The power of quality in product management of cosmetics. The case of 'halal' beauty products

Сила качества в управлении продуктом для красоты на примере халяль косметики

Summary
The article presents the role of quality in cosmetics production and quality impact on the consumer choice, including the example of 'halal' cosmetics. The author describes the meaning of 'halal' in cosmetics production as well as the most important factors of buying decisions of beauty products for Muslim women. The examples of Polish cosmetics which can be appropriate for Muslim women according to Islamic rules show the potential of the 'halal' products market for variable producers, regardless the geographic distance or different culture. Moreover, the author presents the examples of international marketing tools suitable to reach Muslim cosmetics market and establish strong well-known brand in it.

Keywords: quality, quality management, international marketing, product management, branding, cosmetics, halal, Muslim culture.

Резюме
В статье представлена роль качества в производстве косметики и влияние качества на потребительский выбор, в том числе пример халяль-косметики. Автор описывает значение «халяль» в производстве косметики, а также самые важные факторы решений о покупке косметических продуктов для мусульманских женщин. Примеры польских продуктов для красоты, которые могут быть уместны для мусульманских женщин в соответствии с исламскими правилами, показывают потенциал рынка халяль-продуктов для разных производителей независимо от географической дистанции или другой культуры. Кроме того, автор представляет примеры международных маркетинговых инструментов, подходящих для достижения рынка мусульманской косметики и создания в нем прочного известного бренда.

Ключевые слова: качество, управление качеством, международный маркетинг, управление продуктом, брендинг, косметика, халяль, мусульманская культура.
Introduction

Quality in production processes is something obvious and widely used in modern manufacturing. The wide range of companies need to implement quality management systems weather they want to exist on particular market. This modern phenomenon concerns almost every industry branch, introducing quality management elements to every sphere of business.

Quality is a term described in a huge set of definition. According to business-dictionary.com, quality in manufacturing is a measure of excellence or a state of being free from defects, deficiencies and significant variations. It is brought about by strict and consistent commitment to certain standards that achieve uniformity of a product in order to satisfy specific customer or user requirements.

Quality defined in quality management handbooks is closely tied up with value of satisfaction of the customer in relation to his/her expectations which are listed in the form of specifications, standards and reference values. It can be also present as “a performance to the standard expected by the customer”, meeting the customer’s needs the first time and every time”, “providing customers with products and services that consistently meet their needs and expectations” or “doing the right thing right the first time, always striving for improvement, and always satisfying the customer”. In addition, product quality is a feature, which should be reviewed in proper context. If someone show another person an item with unknown destination, it is difficult to evaluate its quality.

What all of the above mentioned definitions have in common is definitely customer focus approach. It can be also highlighted that clients satisfaction is hard to underestimate, particularly in the times of high competition and mass production. It should be rather add to every company mission, vision and objectives statement treated as a road map for long term organization’s activity. Furthermore, the quality management professionals point out the close relation between quality and marketing, due to the marketing role of seeking people’s needs and wants, generally called client expectations. There is also another connection between quality and marketing, leading to the marketing flagship term of 4P’s (Product, Place, Promotion, Price). Featured by 4P’s rules, the quality of product can be placed in the context of product (What is it?), place (location where the product

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5 Goetsch David L. Quality management..., p. 28.
is offered, e.g. shop, restaurant, office, Internet), promotion (How it looks like? Why people need it?) and price (What amount of money client must pay for it?)⁶.

Undoubtedly quality management popularity is the issue of new product development in cosmetics production. Cosmetic products, due to sensible and close relation between products and clients, has to set up specified quality, unless they want to disappear from the market. It could be said that quality in cosmetics production build the brand position on the market and has an overlooked impact on image of a whole cosmetics producer’s activity including other products from its portfolio.

**Quality approach in cosmetics production**

Quality in cosmetics industry is provided and controlled on the basis of several ISO (International Organization for Standardization) standards. The most important and popular among them is ISO 22716:2007 Guidelines on Good Manufacturing Practices (GMP)⁷. This International Standard, with its first version published in 2007 and corrected version released in 2008, gives guidelines for the production, control, storage and shipment of cosmetic products to ensure the quality of them⁸. According to the GMP guidelines, quality control is related to sampling, specification development and research, as well as the organization, documentation and development of procedures. The aim is to ensure that necessary and appropriate tests are performed and that materials are not released for use. Moreover, as stated by the GMP Standard, final products are not allowed to the market until their quality is not rated as satisfactory⁹.

Main rules contained in GMP concern: personnel, premises, equipment, raw materials and packaging materials, production, finished product, quality control

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⁶ Blikle Andrzej, *Doktryna jakości...*, p. 47.
laboratory, waste subcontracting, complaints and withdrawals from the market internal audits, and documentation.

