45898 - A pyramid-marketing company that sells da’wah tapes

the question

There is a company that operates like the “Business” company, but in return for money paid they sell da’wah tapes that guide to the truth. How should we respond to them?.

Detailed answer

Praise be to Allah.

In the answer to question no 40263 we have already stated that it is haraam to participate in pyramid-selling schemes like the “Business” company, even if these companies sell a real product that has some value, because the aim is not to sell that product, rather the aim is marketing, and pyramid marketing is based on ambiguity and consuming people’s wealth unlawfully.

Shaykh Saami ibn Ibraaheem al-Suwaylim said:

The essential idea behind pyramid marketing is simple and may be summed up as follows: A person buys the company’s products in return for the opportunity to convince others to do what he did (i.e., to buy the company’s products too), in return for which he takes commission. Then each of these people who joined the scheme convinces yet others to join too, and the first one gets additional commission, and so on.

He also said concerning the “Tasweeq net” (marketing net) company – which is a company that sells real products –

This system mentioned in the question is a pyramid marketing scheme, no matter what form it takes, in which the person who joins it convinces others to buy so that they can also join the marketing scheme. So long as the commission is greater than the value of the product, the primary goal behind buying is the commission and the product is secondary. Based on that, this is not allowed according to sharee’ah because it involves ambiguity and consuming people’s wealth

unlawfully, since the one who joins the scheme does not know whether he will succeed in convincing others to join or not. If he succeeds then he will profit at their expense from their subscriptions, otherwise he will lose the money that he paid to join the scheme, and those who joined through him will be subject to the same risks. Each level in the pyramid will lose, unless there is a level beneath them which can bear the brunt of the loss, and so on.

For more information see the answer to question no. 43595

And Allaah knows best.