

# Beauty Premium and Halal Cosmetics Industry

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## ABSTRACT

This paper provides some insight on an unexplored most emerging sector of Islamic marketing and economy “halal cosmetics”. Beauty is one of the biggest reality in this world everyone likes to look beautiful and beauty around, that’s why in modern age expense on cosmetics increase. Cosmetics are articles that used to increase beauty. There are many types and categories of cosmetics. Muslims are bound to religious requirements in every sphere of life, including cosmetics, therefore, there is a big scope for halal cosmetics industry to flourish and earn the profit. It is a source of marketing expansion. Non-Muslims also attract towards halal cosmetics for its natural, environmentally friendly and green ingredients. Facts and figures also show evidence that halal perspective of cosmetics is a matter of concerns for consumers, producers, manufacturers, and marketers.

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## 1. Introduction

Our bodies and facial appearance play significant roles in present society (Gill, Henwood, & McLean, 2005; Turner, 2008). Physically attractive people can gain more opportunities to have a perfect match. In addition, the physical attraction also helps to gain advantages in all fields of life, it's especially true for women's careers (Hamermesh & Biddle, 1994; Härkönen, 2007; Sarlio-Lähteenkorva, Silventoinen, & Lahelma, 2004). People also feel that more physically attractive people are more intelligent, cooperative, dominant, social and higher in self-esteem (Andreoni & Petrie, 2008; Mulford, Orbell, Shatto, & Stockard, 1998). According to Aristotle,

*“Personal beauty is a greater recommendation than any letter of reference”.*

Comparative beauty is rewarded. Physically attractive people make more money than less or not attractive ones. This premium to beauty is reflected in Hamermesh and Biddle's (1994) results, ) results that plain people earn less than good looking people. It is found that beautiful people are not awarded due to their behaviors, but due to the expectations of other people. Socially, people believe that attractive people are more cooperative. It is a false belief about attractive people that give them beauty premium (Andreoni & Petrie, 2008).

## 2. Beauty Premium

Beauty is rewarded in shape of beauty premium. Simply beauty premium means monetary rewards taken on the basis of physical attractiveness. It is a complicated phenomenon based on attractiveness stereotype that more attractive people are more social, more intelligent, warmer, more cooperative and more successful, this stereotype results in extra advantage to attractive people and they gain more money on the same job and same task against less or unattractive people this whole phenomenon is given the name of “beauty premium”. Beauty premium is reality and researchers have consistently supported this, an experiment finds three channels about sizeable beauty premium: (a) attractive people are more confident and confidence increases wages (b) attractive people are more considered by employers due to their confidence; (c) just due to increased confidence physical attractive people have more improved oral skills in turn they gain a wage increment (Mobius & Rosenblat, 2006).

Beauty premium gained as a result of the contribution of multiple traits those are directly or indirectly linked with physical attractiveness as previous researchers show.

- Physically attractive people are more emotionally stable that's lead to beauty premium (Umberson & Hughes, 1987).
- People generally believe that physically attractive people are more intelligent and active (Cialdini, 1984), but experiments show that actually there is no difference in intelligence level between physically attractive and less attractive people (Feingold, 1992).
- Physically attractive people are more social and feel less lonely and depressed (Feingold, 1992).
- Attractive people are more popular than less attractive people and other people like to interact with physically attractive people (Feingold, 1992).
- People like to share their personal information with attractive people (Brundage, Derlega, & Cash, 1976).
- People with more enhanced appearance are more likely to be reinforced than unattractive people (Gallucci & Meyer, 1984).
- Physically attractive people readily cope with psychological disturbances than unattractive people (Cash, Kehr, Polyson, & Freeman, 1977).
- Physically attractive people feel less guilty than unattractive people if both come across with the same crime (Efran, 1974).
- More beautiful offenders in sex related crimes are less dangerous than less beautiful offenders (Esses & Webster, 1988).
- When attractive people encounter a crime they found to receive more generous sentences than unattractive people (Desantts & Kayson, 1997).
- Attractive people always gain an advantage as they are more considerable even babies also prefer more beautiful faces, then less beautiful (Langlois et al., 1987).

On the basis of above social benefits physically attractive people are given more considerations in employee and employer relationship and gain more financial benefits that are called "beauty premium". To gain this reality of the beauty premium expense on beauty products increases (Sarpila & Räsänen, 2011). Men and women both use cosmetics and beauty product to increase their beauty and gain beauty premium (Jones, Kramer, & Ward, 2014).

### **3. Meaning of Cosmetics**

Definition of cosmetics varies, but in general term cosmetic means “any article intended to be used by means of rubbing, sprinkling or by a similar application to the human body for cleansing, beautifying, promoting attractiveness, altering the appearance of the human body, and for maintaining health of skin and hair, provided that the action of the article on the human body is mild” (Mitsui, 1997).

In current usage, a cosmetic is “any preparation, which is applied to the skin, eyes, mouth, hair or nails for the purpose of cleansing, enhancing appearance, giving a pleasant smell or giving protection” (de Groot & White, 2001).

