
Sharia-Based Management and Marketing Strategies for MSMEs: Enhancing Warung Sate Madura Performance in Support of the SDGs

Muhammad Rizal¹, Muthoifin², Sondos Jihad Shnewra³

^{1,2}Department of Islamic Economic Law, Universitas Muhammadiyah Surakarta, Indonesia

³Department of Islamic Studies, Al-Azhar University, Gaza, Palestine

¹I000210041@student.ums.ac.id, ²mut122@ums.ac.id, ³presidentoffice@alazhar.edu.ps

Received August 21, 2024; Revised November 28, 2024; Accepted December 22, 2024

Abstract

Objective: This study aims to analyze the implementation of management and marketing strategies in Micro, Small, and Medium Enterprises (MSMEs), with a focused case study on Warung Sate Madura Cak Khoirul in Wonogiri. **Theoretical framework:** The research adopts a theoretical framework grounded in MSME marketing strategies and Islamic economic principles, emphasizing ethical conduct, fairness, and social responsibility. These principles align with the Sustainable Development Goals (SDGs), particularly Goal 1 (No Poverty), Goal 8 (Decent Work and Economic Growth), Goal 9 (Industry, Innovation, and Infrastructure), and Goal 12 (Responsible Consumption and Production). **Literature review:** The literature review encompasses previous findings on the role of digital marketing, especially social media, in MSME growth, as well as the significance of sharia-based management in sustaining ethical business practices. **Methods:** This study uses a qualitative descriptive method with data obtained through direct observation and interviews with the business owner, enabling an in-depth understanding of operational strategies. **Results:** The findings show that Warung Sate Madura Cak Khoirul successfully applies simple yet impactful marketing strategies. These include word-of-mouth promotion, consistent use of social media, price fairness, friendly service, and consistent product quality, all of which build strong customer loyalty. The business also reflects Islamic values such as honesty (*ṣidq*), trustworthiness (*amānah*), and responsibility (*mas'ūliyyah*), creating a business model that is not only profitable but ethically sound. **Implications:** This study implies that integrating Islamic ethical values with marketing efforts contributes to sustainable business growth and resilience in competitive markets. Furthermore, it supports SDG initiatives by fostering inclusive economic participation, ethical consumerism, and community empowerment through MSMEs. **Novelty:** The novelty of this research lies in its exploration of how sharia-compliant management and marketing strategies can simultaneously enhance MSME performance and advance sustainability goals—an area seldom examined in previous literature on local food-based enterprises.

Keywords: management, marketing, msme, sharia principles, sdgs.

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are widely recognized as key drivers of economic growth, employment, and poverty reduction, especially in developing countries like Indonesia. Despite their potential, many MSMEs continue to struggle with limited resources, a lack of strategic planning, and weak market access. In rural areas, such as Wonogiri, the sustainability of MSMEs is further challenged by limited digital literacy, poor financial management, and intense market competition. While numerous studies have explored marketing strategies in MSMEs, most of them focus on conventional business approaches without adequately considering the integration of ethical frameworks, particularly Islamic economic principles [1].

Additionally, although the role of MSMEs in achieving the United Nations Sustainable Development Goals (SDGs) has been increasingly acknowledged, few studies explicitly connect MSME business practices with specific SDG targets. Even fewer examine how Sharia-based management principles can contribute to inclusive, ethical, and sustainable business growth. This creates a critical research gap in understanding how Islamic values—such as honesty (*ṣidq*), trustworthiness (*amānah*), and fairness (*‘adl*)—can be applied in the marketing and operational strategies of MSMEs to support not only business success but also broader social and developmental goals [2].

Furthermore, current literature often overlooks localized and grassroots business models such as food stalls or traditional vendors, which remain economically vital in Indonesian communities. Warung Sate Madura, as a culinary MSME rooted in local culture, represents a valuable case for exploring how simple, ethical, and community-centred strategies can deliver long-term performance outcomes. This study addresses these gaps by investigating how sharia-based management and marketing strategies are applied in a real-world MSME context and how such practices align with and support selected SDGs. It provides fresh insights into how local enterprises can pursue both profitability and sustainability through ethical, faith-based, and socially conscious approaches [2].

Micro, Small, and Medium Enterprises (MSMEs) have a crucial role in the economy of Indonesia. They account for around 99% of the total business units and 61% of the Gross Domestic Product (GDP), and absorb 97% of the national workforce. MSMEs function as economic drivers, provide jobs and improve people's welfare, especially in remote areas. They also contribute to the country's foreign exchange through local exports. In critical times, MSMEs have proven to be resilient and able to maintain economic stability. Therefore, the strengthening of MSMEs is very important for the sustainability of the national economy [3].

The criteria for businesses to be included in the MSME category in Indonesia are determined based on Law No. 20 of 2008 and the latest Government Regulation, which explains as follows:

Business Micro

- 1). Maximum net worth of Rp. 50.000.000 (fifty million rupiah) excluding land and buildings.
- 2). Maximum annual sales result of Rp 300.000.000 (three hundred million rupiah).

Small Business

- 1). Net worth of more than Rp. 50.000.000 (fifty million rupiah) up to a maximum income of Rp. 500.000.000 (five hundred million rupiah)
- 2). Annual sales of more than Rp 300.000.000 (three hundred million rupiah) to a maximum of Rp 2.500.000.000

Handling Business

- 1). Knet assets of more than Rp. 500,000,000 (five hundred million rupiah) up to a maximum of Rp 10.000.000.000
- 2). Annual sales results of more than Rp 2.500.000.000 to a maximum of Rp. 50.000.000.000 [4].

Every business activity will always have competition with other businessmen. Especially for products that are often found in the community. However, with the existence of competition, growth in products and marketing is increasing. Strategies carried out in marketing must be easily accepted by logic, with business units that are expected to achieve their marketing goals. In addition, strategy in marketing can also be described as the selection of the market and targets, determining the competitive position, and developing an effective marketing strategy to reach the selected clients. Islamic economics plays an important role in guiding ethical business strategies. The application of Islamic business ethics in business marketing strategies is very important to build customer trust and loyalty. Honesty and transparency in business must be prioritised, so that consumers feel that the information provided is accurate and not misleading. Misleading in this case is a guarantee of halalness for consumption. In the teachings of Islam, it has been explained in Q.S Al-Baqarah verse 168, which reads: It means: "O man, eat some (food) on earth that is halal and good and do not follow the steps of Satan, for he is a real enemy to you" [5].

