

Global Halal Economy Growth Opportunities

**Growing Demand for
Halal Products and
Services Drives Domestic
Production and Export
Growth Strategies**

**Frost & Sullivan's Global 360°
Research Team**

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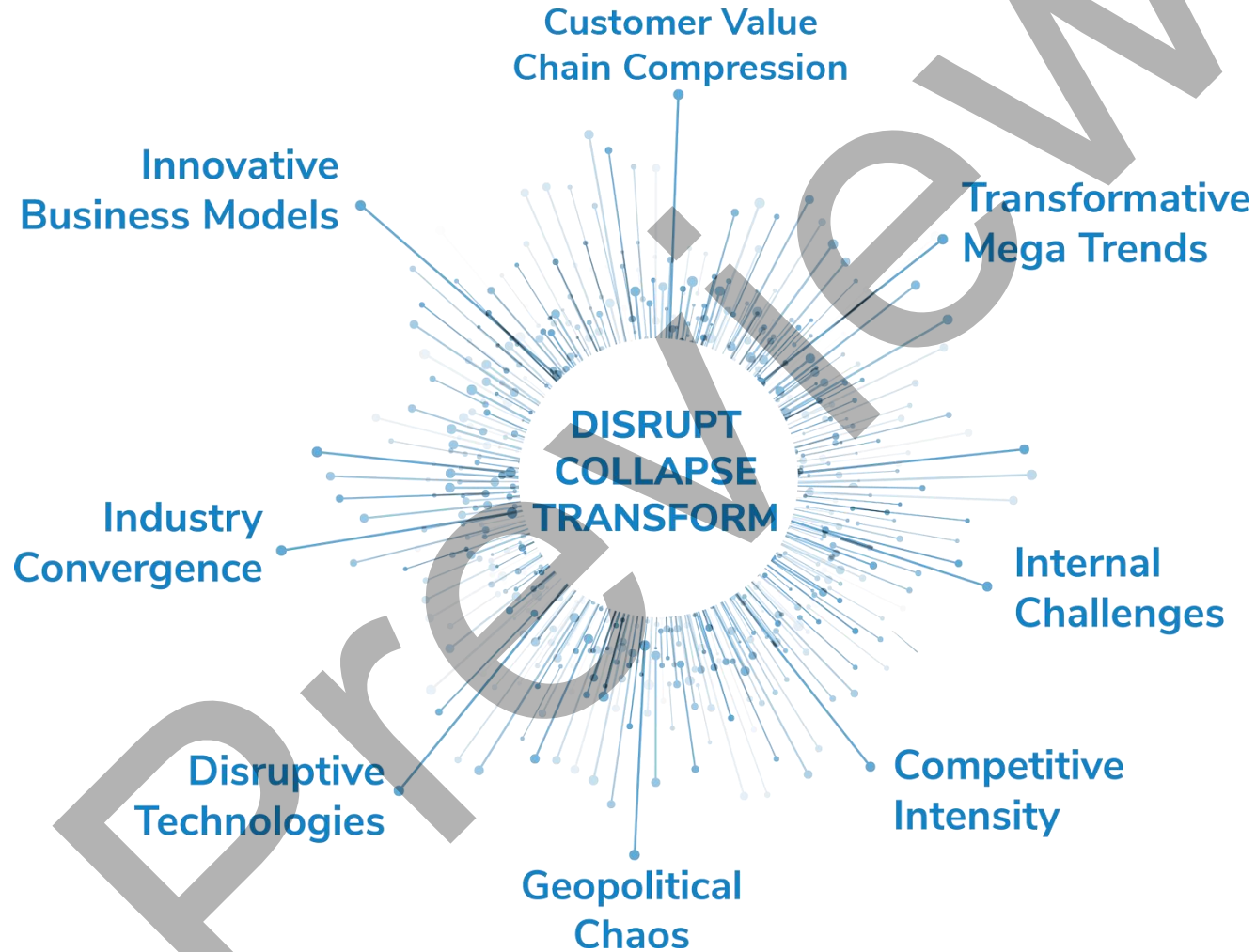
Author: Neha Anna Thomas



Strategic Imperatives

Why is it Increasingly Difficult to Grow?

