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Dropshipping System In The Practice Of Buying And Selling: A Review From The Perspective Of Islamic Business Ethics

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Abstrak

This research aims to determine the mechanisms, obstacles and ethics of Islamic business in buying and selling in the dropshipping system. The research method used is qualitative. The data source used in this research is primary. The data collection techniques used in this research areobservation, interviews and documentation. The results of this study indicate that (1) The mechanism of the dropshipping system carried out by the dropshipper is to take or order goods from trusted suppliers and provide the buyer's identity then the supplier will send directly to the buyer. (2) Common obstacles faced by dropshippers when buying and selling are goods sent by suppliers experiencing delays, so buyers have to wait until they arrive at their destination, and the estimated delivery time is not appropriate. Another obstacle is that some buyers have no news or have disappeared. This occurs when transactions are Cash On Delivery (COD) in nature, business actors prefer cash transfer transactions or mobile banking. (3) The dropshipping system in terms of buying and selling practices in terms of Islamic business ethics has met the qualifications in Islamic business ethics, especially in honesty and good faith. Islamic business ethics provide provisions that business people must know, understand and also carry out ethical principles in doing business, such as monotheism (oneness), fairness, honesty and responsibility. In terms of production, distribution, exchange of goods or services, Islamic business ethics are good business practices. Activities based on good ethics can ensure business activities run smoothly and in balance because ethics can determine how well a job is done.

keyword: Buying and selling, Dropshipping, Islamic Business Ethics, Muamalah Fiqh

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INTRODUCTION

Islam comes as a religion that is easy and comprehensive, encompassing all aspects of life. In regulating life, Islam also pays attention to human values to protect individuals from discriminatory actions. As the world advances, and crimes become more common, Islam aims to distance itself from such negative phenomena. It promotes various forms of goodness and seeks to eliminate various dangers. Honest transactions are essential in trade to ensure that buyers have the necessary information. Honesty is a business ethic that must be applied in buying and selling transactions, as exemplified by the practices of Prophet Muhammad (PBUH). He began working independently with colleagues who never had disputes among themselves. Prophet Muhammad (PBUH) was renowned for his honesty and was respected by customers. He upheld the values of honesty and mutual respect (Estijayandono et al., 2019).

In commercial transactions, Allah forbids His servants from engaging in usury (riba) as it is detrimental to many people and infringes upon the rights of others. The following verse explains the prohibition of usury:

"Those who consume interest cannot stand [on the Day of Resurrection] except as one stands who is being beaten by Satan into insanity. That is because they say, 'Trade is [just] like interest.' But Allah has permitted trade and has forbidden interest. So whoever has received an admonition from his Lord and desists may have what is past, and his affair rests with Allah. But whoever returns to [dealing in interest or usury] - those are the companions of the Fire; they will abide eternally therein." (Quran, 2:275)

The advancement of technology has revolutionized nearly every aspect of life, making it easier for humans to engage in various activities, including buying and selling. Technological progress has extended into corporate business across various sectors to achieve corporate goals (Siregar & Nasution, 2020).

Providing goods or services for sale is a significant challenge for business practitioners. Storage space and substantial capital are required to keep goods, posing a significant challenge for individuals with limited capital. They often face the dilemma of paying for shipping from suppliers to their homes before selling the products to buyers. Stock provision reduces business profits. The dropshipping business model has emerged as a solution, gaining popularity among business practitioners in both online and offline settings due to its ease of operation and management (Salsabiila & Fajaruddin, 2020).

The dropshipping transaction model is a growing form of buying and selling, particularly with the advent of the internet. Business practitioners only need to promote other people's products through electronic means, using photos or videos of the products.