In the MSME sector, the culinary business has great potential because food is a basic need of the community that must be met. Halal is meant by the verse halal, both the substance and the way it is obtained. In addition to being halal, food must also be good, healthy, safe, and not excessive. Do not follow the steps of Satan mentioned in the verse means that you should not let your business be built by following the steps of Satan, who always meets your physical needs even in a way that is not by the provisions of Allah. Islamic economics emphasizes social justice and equitable distribution of wealth, encourages businesses to avoid exploitative practices, and ensures that profits are not enjoyed by just a few. The prohibition of *riba* in Islamic economics encourages much fairer financing practices [6].

The Sharia business that is carried out will undoubtedly bring Muslim entrepreneurs to prosperity by always meeting ethical standards of business behavior, as well as piety to Allah SWT, kindness, trust, and friendliness. The devotion of a Muslim entrepreneur is a form of remembering Allah SWT in every business activity so that in carrying out his business activities, he can avoid bad nature, cheating, lying, and also deceiving consumers [7]. Every strategy carried out by every MSME has great potential to encourage business growth, especially by taking advantage of the uniqueness of the product and its proximity to the local market [8]. The advantages that MSMEs have are not all that can be emulated by large companies, such as product personalisation, emotional relationships with customers, and flexibility in the face of changes in market needs. In addition, with increasing access to digital technology, MSMEs have the opportunity to expand their market reach through social media, e-commerce, and other digital marketing strategies that can reach a wider range of consumers without requiring high costs [9].

Sharia-based marketing strategies provide great opportunities for MSMEs to develop their businesses ethically, by Sharia principles that emphasize fairness, honesty, and transparency. The main potential of Sharia marketing is the ability to build customer trust and loyalty through approaches that are in line with religious values, such as avoiding usury, *gharar*, and unethical practices [10]. In addition, Sharia marketing also has a special attraction for the importance of halal products in the community and an attraction for consumers who are increasingly aware of the importance of halal products for consumption and Sharia-based services. Through this approach, MSMEs can expand the market by targeting consumer segments who are looking for business solutions that are not only quality but also by Islamic teachings [11]. However, Islamic marketing strategies also face

risks and challenges. Competition between other MSME founders is becoming increasingly fierce. In addition, consumer appeal is greatly influenced by the ability of MSMEs to ensure that their products and services are implemented with sharia principles. Another risk faced is the lack of understanding of the wider community towards the concept of marketing by the wider community towards the concept of sharia marketing, so education for consumers is one of the important elements of this strategy [12].

Therefore, maximizing the potential and reducing risks of MSMEs requires developing an integrated Sharia marketing strategy, such as prioritizing Islamic values and marketing communication, and utilizing digital platforms as a means of marketing by Sharia principles. Thus, sharia-based marketing is not only a tool to increase competitiveness, but also a form of MSME contribution in promoting sustainable business ethics [13]. If reviewed in general, the goals and targets that are desired to be achieved are the achievement of MSMEs with strong independent participants who also have a high level of competitiveness and have a major role in the production and distribution of various basic needs, then also raw materials, as well as capital that can stand on its own, which is carried out on individuals and business institutions in all economic sectors [14].

LITERATURE REVIEW

Production is a series of activities carried out to create goods and services needed for customers. Marketing is a form of value exchange between two parties, such as exchanging products for money owned by customers [15]. Production and marketing that uses the concept of Sharia economics is based on Islamic teachings, which have the goal of achieving good and eliminating evil and misery. This needs to be known and studied by business actors so that in carrying out their business practices, they do not create losses for other individuals or themselves [16].

The development of MSMEs in the country is very rapid, and there are also many MSME owners with Islam, but it is not balanced by improving the quality of human resources (HR) from their MSME actors. In practice, every trader often cheats to get a big profit, one of which is the marketing problem. Fraud, even though marketing is a common thing found in trading activities. Several factors were found to indicate that the main factors came from the individual perpetrator, who had a background of cheating, emotional instability, or lack of ability also affected the cheating factor [17].

This includes strategic management, which is very important for MSMEs. Strategic management includes structured and planned decision-making to achieve long-term goals and adapt to changing times and an ever-evolving environment [18]. For MSMEs, strategy management is the main tool to deal with limited resources and fierce competition. Strategy management helps MSMEs recognize and utilize available market opportunities. By conducting an in-depth market analysis, MSMEs can determine potential market segments, understand customer needs and preferences, and design effective marketing strategies. With a solid strategic plan, MSMEs can differentiate themselves from competitors, provide unique added value, and build a competitive advantage [19].

Marketing strategy is a process that includes several aspects such as opportunity analysis, target determination, strategy development, implementation planning, and budget allocation. From this, it can be concluded that a marketing strategy is a series of actions that encompass a marketing mix strategy consisting of products, prices, promotions, and places designed to achieve sales targets [20]. With a clear sales target, it can be implemented and planned in detail in the marketing mix, which is a combination of tactical elements that are controlled by it. Thus, it can be concluded that marketing strategy plays an important role in introducing products to the market. Sellers and artisans need a structured and systematic strategy, as well as effective communication about products, so that marketing goals can be achieved. Success in achieving marketing goals is highly dependent on how products are

marketed to consumers, one of which is influenced by good organization and operations [21].

In Islam, every business activity must be carried out according to the applicable law to ensure that no party is harmed. Therefore, business activities must be in line with Islamic law and general rules of the country. Any attempt that harms other parties or violates the law will be subject to sanctions, and in Islam, such transactions are considered null and void. Doing business or trying is allowed in Islam. The man was created by Allah as the caliph on earth, who carries out business and hard work. This business can be in the form of doing business or entrepreneurship, which involves the management of the mandate given to humans [22].

Sharia marketing is a business strategy approach that leads to the process of creating, offering, and changing the value from one party to another with a process that follows the provisions of the contract and the principles of muamalah in Islam. As long as this can be guaranteed and there is no deviation from the principles of Islamic muamalah in transactions or business processes, then any type of transaction in marketing is allowed [23].