The benefits of implementing GMP standards compliant with ISO 22716 in cosmetic production include:

- Improvement of the quality of finished products and the functioning of the organization as a whole;
- Lack of need for the company to demonstrate the compliance of the cosmetic product with the applicable legislation. The standard implementation is already an automatic confirmation of this fact;
- Clear and transparent documentation system;
- Reduction of risk associated with placing a dangerous product on the market;
- Increase of the competitiveness of the producer and its brands;
- Increased customer’s trust and attachment with the brand;
- Increase employee awareness and skills;
- Longer life cycle of the equipment by proper operation and production maintenance;
- Quick detection of incompatibility with the standard and the possibility of quick reaction to them by introducing inspections, e.g. in the form of audits;
- Guarantee safe product form 10.

The cosmetic products have a big potential to meet lion’s share of customers’ needs and wants, i.e. solving dermatologist problems and anti-aging solutions supported by specific creams and mixtures, beauty issues catered for women in every age by make-up cosmetics, weight reduction and others. Moreover, there are specific groups of so-called aware customers looking not only for products standard, but also interested in the country of origin, way of production, usage of natural herbal ingredients or way of testing new products by the manufacturer as well.

The high pace of new cosmetic product development has its source in one of lifestyle global trend related to interest in own look, care and health. In addition, relatively high level of income allows people to increase expenses on buying self-care products and services 11. This is followed as well by the message boosted by the Internet (including social media) and the press presenting the desirable image of a person, thanks to the use of a wide range of cosmetics.

Furthermore, the current trends in marketing show that the way of packaging is as important as a content. Modern cosmetics packaging should be characterized

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among others by large value of information\textsuperscript{12}. Recall for the cosmetic ingredients can be also one of the criteria for distinguish products in the market\textsuperscript{13}. According to this assumption, consumers can observe new cosmetic products characterized by unique ingredients, frequently obtained from natural sources. For this reason, information on the packaging are called as the most important element and asks consumers for their attention\textsuperscript{14}.

One of the most popular category of cosmetics are make-up products and nail polishes. Women all over the world use them frequently, paying a lot of attention on the quality of items from this group. In case of nail polishes, the quality should be characterized by creation even layer of polish on the nail, no chipping, and fast drying\textsuperscript{15}. Moreover, there are other product features which are important for consumers of this type of items. According to studies on Polish female consumers, women paint their nails to feel well-cared, add a self-confidence and strengthen their nails. Regardless of their age or budget, they choose the polish paying attention to the trends in colours and secondly at the price and the brand of chosen product\textsuperscript{16}. The most frequently bought brands of nail polish in Poland are INGLOT, Avon and Astor. Such purchasing decisions of Polish consumers show that products from the middle shelf of price can be characterized by customers as satisfactory quality\textsuperscript{17}.

\section*{The value of quality in Islamic culture and production of halal cosmetics}

The first step to formulate Islamic Quality Management System based on Islamic rules and Islamic perception on quality was taken in Malaysia, where in 2005 the first standard, known as Quality Management System Requirements from Islamic Perspective was established\textsuperscript{18}. According to document’s principles, management from the Islamic point of view should be based on rules and values underpinned by the Koran and Prophetic traditions. The standard was prepared to introduce

\begin{thebibliography}{99}
\bibitem{Mruk99} Mruk, Henryk, op. cit., p. 199.
\bibitem{Hornik25} Stanisław Hornik, op. cit., p. 25.
\bibitem{Nowicka113} Nowicka Aleksandra, \textit{Konsumencka ocena jakości lakierów do paznokci}, [w:] Młodzi Towaroznawcy, 2015, p. 113.
\bibitem{Ibidem114} Ibidem, p. 114.
\bibitem{Ibidem115} Ibidem, p. 115.
\end{thebibliography}
quality approach in management systems, as well as to implement quality rules in production, including i.a. cosmetic products.

It would seem that in Islamic culture quality of products, including cosmetics, can be perceived from a slightly different point of view. Although the general standards of production (safety, packaging, freshness etc.) should be provided, however, in this case, a religious and cultural context is involved. The term ‘halal’ (Arabic: ﺷَالَالٌ ﻣُحَرَّرٍ, “permissible”) refers to what is permissible or lawful in traditional Islamic law. It mostly concerns products from the category of food and drinks, yet the list of goods is wider, containing also pharmaceuticals and cosmetics sector.20

