

Opportunities and Challenges of Halal Cosmetics and its Contribution to Economic Sector in Indonesia

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Abstract

This research aims to look at how the opportunities and challenges of halal cosmetics and its contribution in economic sector in Indonesia as well as consumers understanding of halal cosmetics and good for health. The study used the Theory of Planned Behavior model. The respondents in the study were owner one of halal cosmetic, customers active halal cosmetic and knew what type of cosmetics to use and did not have any negative effects in their use. The research method used is qualitative through interviews with cosmetic owner and customers both male and female. Consumers who have literacy and education related to the importance of halal cosmetics give a positive response and promote the use of halal labeled cosmetics, while consumers who still lack literacy and education of halal cosmetics are still interested in using cosmetics that have not been labeled halal at affordable prices, or are foreign cosmetics that are not yet clear. Opportunities and challenges faced by halal cosmetics in Indonesia include education and literacy, affordable product prices and support from the government and halal certification in Indonesia.

Keywords: *Halal industry, halal cosmetics, opportunities and challenges*

Abstrak

Penelitian ini bertujuan untuk melihat bagaimana peluang dan tantangan kosmetik halal dan kontribusinya dari sektor ekonomi di Indonesia serta pemahaman konsumen atas kosmetik halal dan baik bagi kesehatan. Penelitian ini menggunakan model Theory of Planned Behavior. Responden dalam penelitian ini adalah salah satu pemilik kosmetik halal, pengguna kosmetik aktif dan mengetahui jenis kosmetik apa yang harus digunakan dan tidak memberikan efek negatif dalam penggunaannya. Metode penelitian yang digunakan adalah kualitatif melalui interview dengan konsumen pengguna kosmetik baik laki-laki maupun perempuan. Konsumen yang memiliki literasi dan edukasi terkait pentingnya kosmetik halal memberikan respon positif dan mempromosikan penggunaan kosmetik berlabel halal, sedangkan konsumen yang masih kurang literasi dan edukasi kosmetik halal masih tertarik menggunakan kosmetik yang belum berlabel halal pada harga terjangkau, atau merupakan kosmetik luar negeri yang belum jelas kehalalannya. Peluang dan tantangan yang dihadapi kosmetik halal di Indonesia diantaranya edukasi dan literasi, harga produk yang terjangkau dan adanya dukungan dari pemerintah dan sertifikasi halal di Indonesia.

Kata Kunci : *Industri halal, kosmetik halal, peluang dan tantangan*

Introduction

The halal industry is now an important topic of conversation throughout the world, as we know the situation and conditions of COVID-19 for more than two years have made everyone around the world start to realize the importance of living healthly and consuming halal products.¹ If previously the market for halal products was considered limited and less profitable, now halal products have been able to become a favorite used by several countries to increase foreign exchange and with a market potential estimated at \$2.7 trillion globally and demand that is not only coming from Muslim consumers, can be a motivation for a number of countries such as Malaysia, Thailand, Indonesia and Japan to compete to become centers for halal products and Halal Hubs.²

Halal lifestyle has now become a lifestyle trend because we know the importance of consuming and using halal products that are good for life and health. Halal Industry has a big opportunity and will be an important part of improving the economy in Indonesia. Currently,

¹ Sutan Emir Hidayat, Ahmad Rafiki, and Muhammad Dharma Tuah Putra Nasution, "Halal Industry's Response to a Current and Post-COVID-19 Landscape and Lessons from the Past," *Journal of Islamic Marketing* 13, no. 9 (2022): 1843–57, <https://doi.org/10.1108/JIMA-06-2020-0180>.

² "World Halal Forum 2013-Bvents.Com," accessed July 8, 2024, <https://www.bvents.com/de/event/420551-world-halal-forum>.

several countries in the world have started to promote the halal products they make and will market. Indonesia, as a country with a majority Muslim population, should have halal products and has the opportunity to become a halal center in the world with support from the government and citizens. The concept of halal in the lives of Indonesian people has been known and applied, especially by Muslims.

