

## Islamic Crowdfunding: A Review Literature

Arzam<sup>1\*</sup>, Muhammad Fauzi<sup>1</sup>, Faisal Efendi<sup>2</sup>, Widia Sulastr<sup>2</sup>

<sup>1</sup>Institut Agama Islam Negeri Kerinci, Indonesia

<sup>2</sup>Sekolah Tinggi Agama Islam Balaiselasa, Indonesia

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### Abstract

**Purpose** – This study aims to review the current literature, both theoretical and empirical, which discusses Islamic Crowdfunding (ICF) and highlights future research directions.

**Methodology** - This study is qualitative research, with the type being a literature review. The data search was carried out by searching the Emerald Publishing data base from the early 2016 – september 2023 period, using content analysis as a data analysis tool.

**Findings** - During the period early 2016 – september 2023, 30 pieces of literature about ICF were detected in the Emerald Publishing data base. This literature is studied from various perspectives, such as studies in the perspective of sharia (Islamic law) / Sharia Complaint; ICF is also studied from several sharia contracts (such as Mudharabah, Musyarakah Mutanaqisah, Salam, Murabahah, and Qard Hasan); ICF is also studied from a donation perspective and as an alternative model for waqf institutions; and ICF is also studied in the context of entrepreneurship, micro-enterprises, and small and medium enterprises (SMEs);. This research highlights that all the current literature contained in the data base paves the way for future research. However, this research looks at some of the ICF literature that is still little seen and could be a direction and challenge for future research, such as the Salam-based CF proposed by Saiti et al (2018) to apply to agricultural sector financing. Furthermore, recently, CF was proposed for housing finance, such as the model offered by Ma & Md Taib (2023) and Ma et al (2023) who proposed a new housing affordability solution by combining the Islamic financial concept of Musyarakah Mutanaqisah with the cooperative and CF models.

**Keywords:** Islamic Crowdfunding Trends; Islamic Crowdfunding Issues; Islamic Economics and Finance; Content Analysis; Emerald Publishing;

\*Corresponding author: [arzam@iainkerinci.ac.id](mailto:arzam@iainkerinci.ac.id)

## 1. INTRODUCTION

Crowdfunding (CF) is known as a financial innovation that facilitates financial intermediation through the use of platforms to raise funds from the public (Al-Amine, 2019; Ramli et al, 2023). Generally, CF has various meanings, namely raising funds in small amounts; from many parties, generally non-professional investors; to finance entrepreneurs or projects; and using internet platforms that connect investors and entrepreneurs (Al-Amine, 2019). From this it can be seen that bringing together three parties in CF practice, namely (1) the creator or publisher; usually an entrepreneur, business owner or artist who comes up with a business idea and starts a project but needs funding. (2) lenders or investors; usually a donor, or initial purchaser, or financial contributor who has confidence in a particular business venture, and therefore, provides assistance to carry out the project. (3) platforms; usually an organization that provides a web-based arrangement to connect investors with issuers (Ramli et al, 2023).

In CF practice, there are several types of practices that are currently underway, namely donation-based CF, reward-based CF, equity-based CF, and peer-to-peer (P2P) loan-based CF (Al-Amine, 2019; Uddin et al, 2022; Sulaiman et al, 2022). Simply put, donation and reward-based CF practices, fall into the category of community based CF. Meanwhile, equity-based and P2P CF are categorized as investment-based CF (Sulaiman et al, 2022). Ziegler et al (2020) explained that the global CF transaction volume experienced significant growth from USD11.06 billion in 2013 to USD418.52 billion in 2017, the majority of which was contributed by investment-based CF (such as P2P and equity). Meanwhile, the volume of non-investment-based CF transactions, such as donations and awards, is only around 0.2% of the total global CF volume. In a geographical context, CF has operated in at least 161 countries with relatively different levels of development, where America, China and Europe are the main players, controlling around 97% of the total global CF market.

