

The Effects of Muamalah Buying and Selling Gold Through a Digital System and Its Effectiveness in Terengganu

Md Shuhaimi Bin Ismail¹, Razi Yaakob^{2*}, Zamri Chik³

^{1,2}Faculty of General Studies and Further Education, Universiti Sultan Zainal Abidin, Gong Badak Campus, 21300 Kuala Terengganu, Terengganu, Malaysia

³Faculty of Applied Social Sciences, Universiti Sultan Zainal Abidin, Gong Badak Campus, 21300 Kuala Terengganu, Terengganu, Malaysia

Emails: mdshuhaimiismail56@gmail.com, zamrichik2015@gmail.com

*Corresponding author: raziyaakob@unisza.edu.my

ABSTRACT

The study on 'gold trading transactions through digital systems' is increasingly important in the context of the development of Islamic financial technology (fintech) and the growth of the use of digital platforms for Muslim economic transactions. Digital gold transactions create a new dimension in Islamic trading transactions that involves the combination of traditional sharia principles with modern technological innovations. This study aims to empirically evaluate the role of Islamic trading factors and digital gold marketing on the effectiveness of digital gold marketing among gold buyers in eight (8) districts of the State of Terengganu. This study uses a quantitative approach through a questionnaire distributed to gold buyers. The data is analyzed using descriptive and inferential statistical analysis to identify the relationship and level of influence between variables. The Islamic Muamalah factor, being able to know that gold is including ribawi matters. The Digital Gold Marketing factor is based on the Understanding of Digital Gold Buying and Selling among gold buyers, being able to find out from friends and family as a source of information, while the Digital Gold Marketing factor is based on the sub-factor of Digital Gold Buying and Selling Practices among gold buyers, having bought gold digitally. Next, the Digital Gold Marketing Effectiveness factor, among gold buyers, is the ability of gold buyers to believe that digital gold selling marketing can develop the local economy. The findings of this study show that the overall Islamic Muamalah factor and the Digital Gold Marketing factor have a significant impact on the Digital Gold Marketing Effectiveness factor, among gold buyers. Meanwhile, the Digital Gold Marketing factor does not function or act as a mediator in the relationship between the Islamic Muamalah factor and the Digital Gold Marketing Effectiveness factor, among gold buyers. The findings of this study can provide implications for gold sellers and the state government in Terengganu in formulating more effective Islamic Muamalah and Digital Gold Marketing development strategies, in line with the current economic and industrial needs in Terengganu.

Keywords: Islamic Muamalah, Marketing Digital Gold, Effectiveness Digital Gold Marketing, Structural Equation Modeling (SEM)

How to cite this article: Ismail MSB, Yaakob R, Chik Z. The Effects of Muamalah Buying and Selling Gold Through a Digital System and Its Effectiveness in Terengganu. *Int J Drug Deliv Technol.* 2026;16(51s): 1402-1407. DOI: 10.25258/ijddt.16.51s.101

Source of support: Nil.

Conflict of interest: None

Introduction

Gold buying and selling transactions are an important part of Islamic transactions because gold is included in the category of ribawi goods that have specific sharia provisions regarding contracts, delivery (qabdh), and freedom from gharar (uncertainty) and usury (Faizal et al., 2025). In today's digital era, financial innovations have led to the development of digital gold as an alternative form of investment and savings that is more easily accessible through online applications and platforms. This phenomenon has not only opened up new opportunities in the financial market, but also sparked in-depth discussions about the sharia compliance of gold buying and selling

transactions outside of traditional methods (Nuridin, 2025) (jurnal.iuqibogor.ac.id). The rapid growth of digital transactions, including in the gold sector, is supported by the increase in financial technology (fintech) and public acceptance of modern financial solutions. Studies on digital gold platforms in Malaysia show that there is an increase in investor interest in using digital platforms that are said to be sharia-compliant and offer transaction convenience and instant access to the global gold market (Hamdan et al., 2025). This is in line with the efforts of financial institutions in Malaysia and other regions to provide regulated digital gold products that comply with the principles of fiqh muamalah (Sehak et al., 2025) (jimf-bi.org+1).

