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DOI: 10.5772/intechopen.87345

ISBN: 978-1-83881-003-0

Print ISBN: 978-1-83880-999-7

eBook (PDF) ISBN: 978-1-83881-004-7

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By Moha Asri Abdullah and Md. Siddique E Azam

Submitted: May 25th 2020 Reviewed: August 20th 2020 Published: November 27th 2020

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Abstract

The concept of entrepreneurship is not something new in Islam as it can be observed from the history as a noble profession practiced by the Prophet (PBUH) and His companions. However, in recent times, scholars of the Islamic economy have introduced a new term, “Halal entrepreneurship” or “Halalpreneurship” to define and differentiate entrepreneurs in the Halal industry from the conventional entrepreneurs. The integration of Islamic values reshapes the entrepreneurs in the Halal industry through certain features that justify using the term Halalpreneurs and Halalpreneurship. However, a limited number of research papers have attempted to define Halalpreneurship. In this context, this chapter aims to achieve two main objectives. Firstly, to provide a comprehensive overview of Halal entrepreneurship (Halalpreneurship) by identifying its salient features that differentiates from entrepreneurs. Such understanding and knowledge will help someone to identify his/her role as Halalpreneur in the Halal industry. Secondly, to explore the business opportunities in different sectors of the global halal industry for the Halalpreneurs to tap. To achieve the objectives, the chapter adopts the methodology of content analysis by reviewing research papers, books, journals, and articles from different secondary sources.

Keywords

Halalpreneurship Halalpreneurs halal industry business opportunities

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DOI: [10.5772/intechopen.93657](https://doi.org/10.5772/intechopen.93657)

From the Edited Volume

Entrepreneurship - Contemporary Issues

Edited by Mladen Turuk



1. Introduction

The economic development of both developed and developing countries is now largely enhanced by entrepreneurship development. The term is often used as the synonym of job creation, and innovation that contributes to societal improvement. The established entrepreneurs are classified as Micro, Small, and Medium Enterprises (MSMEs). These MSMEs constitute more than 95% of the total establishment of an economy globally. The entrepreneurs are engaged in different industries of the global economy. The Halal industry, which represents the global Islamic economy, is one of the fastest-growing markets in the world. The key contributors to this global Halal industry are the

Halal Entrepreneurship: Concept and Business Opportunities

Moha Asri Abdullah and Md. Siddique E Azam

Abstract

The concept of entrepreneurship is not something new in Islam as it can be observed from the history as a noble profession practiced by the Prophet (PBUH) and His companions. However, in recent times, scholars of the Islamic economy have introduced a new term, “Halal entrepreneurship” or “*Halalpreneurship*” to define and differentiate entrepreneurs in the Halal industry from the conventional entrepreneurs. The integration of Islamic values reshapes the entrepreneurs in the Halal industry through certain features that justify using the term Halalpreneurs and *Halalpreneurship*. However, a limited number of research papers have attempted to define *Halalpreneurship*. In this context, this chapter aims to achieve two main objectives. Firstly, to provide a comprehensive overview of Halal entrepreneurship (*Halalpreneurship*) by identifying its salient features that differentiates from entrepreneurs. Such understanding and knowledge will help someone to identify his/her role as *Halalpreneur* in the Halal industry. Secondly, to explore the business opportunities in different sectors of the global halal industry for the *Halalpreneurs* to tap. To achieve the objectives, the chapter adopts the methodology of content analysis by reviewing research papers, books, journals, and articles from different secondary sources.

Keywords: *Halalpreneurship*, *Halalpreneurs*, halal industry, business opportunities

1. Introduction

The economic development of both developed and developing countries is now largely enhanced by entrepreneurship development. The term is often used as the synonym of job creation, and innovation that contributes to societal improvement. The established entrepreneurs are classified as Micro, Small, and Medium Enterprises (MSMEs). These MSMEs constitute more than 95% of the total establishment of an economy globally. The entrepreneurs are engaged in different industries of the global economy. The Halal industry, which represents the global Islamic economy, is one of the fastest-growing markets in the world. The key contributors to this global Halal industry are the Halal entrepreneurs (Halalpreneurs). Entrepreneurship has been defined by many scholars, researchers, industry players, and academicians globally. The definition has been acknowledged and adopted in more or less similar ways by most of the economies globally.

However, the concept of “entrepreneurship” in the Islamic economy is not exactly the same as the conventional economy. Although the nature of activities and literal definition is similar, the concept in Islam becomes different in some certain ways and is perceived as “*Halalpreneurship*.” The term has been used in the

Halal industry implying to entrepreneurship by Global Islamic Economy (GIE) report-2018 by Thompson Reuters' and Dinar Standard. However, the industry is lacking a proper definition of the term. Simultaneously, numerous scholars in the Islamic economy have introduced entrepreneurs in Islam in their studies. For example, the activities, responsibilities, and objectives of Muslim entrepreneurs in the Islamic economy have been discussed by Ramdani et al. in their study [1]. Alternatively, entrepreneurs in Islam have been termed as Islamic entrepreneurs negating the assumption that Islam is intrinsically anti-modernization and anti-development [2]. Similarly, the same term, Islamic entrepreneurship, was justified to explain entrepreneurship in Islam [3]. Moreover, entrepreneurs in the halal food industry have been investigated as halal food entrepreneurs [4]. Finally, the term *Halalpreneurship* has been used to define halal-minded entrepreneurship to realize the motivation of the small and medium entrepreneurs (SMEs) to become *Halalpreneurs* [5]. However, none of these studies have defined or clarified the term *Halalpreneurs* or *Halalpreneurship*. Moreover, it has been identified as one of the significant gaps that the halal industry is lacking a universally accepted definition and proper understanding of *Halalpreneurship* [5].

