

Opportunities and Threats in The Development of The Vegan Cosmetics Market

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ABSTRACT

In recent years, cosmetics such as skin creams, face masks, oral care products, nail and hair care items that do not contain ingredients derived from animals have become increasingly popular in Vietnam. These are vegan cosmetics made from natural plant based, gentle ingredients, and not tested on animals. Hence, the vegan cosmetics market in Vietnam has become vibrant recently. The article below, using desk research and sociological surveys, first provides readers with an understanding of vegan cosmetics and an overview of the global vegan cosmetics market. It then analyzes the opportunities and challenges for the development of the vegan cosmetics market, such as issues with raw materials in terms of quality and quantity, high costs, and intense competition. Based on this, the research group proposes solutions and recommendations for businesses, consumers, and regulatory agencies to help promote the development of the vegan cosmetics market in the near future.

Keywords: development, market, cosmetics, vegan cosmetics, Vietnam, opportunities, threats.

1. Introduction

Vegan cosmetics are products that do not contain animal derived ingredients and are not tested on animals.

These products do not include ingredients such as: beeswax, milk, snail mucin, silk, wool fat, gelatin (a type of collagen found in animal bones and skin), etc

Due to the humanitarian aspects and positive environmental impacts, products entirely derived from plants such as vegan cosmetics have gradually become a new beauty trend. (bachhoaxanh.com, 2022)

Distinguishing between vegan cosmetics, clean cosmetics, and organic cosmetics is also crucial. With current marketing strategies often causing confusion, consumers need to read labels and ingredient lists carefully before making a purchase. A non-toxic product is not necessarily a vegan product. (vtv.vn, 2024)

Clean cosmetics are products that do not contain ingredients likely to irritate the skin, such as: sulfates, silicones, phthalates, parabens, petroleum derivatives, synthetic fragrances, or artificial colors. Clean cosmetics are often preferred by those with sensitive skin as it does not contain skin irritation ingredients.

In European countries, cosmetic brands are required to list all ingredients that could potentially cause skin irritation at the bottom of the product packaging so that consumers are informed.

Organic cosmetics contain ingredients that are certified organic. The raw materials must be organically grown, and the products must not be tested on animals. They also do not contain parabens, nanoparticles, synthetic dyes, or artificial fragrances.

Certified organic products are identifiable by the logos of reputable organizations such as: Soil Association Organic, COSMOS (Cosmetic Organic Standard), BDIH (Germany), Cosmebio and Ecocert (France), and ICEA (Italy).

Thus, vegan cosmetics, clean cosmetics, and organic cosmetics are not the same. (bachhoaxanh.vn, 2024)

The main product categories in vegan cosmetics are skincare, haircare, color cosmetics, and other products. Skincare products are used to cleanse, soothe, restore, strengthen, protect, and treat the skin, keeping it in good condition. These products are made from natural and organic ingredients, and are used by a wide range of consumers including women, men, non-binary individuals, and children. Vegan cosmetics are distributed through various channels such as hypermarkets and supermarkets, specialty stores, e-commerce platforms, and others.

The vegan cosmetics market has grown significantly in recent years. It is expected to increase from \$18.25 billion in 2024 to \$19.59 billion in 2025, with a compound annual growth rate (CAGR) of 7.3%. This growth in the historical period can be attributed to rising awareness about animal cruelty in cosmetics, growing demand for natural and organic beauty products, increasing

health and environmental concerns, celebrity endorsements and influence, and the expansion of veganism as a lifestyle choice. (thebusinessresearchcompany.com, 2025)

However, every market faces difficulties and challenges, for instance: intense competition, changing consumer trends, and shortages in raw materials.

Therefore, although Vietnam's vegan cosmetics market as well as the global market has witnessed strong growth in recent years due to favorable consumption trends and trade advantages, there are now many emerging challenges. This makes the research regarding the opportunities and challenges for the development of Vietnam's vegan cosmetics market meaningful.

2. Research methodology

To conduct the research, the research team implemented two methods: desk research (reviewing published materials from various media sources) and sociological investigation (collecting survey responses).

Through the desk research method, the team reviewed existing studies on theories related to the vegan cosmetics market (including general overviews, roles, and requirements).

For the sociological investigation, the team developed a survey to gather relevant information by targeting respondents in the most convenient manner possible.

The questionnaire was structured into the following sections:

1. General information
2. General survey section
3. Section for respondents who "do not use cosmetics"
4. Section for respondents who "use or occasionally use cosmetics"
5. Detailed survey section

The data collection was carried out using the convenience sampling method. The questionnaire was created on Google Drive and distributed via the shared link below:

https://docs.google.com/forms/d/17O0sZwGYTU0WgJfVHDGEcjFRCUAXaiEj-q_1Zym4Bi4/edit

The survey was distributed to participants across various locations through social media platforms such as Facebook, Zalo, and Email. A total of 120 responses were collected (in which 5 were invalid). Each question included answer choices for respondents to select (either a single answer, multiple answers, or a response on a 5-point Likert scale, ranging from 1 which is not necessary at all to 5 which is very necessary).

Data processing method: The research team collected 115 valid responses, then compiled and analyzed the data using Excel software to provide statistical insights which support the research topic.

Among the respondents, the majority were aged 18–24 (42.9%), and females made up the largest proportion (76.2%). Specifically, 31% reported using cosmetics regularly, 40.5% used them occasionally, and only 2.5% did not use cosmetics. However, more than 50% of respondents indicated an intention to use cosmetics in the near future.

3. Overview of the vegan cosmetics market

What are Vegan Cosmetics?

Cosmetics are defined as any product used for beautification, cleansing, and personal care, including skincare, hair care, nail care, personal hygiene, makeup, and fragrance (Lucca and partners, 2020).

