



Islamic crowdfunding model for empowering student entrepreneurship program in Malaysia

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Abstract

This paper aims to explore the potential of crowdfunding in empowering student entrepreneurship programs in Malaysia. Recently, digital crowdfunding has been considered a new unique tool for pooling funds through online platforms. This modern fundraising technique has successfully supported business activities and community-based projects. This concept can be utilized to support the current student entrepreneurship programs at universities, where it was reported that these institutions had experienced a limitation in terms of budget. Over the period, students at higher education institutions have witnessed challenges and difficulties in surviving their learning journey, particularly in terms of financial capability. Entrepreneurship is believed to be able to help students discover an additional income during their studies. Based on the interview, it was found that crowdfunding should be promoted to support small entrepreneurs, including students. However, proper models are needed to ensure crowdfunding is not misused and its efficiency and applicability. Regarding student entrepreneurship programs, Waqf and Infaq can be applied as crowdfunding models. The outcome of this paper would benefit many parties, including student entrepreneurs, crowdfunding platforms, universities, and society.

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1. Introduction

Digital crowdfunding platforms are widely recognized nowadays as alternative funds for business and community-based projects. For example, it is reported in Malaysia that Peer-to-Peer (P2P) lending, a part of crowdfunding practices, has successfully raised RM 739m from 9,989 campaigns. Equity-based crowdfunding has raised RM 86m from 89 campaigns (SC, 2020). Community-based crowdfunding, particularly donation-based, has been getting more attention in supporting society such as contributing to the poor and those who are affected by disasters and health issues, providing shelters for abused animals, and building essential institutions like mosques and schools (Othman, Ali, Ilias, & Khalid, 2021).

In this regard, crowdfunding is unique from other financial institutions as funders in crowdfunding have different motivations. While some expect a financial return from the funding campaign, others prefer to do so because of social obligation or personal satisfaction (Hemer, 2011; Wahjono, Marina, & Widayat, 2015). Therefore, crowdfunding has emerged in various models, including donation-based, reward-based, equity-based, and lending-based. However, if trust is built among fund raisers and project initiators then they can potentially support businesses or community-based projects (Wan Mohamad Nazarie & Williams, 2021).

Student entrepreneurs are among those groups that provide digital crowdfunding platforms and they are taking benefits from those groups as well. Nowadays, university-based start-ups have become a diverse and phenomenal platform for the students where they are encouraged to involve themselves in business activities. In addition, entrepreneurial activities at universities have been frequently organised (Wright, Mustar, & Siegel, 2019). In Malaysia, some of the universities are now incorporating the element of entrepreneurship in their programs to motivate their students to learn economy-based knowledge rather than merely entering the labour

market (Hassan, Sade, & Rahman, 2020). This indicates that entrepreneurship education empowers younger generations to begin their businesses moreover, it should be taught practically rather than relying on just one specific entrepreneurship course throughout elementary school, high school, and tertiary education (Pinheiro, Moraes, & Fischer, 2022). Furthermore, students may opt to be entrepreneurs as it increases their financial resources.

It is time to propose an Islamic crowdfunding model as an alternative fund for students to run their businesses. Crowdfunding can also be a useful source of short-term financial support for projects like growing a business or introducing new products. As a result, the interview method of qualitative research is applied to accomplish the objective of the study. The qualitative research method has limitations in terms of the number of participants but a new model should be adopted for this study as a platform for empowering student entrepreneurs.

2. Literature Review

2.1. Student Entrepreneurship

Entrepreneurship is creating new ventures (Kloepfer & Castrogiovanni, 2018). Meanwhile, entrepreneurs can be described as those who have broad perspective related to firm and they constantly look for business chances (Samsudi, 2022). Entrepreneurship education is one of the cornerstones of Malaysia's socioeconomic development. According to Kloepfer and Castrogiovanni (2018) entrepreneurship has become one of the Malaysia's economic drivers due to its creation capability of employment.