Table 1. Literature Review on Sharia-Based Management and Marketing Strategy in MSMEs with SDG Orientation

Theme	Key Findings	Sharia Aspects	Related SDGs
Production and Marketing	Production creates goods/services; marketing is a value exchange. In Islamic economics, both must aim to generate good and eliminate harm.	Emphasis on ethical trade, justice, and avoiding exploitation.	SDG 12: Responsible Consumption and Production
Ethical Business Practice	Many MSMEs lack awareness of sharia principles. Fraud in marketing is still common due to weak character or unstable emotions among traders.	Integrity (<i>ṣidq</i>), trust (<i>amānah</i>), and fairness (<i>‘adl</i>) are mandatory; fraud nullifies contracts in Islam.	SDG 16: Peace, Justice, and Strong Institutions
Human Resource Quality	Rapid MSME growth is not matched with human resource (HR) development, especially among Muslim entrepreneurs.	Need for <i>tarbiyah</i> (education) in business ethics and spiritual values.	SDG 4: Quality Education; SDG 8: Decent Work and Economic Growth
Strategic Management	Strategy is vital to cope with limited resources and competition. Helps MSMEs recognize markets and plan effectively.	Planning aligns with <i>tawakkul</i> (reliance on God) after exerting effort (<i>ikhtiar</i>) and analysis.	SDG 9: Industry, Innovation, and Infrastructure; SDG 8
Marketing Mix Strategy	A good marketing strategy must be structured: product, price, promotion, place. Clarity and systemization are keys to reaching sales targets.	Halal products, fair pricing, honest promotion, ethical distribution.	SDG 1: No Poverty; SDG 12
Islamic Business Ethics	All business must follow both sharia and national law. Harmful or unlawful transactions are invalid in Islam.	Business is an act of worship (<i>ibadah</i>) and stewardship (<i>khilafah</i>); it must avoid injustice and harm.	SDG 16; SDG 17: Partnership for the Goals
Sharia Marketing	Sharia marketing follows muamalah contracts. As long as transactions meet sharia rules, innovation and flexibility are allowed.	Compliance with <i>akad</i> , avoiding <i>riba</i> , <i>gharar</i> , and <i>haram</i> elements.	SDG 8; SDG 10: Reduced Inequality; SDG 12

METHODOLOGY

This study adopts a qualitative approach with a descriptive research design. The use of this approach is intended to obtain a comprehensive and in-depth understanding of the marketing strategies implemented by Micro, Small, and Medium Enterprises (MSMEs), particularly in the context of applying Islamic economic principles. The object of this study is Warung Sate Madura Cak Khoirul, an MSME that operates in the culinary sector in Wonogiri, Indonesia. The primary data collection method used is in-depth interviews, which allow researchers to explore the actual practices, values, and decision-making processes adopted by the business owner. The interview was conducted directly with the owner of Warung Sate Madura Cak Khoirul, focusing on how marketing strategies are formulated, the extent to which sharia principles are integrated, and what challenges are encountered in aligning business operations with Islamic values. The interview guide was designed based on relevant concepts from marketing strategy theory and Islamic economic principles such as fairness, transparency, and ethical conduct in trade [24].

The questions in the interview guide were divided into several main themes: (1) the marketing strategy used, including product positioning, pricing, promotion, and distribution; (2) the owner's understanding and application of Islamic business ethics; (3) obstacles faced in implementing sharia-compliant strategies; and (4) the business's contribution to the surrounding community and sustainability aspects. This last theme is linked to several Sustainable Development Goals (SDGs), particularly SDG 8 (Decent Work and Economic Growth), SDG 12 (Responsible Consumption and Production), and SDG 16 (Peace, Justice, and Strong Institutions). In order to validate the data, triangulation techniques were applied by comparing the information obtained through interviews with observations of the daily operations of the food stall. Observations focused on customer service practices, pricing transparency, and promotional techniques—such as the use of social media and word-of-mouth recommendations. The researcher also paid attention to how the business builds consumer trust, maintains product quality, and adheres to ethical standards consistent with Islamic teachings [25].



Figure 1. Research Location of Madura Cak Khoirul Wonogiri Chicken Sate

Through this methodology, the study not only captures how an MSME implements effective marketing strategies but also reveals how Islamic values can coexist with modern business practices. Moreover, the method emphasizes how these sharia-based approaches can support broader goals such as economic inclusion, ethical entrepreneurship, and sustainability, in alignment with the SDGs. Thus, the research provides meaningful insights into the integration of faith-based principles within local MSME business strategies [26].

RESULTS AND DISCUSSION

The application of the marketing strategy in Warung Sate Madura Cak Khoirul Purwanto uses the data management stage derived from interviews with resource persons, namely those who own businesses and employees. Strategy in marketing is a problem that is considered very important for MSME businesspeople. A marketing strategy is a step to achieve the goals or targets that it implements. In the MSMEs, Warung Sate Madura Cak Khoirul uses marketing through market segmentation, determining the target market, along with determining the market position as well as in the marketing mix and with the Marketing Mix which consists of four elements, namely in the form of products, tariffs, then also promotions, along with the place [27].

In running its business, Warung Sate Madura Cak Khoirul can be considered successful in marketing where business actors have determined a product with high quality, set affordable selling rates, and promote products so that the public knows the business created and the place that is not difficult for the community to reach, also the distribution can be considered good.

Market Segmentation

The explanation of the definition of market segmentation is the step in identifying and building consumers with geography, then with demographics, and psychologically.

- 1). Geographical segmentation is located on the page of Purwanto Market, Wonogiri, Central Java.
- 2). Demographic segmentation can be used for all ages. Starting from children to adults.
- 3). Psychological Segmentation, All Groups Can Consume Madura Cak Khoirul Satay.

Target Market

To increase revenue, it is necessary to make adjustments to the target market. Warung Sate Madura Cak Khoirul is determining the target market by providing a selling price starting from Rp 1.500 per skewer. The price per portion without lontong is sold for Rp 15.000; if you use lontong per portion, it is sold for Rp 18.000.

Market Position

The determination of the market position aims to be able to build and provide information about the superiority of the product in the market to customers. In determining the position of Sate Madura, Cak Khoirul gave the Madura Original label because the owner of Sate Madura MSMEs, Cak Khoirul, indeed came from Madura. With this, it can provide attraction for consumers through the enjoyment of authentic taste.

Marketing Mix Strategy

To get maximum results, the marketing strategy covers various aspects of the marketing sector, through the goal of creating and planning to achieve goals, as well as outlining the business scope that MSMEs want to achieve.



