

## Conference Paper

# The effect of *Islamophobia* on Business Profits

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## Abstract

Islam is the religion of *rahmatan lil'alam* that brings prosperity on earth. The majority of the Indonesian population are Muslims. However, the reality is that Islam has been hit by a number of negative issues due to a series of terrorism events in various countries in the world including Indonesia. The media also contributed to the rise in islamophobia. As a human society who need income for their survival, Muslim communities seen islamophobia causing issues for their businesses. The rising number of cases of discrimination against Muslim women is causing a disruption in their socio-economic life. In Indonesia, there is also discrimination against veiled women, as the veil is viewed as a social stigma, associated with religious fanaticism and even terrorism. This study used qualitative approach in the form of transcendental phenomenology research to ascertain the effect of islamophobia on profits for businesses owned by Muslims especially the veiled woman in several region in Indonesia, that is in Tulungagung, Pasuruan and Malang.

The results of this study demonstrate that there was a community change, with less tolerance extended towards Muslims. However, this rising Islamophobia did not affect the profits as long as the seller provided quality products and quality services that are able to satisfy customers.

**Keywords:** Islamophobia, Business Profit, Islamic Accounting

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## 1. Introduction

The Indonesian nation is formed from various ethnic groups, cultures, religions and beliefs. The principle of multi ethnicity has made difference as a mercy and even a difference considered a wealth of history. In the Constitution of Republik Indonesia year 1945, Article 28E states that the Indonesian Nation gives the freedom of its citizens in determining the religion to be followed, including Islam, Protestantism, Catholicism, Hinduism, Buddhism, Confucianism, and other Religions. Indonesia is not an Islamic country even though the majority of the population embraces Islam. Therefore, the first principle of Pancasila reads "The One Godhead" and not "Godhead with the obligation to carry out Islamic law for its adherents.

### OPEN ACCESS

The majority of the Indonesian populations are Muslims. Islam is the religion of rahmatan lil amin 'alamin which means that Islam is a religion that brings mercy and prosperity to the entire universe, including animals, plants and jinn, let alone fellow humans. The Word is based on the book adopted by Islam, namely the Qur'an in the Surah Al-Anbiya 'verse 107 which means "And We have not sent you but to (be) a mercy to the universe". In the Qur'an, there are also many verses that explain peace and prohibition of killing one of them is in the Surah Al-Mumtalah verse 8 and Surah Al-Anfal verse 61. Al-Quran also teaches the nature of tolerance according to the Surah Al-Kafirun verses 1–6 which teaches about respect for other people's beliefs and are emphasized in the last verse of the letter means "to you be your way, and to be mine". Some of these verses teach diversity and are in line with the Indonesian slogan that upholds diversity with tolerance as the main foundation of Unity in Diversity.

In Islam, it teaches mutual respect and love for all beings in the universe. However, the reality is that Islam has been hit by a number of negative issues due to a series of terrorism events in various countries in the world including Indonesia. The events of September 11, 2001 that occurred in the United States became a major event of historic and influential acts of terrorism. This incident was caused by 19 people of terrorists by hijacking four commercial aircraft and crashing them. From this incident, around 3000 people were to be killed. This event could be said to be an event that changed history and became known as the 9/11 incident. Since then, the view of terrorism from people around the world has changed to become synonymous with one religion, namely Islam. This is because the mastermind behind the 9/11 incident was the Al Qaeda Islamic group led by Osama Bin Laden. Through Arabic TV broadcasts, Bin Laden claimed that he was responsible for the attack on the United States (cbc.ca/2004).

