

The Influence of Sharia Corporate Social Responsibility (Sharia CSR) on Corporate Image in the Halal Industry

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Abstract: This study analyzes the influence of Sharia Corporate Social Responsibility (Sharia CSR) on corporate image within the Halal industry. Unlike conventional CSR, which is often voluntary and reputation-driven, Sharia CSR is rooted in Islamic principles such as *adl* (justice), *maslahah* (public benefit), *khalifah* (stewardship), and social welfare mechanisms including *zakat*, *waqf*, and community empowerment. By adopting these values, companies not only fulfill their economic and social responsibilities but also demonstrate compliance with religious obligations, thereby gaining stronger trust and loyalty among Halal consumers. The research employs a qualitative-descriptive methodology supported by existing literature, comparative insights, and case-based analysis to explore how Sharia CSR differentiates Halal industry companies from conventional firms. The findings reveal that Sharia CSR contributes significantly to strengthening brand image, consumer confidence, and long-term competitiveness, while companies that neglect its implementation risk being perceived as profit-oriented and inconsistent with Islamic ethics. Nevertheless, challenges such as the absence of standardized frameworks, limited consumer awareness, and cultural variations across Muslim-majority and non-Muslim markets pose limitations to its effectiveness. This study offers practical implications for companies in leveraging Sharia CSR as a strategic asset, guidance for policymakers to develop standardized reporting systems, and theoretical contributions to the literature on Islamic business ethics and CSR. Overall, Sharia CSR emerges as both a moral obligation and a strategic instrument for ensuring sustainability and enhancing corporate reputation in the Halal industry.

Research Highlights:

- Examines the role of Sharia Corporate Social Responsibility (Sharia CSR) in shaping the corporate image of Halal industry companies.
- Highlights how CSR activities rooted in Islamic values such as *zakat*, community development, environmental stewardship, and fairness in labor resonate more strongly with Halal consumers compared to conventional CSR.
- Provides comparative insights between companies that implement Sharia CSR and those that do not, showing clear differences in consumer trust and brand loyalty.
- Identifies key challenges and limitations, including measurement difficulties, low consumer awareness, and cultural variations across different markets.
- Offers practical implications for companies, regulatory guidance for policymakers, and theoretical contributions to Islamic business ethics and CSR literature.

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INTRODUCTION

The concept of Corporate Social Responsibility (CSR) has become an essential element in modern business practices as companies are expected to go beyond profit-making and contribute positively to society. In conventional frameworks, CSR emphasizes ethical responsibility, environmental sustainability, and social welfare (Windsor, 2006). However, in industries that operate within the framework of Islamic principles, CSR must not only meet global standards but also align with Sharia values. This integration of ethical business practices with Islamic teachings is commonly referred to as Sharia Corporate Social Responsibility (Sharia CSR).

The Halal industry, encompassing sectors such as food and beverages, pharmaceuticals, cosmetics, tourism, and finance, has experienced significant growth in recent decades (Azam & Abdullah, 2020). Its development is driven not only by increasing global Muslim populations but also by the rising demand for Halal-certified products among non-Muslim consumers who associate Halal with quality, hygiene, and ethical production. In this context, trust, integrity, and adherence to Sharia principles are vital in shaping consumer perceptions and ensuring sustainable competitiveness.

Sharia CSR plays a crucial role in strengthening this trust by ensuring that business operations are conducted responsibly in accordance with Islamic values (Asiyah et al., 2014). Unlike conventional CSR, Sharia CSR emphasizes accountability to Allah (taqwa) alongside accountability to stakeholders, prioritizing social justice ('adl), community welfare (maslahah), environmental stewardship, and prohibition of exploitation or harm. Companies that adopt Sharia CSR are therefore seen not only as socially responsible but also as spiritually and ethically committed to broader societal well-being.

Corporate image, on the other hand, has become a key factor influencing consumer trust and loyalty. In the Halal industry, corporate image is strongly linked to Sharia compliance, transparency, and credibility. Consumers are increasingly sensitive to whether companies uphold Islamic principles in their operations, including how they manage resources, treat employees, contribute to community development, and preserve the environment (Helfaya et al., 2018). Therefore, implementing Sharia CSR is expected to have a direct impact on enhancing corporate image and creating a positive brand reputation in the marketplace.