Figure 2. Madura Cak Khoirul Wonogiri Chicken Sate Menu

Product

A product in the context of Sharia is a product that meets various Islamic principles, namely, it must be halal and free from elements prohibited in the Quran and Hadith, to avoid fraud and ensure that business actors ensure the quality or quality of their products. In the hadith, it is written that "the seller and the buyer have the same rights before parting. And if they are honest and willing to explain the condition of the goods, they will get blessings in their buying and selling. And if they lie and cover up the defects of goods, then the blessing of their buying and selling will be removed." (HR. Bukhori and Mulsim). The products used on Sate Madura Cak Khoirul are, of course, guaranteed to be halal, and in maintaining the quality of the product, the business owner uses chicken that is slaughtered using Islamic sharia so that the main ingredient of satay can be ensured to be halal thayyiban. Sate Madura Cak Khoirul also provides various types of satay that will be served, ranging from satay without skin, satay with lontong, and satay without lontong with additional onions and chilli that can be adjusted to customers [\[28\]](#).

Price

The tariff that has been determined for the owner of the Madura Sate Cak Khoirul business is also carried out with an Islamic view. The determination of price is based on the value or price of a product, which must not be higher than the amount of production costs incurred. Price has a very important role because it can affect the attractiveness of consumers to buy. Madura Cak Khoirul Satay sets the tariff by calculating the tariff on the raw materials. If there is an increase in the price of raw materials, business actors will not reduce the quality and taste of their products because it can affect the purchasing power of consumers [\[29\]](#).

Promotion

Promotions function as a means used by companies or organizations to convey information and inform customers, either directly or indirectly, about the products offered. If the principles of transparency and honesty are applied in promotion, this will have a positive impact in the eyes of consumers. Every content and promotion must be according to Islamic sharia principles and contain good things. The promotion of the Sate Madura Cak Khoirul business through WhatsApp and offline through word of mouth has a big impact on MSMEs. In addition, business actors also create content that follows the present day, which is uploaded on WhatsApp statuses and personal social media accounts of MSME owners and employees. Thus, the attraction of Sate Madura Cak Khoirul can be widely known by all circles [\[30\]](#).



Figure 3. Good Places and Promotions Impact Increasing Consumers

Place

In determining the place or distribution channel, Islamic companies should choose a location that is by the target market to achieve benefits. For MSMEs, Warung Sate Madura Cak Khoirul is very strategic and easy to reach by consumers because it is located in the Purwantoro Market area. This makes it easier for the public to find the location of Warung Sate Madura Cak Khoirul. According to the results of an interview at Warung Sate Madura Cak Khoirul, to compete and survive in the business world, it is very necessary to have media to help analyze internal and external conditions so that each business can formulate an accurate strategy. One of the strategic planning methods used is a SWOT analysis to be able to evaluate its strengths (Strengths), and weaknesses (Weaknesses), then also opportunities (Opportunities), along with threats (Threats) in carrying out business [31].

The business environment encompasses all things that can affect business or business activities. These factors are divided into 2 (two) categories, namely internal factors that exist in the company and directly affect production activities, as well as external factors related to conditions outside the company and trends that develop in the business environment. Every business does not continue to run smoothly, because there must be various obstacles and challenges faced. Likewise, with Warung Sate Madura Cak Khoirul, the following are the results of research and interviews carried out:

Table 2. Internal SWOT Factors of MSMEs Warung Sate Madura Cak Khoirul

Indicator	Information
Strength	1.No preservatives are used in the product
	2. Fresh quality every day
	3. Products that can customize consumers and affordable prices
	4. Good and friendly service to consumers
	5. Good response from consumers
Debilitation	1. Products cannot last more than 1 Day
	2. There has been no ordering of goods through the online application
	3. Bookkeeping carried out by the owner still uses the manual method

Table 3. External Factors SWOT of Sate Madura MSMEs Cak Khoirul

Indicator	Information
Chance	1. Marketing can be developed by ordering through online applications
	2. Participating in MSME bazaars as a means of promotion
	3. Opening branches in other places, even in other cities
	4. Expanded space
	5. Safer packaging for products taken out of Wonogiri city
Threat	1. There are competitors from other Madura satay businesses
	2. Increase in raw materials
	3. Moving to the place that is required due to a government order. For example, in terms of market renovation, etc.

In business activities, marketing is a strategy by focuses on the stage of offering formation, along with changes in the value of entrepreneurs to customers. In the Islamic view, marketing activities need to be based on various Islamic values, based on the spirit of worship carried out towards Allah SWT along with maximum efforts in achieving common prosperity. Sharia principles emphasize that marketing must be carried out to worship God Almighty, striving for common welfare that is not just for their interests [32]. In a hadith of the Prophet from Anas Ibn Malik narrated by Al-Bukhari and Muslims, it reads: "Whoever wants his sustenance to be extended and his influence expanded, let him continue the relationship". Establishing friendships with the community is something that must be done by businessmen because, in marketing activities, of course, they will meet with many people [33]. In addition, in Islamic economics, there must be sincerity in obtaining the pleasure given by Allah SWT.

The purpose and function of marketing in Islam, according to Hermawan Kertajaya and Muhammad Syakir Sula, covers 2 (two) main things in Sharia marketing, namely:

- Marketing Sharia requires companies that are managed based on Islamic Sharia principles to be able to work with a professional attitude in the business world. It is also necessary to develop a comprehensive marketing program regarding the values and quality of Sharia products so that they can be well received by the public, as well as increase the understanding of the public or consumers about the differences offered by Sharia-based businesses, which are often considered low [34].
- Marketing is by sharia marketing, which means that marketing techniques are not only oriented towards personal profit, but also aim to create, offer, and even change values that have an impact on the main parties (Allah SWT, consumers, employees, business owners). Thus, the business can maintain a balance in business and become a sustainable company by Islamic or Sharia concepts [35].

Islam provides business ethics guidelines for business actors and consumers. In dyariah business, fraudulent practices, especially those that cause losses to other parties in terms of price, are things that must be avoided. Islam does not set certain limits on obtaining profits [36]. Warung Sate Madura Cak Khoirul has affordable prices and takes reasonable profits from the products sold. The price depends on the purchasing power and quality of the products offered, making it an attractive choice for consumers who decide to buy satay at Warung Sate Madura Cak Khoirul. This is in line with the principle of muamalah in QS. An-Nisa verse 29 emphasizes that in doing business, transactions must be based on the principle of mutual consent and not harm one of the parties [37].

