

## **Bright Prospect for Thai Halal Cosmetics**

Nowadays, the popularity of halal products and services are growing constantly and have the potential to expand further due to 3 major factors. These include the growing Muslim population that could reach 2.2 billion in 2030 or 26.4 percent of the world population, the economic strength of most members of the Organisation of Islamic Cooperation (OIC), with 6.3 percent of average GDP growth during 2013 – 2018, and the burgeoning number of middle-class Muslims around the world. This gives Thai halal products and services bright prospect for expansion in new markets.

Cosmetics are one of the feasible products for Thai entrepreneurs who are targeting Spain as their next potential market.

Thomson Reuters Report (2018) indicated that in 2017 the world halal cosmetics industry accounted for over 61 billion USD and is expected to reach 90 billion USD by 2023. According to the Global Islamic Gateway, in 2015, Muslims in Spain spent over 380 million USD on domestic cosmetic products. This amount is expected to reach 450 million USD in 2020. Nevertheless, 2 million Muslims in Spain face difficulties in finding halal cosmetics, as it is rarely available in the market, despite high demand and high purchasing power of the clients.

### **What are halal cosmetics?**

Halal cosmetics are produced from halal materials, which must not consist of pig, alcohol, animal fat, and other forbidden materials under Islamic rules. Most halal products are created from natural materials, such as plant and mineral extracts. As such, halal cosmetics are not only suitable for Muslims, but also for consumers who care for their own health and the environment.

As opportunities for halal cosmetics in Spain are very high, Mademoiselle Saint Cloud, a halal cosmetics brand from Paris, has already been distributing products in Spain. Nonetheless, only 2.2 percent of 350 companies that sell cosmetics and medical supplies in Spain have certification from the Halal Institute of Spain, such as Laboratorios Valquer and Bany Cosmética Halal. Thai entrepreneurs have the potential to gain market share in Spain by focusing on products that are derived from nature and herbs, as it will satisfy Muslim consumers, Muslim tourists from Europe and OIC countries, as well as those in Spain who care for their health and environment.

The perfume and cosmetics industry in Spain have gradually grown over the past 3 years. In 2017, the Spanish purchased perfume and cosmetic products worth 6.82 billion euros, which is an increase of 2.15 percent compared to the previous year. Products in the perfume and cosmetics industry can be divided into 5 categories in order of economic value, as follows:

Product	Value (million euros)
Skincare cosmetics	1,908.07
Body wash products	1,650.82
Perfume and incense	1,312.92
Hair care products	1,277.82
Facial, lip, nails, and eye cosmetics	670.04

The products with increasing popularity among Spanish customers are perfume and incense (5.4 percent) especially men's perfume (7 percent), colour-induced cosmetics (3.2 percent), especially lipstick (7.4 percent); and make-up (4.6 percent). As for skincare cream, hand cream gained the highest increase in popularity (8 percent), followed by facial cream (1.4 percent).

With regard to self-care, both cleanliness and external appearance form part of Spain's deeply-rooted culture, with the Spanish spending an average of 147 euros on perfume and cosmetics per year, which is higher than the European average of 137 euros. Nevertheless, despite a lower amount of spending than some European countries, such as Switzerland, Norway, France, and Italy, the Association of Perfume and Cosmetics of Spain, or Stanpa, emphasized that this industry has potential to grow further. When this potential is combined with the highly popular trend of cosmetics derived from natural and organic materials, one can conclude that halal cosmetic products should be able to satisfy the needs of consumers, especially those of Muslims in Spain.

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