

Islamic Business Ethics in the Thrift Shoe Market: A Behavioral Case Study of the Katamso Traders Association (P2K)

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Abstract

The second-hand market is currently gaining attention from various groups because it provides products at affordable prices. However, the business practices carried out by thrift traders are often questionable in terms of ethics. This research investigates how shoe sellers at Pasar Minggu Thrift in Banjarmasin conduct business according to Islamic ethical principles, with a focus on the Paguyuban Pedagang Katamso (P2K). This research utilizes a qualitative approach with a descriptive focus. Data collection will be achieved through observations and interviews with traders, consumers, and market managers. The results show that some thrift shoe traders in Pasar Minggu Thrift have implemented Islamic business ethics principles, namely: Unity, Equilibrium, Free Will, Responsibility, and Benevolence in their business activities. However, There's room for improvement in certain practices to reach a higher ethical benchmark. This research aims to uncover a more thorough understanding of how Islamic business ethics can be applied to the business of thrift and serve as a guide for other traders to operate ethically and responsibly.

Keywords – Behavior, Thrift and Thrift, Islamic Business Ethics, Market, Community

INTRODUCTION

Markets have been central to the social and economic dynamics of societies for centuries. Al-Ghazali called the market a meeting place for two parties with different interests to achieve common goals (Amalia, 2010). Trade has an important role in maintaining economic continuity because of human dependence to meet each other's needs. In Islam, the profession of a merchant is advised because it is seen as a noble act of worship. Trading activities are not only aimed at personal profit but also for common welfare. (Miles et al., 2014) A merchant is responsible for expanding the distribution of goods and services and facilitating mutually beneficial exchanges for individuals and society. (Yuliani et al., 2023) Regulations and prohibitions on business have been set by Allah SWT, based on the Qur'an surah ash-Shu'ara verses 181-183. Allah SWT said:

أَوْفُوا الْكَيْلَ وَلَا تَكُونُوا مِنَ الْمُخْسِرِينَ ﴿١٨١﴾ وَزِنُوا بِالْقِسْطَاسِ الْمُسْتَقِيمِ ﴿١٨٢﴾ وَلَا تَبْخَسُوا النَّاسَ أَشْيَاءَهُمْ وَلَا تَعْثَوْا فِي الْأَرْضِ مُفْسِدِينَ ﴿١٨٣﴾

It means: "*Perfect the measure and do not harm others; and weigh with the correct scales.*

And do not harm man by diminishing his rights and do not cause damage on the earth."

This verse calls for entrepreneurs and traders to manage their businesses with integrity. (Anshary et al., 2023) Fraudulent acts such as manipulation in the measurement and weighing of goods are a clear example of dishonesty in the world of commerce. Islamic principles govern behavior in the world of work and business by emphasizing that individuals should not pursue profits solely for the sake of money in unethical ways. (Wulandari & Mubarak, 2021) However, Islam also highlights the importance of mutual interests and the willingness of both parties without coercion. In the context of buying and selling transactions, this principle guarantees that no one is harmed and that any action that results in mutual benefit is allowed in Islamic teachings (Rasyid et al., 2023). Secondhand fashion *businesses* or secondhand *clothing stores* are now popular all over the world. Used clothes are generally imported from developed countries and sold in emerging markets at more affordable prices. In addition to providing products that are still in good condition, this business is also considered an environmentally friendly step because it helps reduce textile waste. (Mubarak et al., 2023) Questions arise about business ethics in the second-hand goods market environment, especially related to the actions of the sellers.

Although second-hand markets are often considered environmentally friendly and economical, there are still unethical practices practiced by some sellers, such as fraud and price manipulation.(Makiah, 2021) Therefore, it is important to assess the actions of sellers based on Islamic business ethics, which emphasize honesty, fairness, and responsibility (Faridah et al., 2023).