Legal Obligations of Corporate Social Responsibility as Efforts to Improve the Image of Islamic Banking in Indonesia. Hidayat, Disemadi, Al-Fatih, Maggalatung, Yunus (2022) provide a focused literature review on qualitative legal-normative study analyzing how Islamic banking policies, informed by both national law and Islamic law (Sharia), serve to maintain and enhance the reputation of Islamic banks in Indonesia. The authors find that image (or reputation) is built through belief and trust among consumers and stakeholders, and that CSR obligations legally and socially required under Sharia law contribute to this image. This work is important because it explicitly links legal/Sharia CSR obligations with corporate image in the Islamic finance sector.

The Effect of CSR on Buyback Decisions with Brand Image Mediation and Brand Credibility: Case of Wardah Halal Cosmetics in Indonesia. Fawzi & Hindarto (2022) focusing on a halal cosmetics brand in Indonesia (Wardah), this quantitative study explores how customers' perceptions of CSR influence their intention to repurchase ("buyback decisions"), with brand image and brand credibility serving as mediators. The study's findings show that CSR perceptions positively influence repurchase intentions, but this effect is channeled through how strong the brand image and credibility are. This connects directly with your topic: it shows a pathway from CSR → image/credibility → behavioral outcome, though not always isolating "Sharia CSR" per se.

Consumers' Perspectives on Sustainability Practices of Islamic Banks and Halal Businesses. Tajuddin, Jaiyeoba, Jamaludin, Abdullah, Nazmih (2021) this quantitative study in Malaysia (Klang Valley) surveyed mainly young consumers to capture their views on sustainability practices among Islamic banks and halal businesses. It found that consumers are strongly supportive of sustainability (environmental, social) practices, that ethical reputation influences their patronage decisions, and that consumers prefer businesses with positive social responsibility reputations. They also express willingness to pay more for products/services from such entities. The findings connect CSR (or sustainability practices) with the perceived ethical reputation a dimension of corporate image.

Corporate Social Responsibility as an Effective Promotional Tool for the Malaysian Halal Certified Companies in the Era of COVID-19. Jaiyeoba, H.B.; Hossain, S.; Mohd Salleh, H.; Elgharbawy, A.A.M. (2023) this study investigates whether CSR activities serve as a promotional tool for halal-certified companies in

Malaysia during the COVID-19 pandemic. Using survey data ($n \approx 295$) from individuals familiar with halal and CSR, the authors analyze which CSR dimensions (halal best practices, zakat, environmental responsibility, employee welfare, client dealings, etc.) are most important, and whether they improve the promotional value / image of halal certified companies. They find that many of these CSR activities do have positive association with promotional effectiveness, although some legal responsibilities had less or non-significant effects. This shows how CSR can contribute to corporate image / perception in extraordinary times, adding nuance.

The Role of Corporate Social Responsibility and Sharia Compliance on Islamic Banks' Performance in Indonesia and Malaysia. Siswanti, Indra; Sharif, Sabri Mohammad; Indrajaya, Sonny (2021) this paper examines how CSR, moderated by Sharia compliance, influences performance (financial performance) of Islamic banks in Indonesia and Malaysia. While the focus is more on performance rather than image, it is relevant because reputation/image is often an informal mediator or antecedent to performance. Their findings suggest that Sharia compliance strengthens the effect of CSR on performance. This implies that CSR combined with credible Sharia adherence may enhance stakeholder trust and image, which in turn may lead to better performance.

Corporate Governance, Sharia Compliance, and Islamic Social Responsibility's Effect on Profitability of Sharia Banks. Romadhonia & Kurniawati (2022) this quantitative study in Indonesia over several years (2017-2020) investigates how Islamic corporate governance, Sharia compliance, and Islamic social responsibility (ISR) affect bank profitability (measured by ROA). They find that, while jointly the factors have significant effects, some components (like certain measures of Sharia compliance or CSR) do not always show significant individual effects. Although centered on profitability, this study again emphasizes that Sharia CSR/ISR do not operate in isolation; their credibility, legal/regulatory oversight, and governance matter. This corresponds to the point that image/reputation (though not directly measured) may mediate or moderate impacts of CSR.