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There is no need for capital or inventory, and the products are shipped directly to the buyer by the owner of the goods. These products are not owned by the seller but belong to others who have obtained official approval. In the concept of trade in Islam, a Muslim entrepreneur should avoid engaging in business practices that violate the principles set by Allah. Muslim entrepreneurs must understand the values that should be applied in Islam and the principles of Islamic business ethics. Those who conduct business according to ethical standards will place themselves in the category of honest traders who avoid acquiring wealth through unlawful means in an unhealthy or unfair manner. The Prophet has demonstrated this behaviour in his work. Therefore, for a Muslim businessman to address the dropshipping business, he must understand how the concept of dropshipping is applied. In Islam, co-operating with product providers (suppliers) in Passing on work is a form of love, specifically helping each other. Al-Ghazali once argued that people who work or try to avoid begging and relying on others are superior to people who take advantage of others without receiving anything in return (Rahmawati yunita, 2022).

In business practice, moral or ethical and social responsibility in business continues to be a matter of serious debate among academics and business people. This is because business ethics is the application of moral values or standards related to business institutions and behaviour. The application of morals and ethics in business is not the only way to build goodwill in business or other organisations. Businesses rely on co-operation with other parties, hence ethics are necessary to develop their business, every entrepreneur must deal with relationships of a different nature. Then they must embody a set of business principles that are lived by those relationships. Non-Muslim businesses can also learn the Islamic business philosophy and its method of operation through the existence of business ethics. This is in addition to avoiding breaches of customs that can be detrimental to co-operation. Businesses have undergone a significant shift as a result of the development of social media. Previously, the effects of ignoring business morals only reached the professional workplace. However, in the digital age, the impact can even be global. In 2015, the Ministry of Communication and Information Technology estimated that there were 79 million active social media users. This is where businesses find new ways to actively promote their company's latest products on social media. Due to their excellent management, some of them are already well-known on social media (Santoso, 2022).

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THEORETICAL BASIS

Wahbah al-Zuhaily defines trade or buying and selling as exchanging something for something else. Al-ba'yu etymologically means taking and giving something. It comes from al-bara, which refers to the custom of Arabs clapping their hands to each other when entering into a sale and purchase agreement, signalling that the contract has been carried out. Meanwhile, in terminology, buying and selling means exchanging goods or money and is carried out by a contract by deed or orally. Explained in the book of the law of tawhid, 4-211 (Hidayah, 2019).

According to Suherman (2002), trade conducted electronically such as goods or services is known as buying and selling via the internet. When something is bought or sold online, a contract is made by agreeing to certain characteristics and paying in advance while the goods are transferred later (Fitria, 2017). Online trading does not require the seller and buyer to meet in person. However, by identifying the characteristics of the goods, and the type to be sold and included with the price of the goods has been informed via the internet, if the buyer is interested in buying the goods then the buyer must pay in advance and the goods will be delivered later.

Dropshiping is one of the most favoured buying and selling systems for online businesses. If you want to start a business but don't have enough money, dropshipping can be a good option. Dropshipping is a way of ordering products where the store does not keep a stock of the products it sells. Instead, the store acquires the goods from a third party and ships them directly to the customer. In other words, dropshipping is a type of sales system where the seller or dropshipper only needs to advertise through social media such as photos to sell other parties' goods without first stocking them. The merchant does not own any inventory, which is the main difference between the traditional retail model and the dropshipping model. In the dropshipping system, they act as middlemen. The dropshipping business is the easiest to start because it does not require much money or even no money at all, because the supplier has already taken care of everything, the dropshipper does not need to spend a single penny in the dropship co-operation scheme. The only responsibility of the dropshipper is to find clients. Dropshippers profit from online sales, especially through social media and e-commerce, by utilising digital technology. Dropshippers make money by reducing the margin of the customer's selling price from the supplier's buying price and shipping costs.

Business ethics in language are rules, standards, and responsibilities. The related purpose of ethics is morality, which is the same as morality. The Greek word ethics means morally acceptable character, habits, or set of behaviours. Moral is also an ethical report

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whose intention is to decide the right guidelines supported by great thought, morals try to arrive at a moral resolution between right as well, wrong and morally great and wrong Knowledge of universally applicable values and morality in business management constitutes ethics in business. Fairness is one of the most important aspects of future business success due to the nature of trust. Islamic Business Morals are some of the moral ways businesses behave that relate to values.

