

Friday  
April, 26th  
h. 10.00 a.m

DEVELON DIGITAL FOR ESSENCIONAL

## Whispers about Artistic Perfumery: the online audiences perception.

*Unveiling needs and expectations related to Artistic Perfumery through interviews to EsXence's contacts and media partners, monitoring of online conversations and search engines trends.*

### SPEAKERS

**Silvio Levi** – Founder- Essencional

**Chiara Toniello** - Analyst - Essencional

**Sarah Colton**- Journalist & Essencional Consultant

**Karen Marin**- Fragrance expert & Essencional Consultant

**Marco Pietribiasi** - Business developer and strategist - Develon Digital

**Marco Ricchetti** – CEO - Blumine Srl

INSPIRATION  
FLOW

# Essencional

Following the 10<sup>th</sup> edition of Esxence, one of its founders, Silvio Levi set up an international working group, **Essencional** - as a natural continuation of Esxence event and its workshops. **Essencional** has the aim to analyze what could really serve the sector, to grow and maintain a precise identity that would guarantee to the Perfumery in general that irreplaceable role of Research & Development that undeniably the Artistic Perfumery has carried out so far, almost as if it were a genetic characteristic.

**Essencional's** mission is to listen, understand, identify problems, propose solutions and provide services that allow Artistic Perfumery to maintain and nurture a characteristic profile that represents its uniqueness and dedication to research.

**Essencional** is an expertise hub bringing together opinion leaders, scientific and business partners aimed at increasing a deep and rigorous knowledge of the sector and its dynamics, promoting its values and supporting its development.

**Essencional** launches its activities during the 11<sup>th</sup> edition of Esxence, presenting the Panel "Whispers about Artistic Perfumery", the preliminary results of the survey - realized in collaboration with Develon Group on the perception of artistic perfumery through web listening and within the Esxence Community.