According to Islamic rules, cosmetic products used by Muslims should not contain ‘haram’ (Arabic: ﺛَأَرَامٍ ﺣَرَامٍ, “forbidden”) ingredients, such as pig-derived collagen, gelatin, and fat, or alcohol. Use of harmful chemicals or toxins in production process is prohibited as well. Those rules have been functioning in Muslim culture for ages, but it seems that the needs of clients paying attention for them have been ignored by cosmetic companies until recently. The milestone in Halal cosmetic product development emerged when the Malaysian government introduced a halal cosmetics standard in 2010.20 Now market of halal beauty products is one of the most potential and dynamic. According to a report by Grand View Research published in February 2017, due to rising of Muslim population and growing awareness of obligations to meet Islamic law standards, the market of halal cosmetics is expected to drive the overall growth. In 2015 the global halal cosmetics market size was valued at USD 16.32 billion.21 Furthermore, the number of well-educated and conscious Muslim consumers is still growing, increasing the demand of such products. As authors of Thomson-Reuters State of the global Islamic economy report 2016/17 estimate, the spending on halal cosmetics will reach USD 81 billion by 2021.22 In 2015 The Muslim market for cosmetics ranked fourth globally, behind the United States (USD 84 billion), Japan (USD 80 billion), and China (USD 63 billion). The top ten Muslim markets with cosmetics expenditure were India (USD 4.7 billion), Russia (USD 3.5 billion), Indonesia (USD 3.3 billion), Turkey (USD 3.1 billion), Malaysia (USD 2.8 billion), and Bangladesh (USD 2.5 billion).23


Halal Cosmetics Market Analysis By Product (Skin Care, Hair Care, Makeup), By Region (North America, Europe, Asia Pacific, Central & South America, Middle East & Africa), Competitive Landscape, And Segment Forecasts, 2014–2025, http://www.grandviewresearch.com/industry-analysis/halal-cosmetics-market, access 02.06.2017.


Ibidem, p. 166.
The first entities which emerged on halal beauty products market were in majority from small and medium-sized enterprises sector. It is possible to read a lot of success stories about Muslim women who seeking ideal products for themselves and not being able to find anything satisfactory for them, set up their own business offering halal cosmetics. This phenomenon is typical not only for Muslim majority countries, but for Western countries such as United Kingdom and United States as well\textsuperscript{24}.

But the potential of Muslim consumers’ power was instantly noticed by large multinational cosmetic companies, what caused launching new product lines dedicated for this group of consumers\textsuperscript{25}. Indeed, these cosmetics are rather not halal-certified, but features and destinations of them are directly addressed to Muslim recipients. Thus: Sunsilk’s Clean & Fresh shampoo was prepared specifically for hijab-wearing women, Henkel launched special Gliss Restore & Refresh line cosmetics, which it claims is “the first haircare specifically for veiled hair, and Procter&Gamble produced the cream dedicated to Muslim women from Persian Gulf region\textsuperscript{26}.

If one product can be officially called as halal, it needs specific halal certificate. Halal certification is a process which ensures the features and quality of the products according to the rules established by the particular Islamic Council that allows the use of the mark halal. The certificate definitely helps to reach Muslim consumers living all over the world. Moreover, it can be the only way to enter some of the markets, such as Indonesia, whose government in 2016 introduced governmental law establishing the Halal Products Certification Agency and specific rules, the first of its kind, requires cosmetics to be labeled halal or not in 2018\textsuperscript{27}. Looking at particular regions, in 2015 Southeast Asia became a global leader in the Halal Cosmetics industry, accounting for 61.2 percent of the total halal cosmetics market in Asia, with total regional sales estimated at USD 1.4 billion; of that Malaysia and Indonesia account for around 65 percent of Southeast Asia’s total halal cosmetics sales. However, there are also new players seeking the opportunity in Muslims minority countries, such as in the U.S., the UK, India and Japan. According to Thomson-Reuters survey, indicative of the Halal cosmetics


\textsuperscript{25} Carlton Matthew, op. cit.

\textsuperscript{26} Ibidem.

segment emerging fast out of its niche status is that sales in the U.S. have grown by 80 percent per year, albeit rising from a low base\textsuperscript{28}.

Surprisingly, the interest for halal cosmetics became not only from Muslims, yet from non-Muslim consumers as well. This group of potential customers relates halal obligations to particular set of features which are important for them during buying decision process. Their main concern is more on the product safety, cleanliness and usage of natural resources\textsuperscript{29}.