The Strategic Imperative 8™: Factors Creating Pressure on Growth



Source: Frost & Sullivan

The Strategic Imperative 8™

Innovative Business Models

A new revenue model that defines how a company creates and capitalizes economic value, typically impacting its value proposition, product offering, operational strategies, and brand positioning

Customer Value Chain Compression

Customer value chain compression as a result of advanced technologies, internet platforms, and other direct-to-consumer models that enables reduction in friction and the number of steps in consumer journeys

Transformative Mega Trends

Global forces that define the future world with their far-reaching impact on business, societies, economies, cultures, and personal lives

Internal Challenges

The internal organizational behaviors that prevent a company from making required changes

Competitive Intensity

A new wave of competition from start-ups and digital business models that challenge the standing conventions of the past, compelling established industries to re-think their competitive stance

Geopolitical Chaos

Chaos and disorder arising from political discord, natural calamities, pandemics, and social unrest that impact global trade, collaboration, and business security

Disruptive Technologies

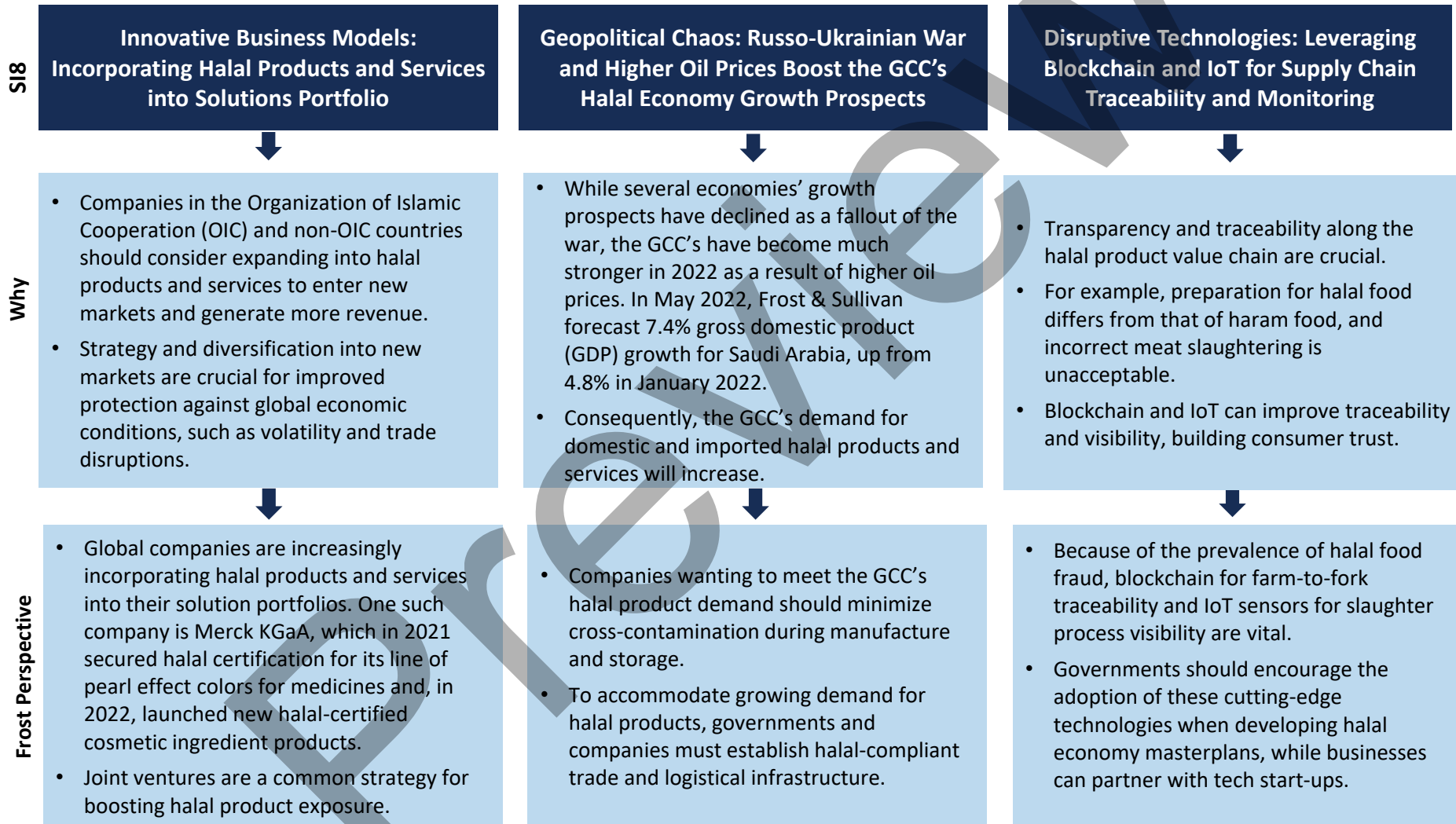
New, disruptive technologies that are displacing the old, and significantly altering the way consumers, industries, or businesses operate