However, the move to digital systems raises important questions in the context of Islamic transactions. One of the main issues is the sharia status and validity of digital gold purchase and sale contracts when interacting with electronic contracts and the mechanism for constructive or *hukmiyah* transfer of ownership of gold. Previous studies have discussed that digital gold can be considered *halal* if it meets the criteria of a valid contract, clear proof of ownership, and is free from elements of usury, *gharar* and *maisir* (gambling), but the reality is that many platforms still do not fully comply with all these conditions (Nurdin, 2025) (jurnal.iuqibogor.ac.id). Along with the advancement of financial technology (fintech), the use of digital platforms for gold purchase and sale transactions has increased rapidly among Muslim communities around the world, including Malaysia. Although this trend offers greater convenience and access to users, it also brings major challenges in the aspect of Islamic transactions, especially in terms of sharia compliance (Islamic transactions) and the effectiveness of Digital Gold marketing. In this context, digital gold is an instrument formed through a digital marketing system to consumers without necessarily involving immediate physical delivery, which may raise issues of uncertainty of contract and legal ownership according to the principles of *fiqh muamalah* (the digitization of gold must meet the clarity of contract and legal ownership according to sharia) in digital transactions (STIE AAS Journal).

Although the National Sharia Council and the mufti body have issued a view that buying and selling digital gold is permissible provided that sharia requirements are met, the lack of clarity in understanding and implementation among Muslim buyers remains a significant issue (mui.or.id). This raises the question of whether digital gold users truly understand the status of the contract and the concept of ownership (*qabd* / transfer of ownership), thus affecting their confidence in products marketed digitally. This problem is compounded by the reality that some platforms promote digital gold without a clear emphasis on sharia compliance, thus potentially creating sharia confusion among Muslim consumers, including in Terengganu. In addition, the marketing strategy of Digital Gold can be seen as a significant independent variable in influencing buyer behavior. A study on the influence of digital marketing through digital marketing and brand image shows that digital marketing has a positive effect on the interest of the younger generation to invest in digital gold of Islamic financial institutions (E-Journal IAIN Palopo). However, this matter has not been studied particularly in the context of Islamic muamalah that

is syariah-compliant and among gold buyers in Terengganu, where public belief in syariah compliance is often a key factor in making investment decisions. Therefore, the question arises as to the extent to which digital marketing carried out by digital gold platform providers can demonstrate the elements of Islamic transactions (e.g.: contract transparency, syariah certainty, emphasis on physical ownership when required) and whether these marketing elements really create the desired effectiveness among Muslim consumers in Terengganu.

Accordingly, the problem of this study is formulated as: “Does the Digital Gold marketing implemented by digital platform providers meet the elements of Islamic muamalah and subsequently have a positive impact on marketing effectiveness (such as buying interest, sharia confidence, and consumer satisfaction) among gold buyers in Terengganu?” Although Digital Gold marketing is increasingly widespread and promises to transform the traditional gold market into a more efficient modern trade, there are important questions regarding the alignment between digital marketing strategies and the principles of Islamic muamalah that are firmly held by Muslim buyers. Especially in Terengganu, a state with a high religious adherence profile, digital gold consumers do not just make decisions based on convenience or economic benefits, but also assess whether the marketing mechanism and products offered are sharia-compliant in terms of contract, ownership and other muamalah elements (e.g.: contract clarity, true ownership, avoidance of *gharar* / *riba*). Recent studies show that trust and Sharia-compliant characteristics are significant factors in users' intentions to accept and use digital gold platforms in Malaysia, as they provide assurance that the transactions carried out do not conflict with Islamic values and rules (Hamdan et al., 2025) (Jimf-bi).