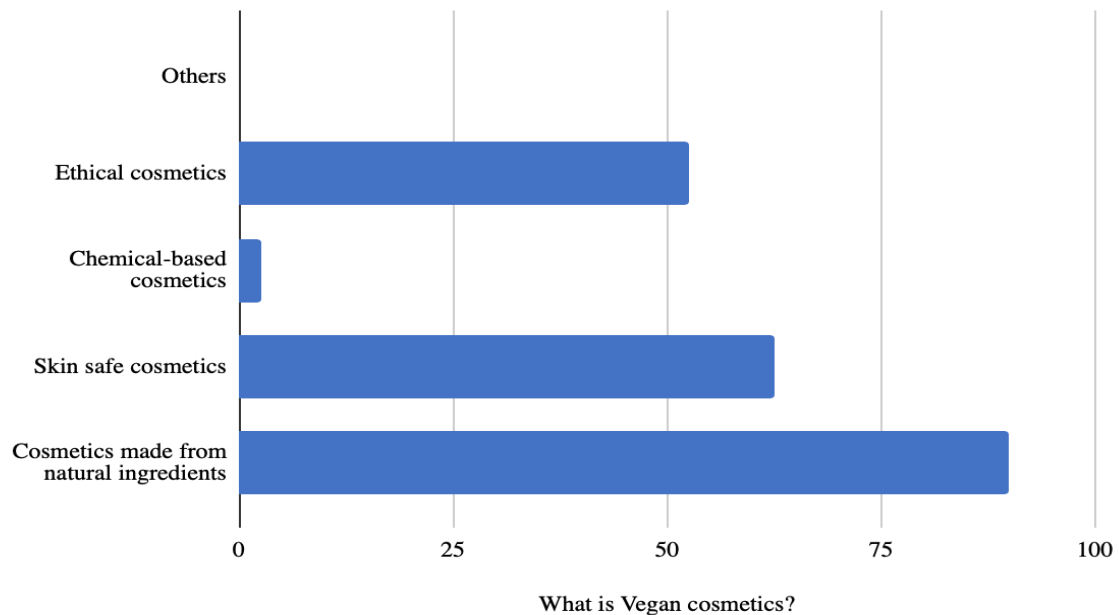
According to the Council of the European Union, cosmetics are any substances intended to be applied to the external parts of the human body such as the skin, hair, nails, lips, and external genital organs or to the teeth and mucous membranes of the oral cavity, with the primary purpose of cleansing, perfuming, or altering the appearance of the body (The Council of European Union, 2009).

According to Chrissy Callahan (2019) and research by Schiffman and partners (2005), unlike conventional cosmetics, vegan cosmetics do not contain ingredients derived from animals, such as extracts from bees, eggs, milk, or snail mucin. Additionally, they are never tested on animals. The growing trend of using vegan cosmetics highlights increasing consumer awareness of health and environmental concerns, thanks to their gentle nature, safety, and ethical appeal.

Survey results show that nearly 70% of respondents are aware of the concept of vegan cosmetics, indicating that this type of product is relatively familiar in the market. Moreover, over 30% of respondents expressed an intention to use vegan cosmetics, reflecting growing consumer interest.

The term vegan cosmetics is interpreted differently among respondents, with up to 90% believing that these products are made from natural ingredients.

Figure 1. Survey results on awareness of vegan cosmetics



Source: Survey results

Currently, there is no official legal definition of veganism recognized worldwide. V-Label International, a reputable vegan certification organization under the European Vegetarian Union (EVU), defines “vegan” products as those that contain no animal derived ingredients and do not use any animal based substances or additives during production (V-Label International).

Characteristics of vegan cosmetics

The key distinction between vegan cosmetics and conventional cosmetics lies in their plant based ingredients such as aloe vera, green tea, etc. and their emphasis on ethics and safety.

Conventional cosmetics often contain animal derived ingredients or are tested on animals, raising ethical concerns and potential risks of skin irritation due to synthetic chemicals. In contrast, vegan cosmetics prioritize natural ingredients, minimizing environmental impact and protecting consumer health. Additionally, vegan products are often rich in antioxidants and essential vitamins, which help nourish and protect the skin.

Not only are vegan cosmetics beneficial for the skin and hair, but they are also environmentally friendly. Their production process avoids pollution and does not contribute to the destruction of animal habitats.

Some common ingredients in vegan cosmetics include

- + **Jojoba oil:** A plant based oil rich in vitamins E and B, known for moisturizing and softening the skin.
- + **Aloe vera extract:** Known for its soothing and healing properties, especially beneficial for sensitive skin.
- + **Coconut oil:** Provides deep hydration, keeping the skin soft and the hair strong.
- + **Tea tree essential oil:** Famous for its antibacterial properties, helps reduce acne and cleanse the skin.
- + **Shea butter:** A natural moisturizer that protects and restores the skin.

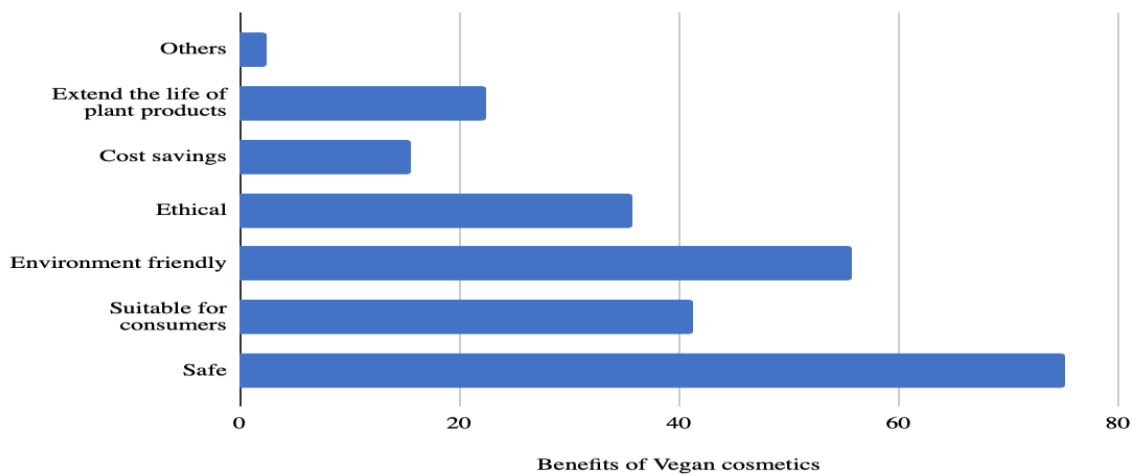
(Source: vuahanghieu.com, 2025)

Benefits of vegan cosmetics

According to the survey respondents, vegan cosmetics were evaluated based on several criteria, including: safety, suitability for users, environmental friendly, ethical value, cost effectiveness, and prolonging the life of plant based products.

Among these, “safety” was identified as the most significant benefit, with over 75% of respondents selecting it. This was followed by environmental friendliness, chosen by 55.8% of respondents. However, the respondents also noted that vegan cosmetics are not considered cost effective.