Halal is a concept that is not only applied by Muslims, but can also be applied in the daily life of non-Muslims because "Halal is for everyone" and this halal concept can be applied in all countries, not just Indonesia. Halal is intended for everything that is good and clean that is eaten or consumed by all humans according to Islamic law. In the Qur'an, Allah SWT has emphasized in Surah Al-Maidah verse 3 as follows: *"It is forbidden for you to eat carrion, blood, pork and the flesh of animals slaughtered not in the name of Allah, those that are strangled, those that are beaten, those that fall, those who were gored and those that were torn apart by wild animals, except those that you had time to slaughter and those that were also forbidden were those that were slaughtered for idols"* (QS. 5:3). This verse not only explains about consuming processed pork and its derivatives for various purposes including cosmetics.

In the Al-Qur'an, Surah An-Nahl verse 114 also explains: *"So eat what is halal and good from the sustenance that Allah SWT has given you and be grateful for Allah SWT blessings if you worship Him alone"* (QS. 16:114). It is clear that in the Surah An-Nahl, it is explained that Allah SWT commands humans to eat (consume) halal food. This can also be interpreted in products other than food consumed by Muslim consumers, including cosmetics and skin care. According to Sumarwa, Muslim consumers tend to choose products that are declared halal compared to products that have not been declared halal by authorized institutions.³ Awareness of consuming halal products for Muslim consumers, as a result of good understanding of religion and education of producers regarding halal certification of their products. This will have an impact on the increasing number of consumers who care about halal label certification on the products they buy, because currently many consumers are increasingly critical and have good product knowledge before making purchasing decisions.

Cosmetics that are not halal means that in the manufacturing process, the materials used use substances that are not permitted in Islam, perhaps the substances are even considered haram in Islam. Consumers who use halal cosmetics can have a calming impact on those who use them. As a Muslim, you are required to be *wara'* (careful) in consuming and using all the products you use and use so that you have no doubts regarding the halalness of the product you are using and can make the feelings of Muslims who buy the product you are using feel calmer and more comfortable to use and also not endanger their health skin. Likewise with consumers interest in trying cosmetics, because cosmetics have shifted from a complement to a necessity for some groups, especially women and celebrities. Therefore, this research will discuss the opportunities and challenges of halal cosmetics in Indonesia today and the contribution in economic sector.

The definition of label is writing, images, or a combination of both that is included on the container or packaging of a product by inserting it, sticking it or printing it as part of the packaging. The aim is to provide comprehensive and complete information about the contents of the product container or packaging. Labeling on product packaging must be required in such a way that it cannot be easily separated from the packaging, is not easily faded or damaged and is located in a part of the packaging that is easy to see and read clearly. According to Satyahadi the existence of a label on a product is very important.⁴ This is because the label is the identity of a product. By including labels, consumers can differentiate between one product and another. Apart from that, consumers can also get products according to what they want.

³ Indri Afriliantini, Abdul Salam, and Abdurrahman, "Pengaruh Label Halal Dan Celebrity Endorser Terhadap Keputusan Pembelian (Studi Kasus Pada Pelanggan Kosmetik Wardah Di Kota Sumbawa)," *Jurnal Manajemen Dan Bisnis* 2, no. 1 (2019), <https://doi.org/10.37673/jmb.v2i1.300>.

⁴ Premi Wahyu Widyaningrum, "Pengaruh Label Halal Dan Celebrity Endorser Terhadap Keputusan Pembelian (Survei Pada Konsumen Wardah Di Ponorogo)," *Jurnal Ekonomi Syariah Indonesia* 4, no. 2 (2016): 83–98.

The benefits of labels can also eliminate consumer doubts in purchasing a product. Halal (حلال, *halāl*, *halaal*) is an Arabic term in the Islamic religion which means “permitted” or “permissible”. Etymologically, halal means things that are permissible and can be done because they are free or not bound by provisions that prohibit them. According to Qardawi the term halal in everyday life is often used for food or drinks that are obtained for consumption according to Islamic law.⁵ Meanwhile, in a broad context, the term halal refers to everything, be it behavior, activities, ways of dressing, etc., that are permitted or allowed by Islamic law. Halal label is the inclusion of halal writing or statements on product packaging to indicate that the product in question has the status of a halal product. The halal label is obtained after obtaining a halal certificate. According to the technical instructions for halal production systems issued by the Ministry of Religion, a halal certificate is a written fatwa from the Indonesian Ulama Council (MUI) which states that a product is halal in accordance with Islamic law.