Despite the fact that conventional CF growths operate well. Recently, CF has attracted attention in the field of Islamic finance, and has even been given its own name to differentiate it from conventional ones, namely “Islamic Crowdfunding (ICF)”. The development of ICF practice can be seen from reports in the existing literature. In the understanding stage, ICF is the practice of collecting small amounts of money from a large number of people or organizations to fund certain business ventures, or individual or community needs through an internet-based platform that complies with sharia principles (Ramli et al, 2023). ICF is bound by sharia principles and must be free from prohibited activities including *Riba* (interest), *Maysir* (gambling), *Gharar* (uncertainty) and other *Haram* (forbidden) matters (Achsien & Purnamasari, 2016).

The ICF was also discussed, in order to adhere to *Maqasid Sharia* and other moral values in accordance with the Al-Quran and Sunnah (Yuningsih & Muhammad, 2020). ICF is studied so that several sharia contracts are used in transactions, such as donation-based ICF in order to utilize Islamic social financial funds (such as *Zakah*, *Waqf* and *Shadaqah* in CF activities). For reward-based ICF, to adopt “Bay as-Salam” which can provide returns to CF investors. On the other hand, for loan-based ICF, several sales-based contracts can be used (such as *Murabahah*, *Tawarruq* and/or *Ijarah*). For equity-based ICF, profit sharing contracts such as *Mudharabah* and *Musarakah* where the funder is treated as the owner of the funds while the ICF platform is the party who manages the funds (Ibrahim SA et al, 2018; Saiti et al, 2018; Noor et al, 2021; Sulaeman, 2020; Sulaiman et al, 2022; Kamaruddin et al, 2023). The ICF was also discussed and suggested having a sharia board or sharia advisor to provide advice on sharia matters and to ensure *Sharia Compliant* (Wahjono, 2015; Alonso, 2015; Nor & Hashim, 2020). Apart from that, it is also

discussed that ICF can provide special benefits for the small and medium business sector and startup companies (Hendratmi et al, 2019; Husin & Haron, 2020; Boulahbel, 2021). ICF opens up fundraising and financing opportunities for unbanked and underserved entrepreneurs, not only in the Islamic economy but also in the broader global context (Munshi, 2021). In the same vein, the potential of the ICF can overcome current problems through entrepreneurial, cultural and religious factors to improve the entrepreneurial sector in Islamic countries (Marzban et al, 2014).

From a number of ICF literature, it is clear how it has developed recently. However, ICF is still new and has a long way to go towards further growth in the literature. Therefore, the research aims to review the current literature, both theoretical and empirical, which has discussed ICF and highlight future research directions. The literature review is current literature (both books/book chapters, journal articles, etc.) which was searched in the Emerald Publishing data base from the early 2016 – September 2023 period.

To the best of our knowledge, no research has been conducted to review the ICF literature by searching the Emerald Publishing data base. The literature about ICF in the Emerald Publishing data base is certainly written by leading academics and researchers. It is based on that Emerald Publishing is one of the world's leading digital-first publishers, commissioning, curating and showcasing research that can make a real difference. Thus, we argue that the literature on ICF in the Emerald Publishing data base can provide direction for future research.

## 2. METHODOLOGY

This research is qualitative research, with the method being a literature review. The research conducted a review of the latest literature, both theoretical and empirical, which discusses ICF. The research data was collected by searching the Emerald Publishing data base during the period early 2016 – September 2023. In analyzing the literature, we followed the method of Hassan et al (2021), namely analyzing the content of the literature.

## 3. RESULTS AND DISCUSSION

ICF has been studied from different points of view. In table 1 it can be seen that from early 2016 – september 2023, 30 pieces of literature about ICF were detected in the emerald data base.

Tabel 1. A number of literatures detected in the emerald data base

Author of ICF Documents	Title
Nivoix & Ouchrif (2016)	Is crowdfunding Sharia compliant?
Rahman et al (2020)	Developing a Shari'ah-compliant equity-based crowdfunding framework for entrepreneurship development in Malaysia
Sudarwanto et al (2023)	Islamic crowdfunding and Shariah compliance regulation: problems and oversight