Figure 2. Survey results on perceived benefits of vegan cosmetics



Source: Survey results

In terms of actual production and consumption, vegan cosmetics offer the following benefits:

+ **Safe for health and reduces risk of skin irritation:** Vegan cosmetics often contain plant based ingredients such as aloe vera, green tea, or strawberry seed oil, which are generally less irritating than animal derived substances like lanolin. According to research from the National Institutes of Health, cosmetics that are not tested on animals show a 15% lower rate of adverse reactions compared to conventional products. This is especially important for those with sensitive skin or a history of allergies, as it helps reduce the risk of redness, itching, or dermatitis.

+ **Environmental protection:** Using vegan cosmetics helps reduce negative environmental impacts. Traditional cosmetics are often linked to industrial animal farming (e.g., for beeswax or animal fat) and animal testing, which contribute to pollution and biodiversity loss. Vegan cosmetics eliminate these elements by using renewable plant based ingredients such as coconut oil or olive oil. In addition, many vegan brands are committed to using recyclable packaging, which helps reduce plastic waste. According to Greenpeace, switching to sustainable products could cut carbon emissions from the cosmetics industry by 30%.

+ **Supports a sustainable lifestyle:** Vegan cosmetics are not only beneficial for skin but also align with eco-conscious living. By choosing vegan products, consumers support responsible consumption, reduce reliance on animal exploitation, and promote ethical values. This is a growing trend embraced by a wide range of people from vegans to minimalists and nature lovers. (vuahanghieu.com, 2025)

The global vegan cosmetics market

The vegan cosmetics market is experiencing remarkable growth. The market value of vegan cosmetics is projected to increase from 2.66 billion USD in 2023 to 3.70 billion USD by 2028, with a compound annual growth rate (CAGR) of 6.83%. Four key reasons behind this growth include:

+ Increased awareness of humane treatment of animals, leading consumers to favor cruelty free products.

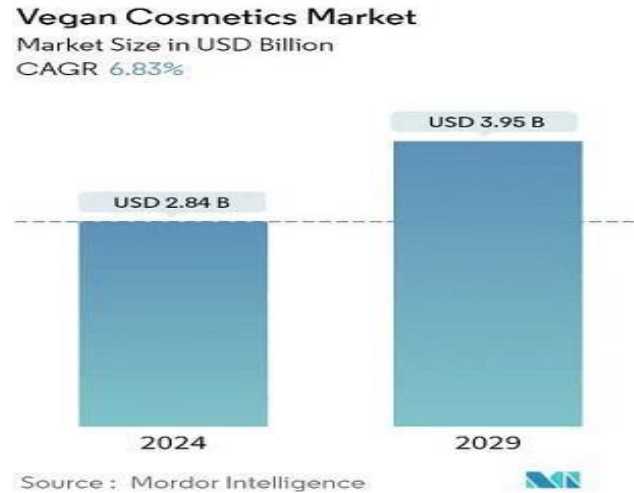
+ A preference for natural products that are safe for consumers' health.

+ Bans on animal derived ingredients in many developed countries.

+The growing popularity of consumer-safe cosmetics.

(*taichinhthuonghieu.com, 2025*)

Figure 3. Growth Rate of the Vegan Cosmetics Market



Vegan cosmetics are becoming a popular trend embraced by many consumers. Below is a list of widely loved vegan cosmetic brands:

Table 1. Popular vegan cosmetic brands

Brand Name	Key Highlights
1. Herbivore Botanicals	Main ingredients: Rosehip oil, Green tea extract
2. The Body Shop	Featured products: Tea Tree skincare set, Vitamin E moisturizer
3. Lush Cosmetics	Known for: Handmade products, Organic ingredients
4. Pacifica Beauty	Advantages: Paraben-free, Recycled packaging
5. E.I.f. Cosmetics	Popular products: Foundation, Pressed powder
6. Drunk Elephant	Notable ingredients: Glycolic acid, Marula oil
7. KVD Vegan Beauty	Featured products: Everlasting liquid lipstick, Shade + Light eyeshadow palette
8. Cover FX	Advantages: Talc-free, Fragrance-free products
9. Milk Makeup	Main ingredients: Cannabis oil, Cucumber extract
10. Biossance	Key products: Squalane oil, Vitamin C serum
11. Juice Beauty	Notable ingredients: Organic fruit juice, Jojoba oil
12. Iiia Beauty	Popular products: Tinted lip balm, Lightweight foundation
13. RMS Beauty	Advantages: GMO-free, Gluten-free
14. Tarte Cosmetics	Main ingredients: Amazonian clay, Botanical extracts
15. 100% Pure	Key products: Coconut facial cleanser, Coffee eye cream

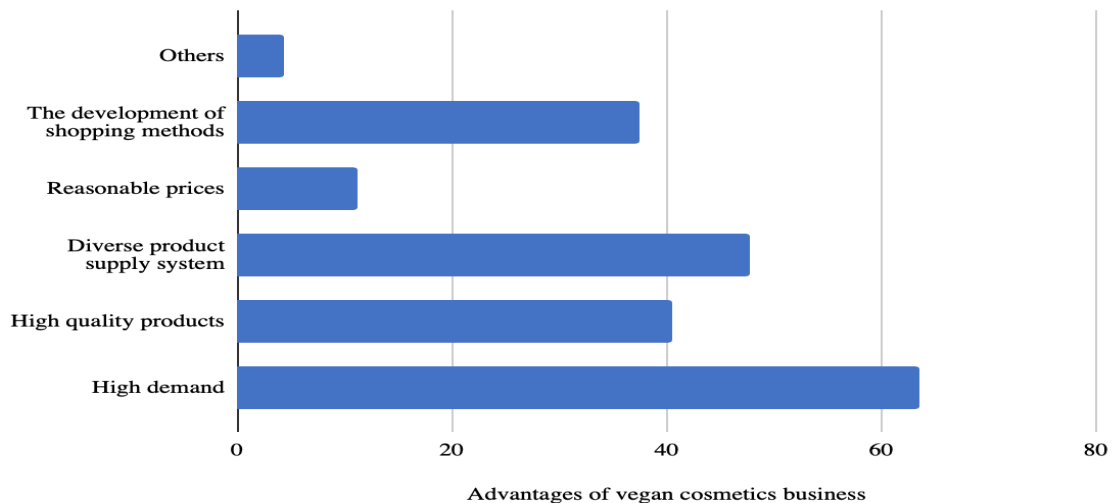
Source: Compiled by the research team

4. Opportunities for the development of the vegan cosmetics market in Vietnam

In recent years, Vietnamese people have become increasingly attentive to their appearance, particularly in terms of beauty care, viewing it as an essential need. Historically, members of the aristocracy used natural ingredients such as rose, green tea, rice, or pomelo for beautification. As living standards and environmental awareness have improved, the trend of returning to natural products has become more evident.