Research questions: The research questions addressed by the current chapter are: (1) What is the concept of *Halalpreneurship*? (2) What is the definition of *Halalpreneurship*? (3) Who are the *Halalpreneurs*? (4) How *Halalpreneurs* are different from entrepreneurs? and (5) what business opportunities are there in the global halal industry for *Halalpreneurs*?

Objectives: Entrepreneurs in the Halal industry must have a proper understanding of the concept from Maqasid-al-Sharia'h perspective which is needed to justify the term "*Halalpreneurship*" and to differentiate *Halalpreneurs* from entrepreneurs. In this regard, the main objective of this chapter is to define and provide a comprehensive understanding of *Halalpreneurship* from *maqasid-al-shari'ah* perspective. Additionally, the chapter attempts to realize the underlying business opportunities for *Halalpreneurs* in different segments of the halal industry.

Methodology: To achieve the objectives stated above, an extensive review of literature from previous researches has been carried out. Simultaneously, to justify the Islamic point of view, analogies and explanations of relevant *hadith* and Quranic verses were studied. Moreover, recent reports, news articles, and web articles on the halal industry and global Islamic economy were critically analyzed.

Organization of the chapter: This chapter starts with defining the concept of entrepreneurship and *Halalpreneurship* following an overview of Maqasid-al-Sharia'h to justify the definition of *Halalpreneurs* (Section 2). Then, the chapter explores different aspects of *Halalpreneurs* that differentiate them from entrepreneurs (Section 3). Finally, in Section 4, the chapter identifies potential opportunities for *Halalpreneurs* in different sectors of the halal industry.

2. Concept and definition

2.1 Concept of entrepreneurship

The term entrepreneurship stems from the French word *entreprendre* that suggests "to accomplish something" or "to embrace". It is an imaginative activity that relies upon the ability to make and set up something from about nothing. Kuratko explained business entrepreneurship as facing challenges, responding to circumstances, bearing vulnerability and creating a balance between demand and supply in the market [6]. At the same time, as per Peter Drucker, entrepreneurship is ascribed as an efficient headway, which grasps in the purposeful and arranged

outlook for changes, and it is the coherent perception of the open opportunities where such changes add to financial and social advancement. A comparative definition was given by Shane and Venkataraman [7]. Rindova et al. have characterized entrepreneurship as the business foundations that are coordinated to accomplish a few objectives towards social, cultural, monetary, and institutional through the activities of an individual or a group of individuals [8]. Additionally, Lumpkin and Dess [9], Low and MacMillan [10] and Gartner [11] characterized entrepreneurship as the arrangement of new pursuits or associations. Entrepreneurship may likewise infer looking for advantages of chances by the creative use of assets in manners which make a significant impact on the market.

2.2 Concept of *Halalpreneurship*

2.2.1 Understanding *halal*

The word “*Halal*” is an Arabic or Quranic word related to the Islamic lifestyle where the literal meaning of the word is permissible or lawful. That means the implication of the term is applicable to every conduct of human life whether it is a social, personal, economic, cultural, or political matter. When it comes to an economic perspective, the term has been used to denote the Islamic economy as the Halal industry. The Malaysian Standard (MS) provides an elaborated definition with all the requirements to be adopted in the halal industry [12]. Additionally, the application of the concept of halal adopts the concept “*Toyyib*” as well [13]. This is because in several places of the Quran, human beings are instructed to consume what is *halal* and *toyyib*. The meaning of *toyyib* can be translated as good, quality, healthy, sustainable and others. Hence, the association of the *toyyiban* aspect broadens the meaning and implication of halal in the economy [14]. Therefore, when we say halal, it means what is permissible or lawful in Islam, at the same time what is good and sustainable.

The opposite of *halal* is *haram* which means prohibited. In the Quran, Allah (SWT) has also prescribed what is prohibited and what to avoid in consumption as well as human conduct of Muslims and whole *ummah*. For example, consuming alcohol and pork is prohibited in Islam. Simultaneously, gambling, pornography, *riba* (usury), hoarding goods, deceiving customers, etc. are also prohibited. The gist is, to define *Halalpreneurship*, one must consider all the three concepts, i.e. *halal*, *toyyib*, and *haram*.

2.2.2 Understanding *Halalpreneurship*

Entrepreneurship is an important aspect of life which is also inseparable from Islam where it is perceived as *Halalpreneurship*. The scope of *Halalpreneurship* is within the *Shari'ah* (“*Aqidah, Fiqh, Akhlaq*”) which ensures that its activities do not deviate from the guidelines of Islam. In Islam, *Halalpreneurship* is perceived as the role of *Khalifah* (Caliph) on the earth. The mission of *Khalifah* is to worship Allah *Subhanahu Wa Taala* (SWT) and to develop and prosper the world. Such a role implies the actions of entrepreneurship contributing to the good and prosperity of society, the world and humanity.