This halal certificate is a requirement to obtain permission to include a halal label on product packaging from the authorized government agency. What is meant by halal products are products that meet halal requirements in accordance with Islamic law. According to Burhanuddin, the halal requirements for a product include: it does not contain pork and ingredients derived from pork, it does not contain prohibited ingredients, such as ingredients originating from human organs, blood, feces, etc., all ingredients that are comes from halal animals slaughtered according to Islamic law.⁶ all storage areas, sales areas. Processing, management and transportation areas must not be used for pigs. If it has been used for pork or other non-halal items, it must first be cleaned using procedures regulated according to Islamic law. All food and drinks that do not contain khamr.

The requirements for a halal product according to Islam are halal in substance, halal in the method of obtaining it, halal in the process, halal in storage, in transportation and halal in presentation. Cosmetic products are not eaten and enter the body. Therefore, cosmetics are usually associated with sacred or unclean matters. The product can be said to be *haram* if the cosmetic product contains unclean ingredients, such as animal derivatives (collagen) or parts of the human body, for example the placenta. Halal cosmetics must also not contain alcohol, because alcohol/khamr is not permitted in the halal nature of a product consumed. According to Government Regulation Article 10 Number 69, every producer or distributor of food, medicines or cosmetics which is packaged into Indonesian territory for trade and states that the food is halal for Muslims, is responsible for the truth of the statement and is obliged to include halal information or writing. on the label. In connection with labels, consumers need to obtain correct, clear and complete information regarding quantity, content (halal or haram ingredients), and quality and other necessary matters regarding products circulating on the market. Information on product labels is very necessary so that consumers can make accurate choices before deciding to buy.

Providing halal certification for food products, medicines, cosmetics and other products actually aims to provide certainty of the halal status of a product, so that it can reassure the feelings of Muslim consumers. However, ignorance often means that companies lack the awareness to register themselves to obtain a halal certificate. The validity period of a halal certificate is four years. This is to maintain consistency in producer production during the validity of the certificate by LPPOM MUI and BPJPH.

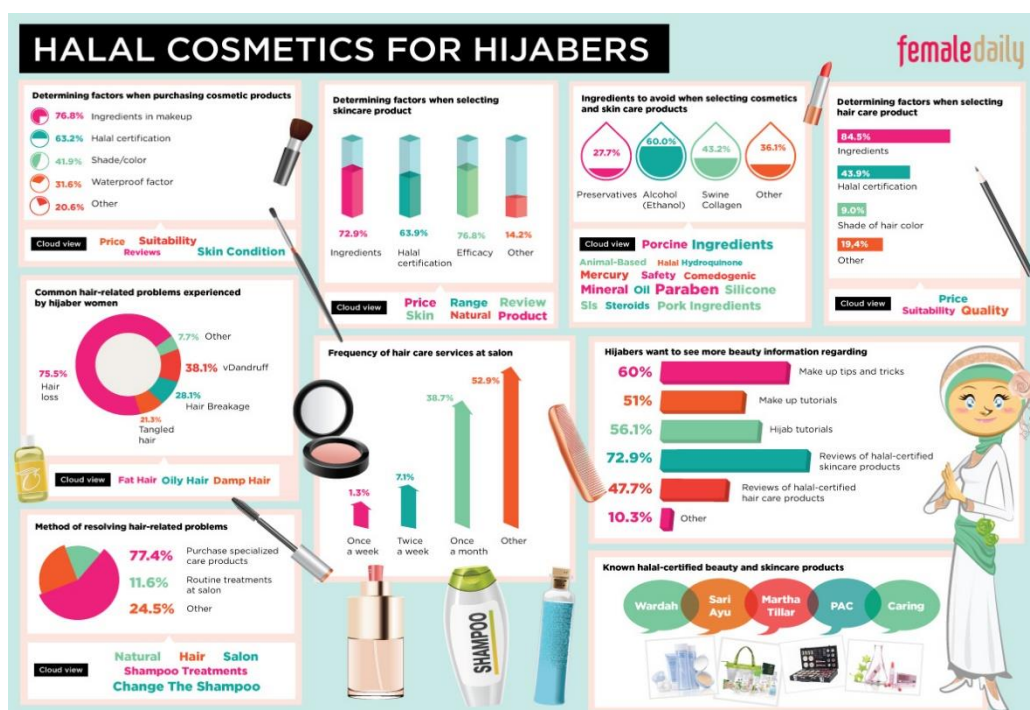
The validity period of a halal certificate is four years. This is to maintain consistency in producer production during the validity of the certificate. Meanwhile, for exported meat, a Certificate is valid. According to Burhanuddin, the current flow of the halal product inspection process is that the producer submits an application for halal certification and labeling to the Food and Drug Monitoring Agency (Badan POM), then the Halal Audit Team (DEPAG, LPPOM MUI