Islamic business ethics is the process and effort to determine what is right and wrong, and to do the right thing when dealing with businesses that provide services, products, and guidance to interested parties. Based on moral principles, business ethics is a means of what is good, bad, right, and wrong in the business world. In another sense, business ethics refers to a set of rules and guidelines that businesses must adhere to in order to safely achieve their ground or goals in business. In addition, business ethics and thoughts or reflections on morality in economics and business can refer to reflections on good deeds, bad deeds, praiseworthy deeds, despicable deeds, right deeds, wrong deeds, reasonable deeds, unreasonable deeds, proper deeds of a person.

RESEARCH METHOD

This research is descriptive qualitative research. According to Strauss and Corbin (2007), this type of qualitative research does not use statistical methods or other types of calculations to obtain the results. The data analysis is qualitative, although the data can be calculated and presented in the form of numbers, such as a census. Qualitative research refers to non-mathematical data analysis. This method produces results based on data collected through interviews, observations, tests, documents or archives, and other methods. Qualitative research is used to explore and study and find answers and describe a phenomenon systematically. Researchers are guided by the reality or events that take place in the field (Nugrahani, 2014).

This research uses primary data sources. Primary data is data collected by researchers directly from the first source by researchers such as the results of interviews conducted by researchers. Data is obtained directly from interviews conducted with students who sell online with a dropshiping system. With data collection techniques using interviews. The technique in determining research informants uses a method known as purposive sampling, namely sampling with regard to several factors in accordance with the desired criteria so that the number of samples that can be studied can be determined, with the aim of making it easier for the author to obtain data sources. The criteria used by researchers to determine informants are business actors who directly carry out online

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buying and selling activities by dropshipping. While the exclusion criteria are when the informant cannot be met or contacted.

Data analysis in qualitative research is carried out both when data is collected and after a certain time has passed. Researchers have analysed the responses of interviewees who have been interviewed. The author will continue the questions until a certain point if the answers analysed are not satisfactory. The analysis used is an interactive model analysis, proposed by Miles & Huberman. This interactive model of data analysis has three components, namely: data reduction, data presentation, and conclusion drawing.

RESULTS AND DISCUSSION

1. Mechanism of the dropshipping buying and selling system.

Dropshipping is a buying and selling system where the seller (dropshipper) does not need to store goods and does not need to have sufficient capital to promote products through social media. Dropshipper also does not need to package the goods before sending them to the customer because the supplier will do it for them directly. dropship buying and selling mechanism, the order is submitted by the dropshipper to the supplier and pays according to the buyer's order and the agreement between the dropshipper and the supplier, then the supplier will send it directly to the buyer.

2. The background of choosing a dropshipping system:
   a. Does not require large capital.
   b. Save time and effort.
   c. Adding activities other than learning in the classroom.
   d. Participating in entrepreneurship competitions between students.
   e. Increase pocket money.
   f. Opening a storage service for goods (Pre-order).
   g. Helping to promote goods
   h. Following friends who sell.
3. Supplier selection
   a. Selection of suppliers with affordable prices and buyer testimonials.
   b. Trying the product first.
   c. Selection of suppliers from the closest people.
   d. Selection of suppliers based on judgements from other buyers.
4. The obstacles faced by dropshippers when buying and selling.
   a. Money playback is often late.

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b. Goods received are less than satisfactory.
c. Delivery not as estimated
d. Obstacles in determining prices.
e. Constraints in sourcing raw materials.
f. Consumers requesting production of goods not according to budget.
g. Consumer uncertainty in ordering goods.
h. Market competition in maintaining product quality.

5. The study of business ethics in the dropshipping buying and selling system carried out by dropshippers.

In Islam, ethics is the foundation of faith, social progress, and individual well-being. Individual prosperity and prosperity cannot be achieved without this moral behaviour. Ethics are urgently needed in today's business world, and Islam has called for business ethics to be undertaken immediately. This is because the Islamic economic system is linked to ethics. While other economic systems such as capitalism and socialism tend to ignore ethics, in order for all transactions to be successful and receive blessings from Allah SWT, Islamic business ethics stipulates that business people must know, understand, and also apply ethical principles in conducting business. These principles include good faith, honesty, truth, justice, and responsibility (Rahmawati yunita, 2022).