The term *Halalpreneurship* is recently being used in the fields of the global Halal industry that connects halal advancement with business practices through halalpreneurial activities. This includes the capacity and capability, exercises, and activities seeking opportunities and developing business establishment. The procedure of creativity and innovation in *Halalpreneurship* is complex. However, this phenomenon is significantly important to be understood for halalpreneurial development.

The concept of *Halalpreneurship* is based on *Maqasid-al-Shari'ah* (objectives of Islamic law). *Maqasid* means objective and *Shari'ah* implies to Islamic law. The five objectives of *Shari'ah* (**Figure 1**) are derived from the necessities (*dharuriyat*) of humankind. This is the first level of need in the human need model of *Shari'ah* which was proposed by Hamid-Al-Ghazali (d. 1111). Although the concept of *Maqasid* and the human need model in Islam dates back to 1399 C.E., the pioneering, and systematic study of the higher objectives of Islamic law was developed and introduced through the work on *Maqasid-al-sharia'h* by Muhammad al-Tahir ibn Ashur in 1946 [15]. *Halalpreneurship* management adopts the human need model (**Figure 2**) by Ghazali that implies the fundamental factors of motivation for *Halalpreneurs*.

In *Halalpreneurship*, it is the responsibility of *Halalpreneurs* to understand the product priorities of the consumers as illustrated in **Figure 2**. To address the objectives of *Shari'ah*, *Halalpreneurs* should prioritize the products and services that are in the category of necessity in their production. They should serve what the Muslim *ummah* and humanity need. They should not focus on luxury (*Tahsiniyat*) products or services when there is a need for basic goods and services in a society. Therefore, the first priority is to meet the demand for necessities and then luxury and embellishments.

2.3 Definition of *Halalpreneurship* and *Halalpreneurs*

The term was used by Professor Moha Asri Abdullah, International Institute for Halal Research and Training (INHART), International Islamic University Malaysia (IIUM) in a talk on "*Halalpreneurs: Realities and Opportunities*". The institute has recently produced a book on this topic entitled "Halal Entrepreneurship", funded by the International Institute of Islamic Thought (IIIT), Malaysia. The book provides

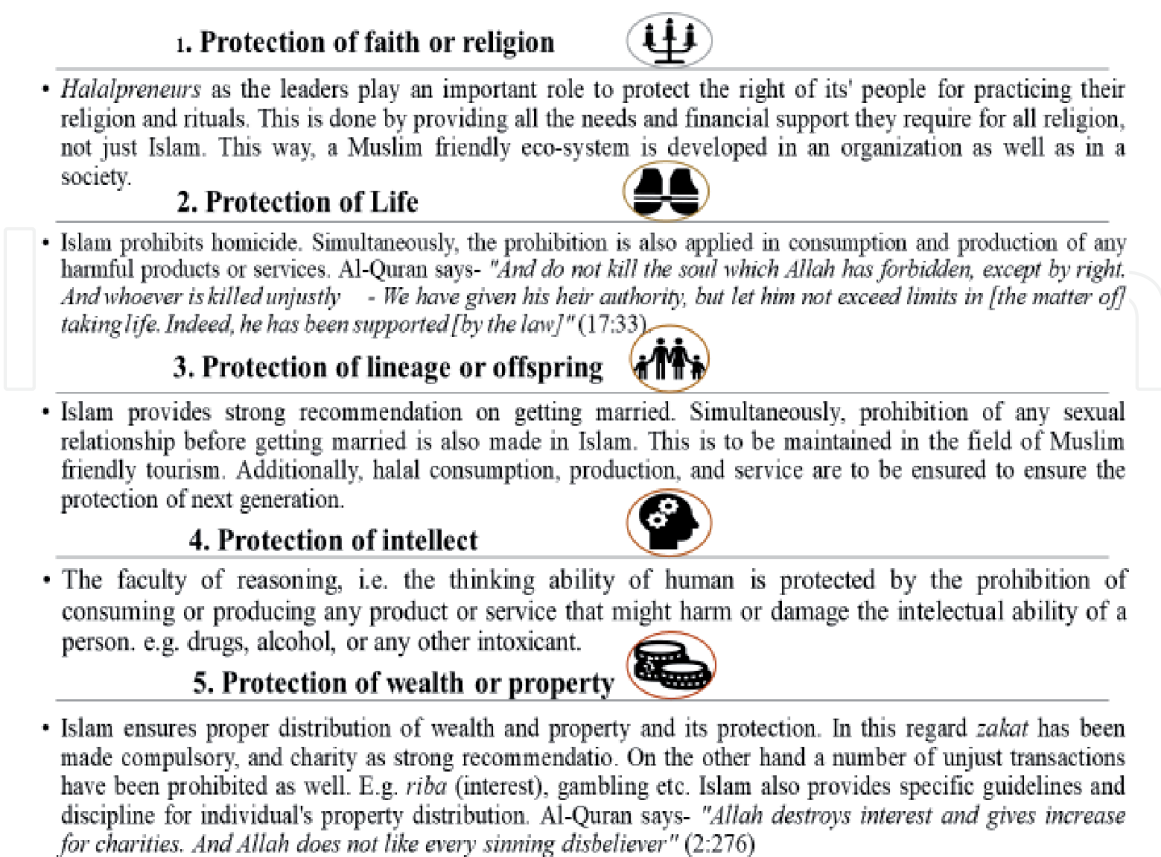


Figure 1.
Five objectives of Shari'ah. Source: Author's generated.