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Ishak & Rahman (2021)	Equity-based Islamic crowdfunding in Malaysia: a potential application for mudharabah
Ishak et al (2022)	<i>Mudharabah</i> based crowdfunding as an alternative source of funding book publications in Malaysia
Jelili & Hassan (2023)	Empirical investigation of Islamic legal framework, crowd humanitarian funds and poverty reduction in selected Organization of Islamic Cooperation (OIC)
Saiti et al (2018)	Financing agricultural activities in Afghanistan: a proposed salam-based crowdfunding structure
Fianto et al (2020)	Factors determining behavioral intentions to use Islamic financial technology: Three competing models
Alsmadi et al (2023)	Adoption of Islamic Fintech in lending services through prediction of behavioural intention
Abdeldayem & Aldualaimi (2022)	Developing an Islamic crowdfunding model: a new innovative mechanism to finance SMEs in the Middle East
Abdeldayem & Aldualaimi (2023)	Entrepreneurial finance and crowdfunding in the Middle East
Aderemi & Ishak (2023)	<i>Qard Hasan</i> as a feasible Islamic financial instrument for crowdfunding: its potential and possible application for financing micro-enterprises in Malaysia
Ishak et al (2023)	The applicability of Islamic crowdfunding as an alternative funding for micro-entrepreneurs in Malaysia
Hendratmi et al (2020)	Developing Islamic crowdfunding website platform for startup companies in Indonesia
Kazaure et al (2021)	Determinants of SMEs intention to adopt Islamic crowdfunding model in Northwestern Nigeria
Ramli et al (2023)	Islamic crowdfunding practices in Malaysia: a case study on Nusa Kapital
Thottoli (2022)	The starring role of crowdfunding in GCC: a structured literature review

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Testa et al (2022)	The innovation potential of Islamic crowdfunding platforms in contributing to sustainable developmen
Bukhari et al (2022)	The effects of creator credibility and backer endorsement in donation crowdfunding campaigns success
Allah Pitchay et al (2022)	Self-determination theory and individuals' intention to participate in donation crowdfunding
Kasri & Indriani (2022)	Empathy or perceived credibility? An empirical study of Muslim donating behaviour through online charitable crowdfunding in Indonesia
Thaker & Allah Pitchay (2018)	Developing waqf land through crowdfunding-waqf model (CWM): the case of Malaysia
Thaker (2018)	Factors influencing the adoption of the crowdfunding-waqf model (CWM) in the waqf land development
Thaker et al (2018)	Modeling crowdfunders' behavioral intention to adopt the crowdfunding-waqf model (CWM) in Malaysia: The theory of the technology acceptance model
Hapsari et al (2022a)	A qualitative investigation into crowdfunding framework as a source of financing for waqf land development
Hapsari et al (2022b)	The likelihood of using crowdfunding-Waqf model in Malaysia
Sukmana et al (2023)	Determinant factor of crowdfunders' behavior in using crowdfunding waqf model in Indonesia: two competing models
Azganin et al (2023)	Proposed waqf crowdfunding models for small farmers and the required parameters for their application
Ma & Md Taib (2023)	An Islamic co-operative housing solution for China's housing affordability issues
Ma et al (2023)	An Islamic principle-based integrated solution for China's housing affordability issues

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Total  
30 Literature

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Source: Emerald data base

Starting from the writings of Nivoix & Ouchrif (2016) analyzing whether CF is in accordance with sharia (Sharia Compliant). According to them, firstly there is little difference between CF and Islamic finance, and the discrepancy between the two only concerns minor aspects. Meanwhile, ICF is indeed a recent practice, but its conceptual status is still uncertain, because there is no consensus regarding its exact name, a name that combines two meanings from different contexts. Additionally, they have shown that the number of “ICF” platforms is increasing, but they are heterogeneous in terms of the type of CF offered, their references to Islam, and their targets. The most frequently used type is pre-sale and the “Islamic” label is rarely put forward. As for the Sharia Board, it is expensive but plays a major role in guiding the platform and enhancing its credibility. Finally, they see that projects financed by “ICF” must be sharia-compliant, even if the platform does not select projects with Islamic criteria, does not exclude cooperation with conventional funders and does not have an Islamic obligation to check their origins. fund. Therefore, it is very important to analyze whether donors and investors believe that these platforms are truly Islamic, and to what extent this influences their behavior.