Warung Sate Madura uses cash and bank transfer payment methods. Business owners provide convenience and comfort for consumers in transactions that follow today's

developments. The total price paid by consumers is also the calculation of sales, there is no *riba* in the transaction. This is in line with the principle of monotheism, where the price of the products offered is determined by the purchasing power of the people, and payment is free from the element of usury. By the words of Allah in QS. Al-Baqarah verse 278: "Worship Allah and leave the rest of the *riba* (that has not been collected)". According to the tafsir, along with an explanation of the punishment that will be received by the usury eater, Allah SWT calls on His servants who believe in Him. This piety is manifested by practising obedience, staying away from disobedience, and abandoning usury transactions that still exist in some people. Allah reminds them by calling on their faith because a believer is quick to respond to Allah's call, immediately carry out His commands, and avoid His prohibitions [38].

Marketing from the perspective of Islamic economics emphasizes that the practice of *tadlis* (fraud) is strictly prohibited, especially regarding quantity, quality, and price. In QS. An-Nisa' verse 29 states that we are forbidden to consume each other's property unlawfully, except in lawful transactions such as swords. This verse reminds us to always be honest and fair in doing business, as well as avoid actions that are prohibited or can cause harm. Warung Sate Madura Cak Khoirul attaches great importance to quality, which is in line with the principles of marketing and Islamic economics. In Islam, the goal is not only to make a profit but also to provide benefits to other ummah in terms of consumers. With the principle of maintaining the quality of food, Cak Khoirul has applied Islamic economic principles, in addition to that, in every transaction, he always behaves honestly and never commits fraud, such as reducing the number of portions that should be given to buyers. With such an attitude, consumers feel satisfied and happy to continue buying food at Warung Sate Madura Cak Khoirul.



Figure 4. The Process of Maintaining the Quality of Satay Remains Halal, Hegienic, and Delicious

Sharia economics is a social science that studies the economic problems of society based on Islamic values. In the Islamic perspective, economics is not just a demand for life, but also an encouragement that has a dimension of worship, which is reflected in sharia ethics and morals. Cak Khoirul always competes by prioritizing quality, not knocking each other down, and always responding to change. He uses social media to sell and receive orders from consumers. In transactions, Cak Khoirul applies the principle of willingness and the right of *khiyar* to buyers. He also focuses on quality and not just profit. For him, product quality is a priority that must be maintained, not just pursuing profits, but also providing benefits. In terms of products and prices, Cak Khoirul always tries to do his best, as well as ensure that transactions do not harm consumers and are by the principles of justice in Islamic economics [39].

Production activities in Islam aim to maximize satisfaction and profits in the hereafter, by providing benefits for others and society as a form of worship to Allah SWT. This shows that production activities are not only to meet personal needs but also have a social function.

Therefore, production activities in Islam must be based on two main principles, namely the optimization of human resources and the optimization of the production of primary needs. The production carried out by Cak Khoirul has reflected the principles of production in Islam which not only focus on worldly profits but also prioritize the benefits of the hereafter by applying Islamic values. These values include *Siddiq*, *Amanah*, *fathanah*, *tabligh*, and *istiqamah*. In the *shiddiq* aspect, Cak Khoirul shows honesty in food production and honesty in promoting his products, no lies are committed in product production and promotion. The value of trust is also well implemented, where Cak Khoirul has never acted fraudulently and can be trusted by its consumers. Meanwhile, *fathanah* is reflected in her intelligence in keeping up with technological developments. He uses social media effectively to market his products. Furthermore, through his *istiqamah* attitude, he did not give up easily in his efforts to advance Warung Sate Madura Cak Khoirul until it was able to survive until now [40].

Cak Khoirul also always applies a *tawazun* attitude or balance by prioritizing problems in his production. It not only pursues profits but also ensures quality by selecting the best raw materials, targeting, and marketing processes. In addition, with an optimistic attitude that supports the success of his products to continue to sell in the market, Cak Khoirul is also committed to avoiding illegal or fraudulent production practices, because according to him, if consumers feel disadvantaged, then actually the loss will return to the producer.

Analysis

The implementation of sharia-based management and marketing strategies at Warung Sate Madura Cak Khoirul reflects an effective integration of ethical business practices and customer-oriented innovation within the MSME sector. Strategically located in Purwantoro Market, Wonogiri, this culinary MSME demonstrates an adaptive and localized approach to business by offering affordable, halal products, customized service, and strong relational marketing—all in line with Islamic economic values. From the marketing mix perspective, the stall successfully applies four key components: product, price, promotion, and place. Its product quality is assured through daily use of fresh, halal-certified ingredients, fulfilling both health standards and Islamic principles (*halal* and *thayyib*). Pricing is determined based on fairness and cost transparency, upholding the Islamic prohibition against exploitation and *riba*. Promotion relies on honest communication and utilizes digital tools like WhatsApp and social media status sharing, allowing for cost-efficient outreach that supports SDG 9 (Industry, Innovation, and Infrastructure) [40].

Customer loyalty is built not only through taste and affordability, but also through ethical conduct. Cak Khoirul embodies the values of *ṣidq* (honesty), *amānah* (trustworthiness), *fathanah* (wisdom), *tablīgh* (transparency), and *istiḳāmah* (consistency). These traits are critical in establishing brand identity and consumer trust—key to MSME sustainability. His avoidance of fraudulent practices and prioritization of sincerity in business are directly aligned with SDG 16 (Peace, Justice, and Strong Institutions). Moreover, the business is actively contributing to SDG 8 (Decent Work and Economic Growth) by creating employment opportunities and engaging in ethical production. With pricing tailored to the local market and social media marketing reaching broader audiences, the stall illustrates the principle of economic inclusion. This also supports SDG 1 (No Poverty), as it makes quality food accessible at low prices while generating income for the owner and staff [41].