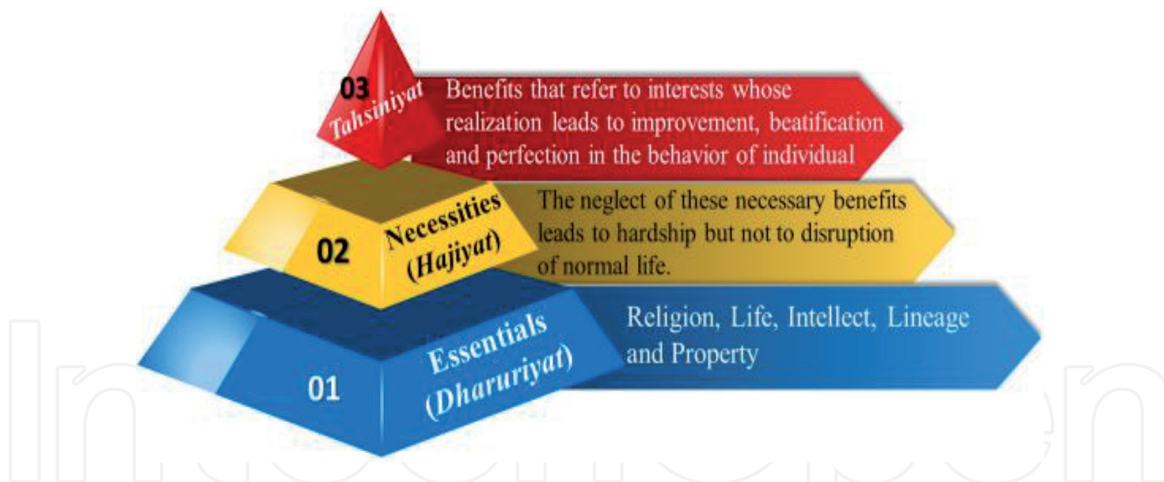


Figure 2.
Classification of human need in Shari'ah. Source: [15], Figure author's generated.

the concept and definition of *Halalpreneurship*. The term has also been used implying to entrepreneurship in the Halal industry by Global Islamic Economy (GIE) report-2018.

Any Muslim individual conducting entrepreneurial business in the global halal industry with the objective of producing only halal products and services and maintains his/her business conduct in a *Shari'ah*-compliant way is called an *Halalpreneur* [16]. However, according to Islamic scholars, non-Muslims can also be involved in the fields of the halal industry and become *Halalpreneurs* given the condition that they comply with *Maqasid-al-Shari'ah*. Non-Muslims are allowed to be *Halalpreneurs* based on the *maslaha* (public interest) for the benefit of *ummah* and mankind. It is to mention that, anyone who wants to conduct business providing halal products and services, must obtain a halal certificate for the particular product or service. Given that, to obtain a halal certificate he/she must comply to halal standard for respective products and services required by the authorizing bodies in respective countries. And, all the halal standards are developed complying with *Maqasid-al-Shari'ah*. Therefore, in this chapter, the term *Halalpreneurship* refers to Halal entrepreneurship i.e. entrepreneurship in the halal industry that complies with *Maqasid-al-Shari'ah*.

3. *Halalpreneurship* vs. entrepreneurship

In conventional economy unlimited wants and limited resources create scarcity which gives rise to the fundamental questions that are, what to produce, for whom to produce, and how to produce [17]? However, *Halalpreneurs* believe that there are always enough resources. If there is any scarcity, it is due to a lack of skill and knowledge, and inefficient use and distribution of the resources. Hence, the answers to the fundamental questions in *Halalpreneurship* are different from entrepreneurship. **Figure 3** shows the differences between *Halalpreneurship* and entrepreneurship regarding the fundamental questions of economics and some other salient points of *Halalpreneurship*.

Additionally, *Halalpreneurs* exhibit some unique characteristics that distinguish them from conventional entrepreneurs. The characteristics enlisted below, are based on *Maqasid-al-Shari'ah*.

- a. **Takwa:** It is the fear of Allah (SWT) that makes *Halalpreneurs* always conscious about all their deeds, whether it is bad or good, believing that they are










 HALALPRENEURSHIP	VS Salient points	ENTREPRENEURSHIP 
<input type="checkbox"/> The concept is based on <i>Maqasid Shari'ah</i> .	 Concept	<input type="checkbox"/> The concept is based on country law/profit
<input type="checkbox"/> Goods/services based on product priorities such as necessities, comfort, luxury, not harmful and permissible (Halal) by <i>shari'ah</i>	 What?	<input type="checkbox"/> What people want and makes profit
<input type="checkbox"/> Efficiency and productivity + profit + Halal process	 How?	<input type="checkbox"/> Efficiency and productivity + desire to maximise profit + any approach
<input type="checkbox"/> Muslim <i>Ummah</i> and humanity	 For whom?	<input type="checkbox"/> Solely based on market demand
<input type="checkbox"/> Islamic & Business Knowledge. Non-Muslims can also be <i>Halalpreneur</i> based on the public interest (Maslahah).	 Knowledge	<input type="checkbox"/> Scope of knowledge is limited to business knowledge only.
<input type="checkbox"/> Profit + ' <i>al-falah</i> ' in this world and in the hereafter	 Motivation	<input type="checkbox"/> Profit
<input type="checkbox"/> Customers, workers, suppliers, manufacturers, financiers, owners, community, <i>Ummah</i> (under the preview of Allah (SWT))	 Stakeholder	<input type="checkbox"/> Customers, workers, suppliers, manufacturers, financiers, owners, community and people