From there, Rahman et al (2020) developed an appropriate framework for sharia-compliant equity-based CF, especially for entrepreneurship development in Malaysia. However, before developing a conceptual framework, it is necessary to study entrepreneurs regarding their general understanding of CF and their willingness (or intention) to use it. They said that entrepreneurs agreed on the ease of using CF to raise capital, although they appeared reluctant to share their business ideas online. Furthermore, a sharia-compliant, equity-based CF framework is proposed, especially in meeting fundraising needs in line with sharia (Islamic law) principles. The stages and procedures developed by the conceptual framework involve three main phases, namely "pre-funding phase;, funding phase;, and post-funding phase;". Therefore, it is important that these three phases are carried out carefully, so that the entrepreneur's goal of raising funds through alternative mechanisms for Sharia-compliant CF can be achieved. Most importantly, it can be an additional funding mechanism that can strengthen the financial ecosystem, especially in Malaysia.

Sudarwanto et al (2023) to identify problems with sharia compliance and weak supervision of the implementation of Islamic crowdfunding (ICF). Sharia compliance regulations are an important subsystem in the Islamic social finance ecosystem. This study examines ICF regulation and supervision in Indonesia, Malaysia and the UK. Indonesia and Malaysia, countries with the highest GIFT index scores in the world, and the UK, a country with a sharia financial sector experiencing rapid growth. They found that ICF is one of the fastest growing Islamic financial technology (fintech) sectors. The Islamic fintech sector is showing signs of maturity with a market size of \$79 billion in 2021, and is projected to reach \$179 billion in 2026. Malaysia, Saudi Arabia and Indonesia lead the Index based on Global Islamic Fintech Index (GIFT) scores. However, low sharia compliance is still a problem in implementing ICF. This problem is caused by insufficient regulatory support and suboptimal supervision of sharia compliance. On the one hand, compliance with sharia is the ICF's core principle for Sharia Governance.

Ishak & Rahman (2021) also explores the potential for implementing *Mudharabah* as an equity-based ICF in Malaysia. They explained that although ICF can be an efficient platform through Fintech, *Mudharabah* is not a completely ideal instrument, especially for equity-based ICF because of its high risk. These include fraudulent projects, inadequate regulations to protect investors' money and the *Mudharabah* structure itself which takes the form of a profit sharing contract. However, these risks can be reduced by using Fintech as a way to closely monitor projects, improve regulatory aspects to protect investment funds, improve *Mudharabah* practices and create awareness among all parties involved regarding the *Mudharabah* philosophy.



Furthermore, Ishak et al (2022) explored the application of *Mudharabah*-based CF as an alternative fund to support the book publishing industry, especially for independent publishers and small publishers in Malaysia. According to them, *Mudharabah*-based CF can overcome the financial problems of the book publishing industry. However, this requires special requirements for applicants (authors or publishers) to avoid cases of fraud, as well as committed management in running the platform and a large number of loyal funders to maintain the platform. At the same time, although *Mudharabah* is a risky instrument, such risks can be reduced by closely monitoring project progress. As a result, they proposed that there needs to be a special framework for *Mudharabah*-based CFs to fund independent publishers and small publishers in Malaysia.

Jelili & Hassan (2023) investigated the sharia legal framework which is the basis for raising humanitarian funds and poverty alleviation (Crowd Humanitarian Funds and Poverty) among members of the Organization of Islamic Cooperation (OIC) to improve the living conditions of underprivileged people in society. Based on a sharia framework, this will allow the majority of people in Muslim-majority countries to take part in joint funding to help underprivileged individuals among OIC members in society.