INSPIRATION  
FLOW

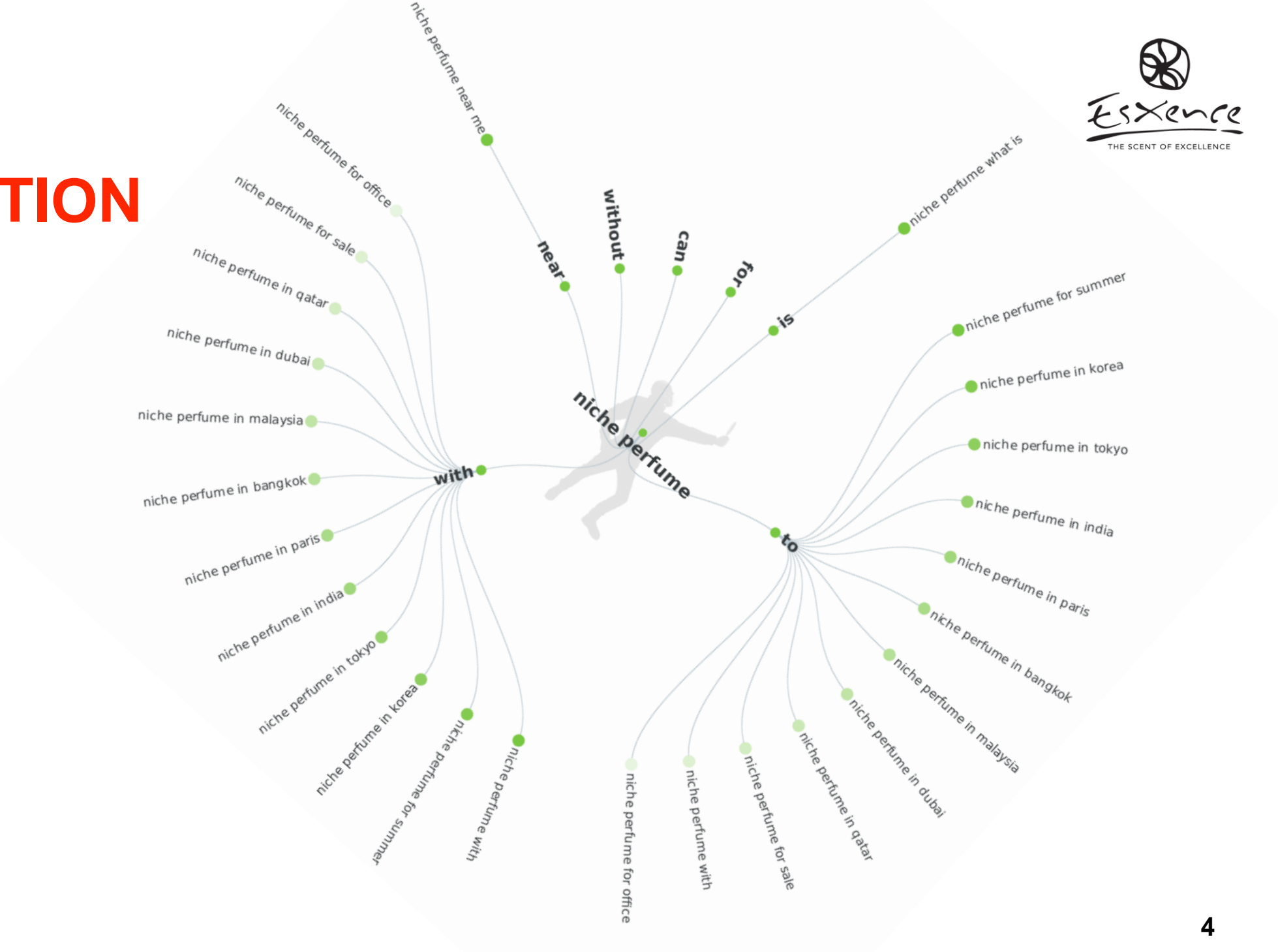


## AGENDA

- Essencional
- Introduction
- Methodology
- Questions
- Key insights from mentions and search analysis
- Key insights from surveys: B2B and B2C
- Final considerations

# INTRODUCTION

This digital analysis originates from **the need to understand**, after over 10 years of Esxence presence, **how niche perfumery online has evolved and what is the level of awareness in online audiences.**



# METHODOLOGY



## WEB LISTENING

We've been monitoring thousands of online **conversations** during last year in order to comprehend and measure **where, when and how users discuss about niche perfumery online.**



## SEARCH ENGINE TRENDS

We've been **analyzing 1 year of searches** in Google to uncover which are **the most relevant and the most popular topics related to niche perfumery**



## ONLINE SURVEY

We finalized our research with an **online survey investigating the perception of niche perfumery** among Esxence B2B and B2C community.

## WEB LISTENING

# QUESTIONS

NICHE PERFUMERY  
VS  
CONVENTIONAL PERFUMERY

What is the level of awareness among consumers of niche perfumery?  
Is there a clear distinction between niche and conventional?  
Are there recurring occasions for wearing niche perfumes?  
Is there any interest in olfactory marketing?

INFLUENCERS AND  
RELEVANT PERSONS

Who are the most active persons online talking about niche perfumery?  
Are they relevant for this market?  
Do Bloggers and Youtubers contribute in spreading the culture?

PURCHASE EXPERIENCE

How are department stores perceived?  
What's the expectation on customer experience and services?  
Is the store staff professional and welcoming?


RELATED TOPICS

Is there any interest in topics such as sustainability, ecology, naturality of the ingredients, allergens, brand's nationality or history?

BEHAVIORAL CLUSTERS

Is it possible to frame online purchasers behavior and attitudes in some sort of cluster?





# KEY INSIGHTS

## FROM MENTIONS AND SEARCH ANALYSIS

INSPIRATION  
FLOW



KEY INSIGHT

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**NICHE PERFUMERY ONLINE IS A NICHE TOPIC OF CONVERSATION**

**MARKET OPERATORS, BRANDS AND PERFUME SHOPS**  
**are the main promoters**

**“NICHE FRAGRANCES” IS THE MOST USED TERM**  
**when addressing unconventional perfumery**





KEY INSIGHT

**People searching for niche fragrances** do not search by value attributes  
(niche, exclusive, luxury, historical, artistic, ...)