The scholarly discussion of student entrepreneurship has grown over the past few decades and now it has become a thriving study area (Landström & Harirchi, 2018; Moraes, Fischer, Guerrero, Rocha, & Schaeffer, 2021). Due to increased focus given to entrepreneurship, university-based start-ups have seen a substantial increase in entrepreneurship education programmes and entrepreneurial activities. (Wright et al., 2019). Entrepreneurship education is a mechanism of empowering younger generations to begin their businesses.

According to Ferreras-Garcia, Hernández-Lara, and Serradell-López (2019) entrepreneurial education can influence how people develop an entrepreneurial mindset. Zhang, Wei, Sun, and Tung (2019) There are clear distinctions between students who have or have not attended entrepreneurship classes in terms of their desire to launch their own business. Furthermore, Kabir, Haque, and Sarwar (2017) demonstrated a link between entrepreneurial education and intention. As a result, one of the main objectives of the entrepreneurship course is to encourage students to develop both a business prototype and a business proposal. To give students more hands-on experience and support the development of an entrepreneurial mindset, they will need to put the idea into practise.

According to Mustapha and Selvaraju (2015) students' engagement in the field of entrepreneurship develop. For example, exploring and engaging in activities close to the real world of entrepreneurship helps students develop their presentation and communication skills. However, a startup investment is required to launch a business, and finding the funds to do so has become a challenge. On the other hand, crowdfunding is regarded as an alternative way to receive an initial investment to establish a business. (Da Cruz, 2018). It has an underlying aspect of transparency that allows funders to see how their money is used (Khairuddin & Ishak, 2021).

2.2. Crowdfunding: An Overview

The practise of crowdfunding connects two groups: individuals with additional funds and those who have ideas but need funds to make them reality. Recently, crowdfunding has attracted many talents to raise money through online platforms. (Wahjono, Marina, Nasir, & Widayat, 2017). This unique practice enables entrepreneurs or activists to obtain funds through crowdfunding platforms (Mollick, 2014). Thus, crowdfunding has gained widespread acceptance as a substitute for intermediate organisations where businesses entities could raise money online from the public. (Schwienbacher & Larralde, 2010).

In terms of operation, most of the platforms provide a real-time update system, funds channelled through those platforms are often maintained transparently. In addition, many platforms allow funders to receive regular updates on their contributions through emails and dashboards. This would be distinct from the conventional financing structure, in which donors occasionally lack knowledge on the proper use of their contributions. This would be distinct from the conventional financing system, in which donors occasionally lack knowledge on the proper use of their contributions. (Khairuddin & Ishak, 2021). In modern practices, four crowdfunding models have been widely practised: donation, reward, lending, and equity. The first two models are community-based crowdfunding, while the rest are financial return-based crowdfunding (Ishak, Kamaruddin, & Aderemi, 2022).

Many studies have proved that trust in crowdfunding is the main factor in successful projects (Moysidou & Hausberg, 2020). On the one hand, crowdfunding brings several advantages. Firstly, it gives investors high returns instead of putting their money in mainstream financial institutions. For those that start projects, the cost of paybacks would be less expensive than borrowing money from financial institutions like banks (Bade, 2018). Secondly, crowdfunding improves the socio-economy by creating many new jobs, especially when the project starts (Abdullah, 2016). Crowdfunding can liberalise financial resources as this would allow society to determine and influence the types of businesses needed in the future that uphold their interest (infoDev, 2013).

As a result, crowdfunding contributes to both entrepreneurs and society by boosting economic growth and providing job opportunities, mainly for sectors that are difficult to get support from current financial services (Ramos & Javier, 2014).

On the other hand, crowdfunding has several challenges and difficulties. Nonetheless, the strength of crowdfunding might assist modest enterprises in raising money from the general population. (Ishak & Rahman, 2021). It is undeniable that this concept may face difficulties in supporting big-budget projects, even though they can attract a considerable number of investors since their fund is relatively small (Ramos & Javier, 2014). Meanwhile, crowdfunding could threaten talent when the idea from project initiators may not be protected (Manchanda & Muralidharan, 2014).