Islam emphasizes the flexibility of muamalah, which is in accordance with the development of today's trade, while still following the principles written in the Qur'an and contained in the Sunnah(Faridah et al., 2023). This indicates that Islamic teachings are not rigid or narrow, but are able to accommodate contemporary business dynamics while still upholding moral and ethical principles.(Syauqi & Rahmah, 2021) Understanding muamalah fiqh is the key for every Muslim in running a business, ensuring that the business they run is in accordance with Islamic teachings and avoiding potential haram elements. Therefore, the analysis of the behavior of *thrift shoe traders*, especially in the context of the Katamso Traders Association (P2K), is relevant to understand the legal status of *the thrift business* from the point of view of Islamic business ethics (Anshary et al., 2023).

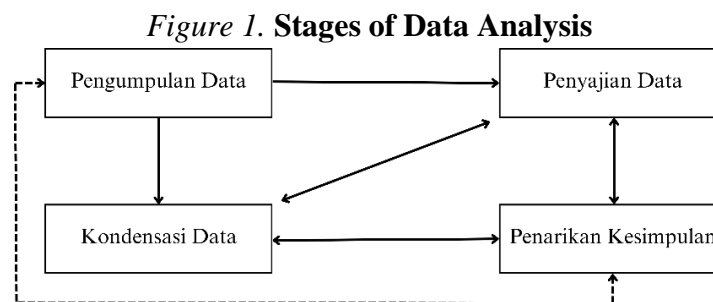
The object of study in this study will be focused on the Katamso Traders Association (P2K), which is a community of traders in Pasar Minggu *Thrift* located along Jalan Brigjen Katamso, Kertak Baru Ilir,(Huda et al., 2023) Central Banjarmasin, Banjarmasin City, South Kalimantan. Through this case study, the author seeks to understand the behavior of traders in running their *thrift* business, as well as identify practices based on Islamic business ethics principles and practices that need to be improved.(Yusuf et al., 2023) The results of this research are expected to contribute positively to the development of more ethical business practices in the *thrift market*, as well as enrich the understanding of the application of Islamic values in the business world.(Rasyid et al., 2023)

RESEARCH METHODS

This study applies a field research method, with a qualitative approach and descriptive analysis. This study aims to describe the behavior of *thrift shoe traders* who are members of the Katamso Traders Association (P2K) at the *Banjarmasin Thrift Sunday Market* . Primary data was collected by observing and interviewing 3 *thrift shoe traders* who met the criteria in the market, 3 consumers and 2 market managers. With this approach, the research will focus on direct interaction with the research subject to deeply understand the

behavior of *thrift shoe traders* in the context of Islamic business ethics in *the thrift market*.(Hidayatullah et al., 2024)

In this study, the data analysis process involves three stages. The first stage is data condensation, which includes selecting, focusing, simplifying, abstracting, and altering information obtained from interviews and direct observations.(Makiah et al., 2022) The second stage is the presentation of data, where the information that has been condensed is presented in narrative form. The last stage is drawing conclusions in the form of a narrative (Miles, Huberman, and Saldana, 2014).



DISCUSSIONS

This research involved three traders, three consumers, and two Thrift Sunday Market managers as informants. Through this interview, it can be understood how the principles of Islamic business ethics are applied by *thrift shoe traders* as well as factors that affect customer interest based on the behavior of *thrift shoe traders* at the Banjarmasin *Thrift Sunday Market*.

1. Application of Islamic Business Ethics to *Thrift Shoe Traders* in *Thrift Market*

Some traders at Pasar Minggu *Thrift* based on the observation of researchers have implemented the principles of Islamic business ethics in their business operations. However, not all traders deeply understand the concepts and implications of Islamic business ethics, both in terms of theory and practice. Based on the interview, it can be known how to apply the principles of Islamic business ethics consisting of unity, equilibrium, free will, *responsibility* and *benevolence*.

a. Tauhid (*Unity*).