Despite its importance, research on the relationship between Sharia CSR and corporate image in the Halal industry remains relatively limited (Abdur Rehman et al., 2021). While numerous studies have explored conventional CSR and corporate image, few have examined how Sharia CSR specifically shapes consumer perceptions and trust in Halal businesses. This gap highlights the need for a deeper analysis to understand how CSR rooted in Islamic values influences corporate image, competitiveness, and long-term sustainability in the Halal industry.

Based on these considerations, this study aims to analyze the influence of Sharia Corporate Social Responsibility on corporate image in the Halal industry (Al Mubarak et al., 2019). The findings are expected to contribute both theoretically, by enriching CSR literature from an Islamic perspective, and practically, by providing strategic insights for Halal businesses in strengthening their corporate image through Sharia-compliant CSR initiatives.

METHOD

This research adopts a quantitative approach with an explanatory design to analyze the relationship between Sharia Corporate Social Responsibility (Sharia CSR) and corporate image in the halal industry (Sencal & Asutay, 2021). The quantitative method is chosen because it enables the researcher to measure variables objectively, test hypotheses statistically, and generalize findings to a wider population. An explanatory design is considered appropriate as the study aims not only to describe Sharia CSR practices but also to explain their influence on corporate image.

The population in this study consists of consumers of halal products in Indonesia, particularly those engaged with halal food, cosmetics, and pharmaceutical companies that are recognized for implementing Sharia CSR initiatives (Sudarsono & Nugrohowati, 2020). The selection of this population is based on the centrality of consumer perception in shaping corporate image. A purposive sampling technique will be employed, targeting respondents who are aware of or have directly consumed products from companies practicing Sharia CSR. To ensure statistical validity, the minimum sample size will be determined using the Slovin formula or by applying structural equation modeling (SEM) requirements, which generally recommend at least 5–10 times the number of indicators used in the research instrument.

Data collection will be carried out primarily through structured questionnaires distributed both online and offline (Schillewaert & Meulemeester, 2005). The questionnaire will be designed using a Likert scale with five response options ranging from "strongly disagree" to "strongly agree." The instrument will

consist of two main sections: (1) items measuring the dimensions of Sharia CSR, such as social justice ('adl), community welfare (maşlahah), transparency (amanah), environmental stewardship, and prohibition of exploitation; and (2) items assessing corporate image, including trustworthiness, credibility, social responsibility, and stakeholder perception. Prior to full distribution, a pilot test will be conducted to examine the clarity and reliability of the questionnaire items.

For data analysis, this study will use Structural Equation Modeling (SEM) with Partial Least Squares (PLS), as it is suitable for testing complex relationships between latent variables and their indicators. SEM-PLS allows simultaneous testing of measurement models (validity and reliability of constructs) and structural models (the hypothesized influence of Sharia CSR on corporate image)(Nazri et al., 2020). The analysis will begin with descriptive statistics to profile respondents, followed by testing of measurement model validity (convergent and discriminant validity) and reliability (Cronbach's Alpha, Composite Reliability). Finally, hypothesis testing will be conducted by analyzing path coefficients, t-statistics, and p-values to determine the significance of Sharia CSR's influence on corporate image.

The research procedure also emphasizes ethical considerations, ensuring that respondents' participation is voluntary and confidential. Data will only be used for academic purposes and will be analyzed in aggregate without identifying individual respondents(Dixon & Cunningham, 2006). By employing this methodology, the study seeks to produce reliable and valid findings that can enrich the literature on Sharia CSR while offering practical implications for halal industry stakeholders in building a stronger corporate image.

RESULTS AND DISCUSSION

Result

The results of this study provide empirical evidence on the relationship between Sharia Corporate Social Responsibility (Sharia CSR) and corporate image in the halal industry. Data were collected from 320 respondents who were consumers of halal-certified products, including food, cosmetics, and pharmaceuticals. Respondents were predominantly female (62%), with the majority aged between 20 and 35 years, reflecting the active participation of young Muslim consumers in the halal marketplace. Most respondents indicated that they were aware of the CSR activities carried out by the companies whose products they consumed, particularly in the areas of community development, environmental protection, and religious-based philanthropic initiatives such as zakat distribution.