Crowdfunding must ensure its practices comply with Shariah Like other segments of modern financial practices. For example, interest-based loans through lending-based crowdfunding are prohibited in Islam, and they can be replaced with many Shariah contracts depending on the type of business or project (Aderemi & Ishak, 2023). Contracts are *murabahah* if project managers wish to buy an asset (mark-up sales). On the other hand, since both *salam* (forward sale) and *istisna'* (manufacturing contract) are intended to supply funds up front, they can be used for future projects. (Hendratmi, Sukmaningrum, Ryandono, & Ratnasari, 2019).

As for equity-based crowdfunding, it can be replaced with the profit and loss sharing contracts of Shariah such as *mudharabah* (silent partnership) and *musharakah* (full partnership) to form a partnership between funders and project managers (Muneeza, Arshad, & Arifin, 2018). At the same time, crowdfunding can be used to manage funds related to religion. For instance, crowdfunding can be used to exercise Cash Waqf and tackle the liquidity problem (Mohd Thas Thaker, 2018). Moreover, crowdfunding can be used to manage zakat funds efficiently (Mohd Thas Thaker, 2019). In general, a variety of Shariah-compliant instruments, as stated in Table 1, can be utilized for modern crowdfunding.

Table 1. The differences between conventional and Islamic crowdfunding.

Crowdfunding model	Original concept	Islamic instruments
Donation-based	Philanthropist	<i>Waqf</i> (Endowment), <i>Zakat</i> (Tax), <i>Sadaqah</i> (Donation), and <i>Infaq</i> (Contribution)
Reward-based	Gift	<i>Hibah</i> (Gift)
Debt-based	Angel investors, venture capitalist	<i>Murabaha</i> (Cost plus profit), <i>Tarwaruq</i> (Deferred-sale payment)
Equity-based	Lending-based, known as P2P crowdfunding	<i>Mudharabah</i> (Profit sharing) <i>Musharakah</i> (Partnership)

In terms of student entrepreneurs, crowdfunding may be advantageous to them. It has become common practise for student entrepreneurs to research well-known international sites like GoFundMe and kick starter fundraising campaigns in order to raise money for their firms. At the same time, some universities provide crowdfunding platform for their student entrepreneurs. For example, the Henley Crowdfunding Platform (HCfP), a donation-based crowdfunding platform, has been established by the University of Reading to enable their students to fund the validation of their business ideas.

3. Methodology

The research methodology used in this study is qualitative since semi-structured interviews are the most effective. Also, this approach is appropriate for this study since it enables researchers to examine important subjects through open-ended questions while simultaneously providing a practical way to gather information, attitudes, and opinions. (Wilson, 2014).

In this regard, interviews were conducted with several crowdfunding experts to obtain opinions and experience from the industry perspective. In response, specialists in Islamic fund practices were also consulted in order to develop a unique crowdfunding approach that complies with Shariah. However, as they actively and oversee student entrepreneurial initiatives, professionals in the field were contacted and interviewed. Finally, nine interviewees are selected as sample selection in Table 2.

After transcription, the data is analysed based on thematic analysis. In fact, thematic analysis of qualitative data presents a reliable and believable work (Castleberry & Nolen, 2018). The research team's ability to develop a conceptual model of value-based crowdfunding for student entrepreneurs, which is the study's primary objective, is made possible by the study's findings.

4. Finding

All interviewees (IV) were asked about their thoughts regarding Islamic crowdfunding as an alternative fund for student entrepreneurs. All agree that Islamic crowdfunding can potentially be practised while supporting student entrepreneurs. The themes of fundings are presented as follows:

Table 2. Sample of interviewee (IV) selection.

