

Ethis Shari'ah Resolution on BMW-Tuta Advertisement Campaign

Date: 31 Dec 2020

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

In the Name of Allah, The Beneficent, The Merciful.

1. Background:

- a. Ethis Indonesia has been considering to onboard a campaign on its platform, titled "Tuta - BMW". The campaign is about producing a '60 seconds' advertising video for BMW for its new series 3 launching. PT Tuta Kreatif Indonesia received the work order from BMW Indonesia.
- b. Ethis Shariah team ("Ethis Shariah") was asked to review the campaign as part of the Shariah Standard Operating Procedure ("SOP").

2. Methodology

- a. The research to formulate the response was conducted in three stages. The first stage was to understand the issue in hand by reviewing the documents submitted by sharing a [folder](#), along with discussions with the team. The second stage was to conduct the shariah research from various sources. The third stage was consolidating this review document.
- b. In conducting the research and response, Ethis Shariah primarily relied on several Shariah standards, resolutions and external sources, which include but are not limited to:
 - i. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI)
 - ii. Resolutions of the Shariah Advisory Council of the Securities Commission of Malaysia (SAC-SC)
 - iii. Shariah Screening methodology of Ideal Ratings¹.

3. Shariah opinion

- a. As part of shariah screening of a business or equities, several shariah indexes consider 'advertising' as part of the prohibited sectors. Rating Intelligence elaborates the following as part of prohibited sectors:
 - Advertisers of pork, alcohol, gambling, tobacco and all other non-Islamic activities
 - Advertising broadcasters who display such content which contravene the tenants of Islam
 - Companies deriving revenue from advertising and media businesses are considered Shariah non-permissible.
 - Text-based advertising revenues are permissible such as Google ads.
 - Advertising content producers are considered non-compliant
 - Media companies carrying these adverts and generating revenues from the same are considered non-compliant

¹ Link: <https://www.ratingsintelligence.com/shariah-screening.html>

- Companies producing, airing, distributing or marketing entertainment content such as feature films, music, television soaps etc. are also considered non-permissible.
- Media companies which produce film content, television soap content are considered non-compliant
- Animated films and media content producers/distributors are considered compliant.
- Revenue proportion derived from supermarkets and bookstores selling music and film CDs or DVDs is considered non-compliant.

Ideal Rating further mentions that advertising is considered Shariah repugnant as they may contain such visuals/language which may be considered inappropriate from a Shariah perspective.²

b. Based on the above, and the relevant AAOIFI Shariah Standard (Standard No. 21), and after the review of the '[Tuta-BMW Campaign Card](#)', we opine that:

- The specific campaign 'Tuta BMW' as reviewed on 30 Dec 2020, with the specific storyboard as detailed in the [link](#) is shariah-compliant, as:
 - It does not promote any prohibited product
 - The storyboard does not contain any improper content

c. However, this is subject to the final product being screened by Ethis Shariah, to confirm that:

- The final product is as specified in the storyboard, with no inappropriate attire or content; and no improper use of music is in place.

4. Disclaimers

- a. This answer is strictly specific to the campaign card and other campaign details shared with Ethis Shariah as of 30 Dec 2020. Ethis Shariah shall not be held responsible for any decisions, purchases or investments made based on this answer.
- b. This answer should in no manner be interpreted as an approval of any other media, entertainment or advertising campaign in general.
- c. As part of Shariah SOP, all campaigns need to be individually reviewed and approved by Ethis Shariah before onboarding on Ethis platforms.

And Allah SWT knows the best.

والله أعلم. هذا وإن أصبت فمن الله وإن أخطأت فمن نفسي ومن الشيطان.

Verified by:



Yousuf Sultan
Head of Shari'ah, Ethis

² See <https://www.ratingsintelligence.com/shariah-screening.html>