**They always search for a BRAND NAME or for PRODUCT NAME**





KEY INSIGHT

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**Online users imagery and behavior is different in online conversations.**

**In Italy users mention niche perfumery as “ARTISTIC FRAGRANCES”  
Internationally the most used mention is “LUXURY FRAGRANCES”**





KEY INSIGHT

**The NICHE or NICHE PERFUME notion is not part of consumers' mindset,  
it rather belongs to market operators.**

**ONLY 2.6% of Google Searches  
can be associated to the "Niche" context**

**3 Searches out of 4  
originate from a smartphone device**





KEY INSIGHT

## INSTAGRAM

is the online channel where these perfumes are most mentioned  
in Italy as internationally

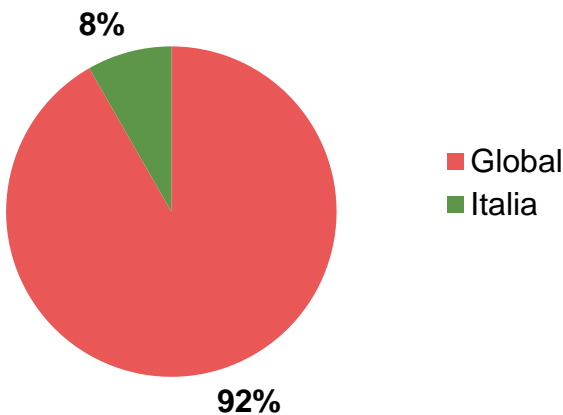
THE BOTTLE appears in 93% of the photos  
published in online conversations

FASHION INFLUENCERS  
promote niche fragrances along with fashion and accessories brand

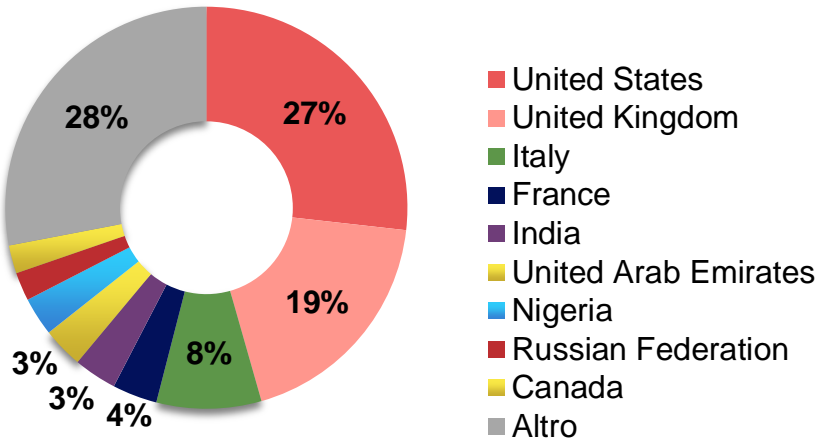


# Countries and number of conversations

In our web monitoring we have been analyzing more than 150K conversations based on **Italian and English Languages**. United States and UK have the highest share of conversations for an overall quota of 46% Italy, in comparison, is set to 8% of total amount.