In addition, other studies have shown that digital marketing has a positive impact on the purchase decision of gold products / gold investment in general in the fintech sector, but the study did not evaluate the role of Islamic muamalah as a moderator or mediator variable that can influence the effectiveness of Digital Gold marketing among the Muslim community in particular (Munawar et al., 2025) (ejournal.unsap.ac.id). This shows a weakness in the current literature because the context of sharia compliance and Islamic perceptions have not been widely integrated into digital marketing models, while this feature is very important for acceptance by conservative Muslim communities such as in

Terengganu. Furthermore, consumer perceptions have proven to be different when dealing with digital gold; a study based on social media user sentiment analysis shows that there is still doubt and confusion about digital gold investment as an Islamic investment instrument, where some users do not understand the implications of muamalah on this digital transaction (Ejournal UIN Malang). This raises the question of whether current digital marketing sufficiently explains the muamalah aspects and the advantages of shariah-compliance to consumers or simply emphasizes convenience and economic benefits alone, which may not be enough to increase the confidence of Muslim consumers in Terengganu.

Therefore, the main problems highlighted in this study are, 1) How are Islamic muamalah factors (e.g. sharia compliance, understanding of contract and ownership) perceived by digital gold buyers?, Do consumers fully understand the implications of muamalah in marketing and the products offered?, 2) To what extent do digital gold marketing strategies used by platforms (digital advertising, social media, content marketing, sharia messages) influence marketing effectiveness in terms of purchase intention, consumer confidence and sharia perception?, Are marketing messages that emphasize sharia compliance and contractual sincerity able to increase marketing effectiveness?, 3) What is the relationship between the perception of Islamic muamalah and the effectiveness of digital gold marketing among buyers in Terengganu?, This includes understanding contracts, security of ownership, and the influence of sharia perception on purchase decisions. The justification of this study is critical because it provides a more comprehensive picture of not only the effectiveness of marketing based on economic metrics, but also the effectiveness of marketing based on the values and principles of Islamic muamalah, which are important for Muslim buyers in Terengganu. This study has the potential to produce results that can help platform providers develop digital marketing strategies that are more ethical, transparent and aligned with the requirements of Islamic muamalah, as well as provide better protection for Muslim consumers in the digital age.

Research Methodology

The research method used is quantitative, using research instruments that have been adapted according to the suitability of the Islamic Muamalah factor, Digital Gold Marketing on the Effectiveness of Digital Gold Marketing among gold buyers in eight (8) districts of the state of Terengganu. Data

were analyzed using Structural Equation Modeling (SEM) with the help of the IBM-SPSS-AMOS version 24.0 program. SEM was formed with two (2) main models, namely the Measurement Model and the Structural Model. Before the SEM test is carried out, an adjustment test must be carried out to ensure that the indicators tested truly represent the construct being measured (Chik, Abdullah, Ismail & Mohd Noor, 2024; 2022; Hair et al., 2006; Schumacker & Lomax, 2004).

Findings

There are two (2) types of output when running the SEM (Structural Equation Modeling) procedure, namely graphic output and text output. The graphical output produces standardized regression values and unstandardized regression values between constructs. Running the SEM procedure produces standardized regression values and unstandardized regression values.

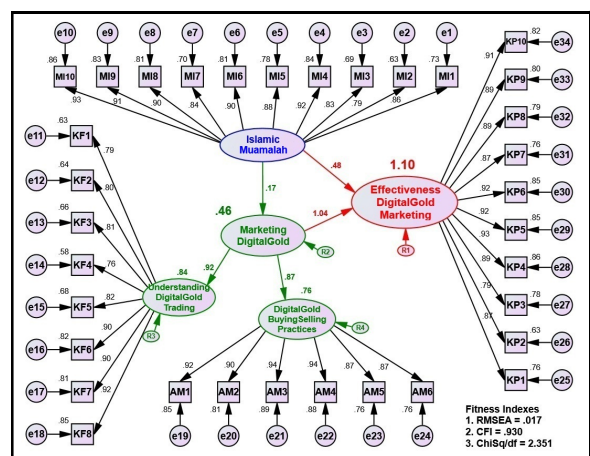


Figure 1. Standardized Regression Values

Summary of SEM study results for Figure 1 (standard regression values):

- 1) The R² value for Effectiveness Digital Gold Marketing (EDGM) is 1.10. This indicates that the two (2) predictor constructs in the model (single-headed arrows) namely Islamic Muamalah (IM) and Marketing Digital Gold (MDG) contribute 110 percent (%) to Effectiveness Digital Gold Marketing (EDGM) among the population in this study.
- 2) The R² value for Marketing Digital Gold (MDG) is 0.46. This indicates that the one (1) predictor constructs in the model (single-headed arrows) namely Islamic Muamalah (IM) contribute 46 percent (%) to Marketing Digital Gold (MDG) among the population in this study.