⁵ Azis Sali Husin, Nevi Hasnita, and Evriyenni Evriyenni, “Faktor-Faktor Yang Mempengaruhi Keputusan Pembelian Produk Makanan Berlabel Halal Dikalangan Masyarakat Syiah Kuala Banda Aceh,” *Ekobis Syariah* 3, no. 1 (2021): 1, <https://doi.org/10.22373/ekobis.v3i1.10035>.

⁶ Burhanuddin, *Pemikiran Hukum Perlindungan Konsumen Dan Sertifikasi Halal* (Malang: UIN Malang Press, 2011), 140.

and Badan POM) conducts an audit at the location. The results of the audit are then submitted to the LPPOM MUI Expert Team and forwarded to the MUI Fatwa Commission to obtain a halal certificate and also from the Halal Product Guarantee Agency (BPJPH).⁷

Figure 1. Halal Cosmetic for Hijabers Criteria



Source: Female daily (2022)

From the table above halal cosmetic for Hijabers, with the increasing number of manufacturers present in the market, new choices are created for consumers. Determining which product a consumer will buy will involve a cognitive process starting from evaluating the product until the intention to buy arises, except for impulsive purchases.⁸ Researchers and manufacturers usually use this intention factor to measure future sales potential, but measuring intention is not easy because intention is an abstract internal factor (it cannot be felt through the five senses).

The Theory of Planned Behavior is a model that is commonly used to look at the factors that influence consumer purchasing decisions and behavior towards certain products. According to this theory, an action begins with an intention, where the intention is influenced by three internal factors, namely: attitude, subjective norms, and perceived behavioral control. In this study,

⁷ Ibid., 142.

⁸ Priyabrata Roy, "Theory and Models of Consumer Buying Behaviour: A Descriptive Study," *SSRN Electronic Journal*, no. August (2022), <https://doi.org/10.2139/ssrn.4205489>.

researchers used TPB to find out what factors have a dominant influence on the intention to buy cosmetics labeled halal. The first basis for thinking used is that the purchasing behavior in question is behavior that goes through a cognitive process (not impulsive buying). Second, these factors are internal factors, meaning that although in classical economic theory price is considered as a (main) function of demand, in this research price is not viewed separately but rather when the price has been internalized into the consumer's cognitive system and forms perceptions such as: "I like product" and "halal product".

Methodology

This research used a descriptive qualitative approach. Qualitative research method is a research method based on the philosophy of positivism, used to examine natural object conditions (as opposed to experiments) where the researcher is the key instrument, purposive and snowball sampling, data collection techniques, data analysis inductive/qualitative, and the results of qualitative research emphasize more meaning than generalization.⁹

Research methodology in this paper used qualitative data based on interview, center of data statistic (BPS), Ministry of Industry for the export and import halal cosmetics data in Indonesia, the data from the theory planned behavior of customer on the intention to buy halal cosmetics based on interview with halal cosmetics owner and customer behavior and intention of among Muslim country.

Results and Discussion

A. Halal Cosmetics Consumers Interest and Contribution in Economic Sector.

Currently, many companies have emerged that are entering the cosmetics business in Indonesia. This trend cannot be separated from its very promising business value. The increasing income of the Indonesian population has had an impact on changes in consumer lifestyles, especially among the middle class population. Now consumers are not only thinking about meeting their secondary and tertiary needs. One of the secondary needs of consumers is grooming and fashion where cosmetics are included in this need category. Cosmetic products are also increasingly developing with changes towards healthy and natural lifestyles which also encourage Muslim women in Indonesia to use halal and organic cosmetics.¹⁰

