# Islamic Business Ethics in The Marketing Model Shopee Affiliate

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## **Article Info**

## Article history:

Received 1 10, 2024 Revised 2 31, 2024 Accepted 3 7, 2024

## Keywords:

Islamic Business Ethics, Shopee Affiliate, Marketing Model

#### **ABSTRACT**

This study aims to analyze Islamic business ethics in the context of marketing through the affiliate model, with a focus on the Shopee Affiliate platform. Islamic Business Ethics (IBE) is integrated into the affiliate marketing framework to understand how Islamic ethical principles can be applied in modern marketing activities. Through a qualitative approach, data was collected from Islamic business ethics literature, Shopee affiliate marketing guides, as well as interviews with affiliate marketing practitioners. Data analysis reveals that the IBE concept can be applied in Shopee's affiliate marketing strategy, especially in terms of honesty, transparency and social responsibility. This research provides insight into how affiliate marketing models can be aligned with Islamic ethical values, and at the same time provides new views regarding business practices that are in accordance with moral principles in a digital context. This study can contribute to the understanding of the integration of Islamic business ethics in the growing digital marketing domain.

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# INTRODUCTION

Shopee Affiliate is one of the programs to earn income through social media in promoting a product in shopee. Every turn of the times is getting more and more sophisticated, where there are already many sophisticated technologies that can be used by many people. Various marketplaces have also been created, one of which is shopee, where the existence of this shopee can make it easier for consumers to buy the items they want. It is generally believed that many have started to join this shopee affiliate. This shopee affiliate program can encourage people or the general public to still be able to earn even at home by having an internet connection (Yanti et al., 2023). Especially since the covid-19 outbreak, many offline shops on the market have begun to close and switch to selling in various marketplaces, one of which is shopee, and not a few have also joined the shopee affiliate. From this description, it appears that the presence of the shopee affiliate program has a lot of positive influence on people to continue to develop business through the shopee marketplace.

In practice, for example, when consumers ask affiliators about outside product information such as sarong products made from silk, and consumers ask "what kind of silk?", then affiliators do not know the complete information because they do not provide stock and there is no cooperation with suppliers. In this case, product information becomes unclear because the selling parties (suppliers and affiliators) sell goods that are not in their control, resulting in consumer dissatisfaction (Rahman, 2022). For this reason, this journal will also discuss how to increase customer satisfaction.

In addition, why is this program good for research? because there are many people or the general public who use Shopee Affiliate, so the author is interested in examining whether this program is in accordance with Islamic law or not. Therefore, a review of the affiliate system is made in an author's research in the form of a journal entitled Islamic Business Ethics in the Marketing Model Shopee Affiliate.

#### **METHOD**

This research uses a qualitative method that approaches a normative method perspective that focuses on certain rules, norms, values, or ethical standards that are considered ideal or desirable. This method aims to understand and analyze what should or ought to be done based on certain normative principles or moral standards. It can be seen in this journal that will provide a foundation to explain the extent to which the Shopee Affiliate Marketing Model can be considered ethical based on the norms and principles of Islamic Business Ethics, with the main objective of increasing awareness and adherence to Islamic values in online affiliate businesses.

#### RESULTS AND DISCUSSION

Islamic Business Ethics is the morals of conducting business in accordance with Islamic values. It involves ways or morals in conducting business in accordance with Islamic rules and covers all aspects related to individuals, companies, industries, and society.

Islamic business ethics also emphasizes the values of the Koran and other Islamic teachings. In running a business, it is important to pay attention to the principles of Islamic ethics, such as avoiding riba (interest), gharar (uncertainty), and maysir (gambling). The application of Islamic business ethics can provide benefits in creating a business environment that is fair, sustainable, and oriented towards the welfare of society. In terms of business, Islamic business ethics also involves social responsibility and concern for the welfare of humanity as a whole (Nawatmi, 2010).

Affiliate marketing is a marketing program or system that consists of three parties, namely: Product Owner is a party that has a product in the form of goods or services that will be marketed through the Affiliate program. Affiliate Marketer (Affiliator) is a party who cooperates with product owners and is responsible for promoting products through the media that he has in order to get the attention of RIAU consumers so that they purchase products. Consumer namely the party who will make a purchase from the product that the Affiliator markets.

The Shopee Affiliate program is a collaboration program between Shopee and content creators with a payment system in the form of a commission (Devi & Satwika, 2022). In this program, affiliate marketers will promote products on the Shopee platform and get commissions from sales that occur through the affiliate links they share.

Shopee Affiliate is a program offered by Shopee to content creators or affiliate partners who are active on social media. In this program, there are various kinds or marketing models from affiliate partners who can promote products in Shopee through the affiliate links they share (Berliana, 2021).

Here are the different forms of marketing: A fashion influencer who has a large follower base on social media utilizes a marketing model through Shopee Affiliate to promote fashion products from Shopee. By using affiliate links in her Instagram posts and stories (Erfiana & Purnamasari, 2023), the influencer managed to direct many of her followers to make purchases through Shopee. As a result, the influencer earns a significant commission from each transaction made through the affiliate link, while Shopee also gets an increase in sales (Amalia, 2023).

