

Analysis of the Implementation Islamic Business Ethics Principles in Transactions on Facebook

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Abstract

In the digital era, the importance of implementing Islamic business ethics principles in online buying and selling transactions is increasingly prominent. This research explores the implementation of Islamic Business Ethics in online transactions in Indonesia through the Facebook platform. Faced with the rapid development of online businesses, the study aims to analyze the extent to which the principles of Islamic Business Ethics have been applied in this environment. A qualitative descriptive method was employed, involving in-depth interviews with traders and buyers, as well as observations of online business practices. The research findings reveal that buying and selling transactions through Facebook in Indonesia have not fully adhered to the principles of Islamic Business Ethics optimally. Despite some sellers incorporating the balance principle by providing detailed explanations of products and setting appropriate prices, there remains a discrepancy between the representation of products and the reality experienced by buyers. Deceptive practices, such as using inaccurate product images to enhance attractiveness, indicate that the principles of unity (tauhid) and benevolence (ihsan) are inadequately applied. Responses to buyer complaints also reflect a lack of individual seller responsibility. Therefore, this research recommends expanding efforts to strengthen integrity and transparency in online business practices to align with the principles of Islamic Business Ethics, creating a more ethical and trustworthy business environment in Indonesia.

Keywords: *Islamic Business Ethic, Facebook, Ethical Awareness in Digital Transactions*

Introduction

In the era of rapid globalization, the transformation of information technology has had a major impact on various aspects of life, including the business world. This phenomenon is reflected in the paradigm shift of traditional business to the digital realm, where social media platforms are one of the main pioneers. By utilizing electronic media, especially through social media platforms, businesses seek to reach consumers efficiently and effectively. For example, Facebook, Twitter, WhatsApp, and WeChat are some as a way social media platforms used for online business. Apart from these platforms, online businesses also create blogs as a way to facilitate the sale of their products (Nuriasari 2014).

Of the several social media platforms that are used as a means of doing business, social media platforms such as Facebook have become an inseparable part of everyday life. Business transactions carried out through this platform are also increasing, Facebook is a social media that is arguably a new player in the business world, now Facebook not only functions as a marketing tool but also offers special features to conduct buying and selling transactions to support business accounts on it. Facebook marketplace is an example of a feature aimed at helping businesses expand their market reach. More specifically, Facebook

marketplace provides a platform for business owners to promote and sell their products. Like the concept of a marketplace in general, users can upload products and related information in full (Redaksi 2022). However, in the midst of technological advances and digital transactions, serious problems arise related to aspects of business ethics, especially in the context of Islamic values. How is the implementation of Islamic business ethics principles in Facebook transactions? Are these principles in line with the reality of digital business transactions today? This issue becomes the central point of research to understand the conflicts and challenges that may arise. The principles of Islamic business ethics emphasize the aspects of justice, honesty, and blessings in every transaction, which become relevant in the context of using social media to do business. The choice of this title arises from the urgent need to examine the impact of transactions on Facebook on Islamic business ethics. With the rapid growth of e-commerce and online business, an in-depth understanding of the concept of business in accordance with Islamic principles is crucial.

This research seeks to provide a better understanding of these dynamics and encourage further reflection on business practices on digital platforms. This research has the main objective of presenting concrete solutions that combine the principles of Islamic business ethics with the practical needs of business transactions in the digital age, particularly on the Facebook platform. In an effort to improve business ethics in the digital world, this research aims to create a framework or guidelines that can be effectively applied in the context of Facebook. The proposed solutions not only aim to harmonize ethical principles but also provide practical direction for business actors in guiding their transactions in cyberspace. This is expected to positively contribute to the improvement of business ethics on the platform, as well as offer a more comprehensive understanding of the implementation of Islamic business ethics principles in Facebook transactions. Thus, this research not only seeks theoretical understanding but also seeks to provide solutions that business people can adopt to conduct transactions by the principles of Islamic business ethics in the context of digital transactions.