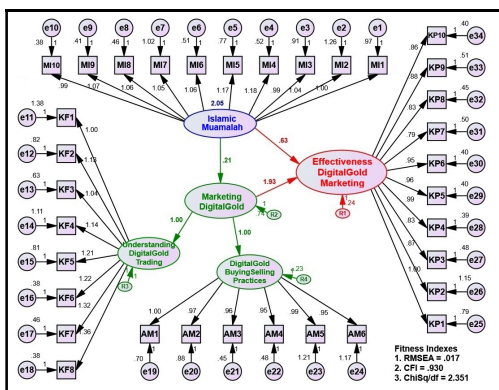


Figure 2. Unstandardized Regression Values

The regression equation for Effectiveness Digital Gold Marketing (EDGM) and Marketing Digital Gold (MDG) is:

$$EDGM = 0.63IM + 1.93MDG \quad (R^2 = 1.10 = 110\%).$$

$$MDG = 0.21IM \quad (R^2 = 0.46 = 46\%).$$

Table 1 from Figure 2 above, shows the results of direct effect hypothesis testing for

- 1) Islamic Muamalah (IM) and Marketing Digital Gold (MDG) (independent variable) on Effectiveness Digital Gold Marketing (EDGM) (dependent variable).
- 2) Islamic Muamalah (IM) (independent variable) on Marketing Digital Gold (MDG) (dependent variable).

Table 1 Hypothesis of Direct Effect Between Constructs

Direct Effects Hypothesis	P	Decision
H ₁ : Islamic Muamalah (IM) has a significant effect on Effectiveness Digital Gold Marketing (EDGM).	***	Supported
H ₂ : Marketing Digital Gold (MDG) has a significant effect on Effectiveness Digital Gold Marketing (EDGM).	***	Supported
H ₃ : Islamic Muamalah (IM) has a significant effect on Marketing Digital Gold (MDG).	***	Supported

Analysis Effect of Islamic Muamalah (IM) on Effectiveness Digital Gold Marketing (EDGM)

Based on the analysis of Figure 2 above and Table 2 below shows the results of this study show that Islamic Muamalah (IM) has a positive and significant effect on Effectiveness Digital Gold Marketing

(EDGM). The estimated regression weight (β) is 0.632, the significance level is 0.000 (Estimate = 0.632, S. E. = 0.050, C. R. = 12.516, Label = Significant). Therefore, when Islamic Muamalah (IM) increases by 1 unit, an increase also occurs by 0.632 units on Effectiveness Digital Gold Marketing (EDGM). Therefore, the testing of hypothesis H₁ in this study is supported based on the observed data.

Table 2 Regression Coefficient Value, Probability (p) Islamic Muamalah (IM) on Effectiveness Digital Gold Marketing (EDGM)

Construct	Construct	Estimate	S. E.	C. R.	P	Label
EDGM	<- IM	0.632	0.050	12.516	* * *	Significant

Analysis Effect of Marketing Digital Gold (MDG) on Effectiveness Digital Gold Marketing (EDGM)

Based on the analysis of Figure 2 above and Table 3 below shows the results of this study show that Marketing Digital Gold (MDG) has a positive and significant effect on Effectiveness Digital Gold Marketing (EDGM). The estimated regression weight (β) is 1.928, the significance level is 0.000 (Estimate = 1.928, S. E. = 0.202, C. R. = 9.550, Label = Significant). Therefore, when Marketing Digital Gold (MDG) increases by 1 unit, an increase also occurs by 1.928 units on Effectiveness Digital Gold Marketing (EDGM). Therefore, the testing of hypothesis H₂ in this study is supported based on the observed data.

