to creatively present halal products, build personal brands aligned with Islamic values, and educate consumers about halal production

processes and certifications (Lestari & Rohman, 2024). For instance, a young Muslimah entrepreneur in the beauty industry may create a “Get Ready With Me” video while highlighting the religious and ethical aspects of her halal cosmetic products.

Furthermore, halal-based digital communities have flourished, including modest fashion collectives, halal food vloggers, and young Muslimpreneur forums that engage through Telegram, Discord, or Instagram Live (Ramadhani & Khairunisa, 2025). Collaborative initiatives such as giveaways, charity sales, and cross-brand campaigns strengthen their digital presence and reinforce shared Sharia-compliant values. Importantly, Gen Z entrepreneurs also produce educational content, including infographics, podcasts, and short videos that explain Islamic business ethics, halal-haram boundaries, and Islamic finance principles (Septyaningtyas & Nugroho, 2023). This positions Gen Z not only as digital entrepreneurs but also as online da'i (educators) who combine economic activity with religious advocacy.

Challenges in Practicing Halal Digital Entrepreneurship

Despite their strong potential, Muslim Gen Z entrepreneurs face multiple challenges in managing halal businesses through digital platforms. One key issue is their limited literacy in Islamic commercial law and halal certification procedures (Akbar, 2020). Many young business owners lack a nuanced understanding of fiqh muamalah, which may lead to inconsistent halal claims and non-compliance with required certification standards (Rahayu et al., 2024). Another challenge lies in the tension between sincere religious intention (niyyah) in digital hijrah and the pursuit of popularity or profitability. This dilemma may compromise the spiritual integrity of their business goals (Fadillah et al., 2022).

Gaining consumer trust is also increasingly difficult in the digital halal market. As competition intensifies, consumers have become more critical, demanding transparency and official validation such as halal certification from the Indonesian Ulema Council (MUI) (Qadri & Tyana, 2024). Moreover, the highly saturated nature of social media platforms requires entrepreneurs to consistently innovate in their marketing approach. However, this innovation must remain within the bounds of ethical Islamic promotion, posing a unique challenge for young Muslim entrepreneurs (Luthfiah & Fauzi, 2024).

Empowerment Strategies for Muslim Gen Z in the Digital Halal Ecosystem

To optimize the role of Muslim Gen Z in halal entrepreneurship, a collaborative and cross-sectoral strategy is required. Education and training serve as the foundation. Islamic educational institutions should incorporate Sharia-based entrepreneurship and digital marketing into their formal curricula, while government agencies and zakat-based organizations should offer targeted training programs to build the capacity of emerging Muslimpreneurs (Panjaitan, 2017; Permani Suci, 2025). At the same time, access to halal certification must be improved by simplifying procedures and raising

awareness about its significance for market legitimacy and consumer trust (Indonesia Halal Lifestyle Center et al., 2021).

Strategic collaboration with credible Muslim influencers presents another opportunity. These content creators can effectively amplify halal product messaging, especially among Gen Z audiences, by delivering engaging, faith-based content (Lestari & Rohman, 2024). Furthermore, building a supportive digital ecosystem—such as Sharia-compliant marketplaces, halal product verification apps, and digital platforms that facilitate ethical commerce—can ensure a trustworthy infrastructure for young Muslim entrepreneurs to grow sustainably (Novriansyah et al., 2025). The synergy of these efforts will help develop a generation of Muslimpreneurs who are not only tech-savvy but also spiritually grounded and socially responsible.

Synthesis and Implications

The results of this study indicate that Muslim Generation Z holds a critical position in shaping the trajectory of halal entrepreneurship in the digital age. With a distinctive blend of technological competence, value-driven behavior, critical thinking, and a strong Islamic identity, they function not only as consumers but also as proactive contributors to the halal economic ecosystem. Through their adept use of social media platforms, they are able to engage in promotional activities, educate their peers and online communities, form collaborative networks, and uphold ethical business practices rooted in Islamic teachings.

Social media, in this context, serves as more than just a marketing channel. It becomes a multidimensional platform that enables value transmission, fosters virtual community engagement, and facilitates religious advocacy. However, despite these advantages, several challenges must be addressed. These include inadequate literacy in Sharia principles, the tension between maintaining sincere religious intent and achieving commercial popularity, and growing consumer demands for transparency regarding halal product authenticity. These factors pose risks to the long-term viability of halal entrepreneurship unless addressed through systematic interventions.

From a theoretical standpoint, this research enriches scholarly discourse on halal entrepreneurship by introducing a generational lens to the analysis. It identifies Muslim Generation Z as a unique and underexplored group within the field of Islamic economics. More than just participants in the market, they emerge as ethical agents of change who integrate religious values, entrepreneurial ambition, and digital technology into their business practices, thereby contributing to the evolution of contemporary halal economic models.

Practically, these findings offer valuable insights for educators, policymakers, and business stakeholders. Islamic educational institutions should be encouraged to incorporate halal business principles, digital entrepreneurship training, and Sharia economic literacy into their formal curricula to equip future entrepreneurs with both

technical and religious knowledge. At the policy level, simplifying the halal certification process and improving awareness of its significance would provide much-needed support for youth-led MSMEs to thrive and gain consumer trust.

In addition, the development of a robust digital halal ecosystem—including online marketplaces, mobile verification tools, and Sharia-compliant platforms—is essential to ensuring that young Muslim entrepreneurs can operate in a transparent and trusted environment. Furthermore, collaboration with Muslim influencers who combine authenticity with creative communication strategies can enhance outreach efforts and deepen audience engagement, especially among Gen Z demographics.

On a broader scale, the empowerment of Generation Z Muslims as ethical entrepreneurs may generate positive social outcomes. These include expanded financial inclusion, reduced youth unemployment, and the reinforcement of moral and religious values in the digital economy. By actively participating in halal commerce, Gen Z helps normalize the halal lifestyle in public discourse, potentially reshaping consumer habits and cultural narratives in Muslim-majority societies.

CONCLUSION

This study has revealed that Muslim Generation Z plays a vital role in advancing the development of halal entrepreneurship in the digital era. Through their high digital literacy, strong value orientation, critical thinking skills, and pronounced Islamic identity, they actively contribute to promoting halal products, educating online communities, and building collaborative networks via social media platforms. Their ability to integrate religious values with digital entrepreneurship practices positions them not only as business actors but also as ethical leaders within the emerging halal economy.

Beyond empirical findings, this research highlights a deeper insight: halal entrepreneurship for Muslim Gen Z is not merely an economic activity but a reflection of personal integrity, religious expression, and social responsibility. Their involvement in digital halal business initiatives demonstrates that faith-based commerce can thrive within modern technological frameworks without compromising its spiritual values. This suggests that when properly guided and supported, Generation Z has the potential to reshape the halal business landscape by combining innovation with Islamic ethics.

Nevertheless, the study has several limitations. It is primarily conceptual and literature-based, relying on secondary data rather than empirical fieldwork. Therefore, future research should incorporate primary data collection methods—such as interviews, surveys, or case studies—to gain deeper insights into the lived experiences and challenges faced by Gen Z Muslim entrepreneurs. Moreover, a comparative analysis across different regions or cultures could further enrich the understanding of how generational and socio-religious factors interact in the context of global halal entrepreneurship.

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