Expertise	Interviewee	Background	Qualification
Crowdfunding expert	IV 1	Shariah advisor of crowdfunding company	• Master's degree
	IV 2	A crowdfunding foundation's CEO	• Master's degree
Islamic fund expert	IV 3	Head of <i>Waqf</i> centre and academician at private college	• Doctor of philosophy
	IV 4	Academician and CEO of the state's Islamic council	• Associate professor • Doctor of philosophy
Entrepreneurship expert	IV 5	Manager of entrepreneur development	• Master's degree
	IV 6	Academician in entrepreneurship education at a public university	• Doctor of philosophy
	IV 7	Coordinator for a student entrepreneurship program at a public university	• Doctor of philosophy
	IV 8	Crowdfunding user, entrepreneurs and postgraduate student	• Doctor of philosophy
	IV 9	Crowdfunding user and entrepreneurs	• Bachelor's degree

4.1. Theme 1: The Potential of Islamic Crowdfunding as an Alternative Fund

According to IV 1, IV 2, and IV 3, Islamic crowdfunding can be a viable option for assisting students with their financial needs at universities. IV 1 said:

“Looking at Security Commission Malaysia Statistics, we notice that the crowdfunding trend is rising.”

Crowdfunding can be a potential alternative fund, especially with support from the government. This can be an opportunity for entrepreneurs to obtain funds from the crowd instead of financial institutions. IV 1 is viewed as follows:

“Crowdfunding can be a high potential because they (entrepreneurs) can raise funds easily through digital platforms. Usually, at first, they must go to their family or friend for angel investors, but with crowdfunding platforms, they can replace them with angel investors.”

With the current development of information technology, fundraisers and funders can interact within a distance. IV 2 supports this:

“Islamic crowdfunding is currently in the form of digital, making it widely accessible. Anyone may click to gain access, which will unquestionably continue expanding.”

In addition, digital crowdfunding platforms are advantageous, particularly in the screening process. This is essential to ensure that the information the fundraiser offers is accurate and convincing. The screening process would also be more time and money efficient according to the current trend towards digitization. This is supported by IV 2 as he says:

“Reading the document that has been provided and written proposal is the first step in the screening process. Video calls give us more confidence while completing the screening.”

To strengthen the idea that crowdfunding is progressing positively, IV 1 mentions an additional factor:

“In general, there are several factors that I assume will contribute to the positive trend of crowdfunding. One of them is the availability of tax incentives. It will continue to rise.”

From above, the interviewees view crowdfunding concepts positively, and the study establishing an Islamic crowdfunding model for empowering student entrepreneurship programs in Malaysia is well-supported.

4.2. Theme 2: Crowdfunding Model for University's Entrepreneurship Activities

The role of crowdfunding is not new in supporting education, especially for private universities. This is because most of their budget allocation focuses on operations instead of university facilities and activities. This is supported by IV 3:

“In recent years, most private universities have taken the initiative to fund university activities through crowdfunding. This is because they need to discover alternative funding sources due to a shortage of sources of income primarily based on student fees. This action has been followed by public universities to earn alternative funds and lessen their reliance on government funds.”

Crowdfunding can be a potential financial alternative for students who intend to be entrepreneurs at their university. Since the cost of living has been increasing from past few years, being an entrepreneur may be an option to survive during their study. In this regard, crowdfunding can be a practical way for business owners to raise money. IV 5 is viewed as the following:

“Many students attempt to be entrepreneurs to increase their income, but they have experienced limited funds and business capital. Some of them come from low-income families, so scholarship and education loans are only adequate to pay

for living expenses, and they cannot be utilised as business capital. In addition, they are not qualified to borrow money from a bank. So, the concept of crowdfunding for student entrepreneurs is the best alternative.”

Moreover, in university, students are provided with basic entrepreneurship classes that can help them manage their businesses properly. However, IV 6 has addressed an important issue, as stated below:

“A university student must have a hectic class schedule, which is one of the challenges for a student to successfully manage a business. But if there is a mentor to monitor, this issue may be addressed. The mentor might be a lecturer or an entrepreneur who is willing to guide the student in becoming a successful entrepreneur.”

In this regard, donation-based crowdfunding is suitable for university students’ entrepreneurship activities. This is supported by IV 1, who mentioned:

“Although I am convinced that the majority of university students are qualified to be an entrepreneur, I am unable to answer affirmatively since not all ideas are appropriate for equity-based crowdfunding; nevertheless, if a concept is donation-based, it may be possible.”

