

What Is Islamic Marketing

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Abstract

No significant work has been done on the subject of Islamic marketing and for the same reason we can't even find a proper definition of it in any book or on any website. No doubt it is an emerging field and it will take a long time to realize its full potential. The good news is that it is finally getting much needed attention which it deserves because if handled properly it holds the key of creating a successful system to cater the needs of 1.7 Billion Muslims worldwide. This research paper is an effort in this direction to lay the foundation of, and advance Islamic marketing as a new discipline.

14

15 **Index terms—**

1 INTRODUCTION

Marketing is a vast subject and is undergoing through continuous evolution. If we closely follow this process of evolution by looking at its different definitions given in different eras we will come to know that the focus is shifting more and more on customers in order to create a long lasting relationship with them. It doesn't stop here, and then the idea of value creation, communication and delivery comes and starts a new debate altogether.

We have to turn the pages of history and dig out the basic idea behind marketing and why it was needed at the first place? There was a time when things were made on small scales, then came the age of mass production. When this age came it brought along some problems with it like how to make one's goods or services stand apart from others, how to reach customers spread across the country or continents. At this point the concept of marketing was introduced to solve this problem. But like any other subject it went through different stages and phases of evolution.

In the start like what I mentioned earlier, it was nothing more than just a tool to achieve organizational Author : Student of M.Phil.(Marketing), Lahore Business School, University of Lahore, 1-KM Defense Road, Lahore Pakistan.

objectives and now it has become an integral part of any business which is not only beneficial for the organization alone but also looks over and protects the interest of other stakeholders involved in the process. A process whose goal is to create, communicate and deliver value to customers.

Surprisingly, Islam gave this Idea fourteen hundred years ago in its own style. If we study books written on Islamic law related to business and the approved etiquettes of doing it, we will be amazed to see the extent to which Islam ensures that business must be done in a way in which one may neither be a loser nor avaricious. Plus Rights of buyers and sellers and all other parties involved are also protected.

Unfortunately, majority of work related to marketing like most other science and arts subjects is done by American and European scholars. Very limited work has been done on the subject of "Islamic marketing". If studied and researched properly, we can unfold many mysteries, resolve many problems and find numerous solutions to the challenges faced by us and can even present a better, more effective way of doing business to the world.

42 II.

43 2 MARKETING AND ISLAM

44 When we say Islam is not just a religion, it's a way of life then it must provide us the guidelines on how to conduct
45 business. A lot of work has been done on Islamic finance but limited, very limited work has been done on this
46 topic. Fortunately, this is to change as scholars, academics, policy makers, managers and other practitioners from
47 all around the world are gathering in Kuala Lumpur, Malaysia for the "1st International Conference" on Islamic
48 Marketing and Branding, which will be held on the 29th and 30th November, 2010.

49 Another step in the right direction is the launch of "Journal of Islamic Marketing" which aims to lay the
50 foundation of, and advance, Islamic marketing as a new discipline. It

51 3 M

52 The Chartered Institute of Marketing defines marketing as: "The management process responsible for identifying,
53 anticipating and satisfying customer requirements profitably" American Marketing Association (AMA) defines it
54 as: "The activity set of institutions and processes for creating, communicating, delivering, and exchanging offerings
55 that have value for customers, clients, partners, and society at large" Value based marketing is defined as:

56 "The management process that seeks to maximize returns to shareholders by developing relationships with
57 valued customers and creating a competitive advantage" E-mail : ali_jaffri@msn.com will provide a world-class
58 forum for researchers, academics, and business people where all issues related to Islamic marketing can be actively
59 debated.

60 I believe marketing practices, embedded in a strong ethical doctrine, can play a vital role in raising the
61 standards of business conduct worldwide, while in no way compromising the quality of services or products
62 offered to customers, or surrendering the profit margins of businesses. Adherence to such ethical practices can
63 help to elevate the standards of behavior and thus of living, of traders and consumers alike.

64 4 III.

65 5 THEORETICAL SETTING

66 Islamic marketing is a concept that's needs to be understood on several levels, the addition of religious factor
67 in it makes it a more sensitive subject. First of all let's clarify where marketing activities can be applied and
68 where they cannot be: ? It is forbidden to make earnings through all kinds of unclean objects, though there is
69 hesitation in the generality of the rule. It will be interpreted as all kinds of business who are considered unclean.
70 like production, sales and all kinds of activities related to marketing of alcohol, gambling etc., ? Adulteration
71 with something concealed in the sale and purchase is forbidden. Such as mixing water with milk, and mixing low
72 quality food with high quality food without informing the other party is prohibited. We see a trend of not
73 honestly mentioning the quantity and quality of contents in products which is a part of marketing activity of
74 a company. This practice is prohibited in Islam and therefore cannot be part of Islamic marketing. ? The
75 sales and marking of all the instruments meant for prohibited acts when the benefit intended to accrue from
76 them depends solely on them, like the instruments for entertainment, such as lyre, flutes, harps, etc., and the
77 gambling instruments, such as the backgammon, chess etc., ? Sales and marketing of weapons to the enemies
78 of (Islamic) faith is forbidden when they are engaged in war against Muslims; rather, even in case of cessation
79 of relations with them while there is fear of war from them. ? Drawing pictures of living beings from among
80 human beings and animals is forbidden, when they are concrete form as are usually made of stones, metals,
81 wood etc. According to the stronger opinion, it is allowed if they are not in concrete form, though it is more
82 cautious to avoid it. It is allowed to draw the pictures of trees, flowers, etc., even in concrete form. Therefore all
83 activities related to marketing of such companies, galleries, websites which violate this law is prohibited. ? The
84 performance, listening to and earing through music is forbidden. Therefore marketing of all type ? Performance
85 of magic, it's teaching and learning as well as earning through it is forbidden. The same goes for employing
86 the angels, calling the Jins and overpowering them, calling the souls of the dead and overpowering them, and
87 the like. Similarly there is divination (means foretelling about things to happen in future with them impression
88 that some Jins are conveying him/her such news). Last but not the least astrology is also forbidden. Therefore
89 all marketing activities related to such persons, companies are prohibited. Especially in Pakistan there is a big
90 trend of advertisements given by such persons in newspapers and magazines. Advertising is a part of marketing;
91 therefore all Advertising companies facilitating them are violating the Islamic law and ethics.