On October 12, 2002 there was a bombing in Bali which left 202 people dead. There have been more than 15 incidents of terrorism in the form of bombings in Indonesia. Recently, on 13-14 May 2018 there have been suicide bombings in Surabaya, precisely in three places which are the Church of Santa Maria Tak Bercela, GKI Diponegoro, and the Pentecostal Center Church of Surabaya and still followed by other terrorist acts. This is what triggers the growth of hatred towards Muslims. According to the results of the terrorists' recognition, a series of terrorism events that they carried out were a form of defense against the Islamic religion. This is actually inversely proportional to the teachings of Islam. Recognition of terrorists who easily make "Islam" as the motive behind their actions makes the formation of a negative view of society in viewing Islam. This stereotype emerged among the Indonesian people, especially the non-Muslim community.

On the other hand, the media also plays a role in framing perceptions about Islam. Some studies say that most news media in Indonesia inform the negativity of Islam so that stereotypes emerge and explain that Islam is the cause of a series of terror (Istriyani & Yuliatun, 2016). Some internet sites, both accidentally and intentionally, forced western colonial ideology into world media and introduced Islam as a religion of violence, aggression, extremism, terrorism, monolithic, and backwardness through text, graphics and video (Amiri, Hashemi, & Rezaei, 2015). The study of Hassan & Omar (2017) revealed that the majority of articles from international newspapers reported negatively about Muslim issues in Malaysia and Indonesia. From the results of several studies, it could be concluded that media reported about the negativity of Islam. Islam which is essentially the religion of rahmatan lil'alamin has been exposed to unfavorable news due to the motives of terrorism and media framing. Therefore, it causes the emergence of the term Islamophobia.

Islamophobia is an act of fear or hostility towards followers of Islam (Alshammari, 2013). This can be proven from the discrimination contributions received by Muslims. Islamophobia was first expressed by westerners as a result of 9/11 in the United States and spread to Asian countries such as Malaysia, Indonesia and Myanmar due to the acts of terror (Osman, 2017). The interesting point is that Islamophobia does not only occur in non-Muslim communities but also occurs in countries with a muslim as majority population. This happened due to the hardening of non-Muslim attitudes towards Islam (Nawab: 2017).

The issue of Islamophobia which is getting bigger due to terrorism and media that play an active role has resulted in changes in a person's behavior. Racism and prejudice towards certain groups are economically detrimental in the sense that the level of economic and social growth of the affected area or community (Islamophobia) becomes hampered (Alshammari, 2013). The economic growth of the people affected by Islamophobia can be intended to the development of business or the continuity of business run by Muslim communities. Prejudice against the Muslim community can make the level of income or profits derived from a business decrease due to changes in the customer's buying decision for a product. This is consistent with research conducted by Boone & Kurtz (2002) which states that customer behavior is influenced by several personal factors such as motivation, perception, attitudes, values and self-concepts. According to Wilson and Giligan (1997) states that from the point of view of marketing strategists, a mix of cultural, social, personal, and psychological factors could influence customer behavior in the process of purchasing a product.

Psychological factors are one of the factors that influence consumer behavior which consists of four main psychological factors, which are motivation, learning, perception, trust and attitude. The issue of Islamophobia is one of the perceptions that grows among the people. This perception is a negative perception that could influence consumer behavior in the process of purchasing a product. The transfer of customers means that the seller is unable to maintain customer loyalty, allowing the seller to lose profits from the individual customer. Declining profits could be a threat to the sustainability of a running business.

A business is established with the aim of gaining profit or self-interested profit making, which means a business is established with a motive to gain its own benefit (Duska, 1997). In addition to making a profit, maximizing income is an ethical mandate of a business (Primeaux & Stieber, 1994). One of the business fields in Indonesia that can develop and be consistent in the national economy is Micro, Small and Medium Enterprises (MSME) Activities (Main, 2013). Basically profit becomes the main goal to be achieved by MSMEs so that maintaining business continuity in order to obtain sustainable profits is the main task of a business person. This is the purpose of a business in the view of conventional accounting or modern accounting. Whereas, according to Islamic accounting, the establishment of a business is to obtain material and non-material benefits.