Likewise, IV 7 also supported the concept of donation-based as the initial effort to propose Islamic crowdfunding:

“As for students, the donation and reward concept are suitable since the students are start-up entrepreneurs, and it would lessen their burden through donation. With a good marketing plan, the awareness of crowdfunding can be increased among the public to fund students’ entrepreneurial projects.”

However, IV 8 and IV 9 argue to propose lending-based crowdfunding. This is to shape the student entrepreneur to be responsible towards their business. This is mentioned in IV 8:

“Lending-based crowdfunding is suitable for student entrepreneurs. This is intended to promote students more responsible towards the business and show gratitude for the funding.”

In addition, IV 9 also promotes lending-based crowdfunding to support student entrepreneurs. The respondent also mentions that crowdfunding should include a performance-based concept. The view is as follows:

“For student entrepreneur crowdfunding, we are concerned that if we give money away for free, such as grants, the project fund’s goal will not be met. As a result, funds given in the form of loans, along with performance-based success measurement, are more appropriate for achieving the goal of giving funds through crowdfunding.”

Meanwhile, as coordinator for a student entrepreneurship program at a public university, IV 7 strengthens the idea that donation-based crowdfunding would be more suitable than lending-based crowdfunding. This is mentioned by IV 7 below:

“For the initial stage, donation-based or reward-based is applicable, especially if the focus is on getting funds from the public. Furthermore, at the student entrepreneur level, the amount of money required is minimal. In light of the fact that equity crowdfunding and financing are frequently directed at industry actors, they may therefore be less relevant.”

On the donation-based side, some interviewees argued that *Waqf* is relevant for donation-based crowdfunding. This is because *Waqf* is different. After all, while the principle is permanent, the income is disbursed as needed. IV 3 and IV 4 mention this:

*“The difference between *Waqf* and a trust fund is that *Waqf* has a permanent principle and a perpetual stream of revenue. *Waqf* is originally immovable property such as schools, mosques, huts, and buildings.”*

On the other hand, IV 4 stated that *Waqf* is tied to specific enactment under Islamic Religion State Council. The respondent mentioned:

*“However, the religious council can appoint other parties as *mutawilli* (*Waqf* trustees) by giving them a license to collect *Waqf*.”*

Likewise, IV 3 added that *Waqf* in Malaysia is growing and more advanced than in other countries, as stated below:

*“Malaysia is a country that will use *Waqf* in the future even though there are still many *Waqfs* that are not used. *Waqf* has not yet been fully pioneered. Malaysia is one of the most advanced in *Waqf* compared to Gulf and Arab countries. There are many things that can still be *Waqf* other than money, such as gold.”*

The donation-based crowdfunding model is the most applicable for embracing student entrepreneurs as they are beginners. So, it is considered to be the simplest way to encourage students in becoming entrepreneurs. Few interviewees, though, create lending-based crowdfunding to encourage students to take responsibility and incorporate a performance-based component to gauge project success.

Equity and lending are practical options if this idea concentrates on entrepreneurs outside the university. This is due to the thorough processes and agreements required to be fulfilled, such as the need for a guarantor. In addition, lending involves several important considerations that must be made clear and dispute that any early-stage business carries a significant level of risk, with the likelihood of failure and inability to repay the loan (Gubinelli, 2020).

5. Discussion

The charity concept is suitable for students who are considered part-time entrepreneurs rather than the lending model, which is more applicable for full-time business owners. The fact major goal of this study is to encourage students to start their businesses and raise their income. Other than that, the donation and reward concept is more acceptable. This is because donation and reward crowdfunding are deemed more practical and

considered a first attempt to assist university students in entrepreneurship. Furthermore, using non-profit crowdfunding and streamlining the donation process are the main aims of helping student entrepreneurs. In contrast to loans, approval takes longer due to the requirements that must be met.

This study uses the *Waqf* and *Infaq* crowdfunding models based on data analysis.