A blogger who focuses on electronic and gadget product reviews utilizes the marketing model through Shopee Affiliate to recommend these products to her blog readers. In each product review, the blogger includes an affiliate link that directs readers directly to the product page on Shopee. With informative reviews and relevant affiliate links, the blogger managed to generate significant revenue through the Shopee affiliate program (Nurhidayati, n.d.).

An online community that focuses on certain hobbies and interests utilizes the marketing model through Shopee Affiliate to promote related products. Members of such communities use affiliate links in forums, social media groups, and other community platforms to direct other members to the products they recommend on Shopee (Kristiyono, 2022). With collaboration and support between community members, they manage to earn commissions from every purchase that occurs through affiliate links.

The Shopee Affiliate profit-sharing system works in a relatively simple way. Here is how it works based on information found (Wijayanti, n.d.): Registration: Affiliate marketers register into the Shopee Affiliate program through the official Shopee Affiliate platform. They need to fill out the registration form with correct and complete information (Nurjannah, 2023). Custom Link Creation: After registering, affiliate

marketers can create custom links for the products that they want to promote. This link will be a unique affiliate link for each marketer (Setyo, 2023).

Product Promotion: Affiliate marketers promote Shopee products through affiliate links that they share through social media such as TikTok, Instagram, YouTube, Twitter, and Facebook. They can also create engaging content on social media to attract buyers (Setyo, 2023). Commission Calculation: When a user purchases a product through the affiliate link, the affiliate marketer will get a commission from the sale. The commission calculation is based on completed orders per day (Tim Shopee, n.d.). Commission Disbursement: After collecting the commission, affiliate marketers can disburse it according to the payment system applicable to Shopee Affiliate (Nugraha, 2023). With a good understanding of how the Shopee Affiliate profit-sharing system works, affiliate marketers can take advantage of this program to earn additional income through the promotion of Shopee products.

The Shopee Affiliate profit sharing system is a program offered by Shopee to content creators or affiliate partners to promote Shopee products through social media. In this program, affiliate partners will earn a commission based on the sales of the promoted products. Affiliate partners need to register for the Shopee Affiliate program through the Shopee app or the official Shopee Affiliates website (Devi & Satwika, 2022). After registering, affiliate partners can choose the products they want to promote from the various categories available at Shopee. Then the affiliate partners will also promote these products through social media.

They can use a unique affiliate link to track the sales that come from their promotions. If there are sales made through the partner's affiliate link, they will earn a commission based on a pre-agreed percentage. The commission percentage offered by Shopee ranges from 0% to 10% depending on the product category being promoted. The commission earned by affiliate partners will be paid by Shopee according to a predetermined payment schedule. Usually, commission payments are made periodically, for example, once every two weeks.

Shopee Affiliate pays profit sharing to partners through several predetermined mechanisms. Based on the information found, here is how the profit sharing is paid to Shopee partners (Hanif, 2023): Commission from Every Transaction: Shopee Affiliate partners will get a commission of 2.5% to 10% of every transaction made through their affiliate link. This commission will come in once every 2 weeks with a ShopeePay balance of Rp10,000 (Hidayati, 2022). Minimum Commission: There is a minimum commission value of IDR10,000 that comes in if you become a Shopee Affiliate partner. This shows that partners will receive commission payments after reaching this minimum value. Commission Bonus: In addition to the basic commission, Shopee also prepares a commission bonus of 20% as well as a bonus given by the seller of the promoted product of up to 100% if the results from the promotion exceed expectations. With this payment mechanism, Shopee Affiliate partners have the potential to earn additional income through this program. This also shows that Shopee has a structured payment system and provides incentives for partners who are active in promoting Shopee products.

# The fundamentals of Islamic Business Ethics in Marketing

The fundamentals of Islamic Business Ethics in Marketing involve several principles that entrepreneurs and customers must observe in doing business. Here are some of the key principles relevant to marketing in the Islamic context Justice: This principle suggests that all individuals should be treated fairly and equally in business, both as customers and as suppliers (Hartono, 2016). Honesty: This principle indicates that business actors must provide accurate and honest information about the products or services they offer (Hartono, 2016) (Renata, 2023). Trustworthiness: This principle indicates that business actors must hold a trustworthy in conducting business and fulfill their obligations towards customers and suppliers (Hartono, 2016) (Renata, 2023). Transparency: This principle indicates that business actors must be transparent in conducting business and provide clear and open information about the products or services they offer (Hartono, 2016) (Renata, 2023). Social responsibility: This principle suggests that businesses should consider the social impact of their business and take responsibility for that impact (Abdurrahman, 2017) (Norzadewi, n.d.).

In marketing, these principles can be applied by providing honest and accurate information about the products or services offered, treating customers and suppliers fairly and equally, and considering the social impact of the business being run. In addition, business actors must also be trustworthy in running a business and transparent in providing information about the products or services offered.