The Ministry of Cooperatives and MSMEs (2012) mentions that Micro, Small and Medium Enterprises (MSMEs) that are currently developing are divided into several categories, namely agriculture, farm, fisheries, forestry, electricity, gas, clean water, trade, hotels, restaurants, private services, and processing industries, one of which includes the creative industry. The creative industry sector is believed to be able to survive when various other sectors are hit by the global financial crisis. However, the current issue of Islamophobia is one of the challenges in maintaining a business especially for a Muslim. Indirectly, the issue of Islamophobia builds negative stereotypes towards Muslims, causing fear or prejudice to establish cooperation with Muslims, for example in terms of buying and selling transactions. Declining sales due to the issue of Islamophobia will have an impact on profits earned. Therefore, as a Muslim who is being exposed to the issue of Islamophobia has to be able to maintain the business they run.

This research outlines the impact of Islamophobia on the business profit of a Muslim by examining more deeply about the phenomenon of Islamophobia issue developing in the community and the response of Muslim business people in maintaining their business. This research focuses on veiled Muslim female business people. This is due to

discrimination against Muslim women wearing hijab (Allen, 2015). The number of cases of discrimination against Muslim women resulted in disruption of the socio-economic life of Muslim women. In Indonesia, there is also discrimination against veiled women. Stigma that arises among the public that veiled women are religious fanatics to be seen as terrorists (Rahman & Syafiq, 2017). This perception that makes the public view veiled women with negative stigma.

The negative stigma that arises is the response of human behavior to what is happening in the environment. This theory views individuals as reactive beings who respond to the environment. Behavioristic explains that human behavior can change through the experiences they go through due to various factors that occur in the environment around humans. These environmental factors can be in the form of events that occur to create the human response that experiences it.

The results of the pre-research conducted by researchers in the Tuban area of East Java against non-veiled people both Muslim and non-Muslim found that there was a fear of veiled Muslim women due to various bombing cases by individuals who easily made Islam as the motives. This feeling of fear was felt to be stronger in the period around the time of the incident occurred. The fear that arises gives little effect to some people who are reluctant to buy products offered by the veiled women as MSME owners. The veiled woman sells cold drinks. In addition, the community was also reluctant to buy because the veiled sellers closed themselves and lacked socialization with the surrounding community. According to the statement of some people, this situation makes people become increasingly hesitant to buy the products offered.

The researcher wanted to examine more deeply the influence of the fear felt by the community towards their buying interest. Pre-research was also conducted by researchers by conducting initial interviews with veiled women who were running MSMEs. From the results of the initial interview, the researchers found that there was discrimination received by them from the surrounding community. Veiled Muslim women receive discrimination from surrounding communities at various levels. The sharp gaze of the surrounding community became something that was naturally felt by veiled women. The pre-research results were supported by various news stating that veiled women received excessive attention after the bombings occurred. Furthermore, this study would like to review more the struggle of veiled women MSME owners in maintaining their business when the negative stigma towards them grows in the community.

The pre-research results of veiled women MSME owners in Tulungagung overcame perceptions that grew in the community by optimizing services to customers to maintain

customer loyalty. They try to convince the public that the negative perceptions that grow towards them are something that is not true and should be removed by being friendly to the community as consumers. In accordance with the opinion of Putra (2012) who said that the success of a company is determined by the company's ability to understand its customers. Providing service excellence to consumers would foster a sense of customer satisfaction and loyalty. Excellent service is one of the factors that can affect income or profit. Profit that is consistent or even increases to be one indicator of a company can be said to have a good going concern. Excellent service which is still the center of customer satisfaction can create customer loyalty so that it will have an impact on the received income. Service excellent is a person's maximum ability to connect with others in terms of service. Service excellent is the best service provided to customers, both internal and external customers based on service standards and procedures. Quality will foster customer satisfaction to the emergence of customer loyalty so that it will have an impact on increasing business profits (Oliver, 1997).