Industry Convergence

Collaboration between previously disparate industries to deliver on whitespace cross-industry growth opportunities

Source: Frost & Sullivan

The Impact of the Top 3 Strategic Imperatives on the Global Halal Economy



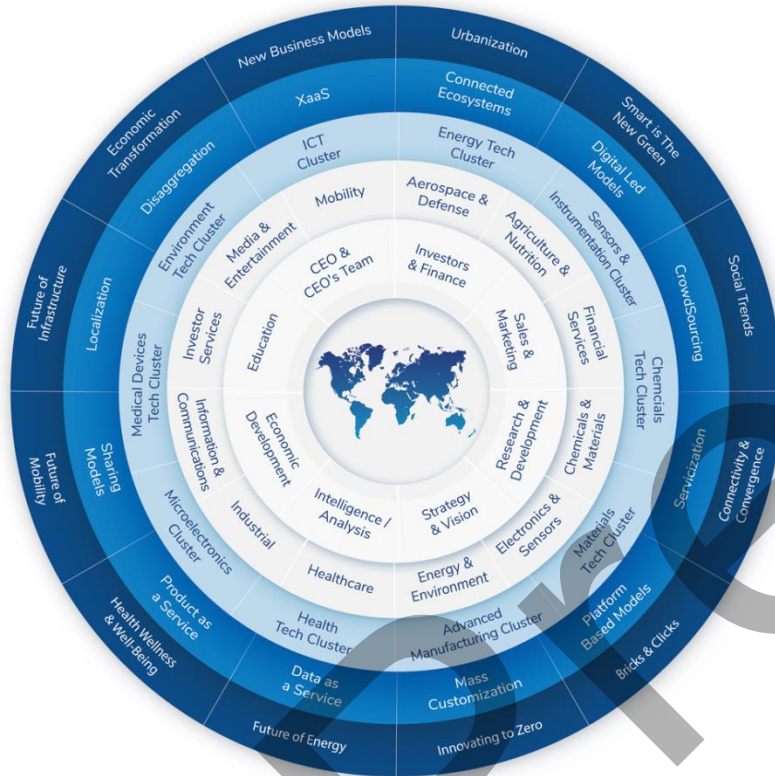
GCC: Gulf Cooperation Council; IoT: Internet of Things

Source: Frost & Sullivan

Growth Opportunities Fuel the Growth Pipeline Engine™



The Innovation Generator™



Analytical Perspectives



The Growth Pipeline Engine™



Source: Frost & Sullivan



Global Halal Economy Environment

Global Halal Economy—An Overview

- Halal is an Arabic word meaning legal under Islamic law, while Haram means illegal under Islamic law.
- Halal food requires different preparation and storage than haram food, similar to halal pharmaceuticals. Islamic finance, on the other hand, prohibits activities, such as interest charging and engaging in high-risk ventures. Gender-segregated swimming pools and limits on alcohol and gambling are examples of the halal economy's defining traits. This research covers halal foods, halal medications, Islamic banking, and halal tourism. Additionally, the halal economy includes halal fashion and cosmetics as subsectors.
- The halal economy is growing within OIC member countries and across all other countries globally. For example, non-Muslim consumers are increasingly purchasing halal food because it is healthy and safe, and non-Muslim families may opt for halal tourism for a family-friendly experience.
- The halal economy requires regulatory and policy assistance to raise awareness and drive industry development. Governments have launched new initiatives in this area, such as national masterplans or logos, new certification frameworks, and international agreements.

Scope	
Geographic Coverage	Global *Country-specific analysis for the United Arab Emirates (UAE), Thailand, Italy, Malaysia, Indonesia, Germany, the United Kingdom, Saudi Arabia, and Turkey
Study Period	2020–2030 ¹
Base Year	2021
Forecast Period	2022–2030
Monetary Unit	US Dollars

1. For comparative purposes, we considered data prior to 2020 in a few cases.



Global Halal Economy—Drivers, Restraints, and Market Sizing

The Impact of Drivers and Restraints

Key Takeaway: Because of increasing oil prices and the boost to oil-exporting countries' halal economies, economic drivers will have a stronger impact in the near term. While a lack of consumer awareness hinders sectors, such as pharmaceuticals and cosmetics, branding and awareness will improve during the next 10 years.