Despite operating in a competitive market, Warung Sate Madura leverages its uniqueness—authentic Madura taste, halal certification, and strategic pricing—as its competitive edge. Yet, challenges remain, particularly in digital transformation and order management. These are potential areas for growth, especially through participation in MSME expos, online ordering platforms, and digital bookkeeping. In conclusion, the stall's practices offer a model of how Islamic ethical principles can be effectively applied in MSME marketing and operations while simultaneously contributing to sustainable development goals. This synergy between sharia compliance and SDG implementation

highlights the role of value-driven entrepreneurship in fostering inclusive, responsible, and resilient business ecosystems in rural Indonesia [41].

CONCLUSION

This study concludes that Warung Sate Madura Cak Khoirul in Wonogiri is a strong example of how Micro, Small, and Medium Enterprises (MSMEs) can effectively integrate Islamic economic principles into business management and marketing strategies. The practices implemented by the business owner reflect the foundational values of sharia economics, including honesty (ʿiḍq), trustworthiness (amānah), intelligence (fathanah), transparency (tablīgh), and consistency (istiḳāmah). These values are not only embedded in individual behavior but are also operationalized through business decisions related to production, pricing, promotion, and positioning. From a marketing perspective, the business demonstrates clarity in targeting and segmenting its market by location, age range, and purchasing behavior. Though the methods used—such as word-of-mouth and social media promotion—are simple, they are highly effective and cost-efficient. Pricing is determined fairly, considering raw material costs and market purchasing power, without exploiting consumers. These practices uphold the Islamic principle of justice (ʿadl) in transactions and directly contribute to SDG 1 (No Poverty), SDG 8 (Decent Work and Economic Growth), and SDG 12 (Responsible Consumption and Production). In the realm of production, Warung Sate Madura adheres to Islamic standards by ensuring halal materials and avoiding prohibited elements. The product quality is consistently maintained, reflecting the Islamic obligation to provide not only lawful (halal) but also good (tayyib) goods. These efforts position the business within the broader ethical consumption movement, supporting SDG 3 (Good Health and Well-Being) and SDG 16 (Peace, Justice, and Strong Institutions). Cak Khoirul's proactive response to change, particularly through technology adoption in promotion, shows entrepreneurial adaptability that aligns with SDG 9 (Industry, Innovation, and Infrastructure). While the business still faces challenges—such as limited digital infrastructure and the need for structured financial recording—it's resilience and community-oriented approach reflect the spirit of khilafah (stewardship) and maslahah (public benefit) in Islamic economics. Furthermore, the MSME supports local economic circulation, provides employment, and strengthens food accessibility—essential components of inclusive and sustainable development. By upholding sharia principles in everyday operations, the business contributes not only to individual prosperity but also to societal welfare. In conclusion, the case of Warung Sate Madura Cak Khoirul illustrates how MSMEs can act as agents of sustainable, ethical development. It affirms that sharia-based business models are not only viable but essential in building economic systems that are equitable, inclusive, and in alignment with the global Sustainable Development Goals (SDGs).

Acknowledgements

The authors express sincere gratitude to Universitas Muhammadiyah Surakarta for its academic and logistical support, and to all informants at Warung Sate Madura Cak Khoirul who provided valuable insights and cooperation throughout the research process.

Author Contribution

Both authors contributed equally to the conception, research design, data collection, analysis, and drafting of this article. They collaborated in integrating sharia economic principles and SDGs perspectives into the study of MSME strategies in rural Indonesia.

Conflicts of Interest

The authors declare no conflict of interest. This research was conducted independently, without any financial, commercial, or institutional influence that could affect the objectivity, integrity, or transparency of the findings and interpretations presented.

