

197776 - What is the ruling on the bonus that pharmaceutical companies give to pharmacies?

the question

Is dealing with pharmaceutical companies on the basis of what is called a “bonus” – i.e., adding a specific percentage of medicines more than the amount ordered – halaal or haraam?

It is possible to subtract the bonus from the price of the medicine, so as to reduce the cost to the consumer?

Detailed answer

Firstly:

What is meant by the “bonus” is what the pharmaceutical companies and agents give to the pharmacies of free packets of medicine, which varies according to the size of the purchase. The greater the amount ordered, the greater the portion of free goods. This practice is not limited to pharmacies; rather it is a marketing practice that is followed in most commercial sectors: the greater the size of the purchase, the greater the discount or the amount of free goods given, as an incentive for increasing sales.

Secondly:

There is nothing wrong with such incentives that are offered by companies to pharmacies or retail stores; they come under the same heading as free gifts that traders give as reward to encourage people to buy from them and deal with them. This transaction does not involve any riba, gambling, ambiguity or deceit; rather in reality it is a reduction in the price of the goods, hence they increase the number of items purchased for the same price or they deduct the additional amount from the invoice.

Dr Khaalid al-Muslih said:

If the promotional gift is a product, then one of three scenarios must apply:

-1-

The gift is promised to the purchaser. This may come under the heading of a promise of a gift, so the promise must be fulfilled. It comes under the same rulings as any other gift.

-2-

The gift is not promised. This may come under the heading of a mere gift. It comes under the same rulings as other gift.

-3-

Getting the gift is conditional upon collecting parts [or tokens or proofs of purchase] from a certain product and the like. In that case it may come under the heading of a haraam gift, because of what it leads to of extravagance and waste, and because it may come under the heading of gambling, which is haraam.

End quote from al-Hawaafiz at-Tijaariyyah at-Tasweeqiyyah wa Ahkaamuha fi'l-Fiqh al-Islami (p. 334)

It should be noted that these gifts belong to the owner of the pharmacy, and the employee working in the pharmacy has no right to any of them.

Thirdly:

What the pharmacist should do is be trustworthy and honest with regard to what he offers to the patients of medicine. It is not permissible for him to deceive or cheat the patients by marketing medicine to them that is less efficacious or beneficial, out of a desire to acquire the bonus, when there is other medicine that is better than it.

In fact what he must do is dispense the medicine that is written in the prescription or tell the patient about the best medicines available in terms of both quality and price, according to his situation. This comes under the heading of offering sincere advice, which is enjoined in Islam.

And Allah knows best.