**152,6K**  
 MENTIONS W/WIDE  
**13,7K**  
 MENTIONS ITALY



## WEB LISTENING

# Digital channels

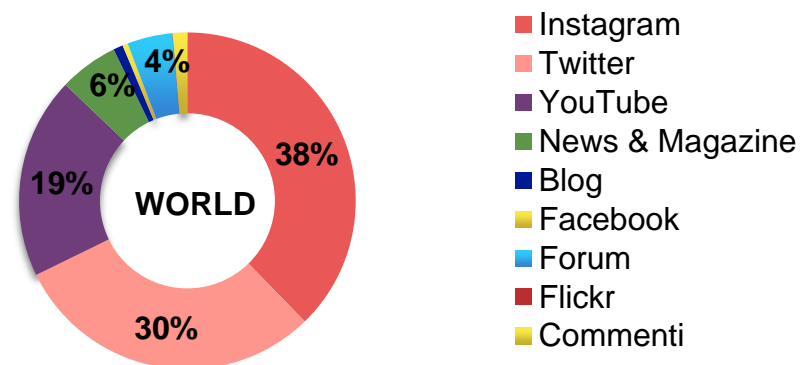
57% of Italian conversations happen on Instagram, way above than the 38% share of English conversations worldwide.

On a global scale Twitter is much more important than in Italy (30% vs 17%)

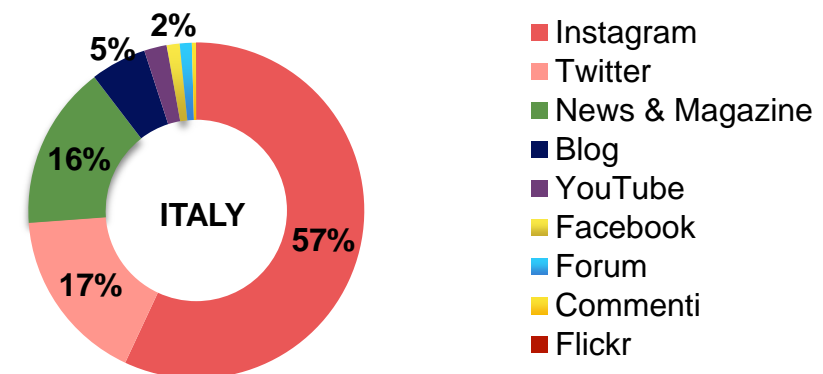
Youtube follows closely, while Facebook is invisible

By monitoring conversations on social media we observed that most of the interactions do not come from end users but from market operators, retailers and perfume stores trying to promote their perfumes

MOST USED CHANNELS GLOBALLY



MOST USED CHANNELS IN ITALY



# Search trends - perfumes

During the last 3 years the number of searches related to fragrances has kept stable.  
There are relevant seasonal spikes occurring in november (Black Friday) and december (Christmas).

If compared to the generic context of perfumery (yellow + green line), **niche perfumery is proportionally invisible** (red line)