Previous studies focused more on the history of the development of the issue of Islamophobia in both non-Muslim and Muslim-majority countries such as Indonesia and Malaysia. In addition, in terms of the economy, the majority of previous studies focused more on the effect on prices on the stock exchange and its impact on the economy on a macro basis. This study becomes relevant to be researched because it is based on the current phenomenon so that it can be studied more deeply how much profit fluctuations occur due to Islamophobia. In addition, it was explored from previous studies that examined from different sides, which were more likely to be macro impacted so that this study could be used as a new study to examine the impact of micro-Islamophobia, namely the impact on the development of Muslim small and medium enterprises focused on veiled Muslim women. This study also examines how the concept of muamalah which is run by a veiled Muslim woman in carrying out her business and measuring the depth of the Sharia's of Islamic accounting that they apply in running a business.

Based on the background described above, the focus of the problem in this study is as follows:

1. How does the phenomenon of Islamophobia occur in society due to various terrorism cases in Indonesia?
2. How can the phenomenon of Islamophobia affect the profitability of Muslim traders, especially veiled women?
3. How is the concept of muamalah (syari'ah accounting) applied by Muslim women veiled in running a business?

## 2. Research Methodology

This research is a transcendental phenomenology qualitative research where researchers act as the main key to research. The research locations are in three regions in East Java, in which are Pasuruan, Malang, and Tulungagung. Researchers have reason in choosing each research location. Malang is a city with a large enough number of students from various regions in Indonesia so that various cultures could be found which is mixed into one and is expected to produce interesting data to study. Pasuruan was made as one of the locations for the selection of research informants because in 2018, there was a bombing which was suspected of being an act of terrorism in Pasuruan. Tulungagung is also used as one of the research locations because the area is considered neutral because the level of Muslim religiousness that cannot be said as high or low. Furthermore, there is no history of terrorism in the area. The sampling method in this research is purposive sampling method. The purposive sampling method uses certain criteria determined by the researcher in accordance with the purpose of the study. This research is a qualitative study in which the data and research methods can develop when the researcher observes directly so it does not rule out that this research will also apply the snowball sampling method, namely the sampling method based on interviews or correspondence.

This study uses primary data sources through observation and in-depth interviews with the community, especially to veiled Muslim women who run a business and are supported by other secondary data. Data analysis used in this study is based on Ari Kamayanti, which are:

1. Noema
2. Noesis
3. Epoche (Bracketing)
4. Intentional Analysis
5. Eidetic Reduction

Analisis data tersebut dilakukan untuk menemukan pemaknaan terdalam tentang islamophobia di masyarakat dan dampaknya terhadap laba usaha yang diperoleh.

The data analysis was used to find the deepest meaning of Islamophobia in the community and its impact on business profits obtained.

### 3. Data Findings

The issue of Islamophobia has now spread among the community to cause changes in attitudes or discriminatory behavior of certain communities towards the affected groups, namely Muslims, especially veiled women. There are many instances of racism perceived by informants. However, the various incidents turned out to have little impact on the sustainability of the business they were running as long as the quality of the product was guaranteed and service was satisfactory. The informant also tried to maintain their business by maintaining customer trust despite being exposed to this Islamophobia issue.

The informant runs a business with the aim of seeking sustenance to meet needs and bring benefit to fellow human beings in various different forms. This is relevant with the objectives of Islamic accounting based on the objectives of Islamic economic which is the welfare distribution for all people.

### 4. Discussion

#### 4.1. Implementation of interpreting and responding to experiences related to Islam based on Behavior Theory

Behavior theory is a theory of behavior change as a result of experience. This theory views human individuals as reactive creatures that respond to the environment. Behavioristic explains that human behavior can change through the experiences they get due to the factors that occur in the surrounding environment. These environmental factors can be in the form of events that occur to create a human response that experiences it. Behavior theory is included in one of the accounting fields because changes in individual attitudes due to environmental factors can affect the accounting of an entity.