The Federal Food, Drug, and Cosmetic Act (FD&C Act) defines cosmetics by their intended use, as “articles intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body for cleansing, beautifying, promoting attractiveness, or altering the appearance”.

### **4. Purpose of Cosmetics**

Cosmetics going to gain more importance day by day and their usage increased in daily life. It's very difficult to state when first cosmetics are used. Archaeological excavations stated that cosmetics are used from the stone age (Pack, 2008). Earlier people used cosmetics for safety and protection from heat sunlight. In past people use oils moisturizing and paints to protect their bodies. Cosmetics also used for religious perspectives. Different types of woods and fragrances are used to make smoke that would defend against evil spirits. Further personal body paints also used to guard against evil. With the change of the era, these types of purposes of cosmetics are disappearing (Mitsui, 1997). In modern societies cosmetics have varying usage from personal to environmental , to prevent aging, and in general to help people enjoy a more full and rewarding life (Mitsui, 1997; Pack, 2008).

### **5. Classification of Cosmetics**

Cosmetics companies produce and supply varieties of cosmetics products according to customer requirements. Any product that a customer uses for his health care, facial and skin treatment for outside appearance, or to maintain his health by cleaning and even utilization of natural and inorganic ingredients to prevent damage from the encompassing environment are altogether gone under cosmetics. Cosmetics are classified into following categories:

- Skincare
- Body & Oral Care Cosmetics
- Makeup
- Hair care
- Fragrance

### ***Skincare***

Facial products are used on the face. Mainly they are used for cleansing, skin balance, and protection (Jain, Jain, & Jain, 2013). Skin cleansers, Moisturizers, Anti-ageing products, Sunscreen products, Liposome's, and Acne are falling in a skin care product category (Mitsui, 1997; Schmitt, 1992). 27% skin care products are used in total global cosmetics (State of the Global Islamic Economy, 2014 Report).

### ***Body & Oral Care Cosmetics***

Body care cosmetics include soap, Body shampoo, Sun care Products, Hand care Products, Deodorant and Bath preparations. Oral care cosmetics mainly include toothpaste and products such as mouthwash or mouth freshener (Jain et al., 2013; Mitsui, 1997). The share of a body and oral care cosmetics is 23% in total global cosmetics (State of the Global Islamic Economy, 2014 Report).

### ***Makeup***

Makeup mostly used on the face. Other makeup's cosmetic is nail enamel. Face makeups have come into the category of base makeup and point makeups. Foundation, Face powder, Lipsticks, Blushers, Eye Shadow, Eye Liners, and Nail Enamels are falling in makeup product category (Matsuoka et al., 2006; Mitsui, 1997). In the global cosmetic segment, 20% makeup products are used (State of the Global Islamic Economy, 2014 Report).

### ***Hair Care***

Hair care cosmetics are divided into categories of shampoos, treatments, and hair styling agents as well as permanent wave agents and hair colors. Other products, hair care includes hair growth supporters and scalp treatments. Shampoos, Rinses, Hair Treatments, Hair Mousses, Hair Liquids, Hair Color, Hair Bleaches, Hair Tonic, and Scalp Treatments are falling in the hair product category (Jain et al., 2013; Mitsui, 1997). In the global cosmetic

segment, 20% share hair products are occupied (State of the Global Islamic Economy, 2014 Report).

### ***Fragrance***

Fragrances are mostly used on the body. The typical fragrance is perfume, but there are also Eau de colognes made by varying the amount of fragrance used (Jain et al., 2013; Mitsui, 1997). 10% fragrance, cosmetics have shared in the total global cosmetics industry (State of the Global Islamic Economy, 2014 Report).

## **6. Religion Perspective**

Many researchers have explored that religion plays important role in consumer purchasing behavior. Delener (1994) find out that different people have a different level of religiosity they are divided into four levels: the extremely religious, the modest, the less religious and the non-religious. Their consumption patterns are affected by their level of religiosity. For third category people, religion factor may have weak influence or no influence on consumption decisions. Religion effects on individual's lifestyle and values. Certain products are banned by Islam, Christianity, and Judaism (Assadi, 2003). For example, Muslims are not allowed to eat pork-based products or non-halal items. Similarly, Jews have to consume kosher products and Christian and Muslim women must dress decently and Christian women are not allowed to wear gold.

## **7. Fastest Growing Religion**

Muslim is the World's second largest religious group. Pew Research Center (2015) reveals that followers of Islam are 1.57 billion, that makes 23 % of the total world's population. It is estimated that Muslims population going to grow as twice as fast as overall world population from 2010 to 2015 and it will exceed from largest religious group Christian's population in the second half of this century. The world's population is projected to grow 35 % in coming decades, but Muslims will be going to grow by 73 % and becomes 2.8 billion in 2050 against 1.6 billion in 2010.

After four decades, they estimated to be 29.7 % of the world's population. In 2050, Christians and Muslims are near to be equal, but Christian will remain world's largest group with 31.4 percent of the world's population, (Michael Lipka, 2015). The median age of Europeans was 40 years, but Muslims have eight years younger than European with a median age of 32 years in 2010 (Hackett, 2015).

