THE SKINCARE INDUSTRY PHENOMENON IN INDONESIA: BETWEEN PUBLIC HEALTH, BUSINESS INTERESTS, AND CONSUMER LEGAL PROTECTION

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ABSTRACT

The skincare industry in Indonesia has experienced significant growth in line with increasing public awareness of skin health, technological developments, and the rapid expansion of digital marketing. On the one hand, this development provides benefits through the availability of various innovative products that support skin care and health. On the other hand, increasingly intense business competition has generated various problems, including the circulation of products without marketing authorization, the use of hazardous ingredients, misleading product claims, and marketing practices that disregard consumer rights.

This article aims to analyze the phenomenon of the skincare industry in Indonesia from the perspectives of public health, business interests, and consumer legal protection. The research employs a normative juridical method using a statutory approach and a conceptual approach through an examination of various legal provisions governing consumer protection and the supervision of cosmetic products in Indonesia. The findings indicate that the effectiveness of legal protection depends on synergy among the government as regulator, business actors as producers and distributors, and the public as consumers. Strengthening regulations, improving supervision and law enforcement, and enhancing consumer education are essential factors in establishing a skincare industry that is safe, responsible, sustainable, and oriented toward protecting public health.

KEYWORDS

skincare industry, legal protection, regulation, business practices, public health

INTRODUCTION

The skincare industry in Indonesia has experienced rapid growth in recent years. Increasing public awareness of the importance of skin health, supported by technological advancement, the development of e-commerce, and the influence of social media, has contributed to growing demand for various skincare products. This condition has positioned Indonesia as one of the rapidly developing cosmetic markets in Southeast Asia, as demonstrated by the emergence of numerous local and international brands offering a wide range of innovative products to meet consumer needs.

The growth of the skincare industry has not only generated positive impacts on the national economy through increased investment, employment opportunities, and the development of micro, small, and medium enterprises (MSMEs), but has also expanded public access to increasingly diverse skincare products. Competition among business actors has encouraged innovation in product formulation, production technology, and marketing strategies. However, behind these developments, the skincare industry also faces various challenges related to public health protection and legal certainty for consumers.

The widespread circulation of skincare products without marketing authorization, the use of ingredients that do not meet safety standards, counterfeit products, and excessive or unsubstantiated product claims demonstrate that industrial growth is not always accompanied by compliance with applicable legal requirements. Furthermore, the use of social media as a promotional platform often involves information that is not fully supported by scientific evidence. Promotion through influencers, affiliate marketing, and consumer testimonials frequently influences purchasing decisions without providing adequate information regarding product safety, effectiveness, and potential risks. Such conditions may result in losses to consumers, both in terms of health and economic interests.

From a legal perspective, consumers have the right to security, comfort, safety, and accurate, clear, and honest information regarding the goods or services they purchase and use. Therefore, the state has a responsibility to ensure the protection of consumer rights through the establishment of regulations, supervision of product distribution, and enforcement of the law against business actors who violate applicable provisions.

In Indonesia, consumer protection concerning skincare products is based on various laws and regulations, including Law Number 8 of 1999 concerning Consumer Protection, Law Number 17 of 2023 concerning Health, and various regulations issued by the Indonesian Food and Drug Authority (Badan Pengawas Obat dan Makanan/BPOM) concerning the safety, quality, benefits, production, distribution, and circulation of cosmetics. These regulations constitute important instruments for ensuring that products distributed to the public meet applicable safety standards and do not endanger consumers.

Although a regulatory framework is already in place, the effectiveness of legal protection continues to face various challenges. The development of digital commerce has facilitated the circulation of imported and illegal products that may not meet safety requirements. At the same time, limited legal literacy and public awareness regarding the importance of checking product legality remain factors that make consumers vulnerable to irresponsible business practices. This demonstrates that legal protection does not depend solely on the existence of regulations, but also on the effectiveness of government supervision, business compliance, and consumer awareness in using products responsibly.

Based on the foregoing, this article aims to analyze the phenomenon of the skincare industry in Indonesia from the perspectives of public health, business interests, and consumer legal protection. The discussion focuses on the relationship between the development of the skincare industry, the implementation of the applicable regulatory

framework, and business practices emerging within society. Accordingly, this research is expected to contribute to the development of consumer protection law studies while providing recommendations for the government, business actors, and consumers in creating a skincare industry that is safe, responsible, and oriented toward protecting consumer rights.

RESEARCH METHOD

This research employs a normative legal research method, which focuses on analyzing legal norms governing consumer protection in relation to skincare products in Indonesia. This approach was selected because the research seeks to examine the conformity between applicable legal provisions and business practices within the skincare industry, as well as to analyze the effectiveness of legal protection for consumers.

The approaches employed consist of the statutory approach and the conceptual approach. The statutory approach is conducted by examining various laws and regulations relating to consumer protection and the supervision of cosmetic products, including Law Number 8 of 1999 concerning Consumer Protection, Law Number 17 of 2023 concerning Health, and regulations issued by the Indonesian Food and Drug Authority (BPOM) concerning the safety, quality, production, and distribution of cosmetics. Meanwhile, the conceptual approach is used to analyze the concepts of legal protection, business responsibility, consumer rights, and legal principles developed in legal scholarship.