The phenomenon of Islamophobia that occurs in Indonesia has an impact on changes in individual behavior towards all matters relating to Islam. From the results of interviews with informants, there are various results that indicate the onset of Islamophobia in Indonesia. Informants Lala and Widya as non-Muslim communities claimed to have a little negative thought in the form of fear of veiled women with black clothes. There is a change of attitude experienced by Lala due to the identity of the perpetrators of terrorism cases in Indonesia. These fears grow to the point of wanting to reduce or not connect with veiled women. Slightly different from Ami's informant who said there was little suspicion of veiled women but it did not rule out the possibility that she would one



day meet or interact with veiled women. Ami's informants place excessive suspicion on veiled women who are less open to society.

From the side of Lala and Widya as a non-Muslim community and Ami as a Muslim society who does not wear veil, it can be concluded that there are a number of seeds of Islamophobia that grow within them. However, when both were asked about the possibility they had activities with veiled women, for example in terms of buying and selling, both agreed that this could happen even though there was little consideration. The doubts held by informants on veiled women will be broken when there is an open attitude towards society carried out by veiled women.

Rini is another informant as the buyers of MSMEs runs by veiled women and she is a non-Muslim. Initially she was reluctant to buy but after finding out the products offered by the seller which attract her attention, now she becomes customer of the seller. Initially, the buying interest of the informant had decreased due to the way the seller dressed. The seller who is friendly and offers attractive products could create buying interest from informants. The negative perception factor that had grown in the informants became lost after knowing the service quality and product quality offered by the superior seller.

The interviews conducted by researchers wanted to see from two different points of view, from the side of non-Muslim women or not veiled and from the side of veiled Muslim women. In terms of non-Muslim or non-veiled women, there is a slightly different view in seeing Muslim women veiled as revealed by Lala and Ami informants above. This supports the research conducted by Rahman & Syafiq (2017) who said that there was a growing stigma in society towards veiled women. It is different from the experience of veiled women, as experienced by Cici, informants who claimed to have experienced unpleasant things while in public places. Cici told that she had experienced racism from someone while at a tourist spot. At that time, there was someone who forcibly tried to remove the veil she was wearing.

Personal experience was also felt by Fitri as a newcomer in the Pasuruan area. Fitri who is also a Muslim woman wearing veil also felt alienated from the environment and received many accusations, one of which was "terrorist". Anis is also the other responden who has stories from her friends' experiences that are also veiled and experiences that have been felt by her student. Anis's friend claimed to have been forced to take off the veil while at the airport when there was a recent bombing in Surabaya in 2018. As well as Anis's student who also wore a veil had been dropped from the bus at the Gayatri Tulungagung Terminal. Various events that occur can be used as an indication that

there has been Islamophobia in Indonesia due to discrimination against veiled Muslim women.

Islamophobia causes discrimination against Muslims. This form of discrimination makes disruption of the associated social life of individuals including the social life of veiled Muslim women. The results of this study support the research conducted by Alshammari (2013), saying that the level of economic and social growth from the affected regions or communities (Islamophobia) is hampered. Viewed from the social side of veiled women who experience inhibition where they are difficult to socialize in the community. However, from an economic standpoint, this research is different from the results of research conducted by Alshammari (2013). The various unpleasant treatments they received, in fact, did not have a significant effect on the sustainability of the business they were running. Informant Fitri actually said that selling activity made the relationship between her and the surrounding community more intertwined. Anis also said that the most important thing is not how others perceive the veil problem that she is wearing, but how Anis provides the best quality products and services for customers so that any negative news or issues that are spread outside can be ignored with the trust of customers who have been built.

This research proves that even though there is a stigma that grows among the public towards veiled Muslim women it does not affect the desire to buy society from products sold by veiled Muslim women. Product quality and good service are still the main considerations of consumers in determining buying decisions. On the other hand, informants who were veiled women also tried to maximize the quality of their businesses. The conclusion is that Islamophobia does not actually affect operating income as long as product quality and service quality meet consumer expectations.