## **8. Halal Principle**

Halal is an Arabic word meaning “permissible”. In English, it’s mostly used for food that is permissible in Islam. In the Arabic language, it refers to anything that is permissible under Islam (Kamali, 1991). Its antonym is “Haram”. The term halal and haram will be used to describe food products, meat products, cosmetics, personal care products, food ingredients, beverages and food contact materials. According to Qaraḍāwī (1994), the term halal means “permissible for consumption and used by Muslims, whereas haram is anything that is unlawful or forbidden”. Halal (lawful) and haram (unlawful) are clearly shown in Islamic law and considered to be serious matters. Halal covers everything and all stages from raw material sourcing to the distribution of end products, and up to delivery to consumer’s (Man & Sazili, 2010).

## **9. Halal Requirements**

For products to be considered Halal products must fulfill the following requirements

- Should not include any animal or parts of the animal are not permissible in Islam
- Not include any parts or products of Halal animals (such as cattle, goats, sheep, and poultry) that are not slaughtered according to Islamic law (Shariah).
- Do not include any constituents that are Najs (filthy or unclean) according to the Islamic law.
- Are safe (not have any chemical, or biological/ microbial hazards).
- Are not equipped, processed or manufactured using equipment that is adulterated with things that are regarded as Najs according to the Shariah.
- Human flesh and blood are not allowed.
- During all stages of supply chain physically separated from any other items that do not meet the standards stated above or any other things that have been decreed as Najs by the Shariah.

## **10. Core Sectors of Islamic Economy**

Still following are core sectors of Islamic economic are identified.

- Halal Food Sector
- Islamic finance Sector

- Travel Sector
- Fashion Sector
- Media and Recreation Sector
- Pharmaceuticals and Cosmetic Sector

### **11. Demand for Halal Cosmetics**

Muslims consumer's behaviors changed in recent years due to increase in Muslim population and increased level of awareness of young Muslims. Muslims population is expected to increase up to 1.6 billion in coming years. Therefore, the global halal cosmetics market will be flourish that meets religious requirements of Muslims. Increased level of education and awareness, increased the need to establish and develop general standards for Halal products including cosmetics (Swidi et al., 2010). It is important for the cosmetic industries to fulfill consumers' needs and make the profit along with fulfilling the social responsibilities to satisfy health-conscious consumer (Teng & Jamaliah, 2013).

Research on Halal products increased awareness as well encourage manufacturers, producers, and marketers should not only think about how to increase the return but also they should understand basics on the preparation about halal to encourage them to produce innovative goods that are truly halal (A. J. C. M. Hashim & Musa, 2013). Researchers indicate that consumers prioritize halal products and they are willing to pay higher for brands those are labeled as halal (Hussin, Hashim, Raja Yusof, & Alias, 2013).

### **12. Acceptance of Halal among Non-Muslim Consumers**

Choosing halal products are the most and essential requirements for Muslim consumers to fulfill religious requirements and gain soul satisfaction while consuming. Non-Muslim consumers those have no religious obligations, on the other hand, value halal because of its organic nature and health benefits which are a purely mindful individual decision (Mathew, 2014; Rezai, Mohamed, & Nasir Shamsudin, 2012; Rezai, Mohamed, Shamsudin, & Chiew, 2010).

Non-Muslim consumers do have purchasing and positive intentions towards halal cosmetics. This is a vital opportunity for the halal industry to seriously consider the non-Muslim community in halal marketing potential (Haque, Sarwar, Yasmin, Tarofder, & Hossain, 2015; Mathew, 2014).

### **13. Halal Cosmetic Covers all Aspects Natural and Eco-ethical**

Halal products are an essential need for all Muslims. Halal requirement includes each and every step carefully from raw material to products in a customer's hand. It also embraces the safety of the product make products natural and eco-ethical from all aspects and increases product efficacy that's why non-Muslims also prefer halal products (P. Hashim & Mat Hashim, 2013). Halal-certified products are more ethical, eco-friendly, organic and the green, with a non-exploitive and humanitarian approach. Halal certification and ingredient certification increases ethical standards, and they connect with the concept of social responsibility and the idea of interdependence and sustainability, which includes the environment, community, economy and business management and manufacturing practice. All brands those truly following halal requirements are fighting against cruelty, environmental pollution and establishing towards green marketing (Aoun & Tournois, 2015). It is proved that halal products are more natural and eco-friendly, it's not only fulfilling religious requirements but they are saving the universe as a whole (Chen, 2009; Dweck, 2011; Jain et al., 2013).

### **14. Conclusion**

The main purposes of this paper are to put light on emerging and full of potential marketing segment Halal cosmetics. Halal market is full of potential even in the phase of decline when other marketing sectors are going down it provide opportunities and return on the turn. Halal has future perspective in other categories than food; it is full of potential in cosmetics, tourism, fashion, media, and pharmaceutical. Halal marketing is a source of attraction not only for Muslims but non-Muslims also has a positive response because it's environmentally friendly, eco-ethical and green marketing values. What makes an idea "big" and separates it from its "not-so-big" peers? The answer is Halal Certification. It is advised both for researchers as well for practical bodies to putt more consideration on the Halal concept to unexplored its advantages.

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