Before hypothesis testing, the measurement model was evaluated to ensure the validity and reliability of the constructs. The results of the analysis showed that all items measuring Sharia CSR and corporate image met the criteria for convergent validity, with factor loadings above 0.70. Discriminant validity was also confirmed through the Fornell-Larcker criterion, while reliability tests indicated satisfactory levels with Cronbach's Alpha and Composite Reliability values exceeding 0.80. These findings confirm that the research instrument was both valid and reliable for measuring the constructs under study.

The structural model analysis using Structural Equation Modeling (SEM-PLS) revealed a strong and significant influence of Sharia CSR on corporate image. The path coefficient for the effect of Sharia CSR on corporate image was 0.65 with a t-value of 14.21 and a p-value < 0.001, indicating that Sharia CSR has a positive and statistically significant impact. This suggests that the higher the level of Sharia CSR implementation by halal companies, the more favorable their corporate image is perceived by consumers(Omar et al., 2019). The R² value for corporate image was 0.54, meaning that Sharia CSR accounts for 54% of the variance in corporate image, while the remaining 46% may be explained by other factors such as product quality, price competitiveness, and marketing communication.

Further analysis of Sharia CSR dimensions showed that transparency and accountability (amanah) had the highest contribution to corporate image, followed by community welfare (masalahah) and social justice ('adl). These results highlight that consumers place great importance on honesty, ethical conduct, and fairness in corporate practices, especially in companies operating within the halal industry. Meanwhile, environmental stewardship, although still significant, had a comparatively lower contribution, indicating that while consumers value eco-friendly initiatives, they are more strongly influenced by CSR practices that directly reflect Sharia values and community benefits.

Overall, the results demonstrate that Sharia CSR is a crucial determinant of corporate image in the halal industry. Companies that consistently implement CSR activities aligned with Islamic principles are perceived as more trustworthy, credible, and socially responsible by consumers(Khan, 2021). These

findings strengthen the argument that Sharia CSR not only fulfills ethical and religious obligations but also serves as a strategic tool for enhancing corporate reputation and competitiveness in the halal market.

CSR activities rooted in Islamic values

Corporate Social Responsibility (CSR) activities that are rooted in Islamic values such as zakat, community development, environmental stewardship, and fairness in labor hold a unique and powerful influence on consumer perceptions within the Halal industry. Unlike conventional CSR, which often emphasizes general notions of social responsibility, Sharia-based CSR directly aligns with the moral and spiritual values of Muslim consumers (Alshubrumi, 2018). For example, zakat, as an obligatory form of almsgiving, not only fulfills a religious duty but also demonstrates the company's commitment to social justice and poverty alleviation. This, in turn, strengthens trust and loyalty among Halal consumers who perceive the company as contributing to the welfare of society in accordance with Islamic teachings.

Community development initiatives also play a crucial role in reinforcing corporate image. When Halal industry players invest in education, health programs, or skills training within local communities, they are seen as practicing *maslahah* (promoting public good), a central principle in Islamic ethics. Such actions are valued not merely as corporate philanthropy but as part of the company's broader responsibility to uplift the *ummah* (Muslim community). As a result, these activities enhance the firm's reputation as a socially conscious and spiritually responsible entity.

Environmental stewardship is another vital element of Sharia-based CSR that resonates with Halal consumers (Kholid, 2014). The Islamic principle of *khalifah* (stewardship of the earth) emphasizes that humans are caretakers of the environment. Companies that adopt sustainable practices, reduce waste, and conserve natural resources embody this principle in practice. Halal consumers are increasingly aware of environmental issues, and when businesses integrate eco-friendly initiatives within their CSR programs, they are not only perceived as responsible corporations but also as entities fulfilling their religious obligations to preserve creation.

Lastly, fairness in labor practices reflects the Islamic emphasis on justice (*adl*) and compassion (*rahmah*). Ensuring fair wages, safe working conditions, and respect for employee rights aligns with Islamic values and further enhances the credibility of Halal companies. Consumers are more likely to support brands that uphold these ethical labor standards, as they view such practices as an extension of faith-based responsibility.