#### **4.2. Implementation of Sharia Accounting Practices on Muslim Businesses**

The discussion of Islamic accounting in this study refers to the principles of Islamic accounting according to Triyuwono (2006), which are Humanist, Emancipatory, Transcendental and Teleological. The derivatives of the Humanists are Instrumental and Socio economic, Critical and Justice for emancipatory, All inclusive and Rational inclusive for transcendental, and Ethical and Holistic for Teleological. Four principles of sharia accounting will be compared with its application to the business carried out by informants namely informant Anis and informant Fitri. Informant Anis and informant Fitri run a trading business with different products, which are stationery stores and chicken

noodle shops. Both are Muslim women who wear veil and Shari hijab. As a Muslim, the principle of running a business that they run should be in accordance with Islamic law with the aim of equitable welfare for all people. The presentation of the application of the philosophical principles of sharia accounting will be described as follows.

#### 4.2.1. Humanist

The Restu stationery shop which was run by Anis in Tulungagung was established in 1991. The shop was founded by Anis's father and now Anis is responsible for the store with her brothers. Anis deliberately recruits employees who need help, in the sense that Anis does not give too high a standard in hiring employees. Employees also get a salary and bonus almost every month. In addition, employees also get tuition fees for their children. Tuition fee will be provided if their children are schooled in an Islamic school. In addition, Anis also often conducts recitations (syukuran) on average once a month on the basis of alms of fellow humans, especially Muslims. Likewise with Fitri who is willing to pay for education for an employee.

From both informants, they have practiced the humanist value of Islamic accounting, which is intended to humanize humans, or restore humanity to its sacred nature. This humanist principle is derived into two basic concepts, namely instrumental and social economic. The basic instrumental concept means that making Islamic accounting is not limited to theory but also practiced in real life for days and even going into practice is needed in life. Anis and Fitri practicing the main purpose of Islamic accounting is for the welfare of all people and not only oriented to their personal benefits.

The concept of socio economic means that Islamic accounting is not limited to economic transactions but also includes social transactions. In this case, Anis and Fitri also carry out various types of transactions with social objectives. Fitri made an expenditure in the form of tuition fees for her employees as well as for Anis. In addition, Anis also carried out thanksgiving activities for the purpose of charity. So that it can be concluded that Anis and Fitri have applied humanist concepts in the concept of instrumental and socio economic by conducting social activities.

#### 4.2.2. Emancipatory

The emancipatory principle has two basic concepts namely critical and justice. The two basic concepts have interrelated meanings. In modern accounting, the emphasis of the economy (material) is increasingly high, thus giving effect to the elimination of

non-material aspects. The used of basic critical concepts is an appointment in a fair position (justice) between material and non-material. Although Anis and Fitri conduct trading business activities, they also carry out other activities, namely teaching. Anis intended to teach with the aim of preaching, as did Fitri who also taught the Qur'an in the mosque of the neighborhood she lived in. Fitri, who tried to revive the mosque with the aim of realizing the mosque as an effort to obtain blessing from Allah. The time they sacrifice to teach can actually be used to run a business to get maximum profit. However, this was not implemented by the two informants.

The critical basic values of the emancipatory principles were practiced by the two informants, Anis and Fitri. The two informants did not position the economic aspect higher than the non-economic aspects. They put the economy (material) and non-economy equitably (justice) by allocating the time they have not solely to obtain benefits in the form of material but also non-material benefits.

#### 4.2.3. Transcendental

Transcendental means that Islamic accounting theory crosses the boundaries of the accounting discipline itself. From the basic concepts of transcendental philosophy, it could get from two basic concepts, which are all inclusive and rational intuitive. The basic concept of all inclusive provides the rationale that the construction of sharia accounting theory is open. That is, it does not rule out the possibility that sharia accounting theory will adopt concepts from modern accounting, as long as the concept is in harmony with Islamic values. Anis and Fitri's business is an individual business that frees decisions on individual business owners so that there is no law specifically regulating the rules of individual businesses. The legal umbrella relating to individual businesses in Indonesia is only found in Law Number 3 of 1982 concerning Obligatory Registration of Companies.