Saiti et al (2018) explored and proposed the adoption of *Salam* contract-based CF for financing the agricultural sector in Afghanistan. According to them, the proposed *Salam*-based CF structure that could potentially be adopted to fund agricultural activities includes several steps, namely (1) the investor provides cash to the trustee, who acts solely in the interest of the investor. The trustee is responsible for reviewing and deciding whether the product meets the investment criteria set by the investor before the proceeds can be distributed to the crowdfunding operator (CFO). (2) CFO enters into a greeting contract with farmers. A predetermined advance payment is paid by CFO as consideration for future delivery of the commodity in question. (3) at maturity, the commodity is handed over to CFO by the farmer. (4) CFO sells commodities in the market at the current spot price for cash. (5) CFO receives the selling price. (6) CFO distributes capital payments plus profits after deducting management fees and other related costs. (7) a sharia review function needs to be established to ensure that the entire CF process complies with sharia principles. From the seven steps, it can be seen that the parties involved in a *Salam*-based CF arrangement include farmers/entrepreneurs, fund providers (including individual and institutional investors), a trustee; CFO; and sharia review functions. The entire process can be completed via online facilities. All information regarding *Salam*-based CF products is offered in the form of a written prospectus, video presentation and other forms of publication by CFO. With this in place, certainly the advantages in the proposed *Salam*-based CF structure include risks shared by investors, large amounts of capital can be generated without giving large amounts of shares, capital can be generated with minimum regulatory requirements, higher dividends can be paid to investors at the cost of capital minimum, and result in more job creation and economic prosperity.

ICF literature is also widely discussed on entrepreneurship, micro-enterprises, and small and medium enterprises (UKM). Fianto et al (2020) study explains the factors that influence behavioral intentions towards using Islamic Fintech in Indonesia for all types of Fintech services (such as payments, peer to peer loans, and CF). According to them, latent variables, planned behavior, models of acceptance and use of technology, have a significant impact in driving behavioral intentions to use Islamic FinTech. The latent variable "acceptance model" is the most influential factor. Alsmadi et al (2023) provide a better understanding of the behavioral intentions that influence the adoption of Islamic Fintech in two types of Islamic lending Fintech services (CF and peer-to-peer (P2P) in Malaysia. According to them, planned behavior, acceptance models, and

technology use models are factors that influence customers' opinions in adapting Islamic Fintech services in lending.

Abdeldayem & Aldualaimi (2022) provide an ICF model for alternative financing for UKM in the Middle East. According to them, there are four main themes which are important pillars for developing the ICF model, namely project ideas (*Halal*), funding objectives, returns and risks, and funding commitments. Apart from that, they also reveal that the four existing types of CF (such as reward-based CF, donation-based CF, loan-based CF, and equity-based CF) are valid and supported by evidence from the Koran and Sunnah. Abdeldayem & Aldualaimi (2023) also analyzed CF as a new entrepreneurial financing tool and to predict the success of CF projects in the Middle East region (namely Turkey, Egypt, Iraq, Saudi Arabia, Bahrain, Kuwait and UAE). According to them, the presence of CF has a positive impact on the success of fundraising and that the CF platform is an effective Fintech tool for financing entrepreneurs in the Middle East. This study shows that the success of CF projects in the Middle East can be anticipated by estimating and sorting out the enormous amount of information about web-based and social media movements, funder human resources, and online venture introductions.

Aderemi & Ishak (2023) explores the feasibility of implementing *Qard Hasan* as an ICF financial instrument to finance micro-entrepreneurs in Malaysia. Although it is often said that *Qard Hasan* is not primarily a business-oriented instrument, a closer look at the framework will reveal the uniqueness and flexibility of this instrument to be adopted as a viable financial instrument for CFI in micro-entrepreneurs financing in Malaysia. Although it is associated with various risks, such as the risk of default and the risk of large withdrawals. However, these risks can be managed and overcome by using Fintech mechanisms, such as blockchain to conduct due diligence, monitor projects and ensure payment in stages. This is also emphasized by Ishak et al (2023) where the potential of ICF as an alternative financing option for micro-entrepreneurs in Malaysia. As ICF is a viable alternative financing option for entrepreneurs and their businesses, in reality, its practical implementation poses challenges. Many micro-entrepreneurs need more training in management and marketing. Concerns such as these raise questions about their ability to attract potential project backers. With the selection of the right sharia contract and several risk management approaches, ICF has the potential to become an alternative source of funding for micro-entrepreneurs.

Hendratmi et al (2020) also emphasized that ICF is a funding solution for SMEs and startup companies in Indonesia. Therefore, it is important to develop a website platform-based ICF model as a form of innovative acceleration to provide alternative funding for startup companies, which then expand into growing and sustainable businesses. Apart from that, the use of a website platform to operate the ICF mechanism is considered effective in connecting investors across geographies with startup company owners in Indonesia. However, they also emphasized that the government must provide legality, regulations, permits and outreach regarding ICF to obtain legal legality from the state.