The increasing demand for cosmetics made from halal ingredients and cosmetics with halal positioning indirectly reflects the large influence of religion and literacy education in consumer decision making. Understanding religion is also an important cultural factor to study in the field of consumer behavior because it is one of the most universal social institutions and has a significant influence on a person's attitudes, values and behavior at both the individual and societal levels.¹¹ Export opportunities to the Southeast Asian market are triggered by similar climate, socio-cultural and purchasing power factors. Based on data from the Central Statistics Agency (BPS), national cosmetic product exports last year reached US\$ 600 million. This figure is higher than the 2018 achievement of US\$ 556.36 million. Based on data from the Central

Statistics Agency (BPS), in the first quarter of 2020, the performance of the chemical and traditional medicine industry, which includes the cosmetics sector, grew by 5.59 percent. Based on data from the Ministry of Industry, the cosmetics sector grew significantly in 2020, as seen from the growth performance of 9.39 percent where the cosmetics sector contributed 1.92 percent to Gross Domestic Product (GDP).¹²

⁹ Sugiono, *Metode Penelitian Pendidikan (Pendekatan Kualitatif)* (Bandung: Alfabeta, 2009).

¹⁰ Sugeng Nugroho Hadi et al., "Design, Advertising, And Product Quality: Its Influence on The Decision to Buy Halal Cosmetic STEI Hamfara Yogyakarta," *Social Science, Entrepreneurship and Technology (IJESET)* 1, no. 4 (2022): 279–91, <http://journal.sinergicendikia.com/index.php/ijeset>.

¹¹ Dalia Abdelrahman Farrag and Mohammed Hassan, "The Influence of Religiosity on Egyptian Muslim Youths' Attitude towards Fashion," *Journal of Islamic Marketing* 6, no. 1 (January 1, 2015): 95–108, <https://doi.org/10.1108/JIMA-04-2014-0030>.

¹² Badan Pusat Statistik, *Statistik Indonesia 2020* (Jakarta: Badan Pusat Statistik, 2020), <https://www.bps.go.id/publication/2020/04/29/e9011b3155d45d70823c141f/statistik-indonesia-2020.html>.

With abundant raw materials, Social Bella Chief Executive Officer (CEO) John Marco Rasjid is optimistic that the beauty product industry has the potential to grow, Quoting Euromonitor, John said. The beauty and personal care market in Indonesia is estimated to reach US\$ 6.03 billion in 2019. This figure, he said, will grow to US\$ 8.46 billion in 2022. The following is a table of halal cosmetic sales in Indonesia.

Figure 1. Cosmetic Selling in Indonesia



Source: Center of Data Statistic (BPS, 2021)

On average, the total expenditure of Indonesian people for cosmetic and personal care needs is still US\$ 20 per capita. This figure is smaller than Thailand (US\$ 56 per capita) and Malaysia (US\$ 75 per capita). There are three fundamental things that will encourage the growth of the beauty industry. First, Indonesia has a very large young population. John noted that the average age of Indonesian people is currently 28 years. Second, Indonesia fairly good economic growth can support industry. Third, social media also makes a big contribution.

Co-founder of local cosmetics MakeOver, Wardah, emina, Mrs. Nurhayati Subakat, is also optimistic that domestic products will become increasingly popular. This, she said, along with high consumer demand for domestic product innovation and how products can now compete in local and global markets. "Consumers of cosmetics now tend to increase and are proud to use local products rather than imported products," said Mrs. Nurhayati. That's why, she said, this year Wardah, MakeOver will launch many new products in accordance with consumer demand. Despite fierce competition, the company remains focused on product development and continues to expand. Wardah and MakeOver targets women of productive age as the main market share. Advances in technology, social media and digital platforms will make cosmetic products increasingly diverse and affordable for domestic consumers and good for skin health.

Until last year, the government recorded that there were 797 large cosmetic industries and small and medium industries (IKM) in Indonesia. This figure is up from 760 companies in the previous year. From 797 national cosmetics industries. There are 294 industries registered with the Investment Coordinating Board (BKPM). Below you can see graphic images of cosmetic products before and after the COVID-19 condition, this shows that there is a decline but the decline is not decreasing drastically and shows a positive and quite significant change with the current conditions and can be seen that there is a quite significant increase, this is This is shown by the export of new Indonesian cosmetic products of around US\$ 135.67 million or IDR 1.97 trillion in January – August 2020. The country of export destination for Indonesian cosmetic products is currently Thailand with a share of 18.89% of total exports and Singapore with 16.58 %.¹³

¹³ Badan Pusat Statistik, *Statistik Indonesia 2021* (Jakarta: Badan Pusat Statistik, 2021).