Figure 3. Salient features: Halalpreneurship vs. entrepreneurship. Source: Author's generated.

being watched by Allah (SWT), the Al-Aleem (all-knowing), even if the deed is done by their heart or thoughts only. Such, attribute of *Halalpreneurs* never allows them to involve with any activity which is not permissible (Haram) in Islam. As Allah recommends consuming halal (Quran 5:88) as well as to earn from halal only (Quran 2:168).

b. Prioritizing Solat (prayer): Entrepreneurship is encouraged in Islam. The Prophet (PBUH) himself was a merchant and successful *Halalpreneur*. However, any worldly affairs including business conduct in *Halalpreneurship* come after *solat* (Al-Quran 62:10; 15:67). The obligatory prayers become first priority for *Halalpreneurs* [18].

c. Truthfulness: *Halalpreneurs* should be trustworthy regarding their social and business conduct. Truthful and trustworthy merchants are said to be with the Prophet (PBUH) together with the martyrs on the day of judgment (Al-Tirmidhi, Book 14: #1213).

d. Philanthropist: Islam permits us to make benefits by making business in society. Simultaneously, *Halalpreneurs* are recommended to give back to the same society they are being benefitted from. Giving charity in the form of *Zakat* is one of the five obligations for Muslims (Al-Quran 2:3,43,83,177; 7:156; 19:31; 19:55; 21:73; 22:35,41,78; 23:4; 27:3; 30:39; 31:4; 41:7 and more). Therefore, *Halalpreneurs* find themselves as philanthropists in their business venture and contribute to the uplifting of social well-being.

e. Shari'ah knowledge: Another important characteristic of *Halalpreneurs* is to have the basic knowledge and understanding of *Maqasid-al-Shari'ah*, the concept of *halalan toyyiban*, and Islamic guidelines. This knowledge is crucial for all as the non-Muslim can also become *Halalpreneur*. For example, the halal and *toyyib* concept is to be implemented in the procurement process, logistics,

production, packaging, storage and others. Hence, any *Halalpreneur* should learn on the implementation of *Shari'ah* and halal standards in all the aspects of entrepreneurship under the condition of *Maslaha* (public interest).

4. Business opportunities for *Halalpreneurs*

Halalpreneurs is the source of creativity and innovation that postulates the Islamic economy in many ways. Unlike entrepreneurs, *Halalpreneurs* are driven towards *Al-Falalh* (success in this world and the world hereafter) with the motivation of pleasing Allah (SWT) and serving humanity. In this regard, *Halalpreneurs* thrive for business opportunities with knowledge and wisdom and having faith in Allah (SWT). Simultaneously, they tap the opportunities and conduct their business activities following the guidelines of the Quran, and the advice and practice of the Prophet (PBUH). Most importantly, they believe that opportunities are created by Allah (SWT). Such a conceptual model of *Halalpreneurship* was illustrated by Ramdani [19] as shown in **Figure 4**.

The business opportunities for *Halalpreneurs* in the global halal industry can be realized by looking into the current market status of the different fields of the halal industry. Therefore, this section explores different components of the halal industry (**Figure 5**) where market opportunities can be tapped by *Halalpreneurs*.

The current market value of the global halal industry is estimated to be US\$4.7 trillion in 2018 including Islamic finance. This value is projected to be US\$6.9 trillion by 2024 with a CAGR growth of 6.2% [21]. **Figure 6** exhibits the current market shares of different fields of the halal industry and their projection by 2024. It shows that after Islamic finance, the biggest sector of the halal industry is the halal food and beverage industry followed by modest fashion, media and recreation, Muslim friendly tourism, halal pharmaceuticals, and halal cosmetics.