When survey participants were asked about the opportunities and advantages of doing business in vegan cosmetics, over 60% believed that high customer demand created favorable conditions. Nearly 50% pointed to the diversity of product supply systems as an advantage. However, pricing was considered the least favorable factor.

Figure 4. Survey results on the advantages of doing business in vegan cosmetics



Source: Survey results

The emergence of natural based cosmetic technologies in Vietnam in recent years has created a wave of interest among skincare enthusiasts. This trend also presents several key opportunities for the development of the vegan cosmetics market in Vietnam.

Firstly, Vietnam has a rich and diverse source of raw materials for vegan cosmetic production.

When survey respondents were asked about their preferences for cosmetic types including natural, and organic cosmetics; vegan cosmetics; and chemical based cosmetics, over 50% chose natural, organic, or vegan products.

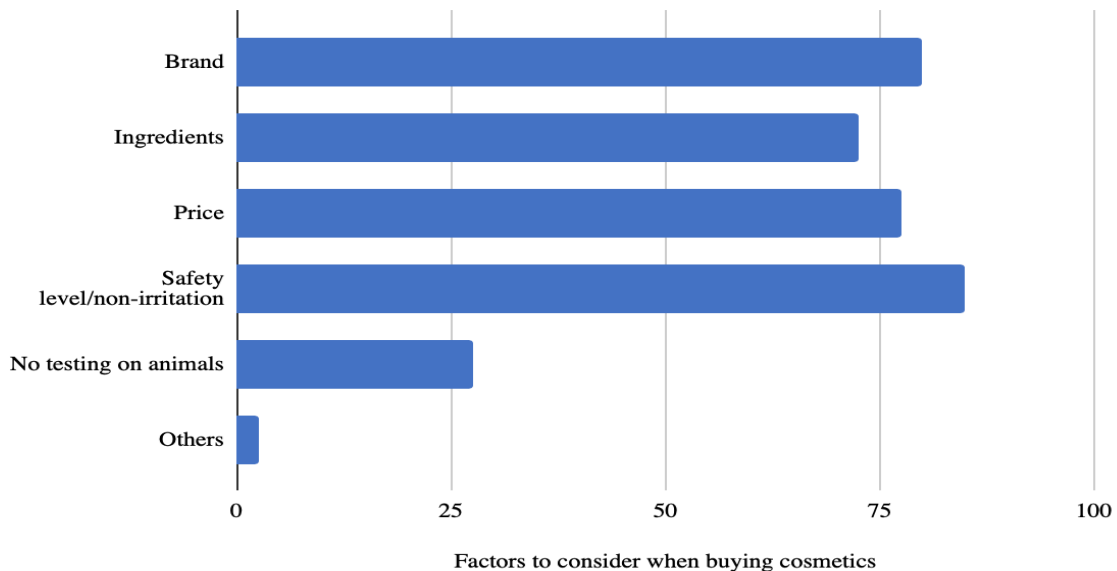
Vegan cosmetics use a wide range of plant based ingredients, including flowers, fruits, leaves, roots, stems, essential oils, herbs, and seeds.

As a country with extensive forests and agricultural land, Vietnam is abundant in raw materials suitable for vegan product manufacturing, such as coffee, winter melon, and fish mint. Moreover, its tropical monsoon climate offers favorable conditions for cultivating and preserving natural ingredients.

Secondly, there is a high level of consumer awareness and demand for vegan cosmetics.

When asked about the factors that influence their cosmetic purchasing decisions such as brand, ingredients, price, non-irritation, and whether the product is tested on animals, nearly 90% of respondents cited safety and non-irritation as their top concern. This was followed by brand reputation, which was important to 80% of participants.

Figure 5. Survey results on factors considered when purchasing cosmetics



(Source: Survey Results)

The survey results show that today's consumers are highly concerned about their own health, prioritizing safety and non-irritating products when choosing cosmetics. Vegan cosmetics are considered suitable due to their plant-based ingredients such as aloe vera and green tea which are less likely to cause irritation and are compatible with sensitive skin.

Consumers are becoming increasingly aware of the cruelty involved in the traditional cosmetics industry. Vegan cosmetics do not contain ingredients derived from animal, are not tested on animals, and prioritize safe and sustainable plant-based ingredients. These products are often labeled with logos such as “Vegan Certified” or “Cruelty-Free” from organizations like PETA or the Vegan Society, or can be identified by carefully reading the ingredient list on the packaging.

In general, there is a growing customer demand for natural-origin, affordable products. This trend motivates the vegan cosmetics industry to continue growing and spreading meaningful, ethical messages.

Thirdly, many Vietnamese businesses are already producing and entering the vegan cosmetics market.

When survey respondents were asked whether companies should produce, sell, or export vegan cosmetics, over 60% responded positively, giving a rating of 4 out of 5.

The growing development and popularity of vegan cosmetics in Vietnam is further reinforced by an expanding network of domestic vegan cosmetic brands.

Table 2. Notable Vietnamese vegan cosmetic brands

Brand Name	Key Highlights
1. Herbario	Products from Herbario are extracted using rare herbs like centella, fish mint, green tea, grapefruit, butterfly pea flower, and chamomile for effective skincare.
2. Cocoon	Products from Cocoon are extracted using familiar natural ingredients like winter melon, aloe vera, green tea, and chamomile, suitable for all skin types, even sensitive skin.
3. Co Mem Homelab	Co Mem Homelab committed to 100% natural and organically grown ingredients like centella, green tea, and chamomile. They are grown and harvested according to organic standards which are free from harmful chemicals and safe for health.
4. Moc An	Products from Moc An are the combination of rare herbs with local ingredients such as shea butter, coconut oil, and tea tree oil. They are free from artificial fragrances and safe for sensitive skin.

5. Sao Thai Duong	Sao Thai Duong uses herbal ingredients like ginseng, lingzhi, and green tea, which are organically grown to produce high-quality products.
6. M.O.I Cosmetics	M.O.I Cosmetics combines carefully selected natural ingredients with modern technology to create long-lasting, high-pigment, and skin-safe products.
7. Skinna	Skinna uses 100% natural ingredients such as ginseng, lingzhi, and green tea. They apply advanced technology in the production process to preserve nutrients for maximum effectiveness.
8. Herb n'Spice	Utilizes high-quality Vietnamese natural ingredients like pine oil from Da Lat and Cau Dat green tea.
9. BareSoul	BareSoul products have many optimal and superior uses but are very safe and do not contain easily irritating substances.
10. Naunau	There are main product lines dedicated to hair, face, body, essential oils, perfumes and pet care.