# Quality and Customer Satisfaction According to Islamic Business Ethics

Quality and customer satisfaction are important aspects of business ethics. In Islamic business, there are several principles related to quality and customer satisfaction (Andriyanti & Farida, 2022). Product or Service Quality: Islamic business encourages businesses to provide high-quality products or services to consumers. This includes aspects such as reliability, durability, safety, and performance of the products or

services offered. Consumer Satisfaction: Islamic business emphasizes the importance of meeting the needs and expectations of consumers as well as possible. Business actors are required to provide good service, be responsive, and pay attention to consumer needs. Effective Communication: In Islamic business, effective communication with consumers is highly emphasized. Businesses must communicate clearly, openly, and transparently to consumers about the products or services offered, including information about quality, benefits, and prices. Complaint Resolution: In the event of complaints or problems with products or services, Islamic business encourages businesses to handle such complaints quickly, fairly, and to the satisfaction of consumers. Good resolution can increase consumer satisfaction and build good relationships between businesses and consumers.

The application of these principles in Islamic business aims to create a mutually beneficial relationship between businesses and consumers. By providing good quality and paying attention to consumer satisfaction, businesses can build a good reputation and gain consumer trust (Zulfa & Hidayati, 2018).

## **Affiliator Responsibilities According to Islamic Business Ethics**

The responsibilities as an affiliator involve various aspects, such as acquiring products from Shopee, providing product promotions, and assisting customers in the buying process. Here are some of the responsibilities as an affiliator that are in accordance with Islamic business ethics: Maintain the quality of the products sold: Providing high-quality and halal-compliant products in accordance with Islamic requirements. Providing accurate information: Providing complete and accurate information about the product, such as features, capabilities, and how to use (Tim Islamic Economic & Business. Law. Education, 2021). Maintaining legal balance: Ensuring that various transactions and policies in business include laws that are in accordance with Islamic teachings (Tim Humas Universitas Islam An Nur Lampung, 2022). Enhancing ukhuwah Islamiah: Contributing to solving various problems that occur between fellow actors and society (Tim Kumparan, 2023) In addition, there are arguments in the Qur'an that encourage consistency and responsibility in behavior, fulfilling promises, and respecting the rights of others, namely in Surah Al-Baqarah verse 143 which means:

"And like wise We have made you (Muslims) "the middle people" so that you may bear witness to (the actions of) mankind and so that the Messenger (Muhammad) may bear witness to (the actions of) you. We have not made the Qiblah to which you used to turn but that We may know who follows the Messenger and who turns back. Indeed, (shifting the Qiblah) is very hard, except for those whom Allah guides. And Allah will not waste your faith. Indeed, Allah is the Most Compassionate, the Most Merciful to mankind".

Therefore, by being consistent and responsible, we can become role models for others and provide benefits to the community and the surrounding environment (Munir, 2022).

# **Conformity of Shopee Affiliate Marketing with Islamic Principles**

Conformance in marketing refers to the extent to which the marketing strategies and activities carried out by the company are in accordance with the objectives, values, and needs of the intended market. This suitability involves choosing the right strategy, using the appropriate media, and a deep understanding of the target consumers. Meanwhile, marketing conformity according to Islamic principles refers to marketing practices that comply with Islamic principles and values (Fathoni, 2018). There are several conformities of Shopee Affiliate marketing with Islamic principles, including: Marketing conformity with the principle of trust in the Islamic context refers to adherence to the values of trust, loyalty, honesty, and integrity. The principle of trust emphasizes the importance of maintaining the trust of others and carrying out tasks well. Islam encourages its followers to do business honestly and transparently.

In the Shopee affiliate program, there are terms and conditions that affiliates must comply with, including in terms of promotion and the use of affiliate links. By abiding by these rules, affiliates can run the program honestly and transparently. Marketing conformity with the principles of justice and responsibility can be seen from the following perspectives (Riadi, 2019) The principle of justice emphasizes the importance of fair and impartial treatment of all parties involved. In the context of marketing, compliance with the principles of fairness may include fair treatment of consumers, business partners, and all stakeholders involved in the marketing process. Responsibility in marketing includes the obligation to deliver quality products or services, maintain consumer trust, and fulfill commitments that have been made. Responsibility also involves transparency in communication and protection of consumer interests.

## CONCLUSION

Shopee Affiliate is a collaboration program between Shopee and content creators who are active on social media. The content creators will promote Shopee products on social media and will be rewarded or commissioned for the sales generated. This program gives content creators the freedom to be creative in creating content as long as the products chosen meet Shopee's terms and conditions. This Shopee Affiliate program is very useful to make it easier for Shopee users to find the desired product. If associated with

Islamic Business Ethics, this program will prioritize the values of the Koran and other Islamic teachings. In running a business, it is important to pay attention to Islamic ethical principles, such as justice, honesty, transparency, trustworthiness, and so on.

From the results of the study, it shows that the practice of Shopee Affiliate does not contain systems that are contrary to Islamic law. The Shopee Affiliate Marketing Model is also included in muamalah which is allowed and has implemented the principles of Islamic Business Ethics. It can be concluded that the practice of using money-making applications in the Shopee Affiliate program has met the elements and requirements of Islamic law.

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