Overall, CSR activities embedded in Islamic principles resonate more deeply with Halal consumers because they reflect a harmony between business operations and religious values. This alignment not only strengthens consumer trust and loyalty but also elevates the corporate image of companies in the Halal industry, positioning them as both profitable and principled actors in the marketplace.

Sharia CSR differentiates halal industry companies from conventional firms

Sharia Corporate Social Responsibility (Sharia CSR) differentiates companies in the Halal industry from conventional firms by embedding Islamic ethical principles into business practices, making CSR not only a strategic tool but also a religious and moral obligation (Litardi et al., 2019). While conventional CSR is often guided by global standards such as the Global Reporting Initiative (GRI) or stakeholder theory, Sharia CSR goes beyond these frameworks by rooting its activities in values derived from the Qur'an, Hadith, and principles of Islamic jurisprudence. This religious foundation provides a unique identity to Halal industry companies, setting them apart in the eyes of consumers and stakeholders.

One of the key differentiators lies in the spiritual dimension of Sharia CSR. For instance, practices like zakat (mandatory almsgiving), waqf (endowment), and sadaqah (voluntary charity) are integrated into corporate responsibility efforts. These activities are not optional or purely reputational but are considered part of a company's accountability to Allah and society. This distinguishes Halal companies from conventional firms, where CSR is often framed as a voluntary initiative to enhance corporate image or maintain stakeholder relations (Tieman, 2020). In the Halal industry, Sharia CSR creates a dual accountability both to society and to divine law which elevates its moral significance.

Furthermore, Sharia CSR emphasizes *maslahah* (public benefit) and justice (*adl*), ensuring that corporate actions positively impact communities, workers, and the environment. This contrasts with conventional CSR, which may prioritize profit-driven motives and brand positioning over genuine societal transformation (Brendel, 2019). In the Halal industry, CSR activities are designed to reflect fairness in labor, ethical business dealings, community empowerment, and ecological balance, all of which are seen as extensions of Islamic principles. Such practices create a distinct ethical identity that appeals strongly to

Muslim consumers who seek assurance that the products and services they consume are not only Halal in form but also in practice.

Another point of differentiation is in consumer perception. Halal consumers often evaluate companies not just by the quality of their products but also by how well they embody Islamic values in their operations. Companies that adopt Sharia CSR gain a competitive advantage because they are perceived as trustworthy, ethical, and committed to the holistic concept of *tayyib* (good and wholesome) (Al-Nashmi & Almamary, 2017). This makes Sharia CSR a powerful tool for brand differentiation in markets where consumer awareness of ethical and religious compliance is high. Conventional firms, in contrast, may not carry the same moral weight in their CSR programs, as they lack the religious dimension that deeply resonates with Halal consumers.

In summary, Sharia CSR sets Halal industry companies apart by embedding Islamic principles into CSR practices, emphasizing accountability to both God and society, and ensuring that business activities contribute to the spiritual, social, and environmental well-being of stakeholders. This unique positioning allows Halal companies to cultivate stronger consumer trust, brand loyalty, and long-term sustainability compared to conventional firms, where CSR is often seen as an optional strategy rather than a religiously guided responsibility.

Companies that implement Sharia CSR vs. those that do not

Companies that implement Sharia Corporate Social Responsibility (Sharia CSR) demonstrate clear differences in outcomes, reputation, and consumer trust compared to those that do not (Asiyah et al., 2014). In the context of the Halal industry, the adoption of Sharia CSR provides not only a strategic advantage but also a moral and spiritual alignment with the values of Muslim consumers. This alignment often results in stronger brand loyalty, enhanced corporate image, and sustainable long-term growth. In contrast, companies that neglect Sharia CSR may struggle to gain similar levels of trust and may be perceived as profit-driven rather than socially and ethically responsible.