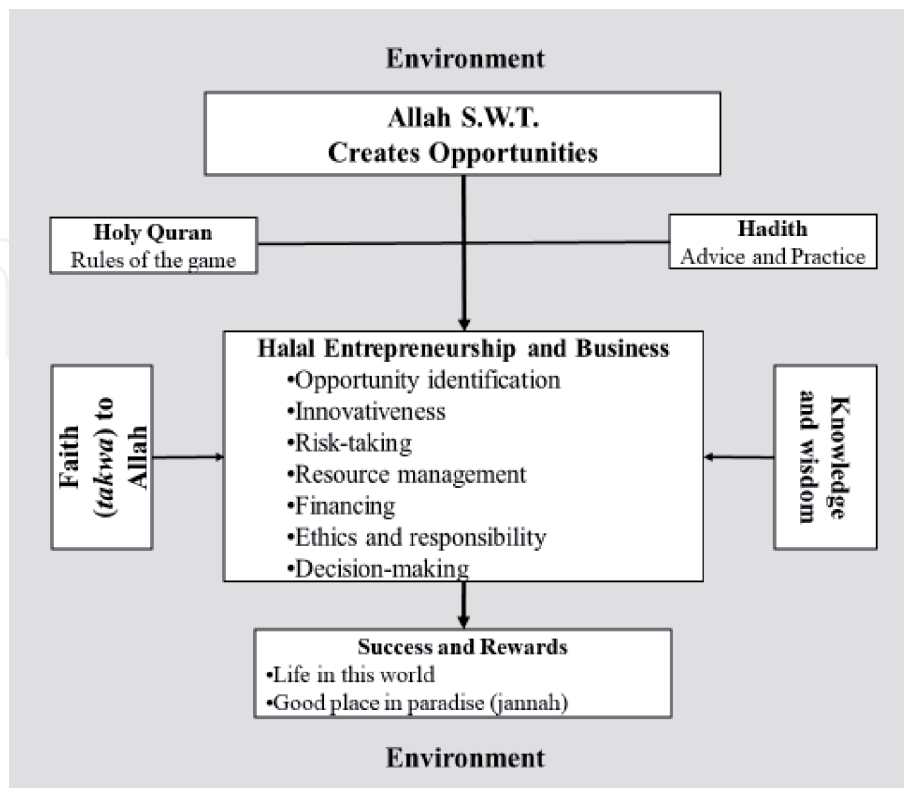


Figure 4. Model of Halalpreneurship. Source: [19].

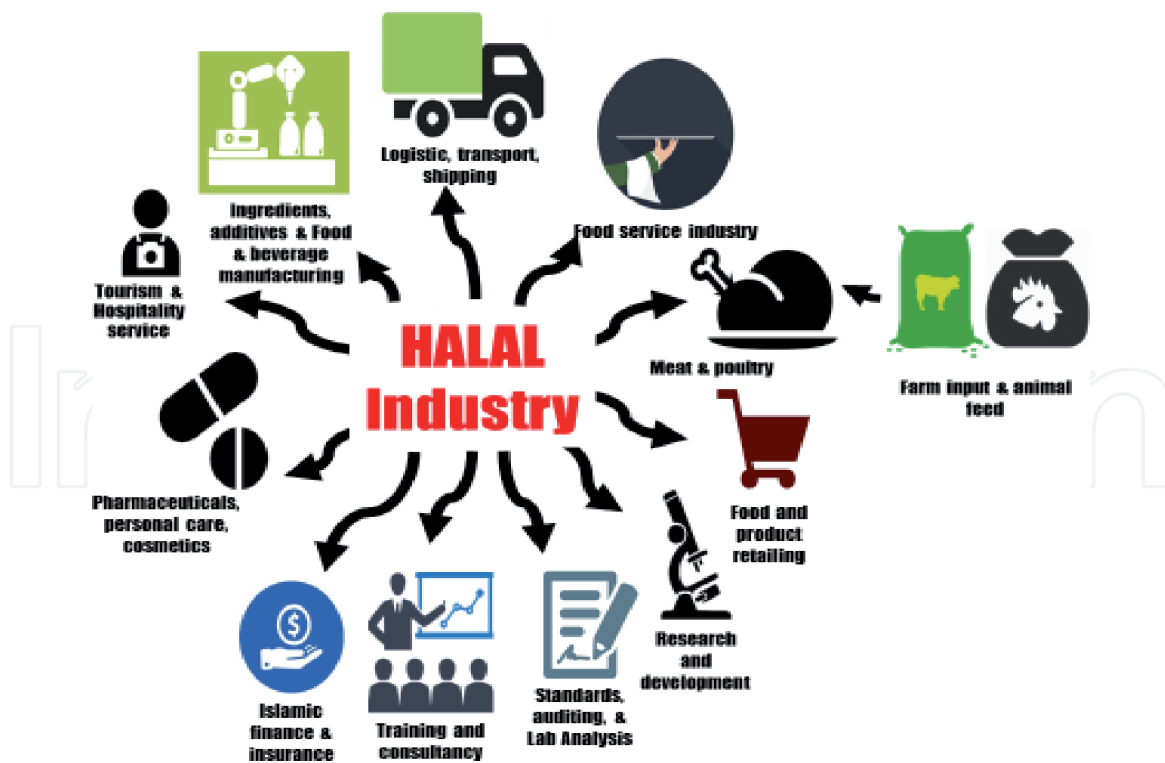


Figure 5. Components of global halal industry. Source: [20].

4.1 Halal food

The Global Islamic Economy (GIE) report 2019/2020 reveals that the Muslim spending for halal food and beverage (F&B) in 2018 was US\$1.3 billion which has been projected to reach US\$1.9 billion by 2024. The hot growth sectors of the F&B market are halal ingredients, and meat-based meals and snacks. The production of gelatine is 450,000 tons globally of which only 10 percent is halal. There is a gap in the supply of other ingredients as well. *Halalpreneurs* can tap the opportunities in these sectors by their innovative halal products and exploring the gap in demand and supply chain. The opportunity is further spread over halal organic and healthy foods, baby foods, emerging exporters, online restaurant booking, retail commerce, social media marketing, etc.

4.2 Modest fashion

The Muslim millennials are the target consumer in this sector of the halal industry. The market of modest fashion was estimated to be US\$283 billion in 2018 and projected to reach US\$402 billion by 2024 (**Figure 6**). Innovative *Halalpreneurs* have the opportunity to offer products and services in this market in terms of modest luxury wears, modest sportswear, fashionwear for teens and tween, role modeling, blogging, etc.