Figure 2. Exsport and Import Halal Cosmetic in Indonesia



Source: Center of Data Statistic (BPS, 2021)

B. Challenges and Opportunities for Halal Cosmetics in Indonesia

The knowledge possessed by consumers regarding things that are prohibited and permitted (halal and haram) in Islamic law has succeeded in influencing attitudes towards halal cosmetic products. Based on the survey results, it shows that knowledge has a positive influence on attitudes, which can be interpreted as follows, the greater the knowledge that consumers have regarding halal and haram issues, the greater their attitude towards halal cosmetic products. Meanwhile, in research by Rahman, et al (2015), no influence was found between knowledge and attitude. This research did not find a relationship between consumer knowledge regarding halal and haram issues and did not influence consumer attitudes towards halal cosmetic products.¹⁴ Apart from that, in this study, the p-value showed a negative direction of relationship which was different from the hypothesis. However, several researchers have reported that the greater the knowledge related to organic food, the more positive influence it will have on attitudes towards organic food.¹⁵ Therefore, this research has interesting findings where the level of knowledge possessed by consumers regarding halalness has a positive influence on consumer attitudes towards halal cosmetic products.

The Indonesian Ulema Council (MUI) is an institution that is competent to guarantee halal products.¹⁶ In its operational and work processes, the role of MUI is assisted by LPPOM-MUI (Institute for the Study of Food, Drugs and Cosmetics, Indonesian Ulema Council). This institution was formed to help the Ulema Council determine policies, formulate provisions, recommendations and guidance on food, medicines and cosmetics that contain ingredients in accordance with those permitted in Islam and is currently also assisted by the Halal Product Guarantee Organizing Agency (BPJPH) where has the authority to provide halal certification to products and goods circulating in Indonesia. Cosmetics are a very important need for a woman. Whether they realize it or not, in their daily lives, women cannot be separated from cosmetics. This body care product is used by most women from morning to evening. Therefore, many companies are trying to meet the need for cosmetics with various product innovations.¹⁷ In the context of the world of consumption, obligations in religion and belief direct people's attitudes and feelings towards various products

¹⁴ Azmawani Abd Rahman, Ebrahim Asrarhaghighi, and Suhaimi Ab Rahman, "Consumers and Halal Cosmetic Products: Knowledge, Religiosity, Attitude and Intention," *Journal of Islamic Marketing* 6, no. 1 (January 1, 2015): 148–63, <https://doi.org/10.1108/JIMA-09-2013-0068>.

¹⁵ Joris Aertsens et al., "The Influence of Subjective and Objective Knowledge on Attitude, Motivations and Consumption of Organic Food," *British Food Journal* 113, no. 11 (January 1, 2011): 1353–78, <https://doi.org/10.1108/00070701111179988>.

¹⁶ A Wiku, *Sistem Kesehatan* (Jakarta: Raja Grafindo Persada, 2008).

¹⁷ Authors and Febsri Susanti Ade Candra Gunawan, "Pengaruh Bauran Promosi Dan Harga Terhadap Keputusan Pembelian Produk Kosmetik Maybelline Di Kota Padang," 2017, <https://doi.org/https://doi.org/10.31227/osf.io/npjqh>.

such as food, financial products, cosmetics and pharmaceutical products.¹⁸ Based on this study, intra-personal religiosity also has a positive influence on consumer attitudes towards halal products. Then, there is also research which states that the majority of young Muslims in Malaysia strongly agree that they buy halal products because of their religious beliefs.¹⁹

Based on the results of interviews from this research, it shows that there is a need for literacy and education among the public regarding why they should use halal products, what benefits they can gain, the presence of a halal label can provide evidence that consumer preferences will use cosmetic products with halal labels and motivate consumers to choose Sharia-compliant products are not arbitrary and also have a good impact on daily care and safeguarding the gift of Allah SWT. Although in reality there are still many Muslim women who are interested in and use cosmetic products that are not labeled halal on the grounds that these products are made from natural ingredients such as plants and fruit which are extracted and made into cosmetic products. Many ordinary people still don't know that using halal cosmetic products not only provides benefits for health, but also that the products do not have a negative impact and have been clinically tested and do not cause allergies, irritation and so on. With halal and Sharia-compliant cosmetics it will not hinder the ablution water, in fact the advantage is that it is guaranteed to be good for facial health and does not contain chemicals that can damage the skin.