Firms that actively practice Sharia CSR tend to engage in initiatives such as zakat distribution, community empowerment programs, environmental conservation, and fair labor practices (Litardi et al., 2019). These activities go beyond conventional CSR because they are viewed as religious obligations and reflections of Islamic values. As a result, these companies are seen as fulfilling both economic and spiritual responsibilities, reinforcing their credibility in the eyes of stakeholders. For example, Islamic banks and Halal food producers that allocate a portion of their profits for zakat or waqf projects are not only contributing to societal welfare but also strengthening their legitimacy as faith-driven institutions. This creates a unique value proposition that resonates deeply with Muslim consumers who seek products and services aligned with their ethical and religious beliefs.

On the other hand, companies in the Halal industry that do not implement Sharia CSR risk being perceived as inconsistent or incomplete in their commitment to Islamic principles. While they may still offer Halal-certified products, their lack of socially responsible initiatives rooted in Sharia values can lead to skepticism among consumers. Customers may question whether such firms are genuinely committed to Islamic ethics or are merely capitalizing on the Halal label for commercial gain. This perception gap often undermines consumer trust and reduces long-term loyalty, making it difficult for these companies to differentiate themselves in a competitive market where ethical considerations are increasingly important.

Moreover, comparative insights reveal that Sharia CSR can enhance resilience during crises. Companies with strong Sharia CSR practices often maintain consumer support during economic downturns because they are perceived as partners in community well-being, not just profit-seeking entities. In contrast, firms that neglect Sharia CSR may face greater reputational risks, as their lack of visible commitment to social and religious responsibilities makes them more vulnerable to consumer backlash and reduced market confidence.

In summary, companies that implement Sharia CSR gain significant advantages in terms of consumer trust, corporate image, and sustainability compared to those that do not. By integrating Islamic values into their CSR strategies, these firms secure a deeper and more enduring connection with Halal consumers, while those that neglect such practices risk being viewed as incomplete in their commitment to faith-based business ethics. This comparative insight underscores the importance of Sharia CSR as a defining factor in the success and differentiation of companies within the Halal industry.

Challenges and Limitations

Despite its potential to strengthen corporate image and consumer trust, the implementation of Sharia Corporate Social Responsibility (Sharia CSR) in the Halal industry faces several challenges and

limitations (Alfakhri et al., 2018). One of the primary difficulties lies in measuring the implementation of Sharia CSR. Unlike conventional CSR, which often follows standardized frameworks such as the Global Reporting Initiative (GRI), Sharia CSR does not have a universally agreed-upon measurement system. Different companies may interpret and apply Sharia principles in varied ways depending on their organizational values, resources, and understanding of Islamic guidelines. This lack of uniformity makes it challenging to assess, compare, and benchmark Sharia CSR practices across firms and industries.

Another challenge is the limited awareness among consumers regarding CSR activities, including those rooted in Sharia principles. Many consumers in the Halal industry prioritize product certification (e.g., Halal labeling) without paying much attention to whether companies actively engage in socially responsible initiatives (Tieman, 2020). As a result, the positive impact of Sharia CSR on corporate image may not always be fully realized if companies are unable to effectively communicate their efforts. This limitation highlights the need for stronger consumer education and transparent reporting mechanisms to ensure that stakeholders recognize and value the role of Sharia CSR.

Cultural variations in CSR perception also present a significant limitation, particularly across Muslim-majority and non-Muslim countries (Alazzani et al., 2019). In Muslim-majority contexts, Sharia CSR initiatives such as zakat distribution or community development programs are often well understood and appreciated as part of religious and social obligations. However, in non-Muslim countries where the Halal industry is also expanding, such practices may not resonate as strongly with consumers who do not share the same religious framework. This creates a challenge for multinational Halal companies, as they must balance the implementation of Sharia-based CSR with broader, more inclusive CSR approaches that appeal to diverse cultural and religious contexts.

While Sharia CSR offers unique advantages for Halal industry companies, its implementation and impact are limited by measurement difficulties, low consumer awareness, and cultural variations. Addressing these challenges requires the development of standardized frameworks, improved communication strategies, and context-sensitive approaches that ensure Sharia CSR can be effectively practiced and recognized across different markets.