Literature Review

Islamic Business Ethics

Ethics is a branch of philosophy that rationally and critically examines values, norms, or morality. In the Islamic context, the closest term to the concept of ethics is morals (in its plural form, *khuluq*) (Khairul Azmi 2021). In Arabic, the term for ethics or morality is *al-khuluq*, and its plural form is *al-akhlaq*. It refers to the human effort to internalize good, noble, and excellent customs. Thus, a person is considered to have good manners or morality because they make an effort to familiarize themselves with good customs as if they were born and created in such a state (Syahrizal 2018).

Business ethics in Islam refers to a collection of ethical business behavior (*akhlaq al-Islamiyah*) based on sharia values that prioritize *halal* and *haram*. Thus, behavior that is considered ethical is behavior that obeys God's commands and stays away from his prohibitions. In the Islamic context, business ethics have been widely discussed in various literatures, with the main sources coming from the Quran and the Sunnah of the Prophet. Business actors are expected to act ethically in all aspects of their business activities. Trust, fairness, and honesty are considered key elements to achieve future business success (Amalia 2014).

Business ethics in Islam involves several business behaviors that are considered ethical (*akhlaq al Islamiyah*), which are related to sharia values that emphasize the concept of *halal* and *haram*. In other words, behavior that is considered ethical is behavior that follows Allah SWT commands and stays away from His prohibitions. Islam has reviewed this business ethics in depth through various literatures, with the Quran and the sunnah of the Prophet as the main sources. Business actors in Islam are expected to conduct their business activities ethically. Trust, fairness, and honesty are considered key elements in achieving future business success (Khairul Azmi 2021).

Principles of Islamic Business Ethics

The principles of running a business according to (Faisal Badroen, 2006: 89-101) are as follows (Haryanti and Wijaya 2019):

1. Unity (*Tauhid*)

The concept of *tauhid* (vertical dimension) means that Allah SWT has set certain limits on human behavior as a caliph, to provide benefits to individuals without sacrificing the rights of other individuals, and horizontal relationships with the lives of fellow humans and nature as a whole towards the same ultimate goal.

2. Equilibrium (Balance)

Fair behavior will bring us closer to piety, therefore in business, Islam prohibits cheating, even if it is just bringing something to a condition that raises doubts. This condition can disrupt the market mechanism or the existence of important information about the transaction that is not known by one of the parties. Islam teaches its adherents to be fair and always do good.

3. Free will

Freedom is important in Islamic business ethics, but this freedom should not interfere with or harm the common interest or other people. Islam allows its people to innovate in Ramallah, especially in business activities, but Islam does not allow its people to do things that are prohibited by the evidence.

4. Responsibility

Acceptance of the principle of individual responsibility means that everyone will be judged personally on the day of Judgment. There is no way for a person to get rid of his evil deeds except by asking Allah's forgiveness and doing good deeds.

5. Benevolence (*Ihsan*)

Ihsan means doing good deeds that can benefit others, without any specific obligations that require such actions or worship and doing good as if you see Allah SWT, if you are unable, then rest assured that Allah SWT sees.

Online Buy and Sell Transaction System in Islam

In a transaction system based on Sharia principles, its implementation refers to the teachings of the Qur'an and al-Hadith. In the context of online buying and selling transactions, the process involves the parties involved in the transaction. They then perform the sign or execution of the contract by making an agreement that is voluntarily agreed upon without any doubts between the two. Furthermore, there is an object or goods to be dealt with, and the goods must be of good quality and provide useful value. In addition, the delivery and acceptance of goods must also be carried out by the previously agreed time. All these stages

are governed by Sharia principles to ensure that transactions are carried out with sincerity and fairness (Nabila A'yun et al. 2021).

Research Method

This research uses a descriptive method with a qualitative approach. Qualitative research is a research method that aims to describe and analyze phenomena, events, social activities, attitudes, beliefs, perceptions, and thoughts that exist in individuals or groups (Hidayatullah, Sutisna, and Hakiem 2021). Research on analysis of the implementation of Islamic business ethics in transactions on Facebook is significant with qualitative research because it meets the standardization of qualitative research, by revealing data through interviews and observations related to the application of Islamic business ethics principles. by using data sources in the form of primary data obtained from the results of observations and interviews of researchers with related parties such as traders who market their products through Facebook and Buyers who have made buying and selling transactions through Facebook. Secondary data is obtained from web pages, scientific journals, news, as well as the internet. The data analysis technique uses descriptive analysis, namely describing, describing, and summarizing various data sources collected related to the research topic. This will help in understanding whether the principles of Islamic business ethics have been applied in Facebook transactions.