Source: Research team compilation)

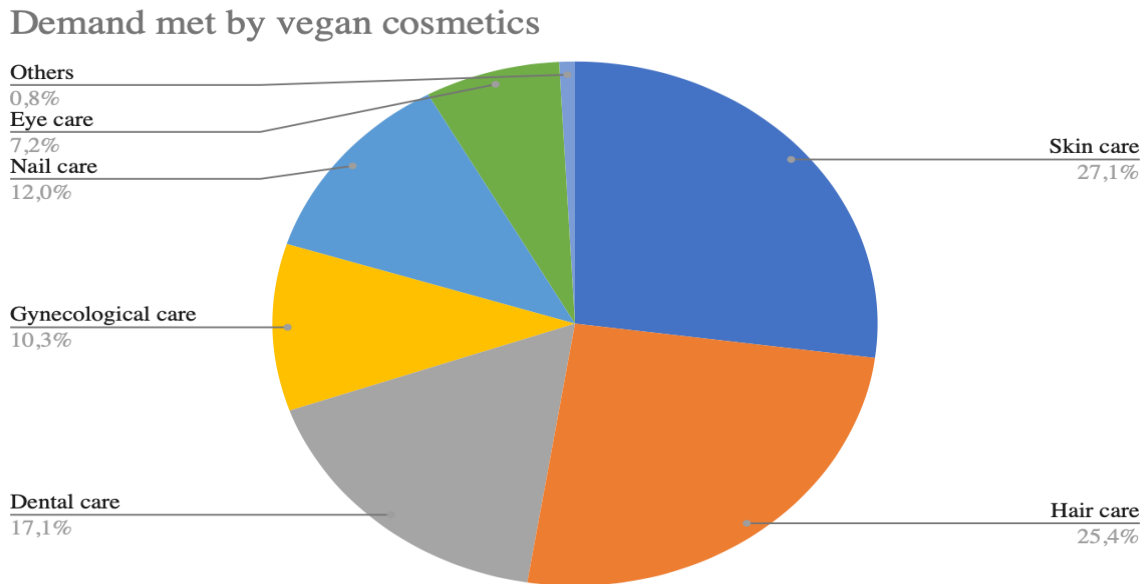
There are currently quite a number of businesses producing and distributing vegan cosmetics in Vietnam. There are businesses that have been around for 10 years or more and have well-known brands, but there are also businesses that are young but their quality is considered good, finding their own suitable market segment.

Fourth, the vegan cosmetics market segment is diverse

The Vietnamese vegan cosmetics market is segmented according to many factors such as price, product type, customer segmentation, origin and distribution channel.

According to the survey, the respondents gave their opinions on the question of which needs vegan cosmetics meet in the group of needs: skin care, hair care, oral care, gynecological care, nail care, eye care... There are more than 80% of opinions said that vegan cosmetics meet skin care needs, but only more than 20% of opinions said that vegan cosmetics meet eye care needs.

Figure 6. Survey Results on Needs Fulfilled by Vegan Cosmetics



Source: Survey Results

Vegan cosmetics not only meet a wide range of personal care needs among Vietnamese consumers but also satisfied to different customer segments by age group:

+ **Young consumers:** The age of cosmetic users is getting younger, and more young people are turning to vegan cosmetics. They are interested in new trends, demand high product quality, and seek reasonable prices.

+ **Middle-aged consumers:** This group typically has stable incomes and focuses on maintaining or enhancing their appearance. They are willing to invest in premium skincare and beauty products, even at higher price points.

+ **Vegan consumers:** These are individuals who pursue a vegan lifestyle from diet to fashion to beauty and only use vegan products. In the past, they may have had to make their own cosmetics to consume, but now the market is ready to provide them with a variety of quality vegan offerings.

Moreover, distribution channels for vegan cosmetics in Vietnam are becoming increasingly diversified. They can be regular retail stores (sell vegan cosmetics alongside other products, helping consumers access a wider range of products); Speciality stores (specialize in selling vegan products, these shops help consumers quickly find and choose the most suitable vegan

cosmetics); Online stores (a highly popular and convenient distribution channel, make it easier for consumers to search, compare, and purchase vegan cosmetic products)

Fifth, the online shopping market for vegan cosmetics is growing rapidly

In the digital era, e-commerce is becoming a primary distribution channel, especially in the cosmetics sector. According to a report from Brands Vietnam (2024), 31% of consumers in Vietnam prefer to buy cosmetics through online platforms, surpassing traditional purchasing methods. E-commerce platforms like Shopee, Lazada, Tiki, and social media networks such as Facebook, Instagram, TikTok have become an excellent choice for vegan cosmetic brands to reach consumers without incurring high storefront costs.

E-commerce is not only a sales channel but also an effective platform for brand building through livestreams, real user reviews, and content shared by KOLs (Key Opinion Leaders). Generation Z, a customer group highly responsive to beauty trends and environmentally conscious, is expected to be the main driving force behind the growth of vegan cosmetics in the near future. (*beautysummit.vn, 2024*)

Sixth, the import and export market for vegan cosmetics holds great potential

In some developed countries, the use of cosmetics derived from animals is banned. Vegan products are considered highly safe and help minimize the risk of irritation.

Vietnam not only has room for domestic growth but also holds great potential to become a global producer of vegan cosmetics. According to Mordor Intelligence (2023), demand for vegan cosmetics is rising sharply in Europe, North America, and Japan. These markets are known for their strict standards and high product quality expectations.

Vietnam is fortunate to possess an abundant and diverse supply of natural ingredients, such as green tea, turmeric, coconut oil, aloe vera, gac fruit, centella asiatica, and Ngoc Linh ginseng. These are all high value ingredients that can be easily integrated into vegan cosmetic formulas and can fully meet international certifications such as Vegan Society And Cruelty Free International. Combined with low production costs, Vietnam has the potential to become a center for vegan cosmetics manufacturing for the global market in the near future. (*VCCI, 2023*)

Seventh, Government policies on the production – distribution – and consumption of products that are friendly to consumer health and the environment

In the context of rising public health concerns and the growing need to uphold ethics in business and consumer behaviour, governments including the Vietnam government are actively supporting businesses in pursuing sustainable development. The Ministry of Industry and Trade