Informant Anis runs her shop with a high work ethic and is open to establishing business relationships with people other than Muslims. Anis thought of going forward and being able to compete with non-Muslims as long as what she did does not violate Islamic rules. This is in accordance with the all-inclusive basic value which does not rule out the possibility of adopting modern accounting concepts as long as they do not violate Islamic values. The second basic concept of transcendental philosophical principles is rational intuitive. Rational intuitive indicates that epistemologically, the construction of Islamic accounting theory combines rational power and human intuition. Intuition becomes very important which is synergized with rational human instruments. Anis believes that all the charity activities that she has spent as well as all bonus fees

for employees will not reduce the assets she has, even Anis's belief is the opposite, and namely there will be more abundant sustenance in the future.

For Fitri, alms are in the form of helping people, even though they have to cut their time to sell, they are not considered as a deduction of profits that will be obtained but as a form of helping others, which in the end will have an impact on themselves. In the sense that as long as Fitri is able to help other people later on she will easily get help from others when she needs help. The illustration of Anis and Fitri is one form of strong belief or intuition towards God that something that is intended to be good will return to the human itself.

#### 4.2.4. Teleological

Teleology provides a rationale that accounting does not merely provide information for economic decision making, but also has a transcendental goal as a guideline for human accountability to God, to others, and the universe. This philosophical principle has two basic concepts, namely ethical and holistic welfare. Ethical is a basic concept that results from the logical consequence of the desire to return to God in a calm and holy state. To return to God with a calm and holy soul, one must follow His laws (Sunnatullah) which govern good, bad, right-wrong, and fair-dzolim.

The informant wants to get Ridho Allah and seek blessing. Informant Anis stated that the interest system included riba and was better to be avoided because it was considered unreasonable towards the income she earned. This is included in the ethical basic value in accordance with Islamic law, namely that riba is unlawful. The attitude taken by the informant is a form of accountability to God. The second basic value is holistic welfare. Welfare that is intact here is aimed at welfare which is not only oriented to material welfare. Informants Anis and Fitri run businesses not only oriented to their personal welfare but also the welfare of the people around them. And well-being that is not only material in nature because the two informants run a business without violating Islamic rules so they also get spiritual or psychological well-being.

## 5. Conclusion

Based on the data and discussion that has been explained previously, conclusions regarding the impact of Islamophobia on business profits are as follows:

1. Islamophobia is proven to have occurred in Indonesia, this is characterized by various experiences of discrimination experienced by Muslim communities, can be

isolated in the community, accused of terrorists, and forced to take off the veil when in public places. This discrimination occurs due to the stigma that grows in the community according to the research of Rahman & Syafiq (2017) and the research of Osman (2017) who say that Islamophobia does not only occur in minority non-Muslim countries but also occurs in Muslim-majority countries like Indonesia.

2. The inclusion of Islamophobia due to various issues of terrorism has caused a change in the attitude of the people in looking at Muslims. However, this change in public attitudes does not affect the profits earned by Muslim communities, especially veiled women who run businesses. Islamophobia does not affect profit as long as the seller has product quality and service quality that can satisfy the customer. This is in accordance with the concept of the influence of quality, satisfaction, and loyalty to earnings according to Oliver (1997), and refutes the research from Alshammari (2013) which says that the economic and social growth of the people affected by Islamophobia is hampered.
3. The principle of accounting used by Muslim entrepreneurs who wear veiled is based on the principles of Islamic accounting. Islamic accounting is selected because entrepreneurs prioritize the well-being of their surroundings rather than gain personal benefits. Awareness to help each other becomes a form of obedience to Allah. According to Triyuwono, Islamic accounting is grouped into four philosophical principles namely humanist, emancipatory, transcendental, and teleological.

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