## SEARCH

# Monthly search volumes

**8,7 millions**

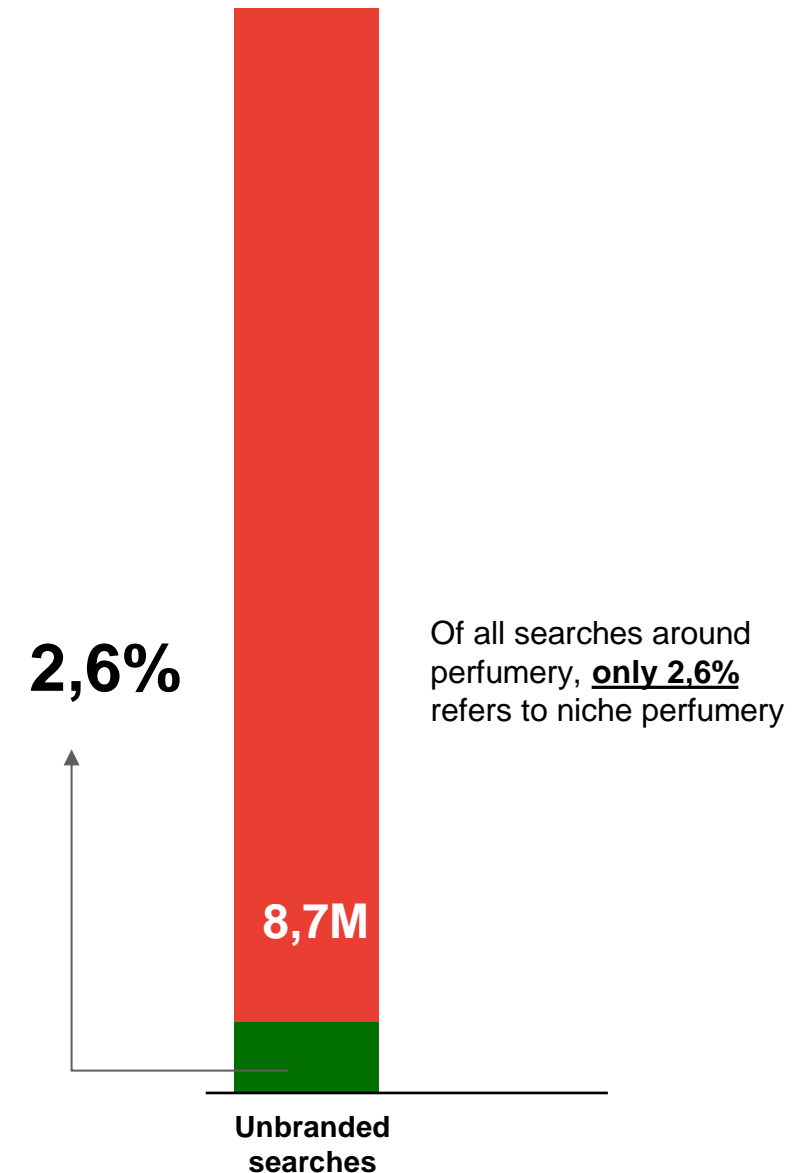
monthly searches in english language containing terms related to perfumery in general

**only 232.000 (2,6%)**

of these are addressing niche perfumery

Generic / Conventional 

Niche Perfumery 





# Monthly search volumes

**8,7 millions**

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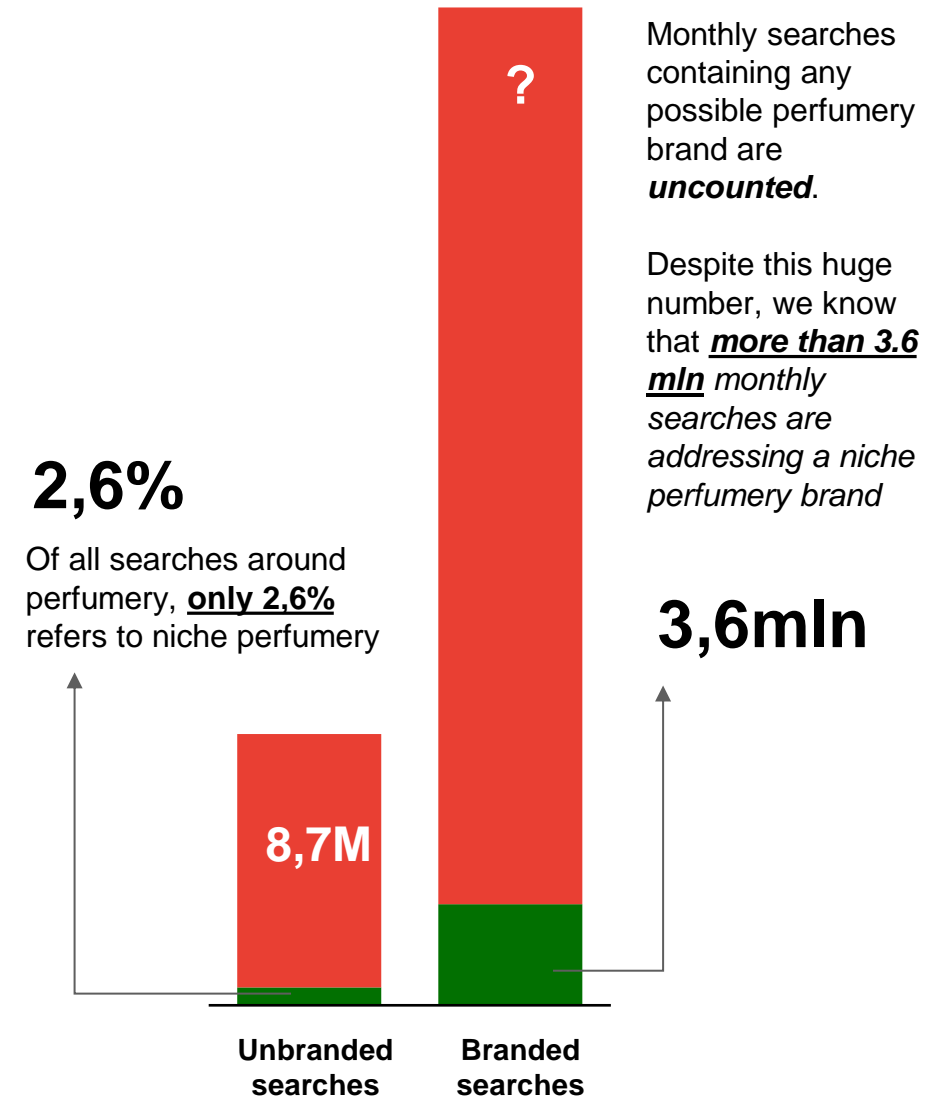
**only 232.000 (2,6%)**