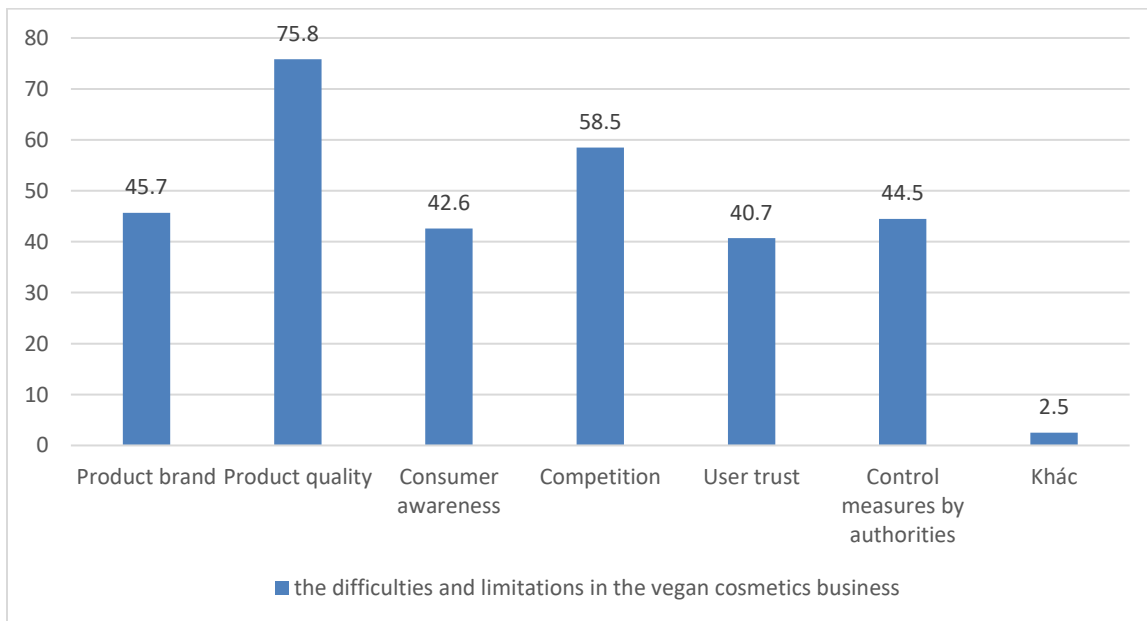
has launched the project “Application of Green Chemistry in Vietnam”, aimed at encouraging companies to reduce the use of harmful chemicals while promoting environmentally and health-friendly production processes.

Additionally, Official Dispatch No. 2365/QLD-MP (dated July 9, 2024) issued by the Drug Administration of Vietnam updates the list of substances permitted for use in cosmetics, moving toward stricter chemical control. This provides a legal foundation that facilitates the acceptance of clean, organic, and vegan cosmetic products in the domestic market, while also helping to build consumer trust.

5. Threats in developing the vegan cosmetics market in Vietnam

A survey investigating the difficulties and limitations in the vegan cosmetics business revealed that the respondents were very frank in identifying challenges such as brand recognition, product quality, consumer awareness, competition, user trust, and regulatory oversight by authorities. Among these, the most significant limitation remains product quality (with over 70% of respondents pointing it out), followed by competition (nearly 60%).

Figure 7. Survey results on the difficulties and limitations in the vegan cosmetics business



Source: Survey results

In reality, while the Vietnamese vegan cosmetics market holds great potential for strong development, it currently and in the future still faces many challenges.

First, strict requirements for vegan cosmetic quality

Currently, international vegan certification standards and processes—such as Vegan Trademark (UK), Certified Vegan (USA), V-Label Vegan (EU), and certifications for cruelty-free products like Leaping Bunny (Cruelty Free International – Global) and PETA Cruelty-Free (USA)—require businesses to meet a series of stringent criteria. These include: full supply chain control, ensuring no animal-derived ingredients or animal testing, and a manufacturing process that strictly adheres to environmental, labor, and ethical regulations. The certification process demands considerable time and cost, and maintaining these standards makes production costs for vegan cosmetics a heavy burden. Small and medium-sized enterprises in Vietnam will have to bear this, and in the long term, it reduces their competitiveness compared to large international vegan cosmetic brands with strong financial capacity.

Second, intense competition in the vegan cosmetics market

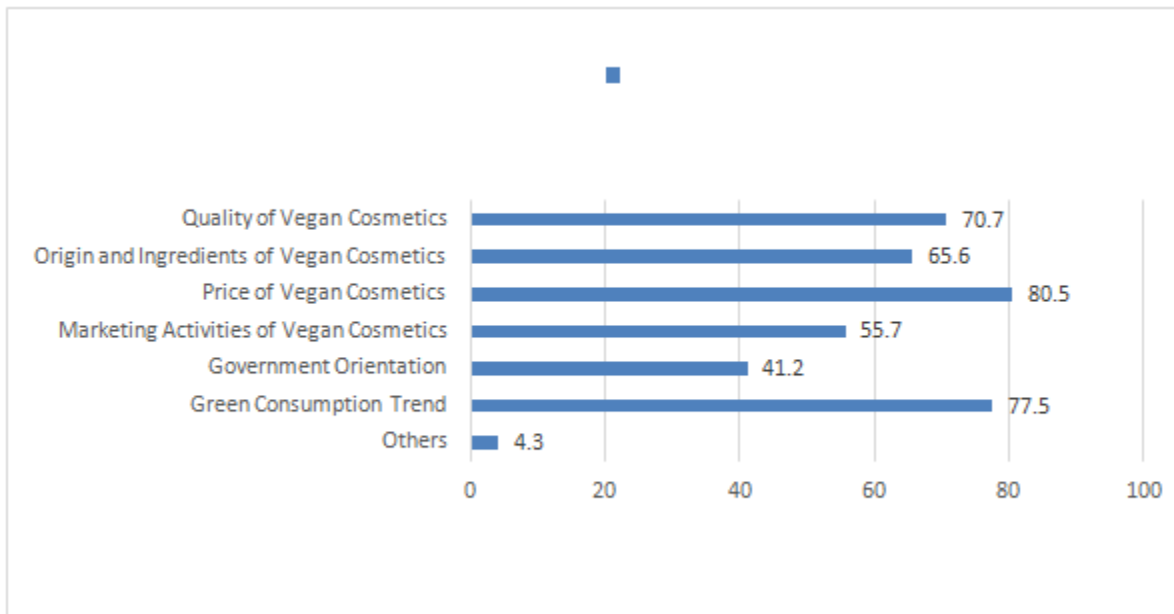
With over 60% of survey responses indicating that a major challenge for Vietnamese vegan cosmetic companies is intense competition from international brands. Even within the domestic market, Vietnamese vegan cosmetic brands face fierce competition. Moreover, due to deep global integration, large cosmetic corporations from Europe, the US, South Korea, and Japan not only have advantages in brand reputation and product quality but also possess powerful marketing strategies, extensive distribution systems, and abundant financial resources. These brands easily attract Vietnamese customers thanks to their long-standing reputation, advanced production technologies, and globally professional advertising campaigns. Additionally, there are cheap vegan cosmetic brands from China employing innovative logistics strategies, which are also capturing the Vietnamese market—especially the youth and budget-conscious segments.