5.1. *Waqf*-Based Crowdfunding Model for Student Entrepreneurship Facilities

The word "*Waqf*" means "to restrict," and its technical meaning can be defined as the *waqif* (endower) preserving the particular property to ensure that its benefits continue to flow to the community (ISRA, 2018). Muslim countries and their governments have generally embraced the *Waqf* practice as a charitable initiative for socioeconomic development from the Prophet Muhammad (SAW) (Harun, Possumah, & Shafiai, 2016). *Waqf* is currently recognised as an Islamic endowment performed by Muslims who donate their riches to Allah to benefit society (Salarzahi, Armesh, & Nikbin, 2010). Moreover, *Waqf* has substantially contributed in several fields throughout history, including social welfare, public health, social affairs, education, and neighbourhood-based projects.

Waqf has a unique personality and distinctive features. The idea of separating ownership rights from interests in its utilisation is a clear example of the above. It is because property endowment limits an individual's ability to control their property. In this situation, *Waqf* is a perpetual contract, with no rights to the property other than serving as the *Waqf* property manager (Ismail, 2009). Throughout Islamic history, *Waqf* institutions in Muslim nations have effectively protected *Waqf* properties. According to Sadique (2012) investment in *Waqf* assets through various financing strategies might generate good returns for society. As an outcome, *Waqf* organisations can fulfil requirements criteria and offer services to end beneficiaries. On the other hand, *Waqf* is a charity that never ceases to exist. Thus, the following is an illustration of the *Waqf*-based crowdfunding paradigm used in this study:

Figure 1 illustrate the flow of *Waqf*-based crowdfunding model for student entrepreneurship facilities.

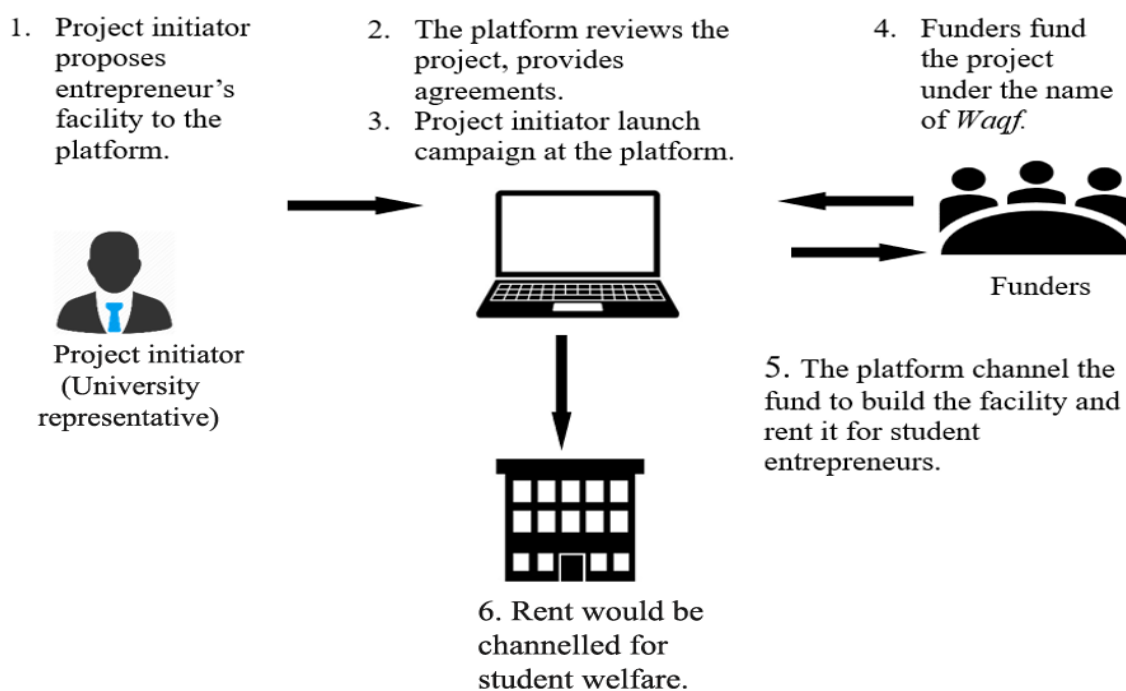


Figure 1. Flow of *Waqf*-based crowdfunding model for student entrepreneurship facilities.