Mba Meilinda Damayanti (Mba Mel) as the owner of the Diora *Thrift* trading stall explained that in running her business, she tries to maintain worship and routinely give alms as an expression of gratitude for the blessings given by Allah SWT. He

believes that everything that exists comes from Allah SWT, including sustenance and success in business. Mba Umi as the owner of the Rzl Perfect Shoes trade stall explained that in business activities, the goal is not only limited to seeking profits, but also forming a harmonious relationship with Allah SWT and fellow humans. He wants his business to be beneficial to others and become a means to spread goodness. Mas Wahyu as the owner of the Sepatwo trading stall explained that he believes that everything comes from Allah SWT, and He is the one who determines sustenance and success. Therefore, he always tries to run his business in a halal way and does not deviate from Islamic law. Before opening a sales stall, he always reads the basmalah, never deceives customers and always tries to provide the best service.

Based on the results of the interview, it is clear that they apply the principle of monotheism in doing business, the three speakers show that they understand the concept of monotheism well and try to apply it in their daily activities, including in business activities.

b. *Equilibrium*

According to Mba Mel, she always tries to be fair to all buyers in providing services. For him, fairness is a very important principle, he does not want any buyer to feel disadvantaged or privileged compared to other buyers. According to Mba Umi, fairness is the main value that she holds firmly in serving buyers. He believes that every buyer deserves equal and fair treatment, regardless of his background. According to Mas Wahyu, fairness is not only about following the rules, but also about creating a culture that respects and respects others. He wants all buyers to feel accepted and valued, and for them to be assured that they will always be treated fairly and transparently.

Based on the results of the interviews, it can be concluded that a balance in the relationship between traders and buyers is achieved when mutual respect and fairness are established in every interaction. This is reflected in their commitment to serving all buyers fairly, without discrimination, and with respect. Their attitude can help create a positive and conducive atmosphere at the *Thrift Sunday Market*, which is beneficial for all parties involved.

c. *Free Will*

Mba Meilinda Damayanti showed a friendly and professional attitude in serving customers, even though they only asked questions and did not buy. He does not discriminate against customers based on their appearance or comments about the selling price. Mba Umi has a positive mindset and empathizes with customers who only ask questions and don't buy. He understands that maybe the customer doesn't have enough money or has other more important needs. Mas Wahyu loves to meet new people and always serves customers wholeheartedly, even if they just ask and don't buy, he enjoys interacting with customers.

Based on the results of the interviews, the three traders showed that freedom of trade in Islam does not mean that it is allowed to do everything without restrictions. This freedom must be exercised by paying attention to sharia principles, such as honesty, justice, and mutual respect. This is reflected in their attitude and actions in serving customers, even though they only ask and do not buy.

d. *Responsibility*

Mba Mel shows her commitment to keeping her promises to customers by explaining in detail the return policy of the shoes they sell. He is also responsible for the quality of the product by ensuring that the items sold match the description and do not harm the customer. Mba Umi shows good responsibility in handling customer complaints. He tries to calmly explain and convince customers of the quality of the shoes they have purchased. He also tries to find the best solution to resolve customer complaints (Huda et al., 2023). According to Mas Wahyu, he tried to explain slowly to customers the reason for the selling price that was considered too high. He is also open to receiving feedback from customers and strives to continuously improve the quality of his services.

Based on the results of the interview, it can be seen that they apply the concept of responsibility well in running their business. This is reflected in how they handle various situations with customers, such as keeping promises, handling complaints, and ensuring the quality of the products sold, communicating well, and being open to receiving feedback.

e. Policy/Courtesy (*Benevolence*)

According to Mba Mel, he does not allow buyers to go into debt on the grounds of avoiding the risk of causing uncollectible receivables and disrupting the store's cash flow. Although he does not allow debt, he always strives to serve the buyer wholeheartedly. He is always committed to conveying complete and reliable information about products, for him the most important thing in business is customer satisfaction. According to Mba Umi, she does not allow buyers to go into debt on the grounds that giving debt to buyers can slow down the transaction process and cause problems in the future. Although he does not allow debt, he is consistent in providing the best service to customers. According to Mas Wahyu, he also does not allow buyers to owe on the grounds that if he allows debts, there will be some customers who will get special treatment compared to other customers. This is unfair and can lead to disputes.