The legal materials used in this research consist of primary legal materials, namely laws and regulations governing consumer protection and cosmetic products; secondary legal materials, including books, scientific articles, research findings, national and international journals, and relevant legal doctrines; and tertiary legal materials, such as legal dictionaries, encyclopedias, and other reference sources supporting the understanding of relevant legal terms and concepts.

Legal materials were collected through library research, involving the identification, inventory, and examination of various laws and regulations, academic literature, and official documents relevant to the research subject. The collected legal materials were subsequently analyzed using qualitative analysis through a descriptive-analytical method. The analysis involved legal interpretation, comparison of legal norms, and examination of the relationship between legal provisions and business practices within the skincare industry. The results of the analysis were used to evaluate the effectiveness of consumer legal protection and formulate recommendations aimed at strengthening legal certainty, consumer rights protection, and business responsibility within the skincare industry in Indonesia.

RESULT AND DISCUSSION

Development of the Skincare Industry in Indonesia and Its Impact on Society

The skincare industry in Indonesia has developed significantly in line with increasing public awareness of the importance of skin care. Changes in lifestyle, advances in information technology, and the influence of social media have transformed skincare products into an increasingly common component of modern life. Skincare is no longer perceived solely as a beauty product but also as part of efforts to maintain skin health. This condition has encouraged the emergence of numerous local and international brands offering a variety of products with specific claims, such as treating acne, moisturizing the skin, reducing signs of aging, and improving certain skin conditions.

The growth of this industry has generated positive impacts on the national economy, particularly through increased business activities in the cosmetic sector, the development of local industries, and the expansion of opportunities for Micro, Small, and Medium Enterprises (MSMEs). Increasing business competition has also encouraged companies to innovate in product development, ingredient formulation, marketing strategies, and consumer services.

However, rapid development has also generated various legal problems. High market demand may be exploited by irresponsible business actors seeking economic gain through practices that violate legal requirements, such as selling products without marketing authorization, providing inaccurate information, using hazardous ingredients, or making excessive product claims. This condition demonstrates that the growth of the skincare industry must be accompanied by an effective system of supervision and legal protection.

Skincare Business Practices and Potential Violations of Consumer Rights

From a business perspective, marketing strategies constitute one of the primary factors determining the success of skincare products. The use of social media, digital advertising, and collaboration with influencers has become increasingly common among business actors seeking to attract consumers. These strategies facilitate public access to product information; however, they may also create risks when the information provided is inaccurate, incomplete, or misleading.

One of the recurring problems within the skincare industry involves product claims that do not correspond to actual product characteristics or scientifically supported effects. Claims such as “instant results,” “permanently eliminates skin problems,” or “safe for all skin types” may be used as marketing strategies without sufficient scientific support. Such practices may cause consumers to make purchasing decisions based on incomplete or inaccurate information.

Based on consumer protection principles, business actors are obligated to provide accurate, clear, and honest information regarding the products they offer. Consumers have the right to obtain information concerning product composition, benefits, instructions for use, and potential risks. When information provided is inconsistent with actual product characteristics and causes consumer losses, business actors may be held legally responsible in accordance with applicable laws and regulations.

BPOM Findings of Problematic Cosmetic and Skincare Products in 2025

Table 1. BPOM Findings of Problematic Cosmetic/Skincare Products in 2025

BPOM Supervision Period	Number of Problematic Products	Form of Violation	Hazardous/Prohibited Ingredients Identified
January–March 2025	16 cosmetic products	Contained hazardous and/or prohibited ingredients	Mercury, retinoic acid, hydroquinone, lead, Red K10 dye
April–June 2025	34 cosmetic products	Failed to meet safety requirements	Mercury, hydroquinone, retinoic acid, lead, steroids, and other prohibited ingredients
October–December 2025	26 cosmetic products	Contained hazardous ingredients and/or lacked marketing authorization (TIE)	Retinoic acid, hydroquinone, mercury, dexamethasone, mometasone furoate, clindamycin

The findings demonstrate that the circulation of problematic cosmetic products remains a significant concern. Products containing hazardous or prohibited substances may

pose risks to consumers, particularly when such products are used repeatedly or without adequate information regarding their composition and potential health effects.

Forms of Violations and Their Impact on Consumer Rights

Table 2. Forms of Violations and Their Impact on Consumer Rights

Type of Violation	Impact on Consumers	Consumer Rights Potentially Violated
Products without marketing authorization (TIE)	No adequate assurance of product safety and quality	Right to safety and security
Products containing mercury, hydroquinone, or retinoic acid outside permitted requirements	Risk of irritation, skin damage, and other health problems	Right to obtain safe products
Excessive or unsubstantiated product claims (*overclaim*)	Consumers make purchases based on inaccurate information	Right to accurate and honest information
Incomplete product labeling	Consumers cannot adequately identify ingredients and potential risks	Right to clear and complete information
Misleading promotion through social media	Consumers may be encouraged to purchase products without sufficient consideration	Right to protection against unfair business practices

These forms of violations indicate that consumer protection in the skincare sector must address not only product safety but also the accuracy and transparency of information provided by business actors.