Third, difficulties in sourcing ingredients for vegan cosmetics

Although Vietnam has a rich supply of medicinal herbs, ensuring the quality of ingredients for vegan cosmetics production requires rigorous standards in seed selection, cultivation, harvesting, and storage. These must meet strict criteria such as non-GMO seeds, no animal-derived fertilizers or pesticides, and harvesting/storage processes that do not involve livestock or animals. Meeting these demands makes maintaining a steady ingredient supply a major challenge and requires businesses to have long-term strategies. Furthermore, ensuring the safe combination of herbal ingredients and active substances in the products requires thorough research to guarantee both effectiveness and consumer safety. Currently, the supply of ingredients for vegan cosmetic production in Vietnam is neither diverse nor stable, and the number of factories meeting vegan production standards is still limited, which affects market development.

Fourth, constantly changing consumer trends and increasing customer demands; limited consumer knowledge about vegan cosmetics

Figure 8. Survey results on factors influencing the vegan cosmetics market



Source: Survey results

A fundamental risk in the market is the elastic nature of consumer demand, which is difficult to predict. The vegan cosmetics market is no exception and is influenced by many factors—among which the “green consumption” trend has a significant impact after price, according to the research team’s survey of respondents.

However, in Vietnam, the concept of vegan cosmetics is still quite new and often confused with organic or natural cosmetics. This lack of understanding, combined with the rising trend of green consumption, leads many consumers to follow trends without truly choosing suitable products. This opens the door for brands that are not genuinely vegan to take advantage of the situation. These brands launch so-called “vegan marketing campaigns” — a factor that nearly 60% of survey respondents believe influences the vegan cosmetics market (according to Figure 8) — to attract consumers into buying products that are not truly vegan.

In addition, the survey shows that one of the major challenges in the vegan cosmetics business is consumer knowledge, accounting for up to 42.6% of responses (according to Figure 7). Normally, consumers recognize vegan products through the ingredients list. However, not all manufacturers clearly state the origins or details of the ingredients on the packaging. This leads

to a high risk of confusing vegan products with regular ones. Moreover, some ingredients have names similar to plant-based ones but are actually animal-derived. Here are some typical examples that consumers might easily misunderstand when reading vegan cosmetic labels:

+ **Squalene**: Can be derived from olive oil or shark liver

+ **Stearic Acid**: Can come from coconut oil or animal fat

+ Other ingredients such as **Oleic, Linoleic, Palmitic**, etc.: Can be sourced from either animal fat or plants.

Vegan cosmetics also have some drawbacks: they tend to work more slowly on the skin compared to conventional products, requiring users to be patient, they are often more expensive due to branding, rare ingredients, and stricter manufacturing processes and their shelf life is usually shorter and they cannot be preserved for as long as animal-based products. These are challenges that, if not acknowledged and addressed, could lead to consumer doubt about the effectiveness of vegan cosmetics — especially for specialized products such as anti-aging or acne treatments. This presents a major challenge for companies in building customer trust, which requires stronger communication efforts, publishing scientific research to prove product effectiveness, ensuring transparency in production processes, and achieving reputable certifications to confirm the quality of their vegan cosmetics.

Fifth, the high price of vegan cosmetics

One of the most influential factors in the vegan cosmetics market, according to over 80% of surveyed individuals (as shown in Figure 8), is **price** — a major challenge for the development of the vegan cosmetics market. Vegan cosmetics require certified ingredients and standardized production processes, making them more expensive than conventional cosmetics. Since vegan ingredients come primarily from agriculture, they are vulnerable to weather conditions and are considered high-risk. Natural herbs must be carefully grown and maintained to preserve their medicinal properties, and they can only be cultivated in certain geographic areas to ensure quality — all of which require significant time and resource investment. The vegan cosmetic production process — including ingredient control, quality assurance, and packaging — must also meet ethical and environmental standards.

All these factors make the cost of producing vegan cosmetics significantly higher than that of regular products. With the average income of most Vietnamese consumers, spending a large amount on vegan cosmetics remains a barrier — especially when they are not yet fully convinced of the products' effectiveness.

Table 3. Price range of some vegan cosmetic brands

(Updated: August 2023)

Brands	Price Range
1. Cocoon (Vietnam)	80,000 – 400,000 VND
2. Klairs (Korea)	60,000 – 450,000 VND
3. Sukin (Australia)	90,000 – 250,000 VND
4. The Body Shop (U.L)	150,000 – 800,000 VND
5. Aromatica (Korea)	280,000 – 900,000 VND
6. I’m From (Korea)	150,000 – 650,000 VND
7. Melixir (Korea)	85,000 – 750,000 VND
8. Herb n’ Spice (Vietnam)	50,000 – 340,000 VND
9. BareSoul (Vietnam)	120,000 – 650,000 VND
10. Naunau (Vietnam)	300,000 – 1,290,000 VND

Source: Research team compilation

When comparing the prices of Vietnamese vegan cosmetic brands with international brands—which also bear import taxes and other costs when distributed in the Vietnamese market—the prices of Vietnamese vegan cosmetics are still high. This is one of the challenges and limitations for the development of the Vietnamese vegan cosmetics market that needs to be addressed.

Sixth, the vegan cosmetics market faces the problem of counterfeit goods or negative effects from brand representatives’ images

Taking advantage of famous brands, many people have faked vegan cosmetic products. The use of fake, low-quality, unclear-origin vegan cosmetics can affect users’ skin, nails, hair, oral health, health, and appearance. Reputable brands will be affected by counterfeit and imitation products.