of these are addressing niche perfumery

**3,6 millions**

monthly searches including a precise niche perfumery brand

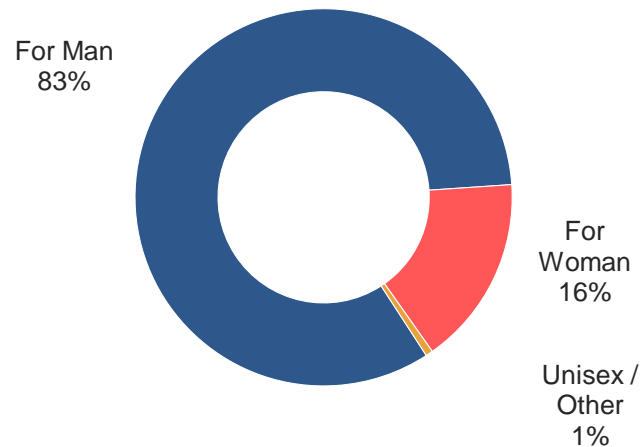
Generic / Conventional ■  
Niche Perfumery ■



## SEARCH

# Search patterns

3,25% of total monthly searches are targeting gender related niche product



### GENDER SPECIFIC PRODUCT SEARCHES

## 3 out of 100

searches for brand and products in niche perfumery are including terms like “for man” “woman” “unisex”

## 67% of total searches

are targeting a brand or a product name related to niche perfumery

## 7 searches out of 10

are not considering value attributes (exclusive, luxury, artistic...) not even the “niche” term. It’s mainly brand and product.

### MOST SEARCHED CATEGORIES

**Eau de Cologne, Aftershave** are the most recurring product categories. The generic term “Perfume” requires disambiguation