“Follow This” is a web series by BuzzFeed which is one of the most popular websites for information on different topics like culture, religion, politics, technology, etc. This show has recently started streaming on Netflix from 2018 and covered an episode on modest fashion titles “Covered-up Culture.” The writer of the episode reveals how modest fashion has become a \$billion worth market from a religious niche [22]. Modest fashion as a lifestyle is becoming the mainstream among the millennials. For example, the release of a modest clothing range by H&M in 2018, launching of “modest fashion edit” in 2019 by the collaboration of ASOS and

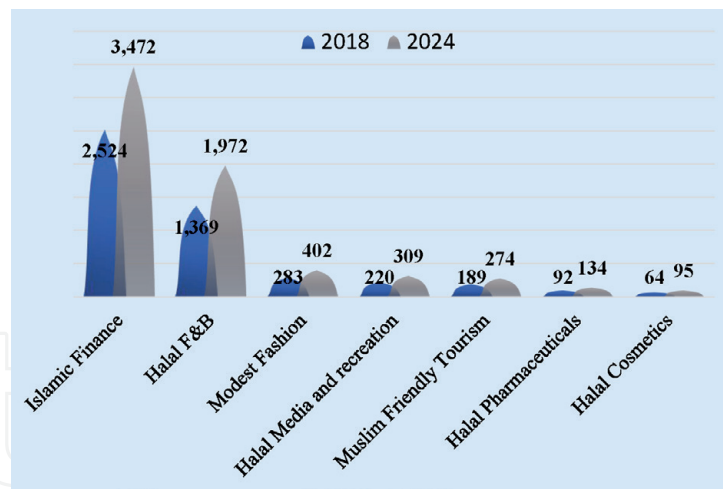


Figure 6. Market size of the global halal industry in 2018 and 2024 (US\$ billion). Source: [20].

Verona collection. More success stories that are making headlines globally include Vogue Arabia, Harper's Bazaar Arabia, Harper's Bazaar Singapore [23]. In India, mubarakdeals.com is another example of success in the market of modest fashion [24]. Opportunities for *Halalpreneurs* in the field of modest fashion can be explored in terms of online shopping, fashion week or events, magazine publishers, styling services, influencer, designer and many more.

4.3 Media and recreation

Halal media and recreation refer to content targeting or suitable for Muslims. According to the GIE report 2019/2020, total Muslim spending in his sector was US\$283 billion and projected to reach \$US402 billion in 2024. Strong performance has been identified by the member countries of the Organization of Islamic Cooperation (OIC) in producing more Islamic themed content from the region. This sector of the halal industry targets the Muslim millennials, mainly. It has been forecasted that 54 percent of the Muslim population will be below 30 years old by 2030 (Thompson and Reuters, 2019). In Saudi Arabia, the ban on cinema has been lifted after 35 years in 2018. With the 2030-vision of achieving the goal of diversifying the Kingdom's economy and output, more than 300 screens in multiple theaters are scheduled to be open by 2020 [25]. This will create thousands of opportunities for *Halalpreneurs* in different roles that include journalist, editor, photographer, designer, researcher or producer, technical staff, copywriter, presenters, content writer, graphics designer, and many more roles. The opportunities can be tapped in other OIC member countries as well, as the industry is growing significantly.

4.4 Muslim friendly tourism

Global Muslim spending on travel in 2018 was US\$189 billion and projected to reach US\$274 billion by 2024 (Figure 6). Simultaneously, global Muslim travelers are expected to grow 156 million in 2020 which was 121 million in 2017 [26]. Opportunities in this sector of the halal industry can be realized by realizing both the demand-supply side of the market. The demand for Muslim travelers comprises in terms of leisure, business, healthcare, and religious travel. On the other side, the supply side encompasses transport (bus, train, flights, etc.), accommodation (hotels, villas, resorts, apartments, homestays, etc.), F&B, travel agents, attractions and activities, Muslim friendly tour guides, and others related to travel and tourism.

Such demand and supply are based on Muslim faith-based needs. *Halalpreneurs* have potential opportunities in the market of the travel industry to meet the faith-based needs that include halal food, prayer facilities, water usage friendly toilets, Ramadan services and facilities, halal spa, gender-segregated swimming pool and gymnasium, assurance of elimination of any non-halal activity, recreational activities with privacy, Muslim friendly tour guide, etc.

4.5 Halal pharmaceuticals

The industry of halal pharmaceuticals valued US\$92 billion in 2018 and expected to grow US\$134 billion by 2024, and the market expansion may even be greater as the target consumer is not limited to the Muslim population only. The demand for halal pharmaceuticals among Muslim consumers is increasing due to the *Toyyiban* concept that assures efficacy, quality, safety, halal, and hygiene factors. Additionally, it has gained acceptance among non-Muslim consumers as well because of the ethical aspect and the requirements to comply with the halal standard that include good manufacturing practices (GMP) as a prerequisite before meeting other requirements of halal certification. Such quality assurance sets a high benchmark in the market which enables “*Halal*” to become a recognized value in the pharmaceutical industry globally. A number of pharmaceutical companies in Malaysia are leading the industry, as Malaysia is the first country to come up with a strong and comprehensive halal standard for the pharmaceutical industry [27].