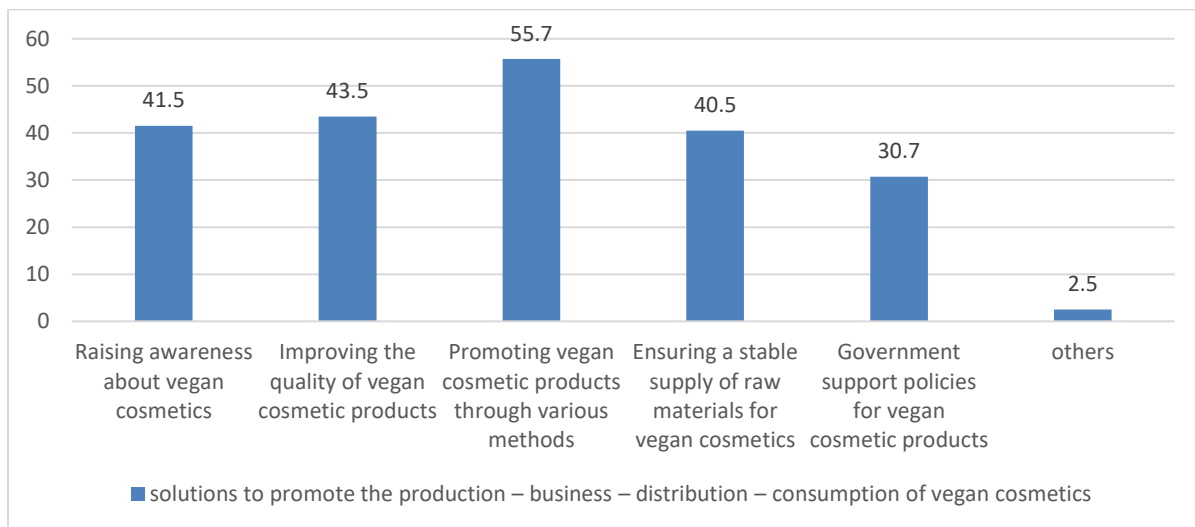
In addition, with marketing campaigns, vegan cosmetic brands often use the image of popular figures in the media field such as actors, singers, etc. But when the private lives of these brand representatives do not conform to culture, tradition, or ethics, it will also greatly affect the image and revenue of vegan cosmetic products.

6. Some solutions to promote the development of Vietnam’s vegan cosmetics market

To take advantage of opportunities and overcome barriers, challenges, limitations, and difficulties in developing the vegan cosmetics market, businesses, consumers, and even authorities need immediate and long-term solutions. When asked about solutions to promote the production – business – distribution – consumption of vegan cosmetics, the surveyed subjects

boldly proposed several methods such as: popularizing knowledge about vegan cosmetics, improving the quality of vegan cosmetic products, promoting vegan cosmetic products in various ways, ensuring raw material sources for vegan cosmetic production, requiring government support policies for vegan cosmetic products... Among them, the solution to promote vegan cosmetic products in various ways was chosen the most (over 50% of opinions), followed by the solution to improve the quality of vegan cosmetic products (over 40% of opinions).

Figure 9. Survey results on proposed of solutions to promote the production - business - distribution - consumption of vegan cosmetics



Source: Survey results

Thus, all parties involved in the vegan cosmetics market need different approaches to promote its development.

From the businesses’ side

According to the opinions from respondents regarding the trend of production – business – distribution, many opinions assessed that businesses in the near future will tend to: Promote production technology (34.8% of opinions selected); Promote export (30.5% of opinions selected); Expand domestic distribution system (55.8% of opinions selected); Strengthen customer care (50.7% of opinions selected); Diversify products (25.7% of opinions selected); and Offer reasonable pricing policies (62.4% of opinions selected). These are suggestions as well as aspirations to be achieved by businesses producing – trading – distributing vegan cosmetics. These are not only suggestions but also expectations that businesses in the vegan cosmetics industry should aim for.

Vegan cosmetics manufacturing businesses truly need to innovate and become more efficient in production and distribution by applying modern science and technology, as well as using artificial intelligence (AI) and Big Data in product testing and consumer behavior analysis. This enables personalized customer experiences and helps businesses offer suitable products and improve customer satisfaction.

Businesses need to build a sustainable raw material supply chain by investing in local ingredient regions, developing standard herbal farming areas, cooperating with farmers and ingredient-supplying companies, ensuring transparency in the entire production process, and applying digital technologies in plant cultivation stages.

Businesses need to focus on transparency of product information by clearly disclosing ingredients, certifications, and the vegan cosmetic production process. At the same time, businesses can sponsor environmental research organizations to promote green initiatives and enhance a socially responsible brand image. Businesses should improve packaging to be more eco-friendly, run packaging reuse campaigns, or offer green plants in exchange for old packaging...

Vietnamese vegan cosmetics production and business enterprises need to strengthen marketing and communication activities, especially focusing on branding in the international market as well as on product quality. Develop a variety of product lines suitable for different customer segments. Additionally, businesses can leverage promotional programs such as discounts, product bundles, or loyalty policies to increase accessibility and encourage consumers to choose vegan cosmetics.

Import-export enterprises need to explore and boost the distribution of vegan cosmetics. They should research and comply with vegan cosmetic standards of the US, Europe, and Japan, while also enhancing brand reputation by participating in international trade fairs and exhibitions on cosmetics in general and vegan cosmetics in particular.

Businesses should increase the application of e-commerce and adopt green logistics strategies in distributing vegan cosmetics. They should make use of social media platforms, build comprehensive digital marketing strategies combining content marketing and live streaming sales to increase brand awareness and encourage purchasing behavior.

In addition, businesses should introduce methods to identify genuine and counterfeit products to protect their own interests and safeguard vegan cosmetics consumers. They should also be ready to report violations involving counterfeit and imitation products of their brand.

From the consumers' side

Consumers also need to raise awareness and be encouraged to use vegan cosmetics as a way of loving themselves and the environment.

Consumers should thoroughly research vegan cosmetic brands before purchasing and be able to identify product ingredients.

Customers also access information about vegan cosmetics through various channels, actively shop through e-commerce, and maintain trust and persistence in using vegan cosmetic products.

Moreover, consumers are willing to share their experiences with vegan cosmetic products with friends, colleagues, and family to create a community of ethical and environmentally friendly cosmetic consumers.

From the authorities' side

Finally, the involvement of government agencies and units, in collaboration with vegan cosmetic producers, distributors, and consumers, is essential.

Authorities should provide both financial and non-financial support to businesses that produce – trade – distribute vegan cosmetics.

At present, the government must take strong measures to detect and handle cases of counterfeit and fake vegan cosmetics production – business – consumption. This will help restore a healthy environment for the vegan cosmetics market.

Conclusion

The Vietnamese vegan cosmetics market holds great potential for future development, especially as consumer awareness increases and the green lifestyle becomes more mainstream. However, to make a breakthrough, businesses must overcome many challenges, from production costs and certification standards to building customer trust. Serious investment in quality and communication will be the key for this market to grow strongly and sustainably.

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