Based on the results of the interviews, it can be seen that they have a strong commitment to running a business taking into account Islamic principles, including honesty, justice, and generosity. Although they do not allow buyers to be in debt, they still show generosity in other forms, such as providing complete and accurate information about the product, being friendly and polite. Their attitude and actions show that kindness in doing business is not only about giving or receiving something, but also about building a mutually respectful and mutually beneficial relationship between merchants and buyers.

Table 1 Conclusion on the Application of Islamic Business Ethics by Shoe Traders

Thrift at the Sunday Market Thrift

	Mba Mel	Mba Umi	Mas Wahyu
Tawhid	Running his business by maintaining worship and regularly giving alms.	Running a business with the aim of forming a good bond with Allah and others.	Believing that everything comes from Allah, including sustenance and success.
Balance	Always try to be fair to all buyers.	Uphold the value of fairness in serving buyers.	He wants all buyers to feel welcome and treated fairly.
Free Will	Demonstrate a friendly and professional	Be positive and empathetic towards	It is a pleasure to meet new people and serve

	attitude in serving customers.	customers who only ask questions and don't buy.	customers wholeheartedly.
Responsibility	Demonstrate a commitment to keep promises by explaining the shoe return policy.	Demonstrate good responsibility in handling customer complaints.	Patiently explain the reason for the selling price and be open to feedback.
Policy/Courtesy	It does not allow buyers to go into debt.	It does not allow buyers to go into debt.	It does not allow buyers to go into debt.

Source: data processed by the author

2. Factors Influencing Customer Interest Based on *Thrift Shoe Trader* Behavior in *Thrift Market*

Based on the researcher's interviews, there are factors that affect customer interest based on merchant behavior as follows:

a. Product

Traders need to improve the quality of their products to compete in the market and meet the needs and desires of consumers well. Mba Umi as a *thrift* shoe trader implements a strict sorting system before selling her shoes. He categorizes shoes based on their grade and quality, and ensures that only shoes that are worth selling reach consumers. Mba Mel also has a similar principle. He always inspects the shoes carefully before they are sold, making sure there is no damage such as sole glue issues. If there are any defects, he will tell the customer honestly or not sell the shoes at all. On the other hand, Mas Wahyu emphasized the importance of cleanliness in maintaining the quality of shoes. He makes sure his shoes are properly washed and cleaned before they are sold, so that customers get products in a clean and comfortable state to use. Not only focusing on product quality, these *thrift* shoe traders are also observant in choosing the criteria for the shoes they will sell. They offer trending and branded shoes at reasonable and affordable prices. This is an advantage in itself for those who want to look stylish without having to drain their wallet.

Based on the results of the interview, it was concluded that the three *thrift* shoe traders have similarities in their efforts to always meet the needs and desires of consumers. So, their merchandise is one of the factors that can affect buyers' interest in buying.

b. Price

Pricing is a key component in marketing activities. Proper pricing is the main key in determining the success of product sales. Mba Umi sets prices based on the brand, physical condition and quality of the shoes offered. Meanwhile, Mba Mel calculates the selling price by obtaining a minimum net profit of 20%. This is because around 10%-15% of shoes that come are likely to be in a difficult condition to sell because they are damaged, so they need to be repaired before being sold to consumers or may not even sell at all. Mas Wahyu determines the selling price based on market analysis both online and offline, to ensure competitive prices.