Result and Discussion

Proper application of Islamic business ethics will result in smoothness in every stage of business transactions, especially in this ever-growing era where equipment needs can be met through various social media business platforms in Indonesia. Nonetheless, there are still several merchants who have not fully implemented business ethics in their business operations. From a lack of integrity to unfairness, to various forms of dishonesty, there is a mismatch between business practices and the ethical values that should be upheld. This can include fraudulent acts that may go unnoticed by customers, suggesting that further efforts are needed to encourage business practices that conform to Islamic ethical principles.

In the context of this study, the researcher conducted interviews with one trader and One Buyer as resource persons. Through this interview process, the research aims to explore information regarding the implementation of Islamic business ethics principles, which involve unity (*tawhid*), equilibrium (balance), free will, responsibility, and benevolence (*ihsan*). In online buying and selling transactions on Facebook, the application of Islamic business ethics principles can be seen as follows:

1. Unity (*Tauhid*)

The concept of *tawhid* refers to the limits set by Allah SWT on human behavior as a caliph. It aims for each individual to provide benefits without harming the rights of other individuals. In addition, horizontal relationships with fellow humans and nature must be carried out to achieve the same ultimate goal. Unity or *tawhid*, Abdul Aziz (2013) Expresses as reflected in the concept of *tawhid*, combining all aspects of Muslim life in the economic, political, and social fields into a uniform entity. This concept emphasizes the importance of consistency and overall order, creating a homogeneous whole. From this perspective, Islam offers integration between religious, economic, and social aspects, creating a harmonious whole. Based on this view, ethics and business are thoroughly integrated in both the vertical

and horizontal dimensions, forming a very significant harmony within the framework of the Islamic system (Rianti 2021).

In the sale and purchase transaction on Facebook, when the Facebook party or seller carries out the buying and selling process, there is a practice where they publish product images on social media using images that do not match the original condition of the product. As the results of the researcher's interview with the trader and the buyer, are as follows:

Trader:

"Yes, to be honest. The pictures that I post or put on my shop page on Facebook are taken from Pinterest, some are edited first to enhance the appearance so that buyers are interested in my merchandise. But that was when I first started an online business, when I first created a business account on Facebook if now Alhamdulillah some have used photos of their merchandise".

Based on an interview with a merchant on Facebook, it was revealed that there are unethical practices in online buying and selling transactions. The merchant admitted that in the early days of starting an online business, he used product images taken from other sources, such as pinterest. Some images are edited first to increase attractiveness and attract the attention of potential buyers. However, the merchant also shared that now that her business has grown, she has switched to using self-shot photos to display products on her Facebook shop page. This change reflects the merchant's understanding of the importance of integrity and honesty in doing business online. Nonetheless, his initial admission highlights the reality that in the early stages, there is a tendency to use images that do not fully reflect the original condition of the product, which may affect buyer trust.

Buyer:

"As a buyer, I bought Spicy Snacks Rich in Meatballs and Mercon Feet on Facebook, at first I thought it would be spicy and delicious because when I saw the picture it was red. It turns out that when the snack came, it was quite zonk, it didn't match the photo, the color was not as red as the photo, it wasn't too spicy either, for the taste it was good, it's just that there was a little disappointment because what was expected was not appropriate, different from what was photographed, maybe because of the lighting of the photo."

In the experience of the buyer, shared his experience when buying Jajan Pedas Bakso and Ceker Mercon through the Facebook platform. The buyer initially had high expectations because he saw the product image which was very red and looked very spicy. However, when the snacks arrived, the buyer felt disappointed because the color was not as bright as it looked in the picture. In addition, the spicy flavor was also not as expected, although the buyer stated that it still tasted good. The buyer tried to formulate an understanding of the difference by mentioning the possible influence of lighting in the photo. Although she still recognized the deliciousness of the product, the discrepancy between the expectations built from the image and the reality of the product received shows the challenges in visual communication in online business.