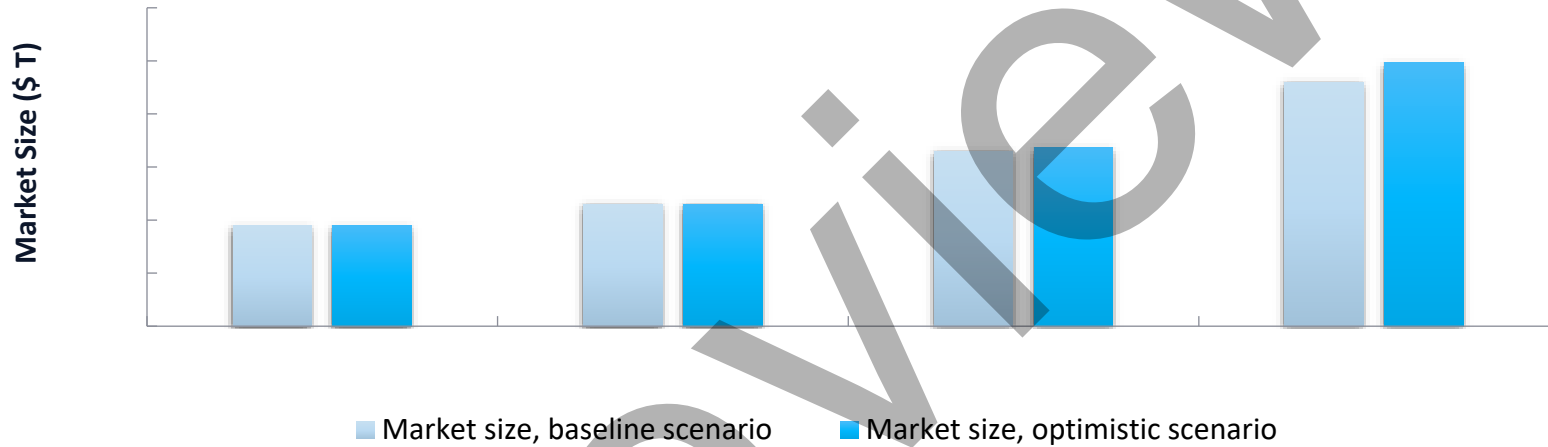
The Impact of Demand-side and Supply-side Drivers and Restraints on the Halal Economy, Global, 2022–2030

Drivers	2022–2023 Impact	2024–2025 Impact	2026–2030 Impact
Favorable Muslim Population Demographics	High	High	High
Economic and Social Drivers in Muslim-majority Nations	High	Medium	Medium
Government Regulatory and Policy Support	Medium–High	High	High
Imperative for Halal Compliance to Drive Market Share	Medium	High	High
Global Halal Trade Growth	Medium	Medium	High
Non-Muslims' Halal Product Preference	Medium	Medium	Medium–High
Restraints	2022–2023 Impact	2024–2025 Impact	2026–2030 Impact
Certification and Standardization Challenges	High	High	Medium
Consumer Trust Issues	Medium	Medium	Low–Medium
Limited Consumer Awareness in Some Segments	Medium	Medium	Low
SME Challenges	Medium	Medium	Low