Based on the statements given by the three *thrift* shoe sellers, it can be seen that each of them has a variety of pricing methods. Nevertheless, the prices set by them are still affordable for buyers, according to the quality of the product, and also follow the market price competitiveness that makes consumers not hesitate to buy. So it can be said that price is one of the aspects that can affect consumers' decisions in buying products.

c. Promotion

Promotion is an effort to inform the target market about a product with the aim of explaining its advantages, benefits, and existence, in order to attract the attention of consumers so that they are interested in buying the product. Mba Umi and Mas Wahyu in promoting their products have not been too intense, they are still focusing on offline sales by promoting them through word of mouth. Meanwhile, Mba Mel not only sells its products in person, but also online. Online sales are what make their products more in demand. Mba Mel argues that this is due to the promotions she carries out through the Instagram pages @diora.snkr2 and @diorakids.id which make it easier for consumers to access her business from anywhere. According to Mas Iyan, a consumer we met in the market, he found out about Diora *Thrift* through his Instagram account. He stated that the promotion carried out on Instagram made him very interested in visiting the sales point directly.

Based on interviews conducted with sellers and buyers of *thrift* shoes, it can be concluded that in carrying out their business activities, they have promoted products,

but not all traders understand how to promote effective products both theoretically and conceptually.

d. Distribution (*place*)

The distribution referred to here is a means used by producers to deliver products to consumers. Based on observations made by researchers, the location chosen by *thrift shoe sellers* is quite strategic because its location is located in the center of the city so that it is easily accessible to consumers, the area is large which allows consumers to choose products freely, and does not interfere with other activities so as to create a comfortable shopping atmosphere. Choosing a strategic location can improve the image of the business and products, while making it easier for consumers to reach them. The suitability of the location with the target consumer also plays an important role in maximizing sales and profits. Therefore, it can be said that distribution (*place*) is one of the factors that affect customer interest.

Table 2 Conclusion Factors Influencing Customer Interest Based on Shoe Merchant Behavior Thrift

	Mba Mel	Mba Umi	Mas Wahyu
Product	Implement a strict sorting system before selling his <i>thrift</i> shoes.	Inspect the shoes carefully before they are sold. If there is a defect, he will notify the customer or not sell it at all.	Emphasizing the importance of hygiene.
Price	Prices are determined based on the brand, physical condition, and quality of the shoe.	Make sales offline and online through Instagram.	Determine prices based on market analysis.
Promotion	The promotion is carried out offline.	Be positive and empathetic towards customers who only ask questions and don't buy.	The promotion is carried out offline.
Distribution	Strategic sales location in the city center.	Strategic sales location in the city center.	Strategic sales location in the city center.

Source: data processed by the author

CONCLUSION

The results of the research on *thrift shoe traders* in the Katamso Traders Association (P2K) Pasar Minggu *Thrift* Banjarmasin, about how *thrift* shoe traders behave by considering the principles of Islamic business ethics, the conclusions that can be drawn are:

1. Islamic business ethics is shown by the fulfillment of several principles consisting of monotheism (unity), equilibrium, *free will*, *responsibility* and *benevolence*. Thrift shoe traders apply Islamic business ethics by adhering to the principles of monotheism, balance, free will, responsibility, and courtesy. They understand and apply the concept of monotheism in their business activities, and serve all buyers fairly and respectfully according to the principle of balance. In the principle of free will, they adhere to sharia values such as honesty and fairness in interaction with customers. Their responsibility is reflected in their good handling of customers, including keeping promises and handling complaints well. In addition, they show courtesy with a friendly attitude and generosity in interacting even though they do not allow buyers to owe money.
2. Factors that can affect customer interest based on merchant behavior consist of products, prices, promotions, and places. Thrift shoe traders have met these factors. In terms of products, they always strive to satisfy the needs and desires of consumers. Regarding price, they adjust to the quality of the product, and compete with the market price. However, in terms of promotion, not all traders understand how to promote effective products both theoretically and conceptually. The choice of their location is strategic by being in the center of the city, a large area, and not disturbing other activities.

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