REFERENCES

- [1] M. M. Arifqi, “Pemulihan Perekonomian Indonesia Melalui Digitalisasi UMKM Berbasis Syariah di Masa Pandemi Covid-19,” *Al-Kharaj J. Ekon. Keuang. Bisnis Syariah*, vol. 3, no. 2, pp. 192–205, 2021, <https://doi.org/10.47467/alkharaj.v3i2.311>.
- [2] T. R. Thantawi, M. K. Mubarak, and M. Y. Adrian, “Manajemen Pemasaran Bisnis Syariah Bagi Usaha Mikro Kecil Dan Menengah Desa Cinangneng, Kecamatan Tenjolaya, Kabupaten Bogor,” *Sahid Empower. J.*, vol. 1, no. 02, pp. 69–78, 2022, <https://doi.org/10.56406/sahidempowermentjournal.v1i02.52>.
- [3] N. M. Mentari, N. M. Mentari, R. Nurhayati, and R. Yakub, “Penyuluhan Edukatif : Pentingnya Branding , Pemasaran Digital Syariah , Dan Plotting Lokasi Usaha Kepada UMKM Bioflok Desa Cibat Purwakarta,” *J. Pengabd. Kpd. Masy.*, vol. 4, pp. 36–54, 2024.
- [4] M. Anastasia and R. Oktafia, “Strategi Pemasaran Syariah Dalam Meningkatkan Daya Saing Umkm Kerupuk Desa Tlasi Tulangan Sidoarjo,” *J. Tabarru’ Islam. Bank. Financ.*, vol. 4, no. 2, pp. 431–444, 2021, [https://doi.org/10.25299/jtb.2021.vol4\(2\).7773](https://doi.org/10.25299/jtb.2021.vol4(2).7773).
- [5] R. Oktavia, “Studi Kelayakan Bisnis Dalam Perspektif Islam Pada UMKM Di Surabaya,” *IQTISADIE J. Islam. Bank. Syariah Econ.*, vol. 3, no. 1, pp. 45–63, 2023, <https://doi.org/10.36781/iqtisadie.v3i1.389>.
- [6] A. D. Evasari, “Strategi Pemasaran Islami Dengan Media Sosial Untuk Meningkatkan Penjualan Produk,” *Istithmar J. Stud. Ekon. Syariah*, vol. 4, no. 1, 2020, <https://doi.org/10.30762/istithmar.v4i1.3>.
- [7] F. A. Melania and A. A. Ridlwan, “Pengaruh Penerapan Etika Pemasaran Islami Terhadap Kepuasan Pelanggan (Studi Pada Pelanggan Produk Chiztikk Surabaya),” *J. Iqtisaduna*, vol. 8, no. 1, pp. 43–56, 2022, <https://doi.org/10.24252/iqtisaduna.v8i1.29069>.
- [8] A. Taryana and D. Retnowardhani, “Peran Integrated Marketing Communication pada Perusahaan Media (Di Menara62.com – Media Dakwah Muhammadiyah),” *J. Penelit. Inov.*, vol. 3, no. 2, pp. 277–282, 2023, <https://doi.org/10.54082/jupin.156>.
- [9] N. P. Ramadhany, H. Aravik, and C. Choirunnisak, “Analisis Penerapan Prinsip Etika Bisnis Islam Terhadap Usaha Mikro Kecil Dan Menengah (UMKM) Pada Rozza Bakery Palembang,” *J. Ilm. Mhs. Perbank. Syariah*, vol. 3, no. 1, pp. 13–26, 2023, <https://doi.org/10.36908/jimpa.v3i1.115>.
- [10] E. Endris and A. Kassegn, “The role of micro, small and medium enterprises (MSMEs) to the sustainable development of sub-Saharan Africa and its challenges: a systematic review of evidence from Ethiopia,” *J. Innov. Entrep.*, vol. 11, no. 1, 2022, <https://doi.org/10.1186/s13731-022-00221-8>.
- [11] D. Lestari, Masruchin, and F. Nur Latifah, “Penerapan Strategi Pemasaran Syariah Pada Umkm Franchise Pentol Kabul Dalam Meningkatkan Pendapatan,” *J. Tabarru’ Islam. Bank. Financ.*, vol. 5, no. 1, pp. 216–229, 2022, [https://doi.org/10.25299/jtb.2022.vol5\(1\).9243](https://doi.org/10.25299/jtb.2022.vol5(1).9243).
- [12] N. Y. S. Dewi, “Manajemen Keuangan dan Pemasaran UMKM Dalam Perspektif Islam Sebagai Upaya Menekan Angka Kemiskinan,” *J. Ilm. Ekon. Islam*, vol. 9, no. 2, p. 2504, 2023, <https://doi.org/10.29040/jiei.v9i2.9002>.
- [13] N. A. Novita, S. Oktianingrum, and V. F. Sanjaya, “Pengaruh Digitalisasi Pemasaran (Pemasaran Online) Terhadap Peningkatan Pendapatan Umkm Pada Perspektif Ekonomi Syariah Di Kota Bandar Lampung,” *Al-Dzahab*, vol. 3, no. 1, pp. 1–9, 2022, <https://doi.org/10.32939/dhb.v3i1.1037>.
- [14] A. Abdullah, “Effect of Entrepreneurial Competency on Competitive Advantage and Marketing Performance in Micro, Small and Medium Enterprises of Seaweed Processing,” *Russ. J. Agric. Socio-Economic Sci.*, vol. 71, no. 11, pp. 212–20, 2017, <https://doi.org/10.18551/rjoas.2017-11.28>.
- [15] U. hasanah Nurul fitriani, Kharis Fadlullah Hana, and Nurul Fitiani, “Analisis Penerapan Sharia Compliance Pada Produk Pembiayaan BSI KUR Mikro di Bank Syariah Indonesia,” *J. Ilmu Perbank. dan Keuang. Syariah*, vol. 4, no. 2, pp. 144–158, 2022, <https://doi.org/10.24239/jipsya.v4i2.142.144-158>.

-
- [16] K. Ahmad, "The Implementation of Management Accounting Practice and Its Relationship with Performance in Small and Medium Enterprises Sector," *Int. Rev. Manag. Mark.*, vol. 7, no. 1, pp. 342–53, 2017, [Online]. Available: <https://dergipark.org.tr/en/pub/irmm/issue/32094/355444>.
- [17] A. Alkhoraif, H. Rashid, and P. McLaughlin, "Lean Implementation in Small and Medium Enterprises: Literature Review," *Oper. Res. Perspect.*, vol. 6, no. December 2018, p. 100089, 2019, <https://doi.org/10.1016/j.orp.2018.100089>.
- [18] N. Sari, R. F. Marta, N. Angreani, Harry, and M. I. A. Perkasa, "Menakar loyalitas konsumen berdasarkan persepsi nilai dan kepercayaan merek geprek benua," *Soetomo Commun. Humanit.*, vol. 2, no. 2, pp. 75–85, 2021, <https://doi.org/10.25139/sch.v2i2.4078>.
- [19] A. Adiningrat and Andi, "The Development of Intensity Model on Technopreneurship to Improve Turnover in Micro, Small and Medium Enterprises (MSMEs) Culinary in Makassar, Indonesia," *Int. J. Econ. Dev. Res.*, vol. 4, no. 1, pp. 2023–2372, 2023.
- [20] S. Zhou, W. A. Tiruneh, and M. A. Legese, "The effect of corporate social responsibility on environmental performance: the mediating role of green innovation and green human resource management," *Int. J. Emerg. Mark.*, vol. 19, no. 11, pp. 3848–3868, 2023, <https://doi.org/10.1108/IJOEM-02-2022-0211>.
- [21] M. Z. Asikin, M. O. Fadilah, W. E. Saputro, O. Aditia, and M. M. Ridzki, "The Influence Of Digital Marketing On Competitive Advantage And Performance of Micro, Small And Medium Enterprises," *Int. J. Soc. Serv. Res.*, vol. 4, no. 03, pp. 963–70, 2024, <https://doi.org/10.46799/ijssr.v4i03.749>.
- [22] P. Astadi, S. Kristina, S. Retno, P. Yahya, and A. A. Alam, "The Long Path to Achieving Green Economy Performance for Micro Small Medium Enterprise," *J. Innov. Entrep.*, vol. 11, no. 1, pp. 1–19, 2022, <https://doi.org/10.1186/s13731-022-00209-4>.
- [23] D. Jatmoko, B. Basuki, J. Purwanto, N. Hidayati, A. F. Isbakhi, and A. Primartadi, "Digital Marketing Sebagai Strategi Pemasaran UMKM Di Desa Kemiri Kidul," *SAFARI J. Pengabdian Masy. Indones.*, vol. 3, no. 4, pp. 175–83, 2023, <https://doi.org/10.56910/safari.v3i4.921>.
- [24] M. Mulyadi, "Penelitian Kuantitatif Dan Kualitatif Serta Pemikiran Dasar Menggabungkannya," *J. Stud. Komun. dan Media*, vol. 15, no. 1, p. 128, 2013, <https://doi.org/10.31445/jskm.2011.150106>.
- [25] A. Sholikhah, "Statistik Deskriptif Dalam Penelitian Kualitatif," *KOMUNIKA J. Dakwah dan Komun.*, vol. 10, no. 2, pp. 342–362, 2016, <https://doi.org/10.24090/komunika.v10i2.953>.
- [26] M. Mulyadi, "Penelitian Kuantitatif Dan Kualitatif Serta Pemikiran Dasar Menggabungkannya [Quantitative and Qualitative Research and Basic Rationale to Combine Them]," *J. Stud. Komun. dan Media*, vol. 15, no. 1, pp. 128–138, 2019, <https://doi.org/10.31445/jskm.2011.150106>.
- [27] R. Firdaus, A. Faizasari, M. Y. Batusangkar, and U. N. Padang, "Analysis Of Marketing Mix In The Perspective Of Islamic Business Ethics Study On The Community Of Pastry MSME Actors In Tanah Datar Regency Analisis Marketing Mix Dalam Perspektif Etika Bisnis Islam Studi Pada Masyarakat Pelaku UMKM Kue Kering Di Kabupaten," *Manag. Stud. Entrep. J.*, 2022, [Online]. Available: <http://journal.yrpiiku.com/index.php/msej>.
- [28] R. Gruenbichler, J. Klucka, K. Haviernikova, and S. Strelcova, "Business Performance Management in Small and Medium-Sized Enterprises in the Slovak Republic: An Integrated Three-Phase-Framework for Implementation," *J. Compet.*, vol. 13, no. 1, pp. 42–58, 2021, <https://doi.org/10.7441/joc.2021.01.03>.
- [29] M. I. Haddad, I. A. Williams, M. S. Hammoud, and R. J. Dwyer, "Strategies for Implementing Innovation in Small and Medium-Sized Enterprises," *World J. Entrep. Manag. Sustain. Dev.*, vol. 16, no. 1, pp. 12–29, 2020, <https://doi.org/10.1108/WJEMSD-05-2019-0032>.
- [30] E. Hadiyati and F. Hendrasto, "Entrepreneurial Marketing Strategy of Micro, Small and Medium Enterprises in Pandemic Covid-19 Era," *Int. J. Econ. Bus. Adm.*, vol. IX, no. 2, pp. 178–91, 2021, <https://doi.org/10.35808/ijebe.696>.
- [31] D. Hanggraeni, B. Ślusarczyk, L. A. K. Sulung, and A. Subroto, "The Impact of Internal,
-