Regulatory Framework for Consumer Legal Protection of Skincare Products in Indonesia

Consumer legal protection for skincare products in Indonesia is based on various regulations intended to ensure product safety and legal certainty for the public. One of the principal legal foundations is Law Number 8 of 1999 concerning Consumer Protection, which regulates consumer rights and obligations as well as the responsibilities of business actors.

Under this legislation, consumers have the right to comfort, security, and safety when consuming goods or services. Consumers are also entitled to accurate, clear, and honest information concerning the condition and guarantees of products. These provisions establish that skincare business actors must not focus solely on economic profit but must also consider consumer interests and safety.

In addition to the Consumer Protection Law, cosmetic products are regulated in relation to Law Number 17 of 2023 concerning Health and various regulations issued by the Indonesian Food and Drug Authority (BPOM). These regulations establish requirements concerning the safety, quality, and technical standards that cosmetic products must satisfy before being distributed to the public.

The existence of these regulations demonstrates the important role of the state as regulator and supervisor. Nevertheless, the effectiveness of consumer protection depends heavily on the implementation of supervision, compliance by business actors, and consumer awareness in selecting safe products.

Regulatory Framework for Consumer Legal Protection of Skincare Products

The regulatory framework can be illustrated as follows:



Business Actors' Responsibilities for Skincare Product Safety

Business actors have a legal responsibility to ensure that products placed on the market meet applicable safety standards and do not cause losses to consumers. These responsibilities include ensuring product quality, providing accurate information, transparently disclosing product ingredients, and ensuring that products satisfy all applicable licensing and regulatory requirements.

In practice, ensuring compliance among all business actors remains challenging. The rapid development of electronic commerce (*e-commerce*) has significantly expanded distribution channels, making comprehensive supervision increasingly difficult. Illegal products or products that fail to meet safety standards can be distributed through various digital platforms and online marketplaces.

Therefore, the principle of **business responsibility** must be implemented by placing consumer safety at the center of sustainable business practices. Responsible business actors do not merely pursue economic profit but also build public trust in their brands and contribute to the credibility of the skincare industry as a whole.

Effectiveness of Legal Protection and Challenges in Skincare Product Supervision

Although Indonesia has established various regulations concerning consumer protection and cosmetic supervision, their implementation continues to face significant challenges. One of the primary challenges is the increasing volume of products distributed through digital platforms, which makes comprehensive product supervision more complex.

In addition, limited consumer literacy regarding product safety is another factor contributing to public vulnerability to products that do not meet applicable standards. Some consumers place greater emphasis on low prices, product popularity, or social media recommendations than on verifying product legality and safety.

Improving the effectiveness of consumer legal protection therefore requires cooperation among the government, business actors, and consumers. The government must strengthen supervision and law enforcement against violations. Business actors must improve compliance with applicable regulations and prioritize consumer safety. Meanwhile, consumers need to increase their legal awareness and product literacy when selecting and using skincare products.

Accordingly, the development of the skincare industry in Indonesia can be balanced between business interests and public health protection. A successful and sustainable industry should not be measured solely by economic growth and profitability, but also by its ability to provide safe, high-quality products and respect consumer rights.

CONCLUSION

The skincare industry in Indonesia has experienced significant growth in line with increasing public awareness of skin health, technological developments, and changes in consumer behavior through digital platforms. This growth has generated positive economic impacts through product innovation, expanded business opportunities, and the development of the national cosmetics industry. However, rapid industrial development has also generated various legal challenges, particularly concerning the circulation of products without marketing authorization, the use of hazardous ingredients, excessive product claims, and the provision of inaccurate or misleading information to consumers.

Consumer legal protection for skincare products in Indonesia is supported by various regulations, particularly Law Number 8 of 1999 concerning Consumer Protection, Law Number 17 of 2023 concerning Health, and regulations issued by the Indonesian Food and Drug Authority (BPOM) concerning cosmetic supervision. These regulations provide a legal foundation for protecting consumers' rights to safety, accurate information, and protection against harmful business practices.

The effectiveness of consumer legal protection does not depend solely on the existence of regulations but also requires synergy among the government, business actors, and consumers. Business actors must conduct their activities responsibly by ensuring product safety and providing transparent information. The government and BPOM must strengthen supervision and law enforcement against violations. Meanwhile, consumers must improve their legal literacy and awareness when selecting and using skincare products.

Through effective cooperation among all stakeholders, the Indonesian skincare industry can develop sustainably while continuing to prioritize public health and the protection of consumer rights. Ultimately, a responsible skincare industry is one that successfully balances economic interests, product innovation, public health, and consumer legal protection.

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