In the country of Northwestern Nigeria that UKM have adopted the ICF model as an alternative source of funding. All of this is based on a very high intention to innovate (Kazaure et al, 2021). In Malaysia, Ramli et al (2023) have explored the practice of Nusa Kapital or the first ICF platform in Malaysia. Nusa Kapital was founded considering the financing needs of the increasing number of small businesses and medium enterprises (UKM) in Malaysia. It uses the *Murabahah* concept to make financing arrangements for entrepreneurs. *Murabahah* is a debt-based concept where investors, instead of giving cash to entrepreneurs, buy an asset and sell it to them at cost plus profit. Malaysian Securities Commission regulates Nusa Kapital crowdfunding



operations, setting guidelines for various types of investors, entrepreneurs and platforms. Nusa Kapital conducts thorough background checks on the creditworthiness of companies and takes necessary steps for transparency of project operations. This practical scenario, will be beneficial for the industry similar, both locally and globally.

Thottoli (2022) has identified the main role of the ICF in the Gulf Cooperation Council (GCC) countries. Among these roles are the role in economic development and its role as a source of funding for new business startups in GCC countries. Practically speaking, countries in the GCC may be aware of the central role of CFI for UKM and their economic development. Testa et al (2022) explain that CFI is enthusiastically discussed in the media as an innovative way to fund initiatives oriented towards Sustainable Development. Thus, there is potential for CFI to contribute to Sustainable Development.

In other literature, ICF is also studied from the perspective of donations and Waqf. In the context of donation, the concept of CF attracts great attention because it connects donors around the world in a shorter time and at relatively lower costs. Bukhari et al (2022) investigated how creator credibility and backer support influence the level of donations for CF campaigns in Muslim communities and to determine project success factors in developing and developed countries. According to them, the credibility of content creators and the support of supporters are determining factors for the success of CF. In addition, location (developing and developed countries) shows that creator credibility is more important than support, especially in developing countries. Specifically, Allah Pitchay et al (2022) have also investigated the factors influencing individuals' intention to participate in CF donation in Oman. From this description, it can be seen that feelings of self-esteem, perceptions of donor effectiveness and moral obligations have a positive influence on donation intentions to CF projects.

In addition, subjective norms and perceived behavioral control also have a positive impact on individuals intention to contribute to CF donation. Then Kasri & Indriani (2022) also investigated the factors that influence the donating behavior of Indonesian Muslims through CF based on online charity donations in Indonesia. According to them, empathy and perceived credibility are the main determining factors influencing the intention to donate through CF. These two factors are further influenced by the reputation of the initiator, popularity of the campaign, quality of content, convenience of transactions, and quality of the website. This intention is also in line with improving the quality of relations between organizations and donors, which is then influenced by their religiosity. Thus, CF campaign and technological characteristics play an important role in intention to donate, and therefore it is necessary to improve understanding of individual philanthropic behavior in Indonesia and provide appropriate operational strategy suggestions to facilitate individual donation behavior in charity crowdfunding.

In waqf, Thaker & Allah Pitchay (2018) offer an alternative model of funding sources for developing waqf land, known as the crowdfunding-waqf model (CWM). The proposed model is (1) waqf institutions such as the State Islamic Religious Council or the Department of Waqf, Hajj and Zakat (JAWHAR) plan to develop waqf land by developing various projects such as housing, hotels, shops/business premises, schools, and hospital/clinic. Waqf institutions need to raise funds from Crowdfunders (donors) to carry out these projects. Waqf institutions identify the potential of their waqf land and carry out the entire screening process for projects to obtain financing from donors. (2) waqf institutions upload and submit certain potential project proposals into a system called a Web-based Platform and Social Network. Waqf institutions can build and manage their own Web-based Platforms and Social Networks without outsourcing from external parties. Projects must be funded within a specified time period. (3) donors choose the projects they want