From the results of the two interviews with merchants and one buyer testimonial above, it can be concluded that the principle of unity (*tauhid*) in Islamic business ethics is still an aspect that needs to be considered in these transactions. The first merchant admitted to using product images from other sources at the beginning of the business, while the second

merchant was more consistent in using original product photos, although some editing was done. However, the mismatch between the expectations and the reality of the products experienced by buyers suggests that the principle of *tawhid*, which includes unity and consistency in business representations, has not been fully realized. In other words, although there are measures to improve transparency and integrity in product representation, there is still room for improvement so that the principles of Islamic business ethics, especially unity (*tawhid*), can be applied more consistently and effectively in every transaction.

2. Equilibrium (Balance)

Fair behavior is closer to piety. In the context of Islamic business, deception is prohibited, even if it only creates doubt. Islam encourages fairness and prohibits actions that can disrupt market mechanisms or hide important information in transactions.

In the practice of buying and selling through Facebook, the researcher analyzes that some shops that sell products through this platform have fulfilled the principle of balance, both in terms of theory and application. The principle of balance is very concerned with the rights of sellers and buyers, especially in buying and selling transactions through Facebook. Most stores that post products on the platform tend to provide detailed descriptions of the products offered. In addition, the prices pinned by sellers for these products are also generally by the information provided, creating information equality between sellers and buyers. This is also evidenced by the results of interviews with the merchants:

Trader:

"I always include specifications, and descriptions of the products I sell, including the size, material used, thickness, available colors, and price. The aim is so that buyers know what the products I sell look like. The point is that it can be estimated".

In an interview with a merchant, it was revealed that the merchant always tries to include complete specifications and descriptions of the products he sells. This includes information such as the size, material, thickness, available colors, and price of the product. The purpose of this is so that buyers have a clear understanding of the characteristics and form of the products offered. This trader stated that these efforts were made so that buyers could make an accurate estimate of the product to be purchased.

The buyer's right in this case is the ability to check the description provided by the seller on the product post on the Facebook application. Thus, buyers have the opportunity to assess the merits and demerits of the products being sold based on the information provided by the seller.

From the above statement, it can be concluded that the principle of balance in Islamic business ethics has been largely applied. This principle of balance includes efforts to create information equality between sellers and buyers, ensure transparency in product descriptions, and avoid deceptive actions. The application of the principle of balance is reflected in the policies of online stores that strive to provide complete and clear descriptions of the products sold, including specifications such as size, material, thickness, color, and price. This effort aims to enable buyers to make informed decisions and understand the products they are about to purchase.

3. Free Will

One of the legal requirements in buying and selling is the existence of a free will or own initiative. Free will in this context refers to the implementation of trade business transactions based on personal wishes, where there is no pressure or coercion from other

parties. A sale and purchase transaction can be considered invalid if there is an element of coercion coming from one of the parties involved. Freedom is considered important in Islamic business ethics, but it must be exercised without harming the common interest or other individuals. Islam gives freedom to innovate in business but still forbids actions that are contrary to religious teachings.

In the Facebook Sale and Purchase Transaction, there is no element of coercion between the merchant and the buyer, as the results of interviews with the merchant and the buyer:

Trader:

"I sell my products of my own accord, I am not forced by anything, my goal is to sell on Facebook so that I have additional income apart from Offline stores. On the other hand, instead of playing Facebook, I just scroll the homepage, so I might as well sell so that there are benefits"

Buyer:

"I buy goods on Facebook on my own accord, not forced by any party, because in addition to being easy to transact, I can save time by simply waiting at home".

From the interviews with traders and buyers, it can be concluded that the principle of free will in Islamic business ethics has been applied. Both traders and buyers carry out trade transactions based on their initiative and personal will, without any element of coercion from external parties. Merchants stated that their decision to sell on Facebook was made voluntarily, to earn additional income and utilize the platform more efficiently than just spending time on social media. On the buyer's side, the decision to make a purchase is also based on their own volition, considering the practicality and time efficiency offered by online transactions.