Explanation:

1. The project initiator from a university must submit his project proposal to the crowdfunding platform.
2. The platform reviews the project in terms of potential, budget, and risks.
3. If the proposal is approved, the crowdfunding campaign can begin. As always, the project campaign must be transparent regarding the costs covered. It must state a deadline and a specific goal. In addition, it must demonstrate how the project is progressing on the platform.
4. The *waqif* (funders) contribute cash to the selected project's campaign on the crowdfunding platform. It is a *waqif* obligation to guarantee that the campaign is genuine and to monitor the initiative's progress. For example, *waqif* might be from the university alum groups, firm owners, family members, academicians, and significant industrial persons.
5. The fund would be channelled to build the entrepreneur facility as it is considered a *Waqf* asset. It would be rented for student entrepreneurs for business.

- The profit from rent on the *Waqf* facility would be channelled for student welfare.

5.2. Infaq-Based Crowdfunding Model for Student Entrepreneurship Capital and Training

Infaq is technically described as a spontaneous voluntary philanthropy that can be tangible or intangible. (Faisal et al., 2014). In this regard, *Infaq* is considered a good deed in the form of wealth contribution, where funders wish to enjoy the hereafter rewards instead of monetary returns. In exploring the suitable concept for this model, this study proposes an *Infaq*-based model as follows:

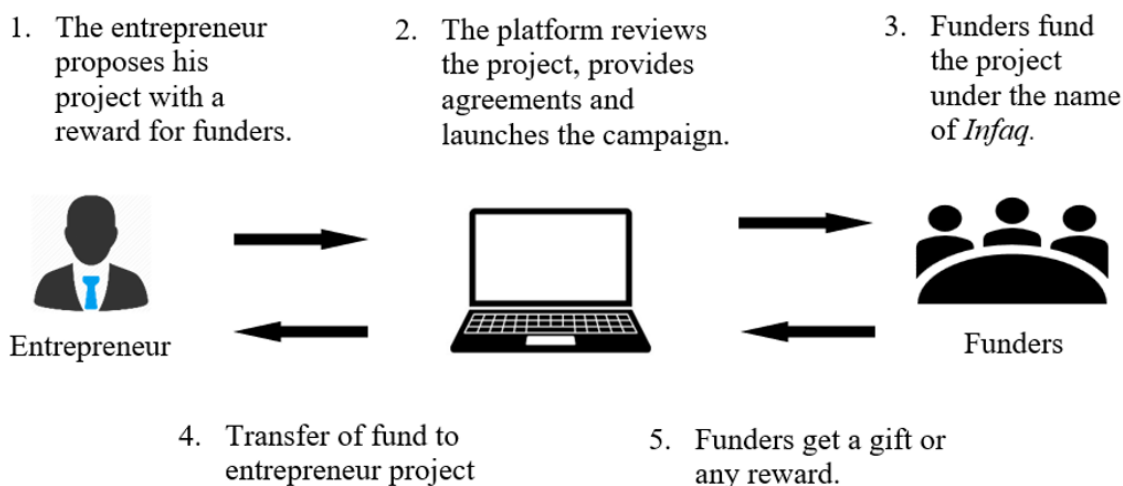


Figure 2. Illustrate the flow of *Infaq*-based crowdfunding.

The explanation for the flow of Figure 2 can be simplified as below:

- The entrepreneurship project is submitted online.
As the project initiator, the student must submit the project proposal online to the administration of crowdfunding platforms. It is recommended that they work in groups under a mentor's supervision who is an entrepreneur or a lecturer. The management will evaluate the project for shariah compliance, budget, risks, and other factors.
- The campaign of the project was launched on a platform.
The campaign is launched on a crowdfunding platform if the proposal is accepted and passes the evaluation. There must be clarity in the project campaign on the costs that are covered. It must have a deadline and a distinct goal. This ensures that the project's development is clear and follows shariah terms. Meanwhile, the project initiator must engage internet users to interact with this project by sharing appealing images and information on the project's development. This may encourage potential donors to check out the student entrepreneurial activity.
- Funders donate money to the platform.
Funders contribute money to this initiative under the name of *Infaq*. In addition, there is probably no expectation of financial profit, making it a regular donation. Therefore, the most fundamental model that might be applied is this one. Although *Infaq* looks similar to traditional gifts, it differs since the proposed project must adhere to Shariah. Nonetheless, for a large entrepreneurial project, management might target possible investors from corporate enterprises or businesses.
- Entrepreneurship projects get funds from crowdfunding platforms.
After the management has reviewed the source of funding for halal declaration, the cash will be channelled to the project. When the project's goal is reached, the fundraising campaign will end. Conversely, the project's creator may keep everyone informed about new developments.
- Reward for funders.