Table 3 Regression Coefficient Value, Probability (p) Marketing Digital Gold (MDG) on Effectiveness Digital Gold Marketing (EDGM)

Construct	Construct	Estimate	S. E.	C. R.	P	Label
EDGM	<- MDG	1.928	0.202	9.550	* * *	Significant

Analysis Effect of Islamic Muamalah (IM) on Marketing Digital Gold (MDG)

Based on the analysis of Figure 2 above and Table 4 below shows the results of this study show that Islamic Muamalah (IM) has a positive and significant effect on Marketing Digital Gold (MDG). The estimated regression weight (β) is 0.212, the significance level is 0.000 (Estimate = 0.212, S. E. = 0.034, C. R. = 6.282, Label = Significant). Therefore,

when Islamic Muamalah (IM) increases by 1 unit, an increase also occurs by 0.212 units on Marketing Digital Gold (MDG). Therefore, the testing of hypothesis H_3 in this study is supported based on the observed data.

Table 4 Regression Coefficient Value, Probability (p) Islamic Muamalah (IM) on Marketing Digital Gold (MDG)

Con stru ct	Con stru ct	Estim ate	S. E.	C. R.	P	Labe l
MDG <-	IM	0.2 12	0.03 4	6. 28 2	* * *	Signi fican t

Conclusion

Overall, the results of this study have achieved the stated study objectives and made a significant contribution to the fields of Islamic muamalah, Islamic digital marketing and technology-based Islamic finance. The results of the study show that Islamic muamalah factors play a significant and dominant role in influencing the acceptance and effectiveness of digital gold marketing. Elements such as understanding the gold purchase and sale contract, clarity of ownership (qabdh), the absence of usury and confidence in sharia compliance, were found to be the main principles in shaping the trust and willingness of buyers to engage in digital gold transactions. This proves that in the context of the Muslim community of Terengganu, purchasing decisions are not only influenced by technological convenience or marketing strategies alone, but are also guided by the values and principles of Islamic muamalah.

In addition, this study also found that effective digital gold marketing needs to be supported by a level of understanding and good digital gold buying and selling practices. Delivering clear, transparent and ethical information through digital channels not only improves consumer understanding, but also strengthens positive perceptions of transaction security and platform integrity. This in turn contributes to increasing the effectiveness of digital marketing, especially in terms of trust, satisfaction and repeat purchase tendencies among consumers. The study findings also confirm that the effectiveness of Digital Gold marketing is the result of an integrated interaction between Islamic muamalah factors and digital marketing strategies. Digital marketing that emphasizes the values of sharia compliance, information transparency and consumer education is found to be more effective than purely

commercial marketing approaches. This shows that the integration of religious values and technology is an appropriate and relevant approach in developing a viable digital gold market in the State of Terengganu.

From a theoretical perspective, this study has expanded the application of existing theories such as Islamic Muamalah Theory in the context of digital transactions, the Technology Acceptance Model (Unified Theory of Acceptance and Use of Technology-UTAUT) which has been expanded with sharia components, as well as a model of digital marketing effectiveness in Muslim consumer behavior. The integration of Islamic muamalah elements into the digital marketing framework contributes to the development of a new conceptual model that is more contextual and in line with the reality of the Islamic market. From a practical perspective, the results of this study provide clear guidance to providers, marketers and developers of digital gold platforms to develop marketing strategies that are not only effective, but also sharia-compliant, transparent and ethical. Emphasis on muamalah education, sharia verification and honest marketing communications can increase consumer trust and support the sustainable growth of the digital gold industry.