- External and Enterprise Risk Management on the Performance of Micro, Small and Medium Enterprises,” *Sustainability*, vol. 11, no. 7, 2019, <https://doi.org/10.3390/su11072172>.
- [32] M. M. Islam and M. M. Hasan, “Islamic marketing of conventional banks: bridging managers’ and clients’ perceived gaps,” *J. Islam. Account. Bus. Res.*, 2024, <https://doi.org/10.1108/JIABR-11-2023-0379>.
- [33] S. Syamsuri, Y. Sa’adah, and I. A. Roslan, “Reducing Public Poverty Through Optimization of Zakat Funding as an Effort to Achieve Sustainable Development Goals (SDGs) in Indonesia,” *J. Ilm. Ekon. Islam*, vol. 8, no. 1, p. 792, 2022, <https://doi.org/10.29040/jiei.v8i1.3872>.
- [34] R. Kumar, R. K. Singh, and R. Shankar, “Critical Success Factors for Implementation of Supply Chain Management in Indian Small and Medium Enterprises and Their Impact on Performance,” *IIMB Manag. Rev.*, vol. 27, no. 2, pp. 92–104, 2015, <https://doi.org/10.1016/j.iimb.2015.03.001>.
- [35] M. Júnior, J. A. G. Euro, F. Fukunaga, R. Cerchione, and P. Centobelli, “Use of Knowledge Management Systems: Analysis of the Strategies of Brazilian Small and Medium Enterprises,” *J. Knowl. Manag.*, vol. 24, no. 2, pp. 369–94, 2020, <https://doi.org/10.1108/JKM-06-2019-0334>.
- [36] E. W. Prastyaningtyas, A. M. Almaududi Ausat, L. F. Muhamad, M. I. Wanof, and S. Suherlan, “The Role of Information Technology in Improving Human Resources Career Development,” *J. Teknol. Dan Sist. Inf. Bisnis*, vol. 5, no. 3, pp. 266–275, 2023, <https://doi.org/10.47233/jteksis.v5i3.870>.
- [37] Y. Ramli, D. Permana, M. Soelton, and W.-L. Koe, “Implementing Strategic Sustainability Business on The Micro, Small and Medium Enterprises,” *ICCD (International Conf. Community Dev.* 4, no. 1, pp. 232–36, 2022, <https://doi.org/10.33068/iccd.v4i1.470>.
- [38] M. Rasidi, M. Y. Pratama, and M. I. Arisandi, “Strategic Management Implementation of the Cooperatives, Industry, and Trade Department in the Development of Micro Small and Medium Business in Situbondo Regency,” *J. Manag. Sci. (JMAS)*, vol. 8, no. 1, pp. 1–8, 2025, <https://doi.org/10.35335/jmas.v8i1.609>.
- [39] S. Suprpti and Suparmi, “Improving Marketing Performance through Business Agility and Market Orientation in Micro, Small, and Medium Enterprises in Semarang City,” *Arthatama J. Bus. Manag. Account.*, vol. 6, no. 1, pp. 26–43, 2022, [Online]. Available: <https://journal.lifescifi.com/index.php/art/article/view/201>.
- [40] P. Montolalu and M. C. Raintung, “Analysis Of Effect Of Promotion Strategy, Brand Image and Perception on Decision of Usage Customer Given Given Customers at Pegadaian (Persero) Kanwil Manado,” *J. Ris. Ekon. Manajemen, Bisnis dan Akunt.*, vol. 6, no. 3, p. 1809, 2018, <https://doi.org/10.35794/emba.v6i3.20663>.
- [41] N. M. Tumate and J. Njoroge, “Strategic Management Practices and Performance of Public Hospitals in Nairobi City County, Kenya,” *Int. Acad. J. Hum. Resour. Bus. Adm.*, vol. 1, no. 3, pp. 280–93, 2023, [Online]. Available: http://www.iajournals.org/articles/iajhrba_v3_i1_1_26.pdf.