356116 - What is the ruling on marketing by giving discount coupons?

the question

I work as a broker (marketing) on the internet. What I offer to the one for whom I am marketing a product is something like a monthly or annual subscription for a particular service offered by the seller to the buyer. This service is divided into various grades or levels, according to the purchaser’s need, such as a regular membership for ten, a silver membership for twenty, or a gold membership for thirty. The website offers a product to me (the marketer or middleman), and there will be a specific percentage every time the purchaser pays us for this service in particular. This payment is repeated, either monthly or annually, because the sale of this service comes through me. If the purchaser chooses at any time to change his membership, either upgrading it or downgrading it, the percentage that I receive will change according to the new amount paid, which is a percentage that is known from the outset. What is the ruling on that?

Summary of answer

If the marketing service asked about is based on the customer or purchaser subscribing to something, meaning that he pays a sum of money in return for getting some discount or reduction in prices of goods or services that the seller is offering, then this is a haram transaction. If the transaction is haram, then it is also haram for you to tell people about it or to help people deal with it. For more information, please see the long answer.

Detailed answer

Praise be to Allah.

The question did not tell us the nature of the monthly subscription that the customer may sign up for, whether it is a discount coupon or something else. And he did not explain whether his involvement in marketing requires him to pay some money or not. Hence we cannot give a ruling

on this transaction, but we can point out two things that may be of benefit.

1. It is not permissible for a person to work as a marketer if his signing up for this job cannot be done except by paying money under the heading of subscription fees or training fees, or opening an account, and the like. That is because this comes under the heading of gambling, which is haram, because it is a certain loss in return for a possible gain. This is widespread in pyramid schemes and multilevel marketing (MLM).

2. It is not permissible to do marketing except for permissible products and services. It is haram to do marketing for haram transactions. *"And cooperate in righteousness and piety, but do not cooperate in sin and transgression. And fear Allah; indeed, Allah is severe in penalty" [al-Maa'idah 5:2]*.

It is haram to market Visa cards or unlawful discount coupons and sign people up for them.

What is meant by discount coupons is that the subscriber pays money in return for discounts from shops, restaurants and the like. This comes under the heading of gambling, which is haram.

The Fiqh Council of the Muslim World League issued a statement, in its eighteenth session, forbidding dealing with these discount coupons. It said in its statement: After listening to the research presented on this topic and the lengthy discussion concerning it, it was determined that it is not permissible to issue the discount coupons mentioned, or to buy them, if it is in return for a known sum or annual subscription, because of the ambiguity involved in that. If the purchaser of the coupons pays money and does not know what he will get in return for it, the loss is certain, whereas any gain in return is merely possible. End quote.

Similarly, the Permanent Committee for Ifta' issued a fatwa stating that it is haram to deal with this type of discount coupon. Fatwas were also issued concerning that by Shaykh Ibn Baaz and Shaykh Ibn 'Uthaymeen (may Allah have mercy on them).

See: *Fataawa al-Lajnah ad-Daa'imah* (14/6); *Fataawa Ibn Baaz* (19/58); *Liqa' al-Bab al-Maftooh* by Ibn 'Uthaymeen (53/9).

Conclusion:

If the service asked about is based on the customer subscribing and paying a certain amount of money in return for getting some discount or reduction in prices of goods or services that the seller is offering, then this is a haram transaction, and these are discount coupons concerning which many answers have been given on this website.

If the transaction is haram, then it is also haram for you to tell people about it or to help people deal with it.

If the service or transaction is different from what we thought it might be, then we need more information on its nature, so that we can give an answer on the ruling concerning it.

And Allah knows best.