to support. Donors search the web for requests and ultimately select the projects they want to fund. CF funding can choose to engage in donation-based crowdfunding or reward-based CF. For donation-based CF, donors donate money without expecting anything in return or exchange for real value. On the other hand, waqf institutions can provide rewards in the form of tax exemptions or tokens of appreciation (coupons, vouchers, prizes, etc.) for reward-based CFs. (4) donors transfer/send funds via payment gateway. Waqf institutions can have their own payment gateway through collaboration with existing financial institutions. (5) Once the target amount of funds from donors is reached, the system will update the project status and track the funds received until they are ready to be distributed. (7) the system distributes funds to waqf institutions and notifies them to prepare to manage and supervise the projects they previously proposed. (8) Waqf Institutions manage and supervise the projects they identify. Waqf Institutions must track progress periodically and update that progress into the system until a particular project is completed and started. This will ensure transparency between them and their funders. (9) the system communicates with the Waqf Institution for control and audit purposes via simple communication media such as short message service (SMS).

From there, Thaker (2018) also investigated the behavioral intentions of donors (crowdfunders) to use CWM, because this model was proposed to overcome the liquidity problems faced by waqf institutions in Malaysia. According to them, perceived usefulness and ease of use have proven to have a positive impact on donors' intentions to help waqf institutions develop waqf land in Malaysia. Furthermore, perceived ease of use has a positive relationship and has a direct influence on donors' perceived usefulness in using CWM. This can have implications for waqf institutions as an alternative source for increasing capital to develop waqf assets, and also for the government and policy makers. Furthermore, Thaker et al (2018) also offer a model of sustainable financing sources for waqf institutions to meet liquidity constraints in developing waqf land, known as CWM). This is based on CWM validating its acceptance in the field among donors by adopting the technology acceptance model (TAM) theory. According to them, the perceived usefulness and perceived ease of use of CWM were found to have a positive impact on donors' behavioral intentions in helping waqf institutions develop waqf land in Malaysia. Furthermore, perceived ease of use has a positive relationship and has a direct influence on donors' perceived usefulness in using CWM. This could provide a new way for waqf institutions to raise funds to develop waqf land and for the government and policy makers in Malaysia. Because, through CWM it can certainly reduce government spending on developing waqf land. CWM can also be applied in other Muslim countries that face liquidity constraints in developing waqf land.

Hapsari et al (2022a) have discussed the opinions and recommendations of various experts regarding CWM in Malaysia, especially in terms of its suitability, application and prospects in the market. Experts support the suitability of CWM in providing a source of financing to develop waqf land. They highlighted the importance of establishing, managing and operating the CWM under the auspices of the State Islamic Religious Council in Malaysia and supervised by the Department of Waqf, Zakat or Hajj (JAWHAR). They further stated that donors or crowdfunders, attractive projects, promotions and regulations are key factors influencing the sustainability of CWM. Furthermore, Hapsari et al (2022b) attempted to investigate the possibility of the community (potential donors) being willing to use CWM as an alternative financial model to overcome the problem of financing Waqf land in Malaysia. According to them, it is very important and it is hoped that it can be implemented by Waqf institutions in Malaysia to develop policies regarding Waqf land in general or CWM in particular. This is based on perceived benefits, perceived ease of use, gender, and knowledge of waqf which have a positive influence on the possibility that people

are willing to use CWM to develop waqf land. Furthermore, middle income level and having CF knowledge have a positive impact on the likelihood that people are willing to use CWM. The highest likelihood of willingness to use CWM was identified among middle-income men who knew about Waqf and found CWM useful and easy to use.

Sukmana et al (2023) offer a model for waqf institutions in adopting financial technology to develop productive and social waqf in Indonesia. So far there has been no attention to looking at Crowdfunding-Waqf in Indonesia by looking at two technological determinant models that can be relied upon to look at the behavior of donors (crowdfunder), namely the Technology Acceptance Model, and the Unified Theory of Acceptance and Use of Technology in looking at crowdfunder behavior. According to them, the Technology Acceptance Model is a good model, because it has a significant and positive influence on crowdfunder behavioral intentions. Thus, it can provide a comprehensive perspective for policy makers, especially the Indonesian Waqf Board as the waqf authority that regulates waqf nazir to improve quality by adopting CF financial technology in collecting waqf funds. Apart from that, in terms of implications for the government, this CWM will reduce expenditure and increase economic growth.