Although this study makes a significant contribution, it still has several limitations, including its limited geographical scope in the State of Terengganu and the use of a cross-sectional study design. Therefore, further research is recommended to expand the study context to other countries, use a longitudinal approach, and explore the psychological and technological dimensions of digital gold marketing. Overall, this study proves that the success of digital gold marketing among Muslim buyers is highly dependent on the harmony between Islamic muamalah principles and effective digital marketing strategies. This study not only contributes to the enrichment of knowledge in the field of Islamic muamalah and Islamic digital marketing, but also provides a solid foundation for the development of an integrated, trustworthy, and reliable digital gold industry in Malaysia.

Acknowledgement

Special appreciation is owed to Universiti Sultan Zainal Abidin (UniSZA), Research Management, Innovation & Commercialization Centre (RMIC) UniSZA & Ministry of Higher Education Malaysia (MOHE).

Funding: The research did not receive financial assistance from any funding entity.

Conflicts of Interest: The author has no conflicts of interest to disclose concerning this study.

Declarations: This manuscript has not been published to any other journal or online sources.

Data Availability: The author has all the data employed in this research and is open to sharing it upon reasonable request.

References

- Chik, Z., & Abdullah, A. H. (2018). Developing and validating instruments for measurement of motivation, learning styles and learning disciplines for academic achievement. *International Journal of Academic Research in Business and Social Sciences*, 8 (4), 594 - 605.
- Chik, Z., Abdullah, A. H., Ismail, M. S. & Mohd Noor, A. Z. (2024). Impact of Industrial Revolution 4.0 (IR4.0) Knowledge, Application Learning, University Policy, Commitment to Study and Motivation on Assimilate IR4.0 in Education. *Journal of Economics, Finance and Management Studies*, 7 (4), 3884 – 3889.
- Chik, Z., Abdullah, A. H., Muda, M. R., Muda, H., Hashim, A.Mohamed, M. L., Said, S. & Kamaruddin, K. (2022). Determinants of Residential Satisfaction towards Low-cost Housing in Terengganu. *Journal of Engineering Research and Education (JERE)*: Vol. 13, 35-43.
- Faizal, M., Krauss, L., Shabir, A., and Marino, F. (2025). Consequences of undecidability in physics on the theory of everything. *Journal of Holography Applications in Physics*, 5(2):10–21.
- Hair, J. F., Black, W. C., Babin, B. J., Anderson, R. E., & Tatham, R. L. (2006). *Multivariate data analysis (6th ed.)*. New Jersey: Pearson Education International.
- Hamdan, N. H. b., Kassim, S. b., Nik Azman, N. H., & Abd Rahman, N. A. S. B. (2025). Consumers' behavioural intention to adopt Shari'ah-compliant digital gold platform in Malaysia: Extension of UTAUT model. *Journal of Islamic Monetary Economics and Finance*, 11 (1), 35 – 62. <https://doi.org/10.21098/jimf.v11i1.2035>
Jimf-bi
- Munawar, A., Gumilang, R. R., & Nur'arif, M. I. (2025). The influence of digital marketing on gold investment product purchase decisions at PT Pegadaian Sumedang Branch. *Journal of Business Management Basic*, 7 (2). ejournal.unsap.ac.id
- Nurdin, N. (2025). Digital gold transaction in Islamic jurisprudence: Issues of ownership, gharar, and shariah compliance. *Al-Mubin Journal of Islamic Law*, 7 (1), 45 – 62.
- Nurdin, N. (2025). The halal status of digital gold as a Sharia investment instrument: A review of fiqh muamalah and maqashid sharia. *Al-Mubin: Islamic Scientific Journal*, 8 (2), 73 - 81. <https://doi.org/10.51192/almubin.v8i2.2034>
jurnal.iuqibogor.ac.id
- Schumacker, R. E. & Lomax, R. (2004). *A beginner's guide to structural equation modeling (2nd edition)*. Mahwah, New Jersey: Lawrence Erlbaum Associates Publishers.
- Sehak, M. S., Muhammad, M. Z., Mohd Salleh, M. Z., & Halim, N. F. (2025). Shariah-compliant digital gold saving: A bibliometric analysis. *The Journal of Muamalat and Islamic Finance Research*, 22 (1), 134 – 145. <https://doi.org/10.33102/jmifr.645>