Honesty is something that is entrusted to someone and must be delivered to those entitled to receive, not reduced or added and delivered as it is. Islam requires sellers to tell consumers the truth about the actual condition of the goods without hiding anything. In buying and selling with a dropshipping system that researchers have met with informants, they are quite honest in explaining the specifications of the goods to be purchased by the buyer, and if the goods received by consumers are not suitable, the dropshipper is willing to replace the goods or reduce the price according to the condition of the goods.

Good faith includes good intentions or beliefs to do business and fulfil matters related to business. Informants who use the dropshipping system for buying and selling are sufficient on the basis of good faith. Findings from ten interviews with buyers and dropshippers show that dropshippers provide services to buyers in good faith to ensure customer satisfaction.

The principle of justice is an attitude that places things according to their portions, in other words, it does not differentiate or harm others. Selling and buying with the dropshipping system in informants that researchers met from the results of interviews with

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ten informants said that they served buyers fairly because the buyers consisted of men and women with different age levels.

Responsibility is an attitude of being ready to bear the risks of activities or actions taken. In buying and selling using the dropshipping system, several informants that the researchers met were sufficiently based on responsibility. Mrs Tarmi revealed that goods that are not suitable if the packaging has been opened cannot be returned but the selling price can be reduced according to the condition of the goods. However, sister Dinda said that products often arrive late so that the estimated delivery is not as it should be, then the ordered goods do not reach the buyer's address so they are returned to the seller (Supplier), causing the buyer to have to repeat the order again and slowing down the delivery of goods that should have arrived.sampai.

CLOSING

Based on research on dropshipper business actors in terms of the principles of Islamic business ethics, researchers want to provide several conclusions. The conclusions that researchers want to convey are as follows:

1. The mechanism of the dropshipping system carried out by the dropshipper is to take or order goods from a trusted supplier and provide the buyer's identity then the supplier will send directly to the buyer.
2. Common obstacles faced by dropshippers when buying and selling are that the goods sent by the supplier are delayed, so that buyers have to wait until they arrive at their destination, and the estimated delivery time is not appropriate. Another obstacle is that some buyers are unavailable or disappear, this happens when transactions are Cash On Delivery (COD), business actors prefer to recommend sending cash or mobile banking transactions.
3. The dropshipping system in the practice of buying and selling reviewed in Islamic business ethics has met the qualifications in Islamic business ethics, especially in honesty and good faith. Islamic business ethics provide provisions that business actors must know, understand and also carry out ethical principles in doing business, such as tawhid (oneness), fairness, honesty and responsibility. In terms of production, distribution, exchange of goods or services, Islamic business ethics are good business practices. Activities based on good ethics can ensure business activities run smoothly and balanced because ethics can determine how well a job is done.

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Based on the conclusions above, the researcher would like to give some advice to business people who do business with the dropshipper system. The suggestions that the researcher wants to convey are as follows:

1. Theoretical Advice
   a. For sellers (dropshipper) must really choose suppliers well so that the goods received by the customer are in good condition, and must ensure that the ordered goods are sent on time, especially for sellers (dropshipper) who sell goods in the form of hand made must ensure and often follow up suppliers, so that the ordered goods are completed in accordance with the agreed time. so that customers do not wait long and estimates related to goods are not in accordance with the agreement that has been set.
   b. For the seller (dropshipper) must ensure or check the address of the buyers so that the shipping service can send the goods to the destination address, and not experience problems such as goods returned to the seller (supplier) because there is no clarity regarding the address.
   c. For sellers (dropshippers), they should expand their marketing so that customers increase so that not only the surrounding community.
   d. For buyers or consumers before making a transaction, they should seek information on the goods being sold so that they understand the types and agreements imposed by the seller, especially hand made goods. This is to avoid risks that can harm the seller, because it does not match the power carried out by the seller (supplier).
2. Academic Advice

For further researchers, it is recommended to conduct more in-depth research in the next study in order to strengthen the reasons for the dropshipping mechanism carried out by business actors and the level of managers in buying and selling practices from the view of Islamic business ethics, the level of prudence is better.

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