4.6 Halal cosmetics

Halal cosmetics and personal care is another booming market in the global halal industry. As of 2018, the Muslim spending on halal cosmetics was US\$64 billion which is expected to grow US\$95 billion by 2024. The product base of this industry is expanded to personal care products, color cosmetics (face, eyes, lips, nails), and fragrance products. Additionally, these product lines are applied for hair care, face care, skincare, and beauty care. *Halalpreneurs* can feasibly tap the opportunities and generate revenues in this market. Some hot sectors of this industry for growth in 2020 are halal nail polish, lipstick, halal face cream, scents, and perfumes. The potential growth has been identified through e-commerce [21]. The cosmetics and personal care products are even demanded by men as they are conscious about their appearance as well. The halal certification, i.e. the halal logo gives a competitive advantage to the *Halalpreneurs* over competitors who do not have halal certification.

4.7 Potential markets

The GIE report (**Figure 7**) of 2019 shows the top 15 countries in the halal industry globally based on the global Islamic economy indicator (GIEI). Overall, Malaysia is leading the Islamic economy securing the number one position for Islamic finance and Muslim friendly travel. However, UAE is leading the other sectors of the halal industry securing the rank of number one. The figure also shows the top 10 potential markets in halal food, Muslim friendly tourism, modest fashion, media and recreation, and cosmetics and pharmaceuticals industry. Interestingly, some non-Muslim majority countries have also made their position in the list of top 10 GIE countries. Similarly, [28] categorized the global potential market by region which is, North America (U.S., Canada, Mexico), Europe (Germany, France, UK, Italy, Spain), Asia-Pacific (Indonesia, Malaysia, India, Rest of Asia Pacific), and Latin America, Middle East, Africa (LAMEA).



Figure 7. Top 15 markets of the global halal industry according to GIEI 2019/2020. Source: [21].

5. Conclusions

The chapter introduces and explains a new term, “Halalpreneurship,” similar to entrepreneurship. To understand and define *Halalpreneurship*, one must understand and consider what is *halal*, *toyyib*, and *haram*. *Halalpreneurship* refers to halal entrepreneurship which revolves around the Islamic economy and the individuals in *Halalpreneurship* are called *Halalpreneurs*, whereas entrepreneurship is a concept that is used in the conventional economy. Both *Halalpreneurs* and entrepreneurs imply business individuals who offer innovative products and services to the consumers, take risks, look for opportunities by the creative use of assets in manners that make a significant impact on the market. However, the concept of *Halalpreneurship* differs from entrepreneurship in certain aspects which comprise mainly the implication of ethical and religious (Islamic) values and guidelines in all kinds of activities in an economy that are related to entrepreneurship. The concept of *Halalpreneurship* is based on *Maqasid-al-Shari’ah* (five objectives of Islamic law). Any Muslim individual conducting entrepreneurial business in the global halal industry with the objective of producing only halal products and services and maintains his/her business conduct in a *Shari’ah*-compliant way is called a *Halalpreneur*. Non-Muslims are also allowed to be *Halalpreneurs* based on the *maslaha* (public interest) for the benefit of *ummah* and mankind.

A number of salient points differentiate *Halalpreneurship* from entrepreneurship. The points are concept, what to produce, how to produce, for whom to produce, the scope of knowledge, motivational factors, and stakeholders. Additionally, there are certain characteristics of *Halalpreneurs* that make them unique and differentiated from conventional entrepreneurs. Some of these characteristics include fear of Allah, the nature of prioritizing prayer, truthfulness, philanthropist, and knowledge of Islamic law.

Halalpreneurs is the source of creativity and innovation that postulates the Islamic economy in many ways. Halalpreneurs thrives for business opportunities with knowledge and wisdom and having faith in Allah (SWT). Simultaneously, they tap the opportunities and conduct their business activities following the guidelines of the Quran, and the advice and practice of the Prophet (PBUH). Business opportunities of Halalpreneurs are spread over the entire global halal industry that had a market value of US\$4.7 trillion in 2018 including Islamic finance. The opportunities can be explored in different potential sectors of the halal industry that include Halal F&B, modest fashion industry, Halal media and recreation, Muslim friendly tourism, Halal pharmaceuticals, and Halal cosmetics. Furthermore, the emerging markets to explore opportunities are Halal logistic and supply chain, Halal technology, and Halal talent and skills (Human resources) development.

The potential markets for *Halalpreneurs* are the top 15 countries in the GIE where Malaysia is leading with maximum GIEI score followed by UAE in the second position. The other markets in the list include Bahrain, Saudi Arabia, Indonesia, Oman, Jordan, Pakistan, Kuwait, Qatar, Brunei, Sudan, Turkey, Iran, and Bangladesh, respectively. Interestingly, Brazil has ranked the third position in the halal F&B industry. Additionally, some other non-Muslim countries have also made their positions in the top 10 list of the GIE report in 2018.

Limitations of the chapter: The general objective of this chapter was limited to elucidate and explain the concept of halal entrepreneurship, i.e. *Halalpreneurship*. As the concept is new, limited literature was available relevant to the topic specifically. Although, the chapter attempts to provide an overview of the underlying opportunities for *Halalpreneurs* in different fields of the halal industry, to carry out a research and field survey in every field was beyond the scope of the current chapter.

Recommendations for future study: Future study should carry out an in-depth investigation of each field of the halal industry to explore the business opportunities of *Halalpreneurs* in detail. Simultaneously, the issues and challenges faced by the *Halalpreneurs* in the halal industry need to be identified and addressed. Additionally, the factors driving the growth of the halal industry need to be realized so that policymakers can emphasize those forces more to enhance the expansion of the halal industry globally.

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