Public perception of halal cosmetics will also shape their purchasing attitudes. Perception is understanding or knowledge that has an influence on the intention to purchase a product. Perception as part of a consumer's attitude towards an object can influence the processing of related information, judgment and resulting behavior. Negative attitudes can have a greater or longer lasting impact than positive or neutral attitudes.²⁰ Consumer purchasing behavior whether they realize it or not will involve motivational factors. Motivation as the initiation and direction of behavior and motivation lessons are actually lessons about behavior.²¹ Motivation also lies behind consumer preferences for halal cosmetics.

In an effort to meet the needs of the Muslim community for products and services that are more guaranteed to be sharia-compliant for the products consumed, manufacturers are encouraged to market products with halal positioning. Along with social dynamics and economic growth, demand for cosmetic products continues to increase, more and more cosmetic manufacturers are positioning their products as halal cosmetics. It is not yet known what the perceptions, motivations and preferences of the Muslim community in Indonesia are towards halal cosmetic products. Below you can see the impact of COVID-19 on the halal industry in Indonesia and from the picture below you can see that apart from halal food, halal fashion, media, halal pharmaceuticals, Islamic finance and halal cosmetics. It can be seen that there is an influence from halal cosmetics in contributing to the figure of \$64 trillion in 2019 and will increase in 2024 to reach \$85 trillion. This shows that there are quite significant changes and increases in the development of halal cosmetics.

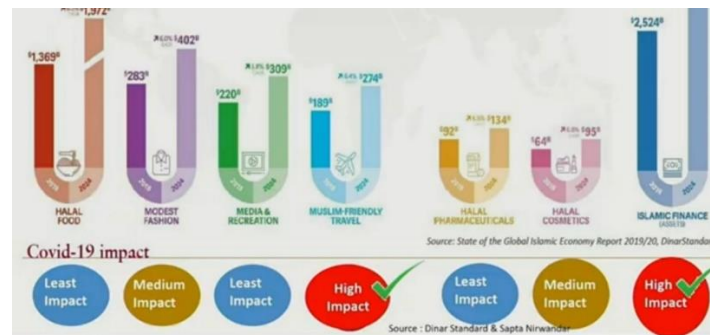
¹⁸ Leni Susanti and Muhammad Fithrayudi Triatmaja, "Pengaruh Religiusitas Dan Green Consciousness Terhadap Keputusan Pembelian Sabun Cuci Green Wash," *Media Ekonomi* 23, no. 1 (2023): 1, <https://doi.org/10.30595/medek.v23i1.14229>.

¹⁹ Ajeng Larasati, Sri Rahayu Hijrah Hati, and Anya Safira, "Religiusitas Dan Pengetahuan Terhadap Sikap Dan Intensi Konsumen Muslim Untuk Membeli Produk Kosmetik Halal," *Esensi: Jurnal Bisnis Dan Manajemen* 8, no. 2 (2018): 105–14, <https://doi.org/10.15408/ess.v8i2.7459>.

²⁰ J.A. (Eds.). Petty, R.E., & Krosnick, *Attitude Strength: Antecedents and Consequences (1st Ed.)* (New York: Psychology Press, 1995), <https://doi.org/https://doi.org/10.4324/978131580704>.

²¹ Andre Ridho Saputro, "Motivasi, Persepsi Dan Preferensi Konsumen Terhadap Rantai Pasok Halal," *Journal of Manufacturing in Industrial Engineering & Technology* 1, no. 1 (2023): 52–57, <https://doi.org/10.30651/mine-tech.v1i1.16639>.