Source: Frost & Sullivan

The Global Halal Economy Market Size

Halal Economy Market Size, Global, 2015–2030¹

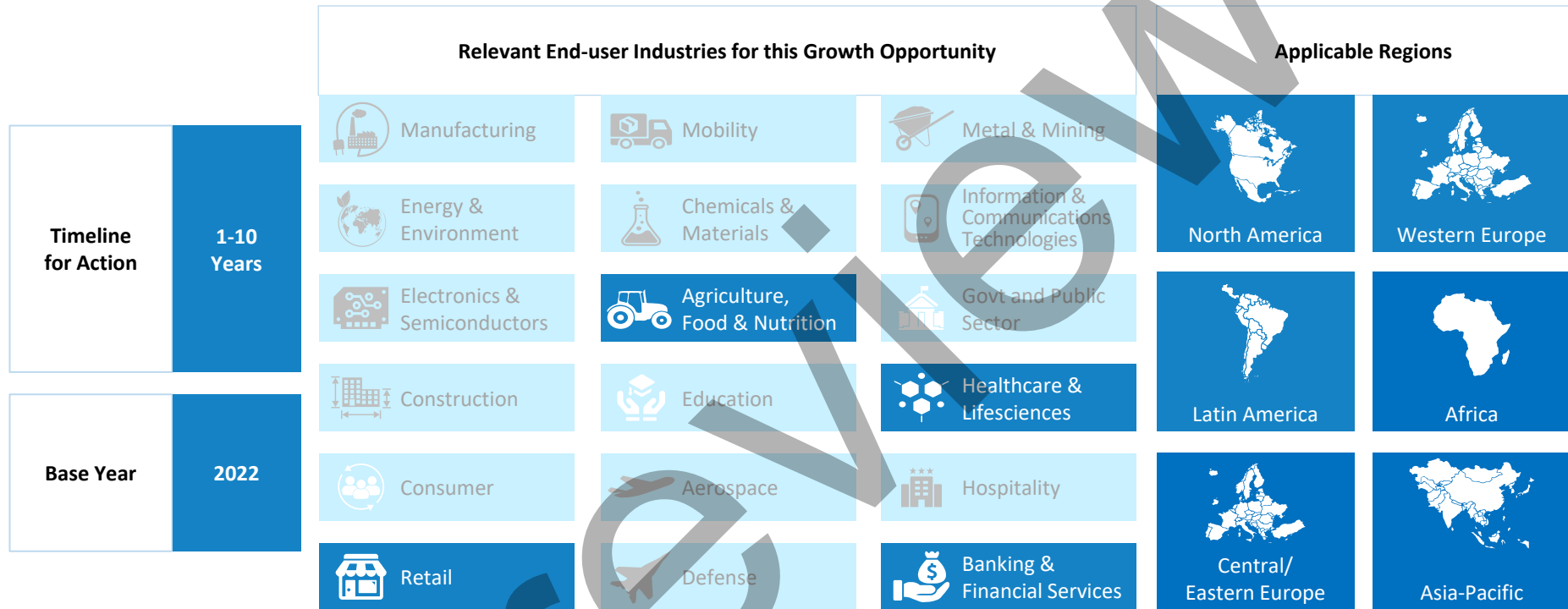


2015–2020

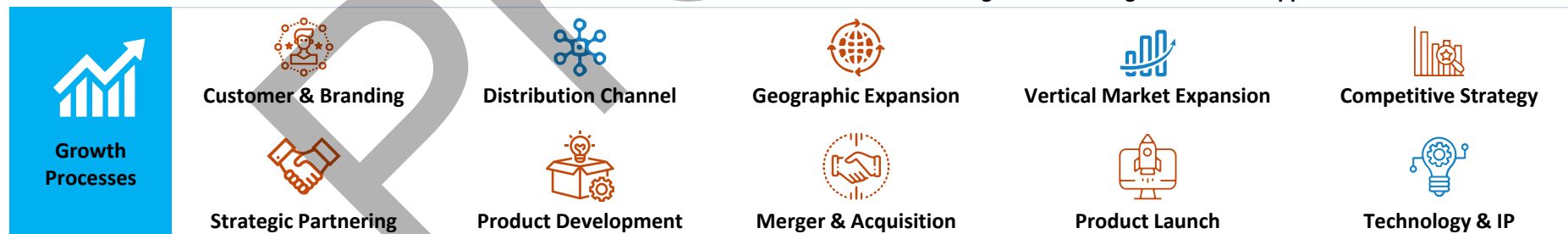
Growth Outlook

1. All figures are estimates
Source: Dubai Airport Freezone; Malaysia External Trade Development Corporation; Islamic Development Bank; Halal Industry Master Plan 2020 (Malaysia); Frost & Sullivan

Growth Opportunity 1—Incorporating or Expanding Halal Product and Service Offerings for New Revenue Generation



























Frost & Sullivan has identified 10 Growth Processes that serve as levers for determining and evaluating new Growth Opportunities.



Source: Frost & Sullivan

Growth Opportunity 2—Leveraging Technological Advancements for Digital Transformation of the Halal Economy

		Relevant End-user Industries for this Growth Opportunity			Applicable Regions	
Timeline for Action	1-10 Years	 Manufacturing	 Mobility	 Metal & Mining	 North America	 Western Europe
		 Energy & Environment	 Chemicals & Materials	 Information & Communications Technologies		
		 Electronics & Semiconductors	 Agriculture, Food & Nutrition	 Govt and Public Sector	 Latin America	 Africa
		 Construction	 Education	 Healthcare & Lifesciences		
Base Year	2021	 Consumer	 Aerospace	 Hospitality	 Central/ Eastern Europe	 Asia-Pacific
		 Retail	 Defense	 Banking & Financial Services		

Frost & Sullivan has identified 10 Growth Processes that serve as levers for determining and evaluating new Growth Opportunities.

 Growth Processes	 Customer & Branding	 Distribution Channel	 Geographic Expansion	 Vertical Market Expansion	 Competitive Strategy
	 Strategic Partnering	 Product Development	 Merger & Acquisition	 Product Launch	 Technology & IP

Source: Frost & Sullivan

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