4. Responsibility

The principle of individual responsibility implies that each person will be held personally responsible on the Day of Judgment. There is no way to get rid of bad deeds except by asking Allah's forgiveness and doing good deeds. The application of the principle of responsibility in Islamic business ethics presupposes that a Muslim entrepreneur, when behaving unethically, cannot shift the responsibility to business pressures or the excuse that unethical behavior is common. Instead, he is expected to bear ultimate responsibility for his actions. In the context of the principle of responsibility already outlined, the most important part of the practice of buying and selling is the aspect of voluntary responsibility without any element of coercion (Azizah 2020).

In a Facebook sale and purchase transaction, when the purchased goods arrive to the consumer and a discrepancy occurs, especially in the case of goods that do not match the pictures that have been posted, causing the buyer to file a complaint because the goods do not match and even have defects. However, in this situation, the seller refuses to accept complaints from the buyer, which shows that the principle of seller responsibility is not applied. As the interview results from the seller and buyer:

Trader:

"For the problem of complaints from customers regarding products that are not suitable, for example, products that are complained about because the material is hot"

makes it hot, and then the size is short, we do not accept complaints like this, because we have described all products in detail. But if the complaint is because the product has holes, we accept it as long as there is proof that the product is purely damaged from our shop, not because of the buyer."

In response to complaints from customers regarding unsuitable products, such as products that were deemed to have hot materials, cause a hot feeling, or were too short in size, the seller stated that they would not accept such complaints. The reason for this is that they have provided very detailed descriptions of each product, and according to them, this includes sufficient information. However, the seller emphasized that a customer complaint related to product damage, such as a product with a hole, would be accepted, provided there was evidence to show that the damage was purely from their store, and not due to the buyer's negligence or actions. This statement reflects a selective approach to the types of complaints accepted, with an emphasis on clarity and concrete evidence of product damage.

Buyer:

"I once bought pants on Facebook, but when they arrived they turned out to be short, even though I had read the description and the size was according to my height when I complained to the shop, the shop did not accept the complaint, because according to them everything was according to the description".

The buyer recounted an experience when buying pants through the Facebook platform. When the product arrived, he found that the pants were too short, even though the product description described them as pants that fit his height. When the buyer complained to the store, the store refused to accept his complaint because everything was by the description provided. This situation reflects the mismatch between the buyer's expectations based on the description and the reality of the product received, as well as the obstacles in resolving complaints with the seller.

From the above statement, it can be concluded that the application of the responsibility principle of Islamic business ethics has not been fully realized, especially in responding to complaints related to product convenience. The principle of responsibility that is voluntary without coercion needs to be further emphasized so that sellers can be more responsive to customer needs and expectations.

5. Benevolence (*Ihsan*)

Ihsan emphasizes the implementation of benevolent actions that benefit others without any specific obligation. This concept also includes worship and performing good deeds as if one is seeing Allah SWT, at the very least, being certain that Allah SWT observes every action. In the context of Facebook transactions, many customers express dissatisfaction with products purchased through the platform. The main cause is the disparity between the received products and what was advertised on the platform. Fraudulent practices by sellers, such as falsifying advertised products by manipulating product photos to conceal their shortcomings, contribute to this issue. Such deceptive actions aim to ensure the successful sale of products by capturing the attention of buyers. Therefore, based on this theory and the interview results related to the unity (*tauhid*) principle mentioned earlier, the researcher concludes that the principle of *ihsan* in the observed buying and selling transactions on Facebook has not been adequately implemented. This is due to the involvement of many sellers in deceptive practices regarding the products they promote or sell.

Conclusion

Based on the research findings obtained from interviews with traders and buyers, as well as observations on the Facebook platform, the buying and selling transactions through Facebook in Indonesia have not fully implemented the principles of Islamic business ethics effectively. Although most sellers have adhered to the balance principle by providing detailed descriptions of products and appropriate prices, there is still a discrepancy between the representation of products and the reality experienced by buyers. Deceptive practices, such as using inaccurate product images to enhance attractiveness, indicate that the principles of unity (*tauhid*) and benevolence (*ihsan*) are still insufficiently applied. Responses to buyer complaints also reveal a lack of individual seller responsibility. Therefore, there is a need for further efforts to strengthen integrity and transparency in online business practices to align with the principles of Islamic business ethics.

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