Azganin et al (2023) sought to study how the CWM proposal was intended to provide alternative funding sources for waqf institutions and farmers. For them, providing the conceptual framework of the two CWM and the parameters required for their implementation, can provide enormous benefits to the agricultural sector and farmers if integrated with waqf. This system will enable underprivileged farmers to meet their needs and participate in their country's economic development. (1) CWM on assets functions as a platform that brings together wakifs with farmers who are looking for other sources of funds. The waqf institution acts as the platform manager. This creates a basic agreement with the funders, who will run the project and share profits based on predetermined portions. (2) CWM on money which is a platform that provides a collection of campaign funds so that people can contribute. This platform collects cash endowments and assigns fund managers to invest the money. Furthermore, the profits generated are distributed to farmers, who will ultimately run the project and share the profits back to the waqf institution. Finally, payments from farmers will be reinvested into the fund manager to grow the fund.

On the other hand, ICF is also studied in housing finance, such as Ma & Md Taib (2023) proposing a new housing affordability solution by combining the Islamic financial concept of *Musyarakah Mutanaqisah* with the cooperative and CF models in China. The proposed alternative housing loan model was presented to experts in the field of real estate financing and business, whose views and comments were solicited to evaluate the applicability of the proposed model in the real world. According to them, many experts agreed and appreciated the initial idea of the model, but expressed concern over the lack of culture and public trust in China, which could pose a serious threat to the model's viability. It is anticipated that the suggested model will be implemented as a pilot project by local governments in places where Islamic culture and beliefs are more widespread, possibly impacting the effectiveness of implementing the model. Furthermore, Ma et al (2023) also seeks to combine world-proven housing financing methods, including *Musyarakah Mutanaqisah*, housing cooperatives and Real Estate Crowdfunding to present an alternative solution to housing unaffordability based on Islamic financial principles in China. This is intended to reduce the funding burden for both parties (consumers and developers) and create opportunities for all stakeholders, including intermediaries. By moving away from debt financing and combining the features of CF and cooperatives, it is hoped that the burden of home ownership will no longer be a burden. According to them, many people agree with the proposed paradigm. Just worry that China's lack of culture and societal trust could pose a major threat to

implementation. However, this paper argues that local governments in China might conduct trials in places where Islamic culture is prevalent. Their unique community culture and fundamental understanding of Sharia law may influence the viability of the proposed model.

#### 4. CONCLUSION

Based on the results above, during the period early 2015 – september 2023, 30 pieces of literature about ICF were detected in the Emerald Publishing data base. This literature is studied from various perspectives, such as studies from the perspective of sharia (Islamic law) / Sharia Complaint. ICF is also studied from several sharia contracts, so that they are applied in transactions (such as *Mudharabah*, *Musyarakah Mutanaqisah*, *Salam*, *Murabahah*, and *Qard Hasan*). Furthermore, ICF is also studied from a donation perspective and as an alternative model for waqf institutions, because ICF is believed to be able to attract interested donors. ICF is also studied in the context of entrepreneurship, micro-enterprises, and small and medium enterprises (UKM), because ICF has enormous potential for better and more efficient business activities, and therefore it is recommended that it can be applied for innovation.

All current literature in the database has been reviewed, paving the way for future research. The literature on ICF is predominantly studied on donations and crowdfunding-waqf model (CWM), entrepreneurship, micro-enterprises and small and medium enterprises (SMEs). However, this research looks at some of the ICF literature that is still little seen and could possibly become a direction and challenge for future research, such as the Salam-based CF proposed by Saiti et al (2018) to apply to agricultural sector financing. Furthermore, recently, CF was proposed for housing finance, such as the model offered by Ma & Md Taib (2023) and Ma et al (2023) who proposed a new housing affordability solution by combining the Islamic financial concept of *Musyarakah Mutanaqisah* with the cooperative and CF models, because this model definitely reduces the funding burden for both parties (consumers and developers) and creates opportunities for all stakeholders (intermediaries).

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