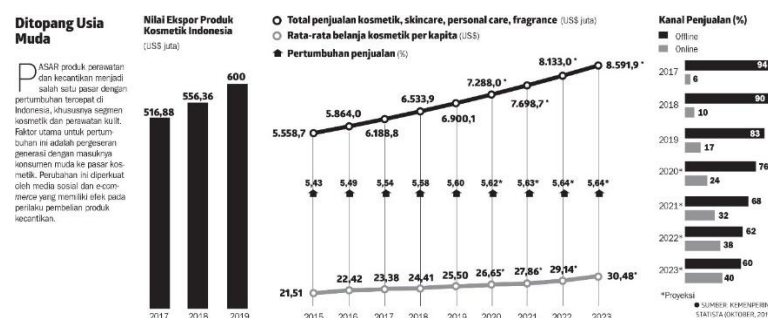
Figure 3. Development Halal Industry in Indonesia



Source: Center of Data Statistic (BPS, 2020)

From the graphic image below, it can be seen that the export value of Indonesian cosmetic products from 2017 - 2021 has increased quite significantly and is in a stable condition, this shows that there is still a lot of demand in the export market and total sales are increasing from year to year and it is predicted from 2021 – 2023 it will continue to experience quite significant increases and provide maximum sales results.²²

Figure 4. Halal Cosmetic Growth in Indonesia



Source: Ministry of Industry (2020)

Obstacles and challenges always exist in the world of business and enterprise, and they are an inevitable part. However, with an optimistic attitude, intelligence in reading opportunities and the right solutions, all these challenges and obstacles will be overcome. The desire of business people to get big profits through bad methods, namely by selling haram products, will lose trends, customers and ultimately harm themselves.²³

Providing halal products has become part of business needs, no longer an option. The government's role, which is now stated in the BPJPH Law, will be to provide the best solution for halal business opportunities, if it is implemented well and realized immediately. Outreach to the public and making them aware is an integral part of making halal a lifestyle for both Muslim and non-Muslim communities. For companies, if they don't want to lose customers, they must be able to read opportunities by making halal certification a part of excellent service.

Conclusion

Based on the discussion above, it can be seen that the results of the research that has been carried out show that the opportunities and challenges for halal cosmetics to contribution in economic sector in Indonesia are very diverse, starting from the importance and need for education

²² Badan Pusat Statistik, *Statistik Indonesia 2020*.

²³ Hendri Hermawan Adinugraha et al., *Perkembangan Industri Halal Di Indonesia* (Pekalongan: SCIENTIST PUBLISHING, 2022).

and literacy on the importance of using halal cosmetics, both from the materials used for making them, the process to becoming ready-made cosmetics. used and has halal certification from LPPOM MUI and BPJPH. The cosmetic product market in Indonesia is very large and the cosmetic products that are widely marketed have different criteria and each have their own advantages and have huge potential in the global market to become the center of the halal cosmetics industry.

Users, both Muslim women and men, who have education and literacy regarding religion are important and need to use halal cosmetics not only to improve the beauty of their appearance, but also safe in the sense of complying with sharia, not disturbing the ablution water, so they can be used comfortably. Nowadays, halal cosmetics have become a trend and also have product quality that suits the needs of Muslim women. Halal cosmetic products have a very good image, namely they have the perception of cosmetics that are truly sharia-compliant, of high quality, and have a positive image and in terms of quality and affordable prices they can also be purchased by various groups.

Consumers will also feel satisfied with halal cosmetics, from raw materials, process, packaging to cosmetics that are ready to be marketed and used by consumers. The opportunity for halal cosmetics is currently very large, especially as the majority of the Indonesian population is Muslim. The ingredients for making products come from ingredients that have been tested for halalness, which does not have a negative effect but rather has a positive impact in the future. The role and sales of cosmetics can also help improve the Indonesian economy and foreign exchange. The challenge faced by halal cosmetics is that there are many foreign cosmetics circulating on the market, prices vary from cheap to expensive, the quality of the cosmetics is not clearly halal and can be harmful to health, but there are also cosmetics that already have brands and are widely used by people. artists and people who have an important role in the Government. Therefore, there is a need for important literacy and education on the benefits of using halal cosmetics and there needs to be commitment, innovation and synergy of all parties in developing halal cosmetics in the future. With the synergy and cooperation of all parties, there is nothing that cannot be done to market halal cosmetic products and for the welfare of the people. If God allows.

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