92 Business is of several types and categories. I have just mentioned a few of the categories and their relevant
93 problems. In my humble opinion it is obligatory on every Muslim who indulges in business or other types of
94 earnings to learn their relevant rules and problems in order to distinguish the valid ones from the invalid ones.

95 After holding many meetings and interviews with renowned Islamic scholars and studying books written by
96 icons of Islamic jurisprudence, I am writing down the approved and disapproved etiquettes of marketing based
97 on Islamic law and ethics: ? The most important of them is moderation and fulfillment of the demand in a way
98 that one may neither be a loser nor avaricious ? It is best to refrain from earnings through all kinds of unclean
99 objects ? If someone repents in sale or purchase, and wants to rescind the transaction, one must accept it ? There
100 must be equality of the prices for all customers. So there must be no difference between a haggler and others. So
101 that one may charge less with the former and more with the latter. Apparently, there is no objection in case of

102 difference due to moral excellence and faithfulness (loyalty) The disapproved ones are as follows: ? Exaggeration
103 in praising one's product or services ? Swearing truly about the sale or purchase ? Hiding the defect of one's
104 product or services from customers ? While dealing with lowly people, not caring for what they say and what
105 is said to them ? Demand reduction in the price after having finalized the deal ? Intervene in other people's
106 dealing (competitors).

107 Islam promotes healthy competition and fair play.

108 If one closely observes he/she will come to know that at the heart of Islamic marketing is the principle of
109 value-maximization based on equity and justice which is not only beneficial to all the stakeholders. What Is
110 Islamic Marketing of concerts, music albums, websites containing music etc., is prohibited©2011 Global Journals
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112 Global Journal of Management and Business Research Volume XI Issue XI Version I November 2011 1 involved
113 in the process but also generate a positive impact on the society as a whole.

114 IV.

115 **6 DISCUSSION AND CONCLUSION**

116 After giving the framework of where Islamic marketing can and cannot be applied and the etiquettes associated
117 with it. It's time to define Islamic marketing but while doing so we have to keep the evolution of marketing in
118 mind, plus the every important fact of where it stands today.

119 Today marketing is filled with contemporary approaches like "relationship marketing" and "social marketing".
120 Both have a focus on the customer while one's aim is to give the best possible attention, customer services and
121 therefore build customer loyalty while the other comes with added proviso that there will be a curtailment on
122 any harmful activities to society, in either product, production, or selling methods.

123 Islamic marketing combines the goodness of the both because it is not based on the idea of simply fulfilling
124 the needs and wants of its customers.

125 It has some strict parameters to follow and the origin of these parameters is the Quran and the Sunnah.

126 Therefore definition of Islamic marketing would be:

127 "The process of identification and implementation of value maximization strategies for the welfare of the
128 stakeholders in particular and the society in general governed by the guidelines given in Quran and Sunnah"
129 Adherence to such marketing practices will not only benefit us in this world but in the world after it because
130 I strongly believe that at the heart of Islamic marketing is the principle of value-maximization based on equity
131 and justice (constituting just dealing and fair play) for the wider welfare of the society.

132 **7 Future Research**

133 In my opinion the subject of "Islamic marketing" has huge potential for further research and study as it presents
134 a unique case of marriage between Islamic jurisprudence and the contemporary theories of management sciences.
135 Because of its enormous potential I believe it can be the next big thing in the field of marketing.

136 I have come up with a list of the names of the topics which are essential and hold the key if we want to
137 understand the subject of Islamic marketing in its true sense: ? Islamic business ethics ? Islamic law and
138 marketing practices ? Advertising and promotion in Islam ? Concept of Halal market in Islam ? Other Islamic
139 marketing, management and branding topics.

140 **8 Concept of Relationship Marketing:**

141 In Relationship marketing Emphasis is placed on the whole relationship between suppliers and customers. The
142 aim is to give the best possible attention, customer services and therefore build customer loyalty.

143 **9 Concept of Social Marketing:**

144 Similar characteristics as marketing orientation but with the added proviso that there will be a curtailment on
145 any harmful activities to society through product, production, or selling methods ¹

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Figure 1: Global