Beyond halal skin care products, which certification concerns mainly ingredients, there are some challenging products such as nail polish. It is definitely a new product area for halal certificates that is explored by several companies. The problem with nail polishes appropriate for Muslim women was related with the need of specific innovations, making the layer permeable and allowing water to penetrate to the nails, what is required for \textit{wudu} (ablution) before prayer. There are only few producers offering halal-certified products from this group. In 2014 the Saudi Arabian BCI Group and Greece-based Safe ‘N’ Beautiful launched their halal certified nail polish line, as did the UK’s Nails Inc. in 2015. There are more other brands producing permeable polishes, but they can meet some critics by Muslim consumers for lack of halal certificate\textsuperscript{30}. The example of non-halal producer from this group is Inglot from Poland. Few years ago the company headquartered in Przemyśl accidentally invented nail polish which allowed steam to penetrate through the layer of enamel. Thus fulfills the halal requirements, and although lack of certificate, was approved by Mustafa Umar, an Islamic theologian, who was asked by women whether the polish is indeed permissible\textsuperscript{31}.

Another Polish brand looking for its chances for expansion on Muslim countries’ market is Annabelle Minerals. The owner of the brand, BLM company from Bielsko Biała, produces make-up cosmetics based on natural ingredients, at least four for one item. Moreover, the formula does not contain parabens, talc, artificial colors, silicone or preservatives. It can be assumed that primarily Anabelle Minerals product were created to meet the needs of so-called eco-oriented clients, but with the development of halal cosmetics niche the company fell the opportunity to reach this market. Nonetheless, accurate formula and natural ingredients do not definitely determinate the success in certification process. According to information which the author obtained from marketing department of Anabelle Minerals, the company has been waiting for getting halal certificate for its products since 2016. Furthermore, the company, trying to penetrate Middle East market

\textsuperscript{28} State of the global Islamic economy report …, p. 173.
\textsuperscript{30} State of the global Islamic economy report …, p. 175.
\textsuperscript{31} Kokoszenko J., op. cit.
with its products, noticed huge difference between managing marketing activities in comparison with Polish, well-known market.

**International marketing and halal cosmetic market**

The above-mentioned examples of expansion attempts on Muslim halal cosmetic market show from one side the potential of this growing niche, but simultaneously the huge challenge of reaching the success on it. Definitely the halal certificate is used as a key to open the door to this market, but the first steps should be taken to get potential clients familiarized with new-on-the-market brand. For this purpose events such as trade shows and branch fairs may be useful, e. g. Beautyworld Middle East, annual international fairs and meeting of cosmetics producers in Dubai. Participation in such an event can be the first step to present new items and find some business partners in this region.

The producer interested in Muslim markets penetration faces a choice between indirect and direct distribution channels for offering its goods. The advantage of the first, indirect option related to using outside sales agents and distributors in the country, is definitely the market know-how and wide range of variable tools to make new products more salient. It can be interesting way for e. g. Western companies, taking the first steps in new place, with lack of sufficient knowledge about the culture, religion, customs, language, and consumers’ behaviour. Local export distributors can provide for this group of entities stock inventories, handling promotion, extending customer credit, processing orders, or arranging shipping. It is also possible to use the support of export agents offering buyer/seller introductions, host market information, trade fair exhibitions management, and other promotional activities. However, the best way to choose the perfect intermediary is to make a deep research and find information about potential distributor sales volume, geographic and customer coverage, financial strength, managerial capabilities and company’s reputation as well. Firms choosing the second alternative, direct distributions, are more from the large multinational companies, which are able to establish foreign office and manage the market by their own. A set of profits for the decision about direct distribution contains greater control over the sales and marketing, closer manufacturer-customer relation, as well as better identifying and exploiting new international opportunities. Thus, this choice is perfect for a company planning a new market strategy for a long-term perspective. Yet, it may be connected with some risk, including a relatively larger resource commitment, higher costs and exposure to unexpected changes caused by some external conditions.
Conclusions

In recent times, quality approach defined as assurance of accomplishing customer’s specific expectations, concerns every particular type of items, produced all over the world. It should be pointed out, that it is impossible to compete with any type of product which does not provide quality. The term quality is now present in every sphere of human activity, confirming the correctness of decision making process.

Simultaneously, the term quality is sufficiently universal and right capacious, that it can concern different values in variable cultural circles. The example of this phenomenon is quality approach based on halal rules in Islamic culture. Halal certificate, which is released for certified entities, ensures for Muslim customers a quality, due to meeting of their specific expectations, related to their religion and customs. Halal certification can be also key and desirable element of preparing suitable and attractive offer for Muslim potential clients. Thus, it may not be sufficient without professional regional distribution partners and suitable promotional campaign.

Bibliography


Halal Cosmetics Market Analysis By Product (Skin Care, Hair Care, Makeup), By Region (North America, Europe, Asia Pacific, Central & South America, Middle East & Africa), Competitive Landscape, And Segment Forecasts, 2014–2025, http://www.grandviewresearch.com/industry-analysis/halal-cosmetics-market, access 02.06.2017.