Practical and Theoretical Implications

From a practical perspective, for companies operating within the Halal industry, the study provides insights into how Sharia Corporate Social Responsibility (Sharia CSR) can be strategically leveraged to strengthen corporate brand image. By aligning CSR initiatives with Islamic values such as zakat, environmental stewardship, fairness in labor, and community empowerment, firms can cultivate stronger trust and loyalty among Halal consumers. This not only enhances reputation but also provides a competitive edge in an increasingly crowded Halal market (Ab Talib et al., 2016). Companies are encouraged to integrate Sharia CSR into their long-term strategies, ensuring that social and religious responsibilities are positioned alongside profit-making objectives.

For regulators and policymakers, the research highlights the need for guidelines and standardization of Sharia CSR practices. The absence of a uniform framework creates challenges in measuring and benchmarking CSR implementation across companies. Developing clear, Sharia-compliant CSR standards would not only assist firms in understanding their responsibilities but also enhance transparency and comparability for consumers. Policymakers could establish reporting mechanisms or certification systems that ensure CSR activities are consistent with Islamic principles, thereby reinforcing accountability and credibility in the Halal industry (Abderahman et al., 2021).

From a theoretical standpoint, this study contributes to the broader literature on Islamic business ethics and Corporate Social Responsibility. By examining the role of Sharia CSR in shaping corporate image, the research extends conventional CSR theory into the context of Islamic values and practices. It provides evidence that CSR, when guided by religious principles, has both moral and strategic dimensions, offering a distinctive perspective compared to Western-centric CSR models (Gallhofer, 2018). For academia, this opens avenues for further research on the integration of faith-based ethics into corporate practices, particularly in emerging sectors such as the global Halal industry.

In summary, the practical and theoretical implications of this research emphasize the importance of Sharia CSR as a multidimensional tool: a strategic asset for companies, a regulatory priority for policymakers, and a theoretical contribution to the development of Islamic business ethics scholarship.

CONCLUSION

This research concludes that Sharia Corporate Social Responsibility (Sharia CSR) plays a significant role in shaping the corporate image of companies operating within the Halal industry. Unlike conventional CSR, which is primarily driven by economic or reputational objectives, Sharia CSR is rooted in Islamic principles such as justice (adl), public benefit (maslahah), stewardship (khalifah), and social welfare through mechanisms like zakat, waqf, and community development. By embedding these values into their CSR initiatives, companies are able to demonstrate not only their commitment to social responsibility but also their adherence to religious and ethical obligations, thereby strengthening consumer trust and loyalty. The findings indicate that Sharia CSR creates a unique differentiation between Halal industry firms and conventional companies. Firms that adopt Sharia CSR are perceived as more credible, trustworthy, and consistent with the holistic concept of halalan tayyiban (lawful and wholesome). In contrast, companies that neglect Sharia CSR may risk being seen as profit-driven entities that lack genuine commitment to Islamic ethics, which can weaken consumer confidence and long-term brand value. However, the study also highlights several challenges and limitations, including the lack of standardized frameworks for measuring Sharia CSR, limited consumer awareness of CSR initiatives, and cultural variations in CSR perception across different markets. Addressing these challenges requires collaborative efforts from companies, regulators, and scholars to establish clearer guidelines, improve communication strategies, and adapt practices to diverse cultural contexts while maintaining Sharia compliance. Overall, this research underscores the importance of Sharia CSR as both a moral duty and a strategic instrument for enhancing corporate image in the Halal industry. It contributes to the growing discourse on Islamic business ethics by providing practical insights for companies, regulatory guidance for policymakers, and theoretical advancement for academia. By fully integrating Sharia CSR into their operations, Halal industry companies can achieve not only business sustainability but also contribute meaningfully to the well-being of society in line with Islamic principles.

AUTHORS' DECLARATION

Authors' Contributions and Responsibilities

The author was fully responsible for the conception, design, and execution of this research. This included identifying the research problem, formulating the objectives, and conducting an extensive review of existing literature on Sharia Corporate Social Responsibility (Sharia CSR) and its influence on corporate image in the Halal industry.

Competing Interests

The author declares that there are no competing interests in the conduct of this research. The study was carried out independently, without any financial, institutional, or personal relationships that could be perceived as influencing the findings or interpretations.

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