To assure the continuity of the student's business, the project initiator compensates the funders with discount vouchers. After the successful project, funders can use the voucher to receive a discount or exclusive gift when they purchase the goods or services from the student entrepreneur. The reward is also intended to show gratitude for the funder's project support. This is done to encourage the funder to support additional initiatives on the platform. Additionally, it may serve as free advertisement to promote the student's enterprise.

Rewards are set up to ensure the project initiators value the money the funders give. Moreover, student entrepreneurs are urged to contribute to the *Waqf* project, which is also included on the crowdfunding platform, to boost motivation and be more dedicated to operating the business. This is intended to develop a sense of responsibility among student entrepreneurs for fostering the growth of the university's entrepreneurial institution.

First, this study proposes a *Waqf*-based crowdfunding model to provide decent university entrepreneurship activities facilities. For instance, capital is a must to start a business. This study suggests a second *Infaq*-based

crowdfunding model for university students to gain start-up capital. The proposed crowdfunding model is believed to embrace students' entrepreneurship activities. In other words, its mechanism is similar to a general contribution. Furthermore, *Infaq* is commonly shown as cash, emphasising that it holds long-term values while providing (investment) and administration. Thus, using *Infaq*-based concepts could be a quick and effective way to fund student entrepreneurship at university using Islamic crowdfunding.

Practically speaking, the analysis of Islamic crowdfunding for embracing student entrepreneurship has revealed potential and challenges. Both models above are seen as having the potential to gain the public's trust. A fundraiser must consider developing appropriate brand trust with funders to meet the crowdfunding goal (Floship, 2018).

Trust will grow at the hands of strong branding. At the same time, all agreements and transactions must be carried out honestly and transparently to earn confidence (Khairuddin & Ishak, 2021). Islamic-based crowdfunding for universities has a strong chance of winning the public's trust. This is because the university already has a strong brand towards the public that helps them win over donors.

A feature that is suggested to foster successful entrepreneurship is a mentorship programme with joint ventures from the business. Other than that, a joint venture from the government link company that provides finance, training, and guidance will boost the success rate. Unipreneur is one of the programs that can be illustrated as an example for mentorship programme with joint venture from corporate organization. The Unipreneur is a Pilot Program of Bank Rakyat, in collaboration with local Higher Education Institutions, is organised to help student entrepreneurs from the lower income group develop their businesses (UniSHAMS, 2022). The joint venture is viewed as a good effort in developing a student entrepreneur program because, with the proper support and guidance, there is a chance for students to be successful entrepreneurs.

6. Conclusions

This study explores Islamic crowdfunding's potential as an alternative for encouraging student entrepreneurship at universities. Islamic crowdfunding might help university students in overcoming financial challenges through entrepreneurship, according to the qualitative exploratory approach. Yet it should involve an entrepreneurship mentorship program, comprehensive government assistance programme, and corporate joint ventures. Although there is a chance that a student entrepreneur would fail, they can flourish with the correct mentoring, education, and support.

: The *Waqf* and *Infaq* models of donation-based crowdfunding are suggested by this study. This study aims to provide convenient university entrepreneurship facilities and initial funds for university students to become entrepreneurs and to support their financial needs during their studies. While this study is considered to have reached its objectives, its findings could not be generalisable due to the limited number of respondents. Thus, its results are viewed as exploratory. Future studies are encouraged to include funders as additional responders. It is a quantitative study to determine how interested college students are going to start their own business would also be interesting.

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