### MOST DESIRED PRODUCT FORMAT

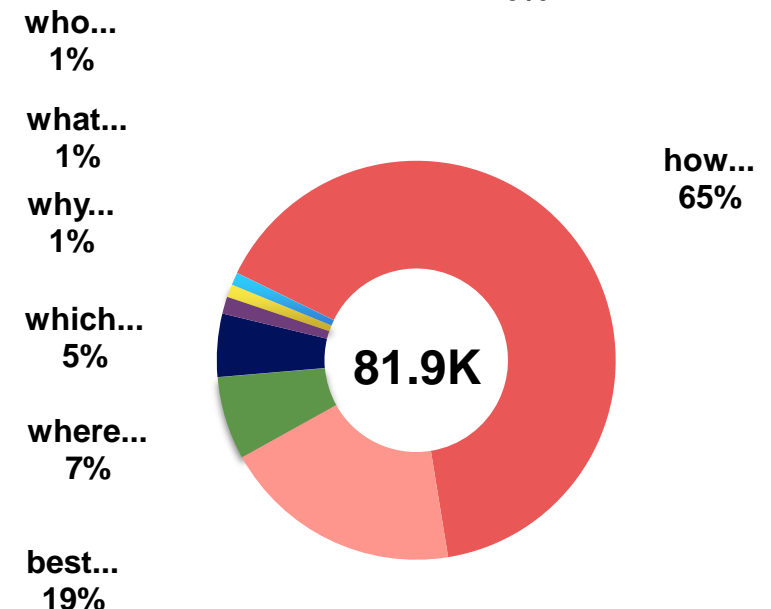
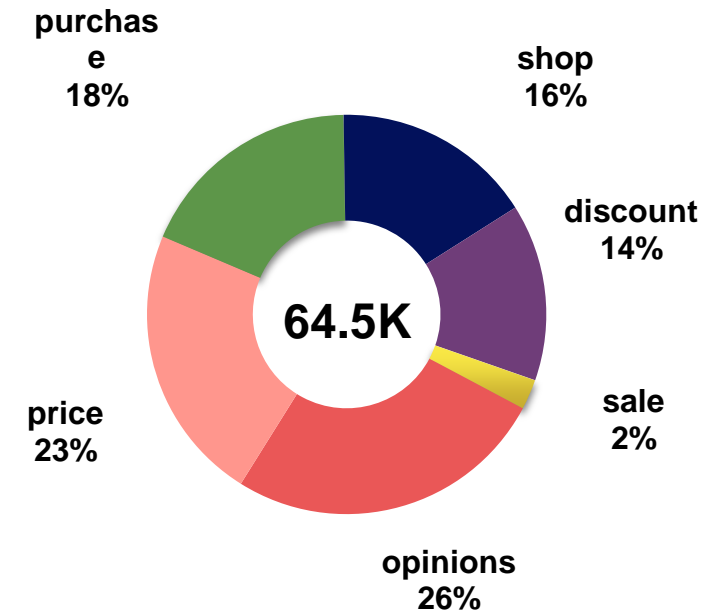
Only 0,7% of total monthly searches is referred to a specific product format. 3 out of 5 contain references to Samples, Discovery kits and Gift sets.

100ml: the most searched volumetric format.

## SEARCH

# Search patterns

- 1,44%** of total monthly searches refers to a particular **purchase intent** (store location, buy online, tips, reviews...)
- 1 out of 4** searches belong to users in search of other people's **opinions**
- 35%** of searches is aiming at getting information on prices, discount and sales
- 82K** monthly searches originate from potential buyers asking for **guidance and reassurance**. Most of them need advice on how to choose, buy, wear (and create) a fragrance



## SEARCH

# Search patterns

### How...

how to make perfume	12.100
how to apply cologne	3.600
how long does perfume last	2.900
how to apply perfume	2.400
how to put on cologne	2.400
how to use perfume	1.600
how to make your own perfume	1.600
how to make cologne	1.300
how long does cologne last	1.300
how to wear perfume	1.000
how to wear cologne	1.000
how to use cologne	1.000

### Best...

best creed cologne	1.000
best le labo scent	720
best creed perfume	480
best places to spray cologne	480
best niche fragrances	480
best creed fragrance	480
best acqua di parma	390
best diptyque perfume	320
best byredo perfume	320
best le labo fragrance	320

### Where...

where can i buy kerosene	1.300
where to buy molecule 01 perfume	320
where can you buy kerosene	320
where to buy byredo	140
byredo where to buy	110
where to buy le labo	110
where to buy diptyque	90
where to buy molecule 01	90
where to buy diptyque candles	70
where to buy eight and bob	50

### Which...

what perfume should i wear	390
what perfume is right for me	260
which perfume	210
which perfume suits me	170
what perfume should i get	170
what perfume suits me	170
what cologne should i wear	170
what perfume lasts the longest	140
what perfume should i buy	140
which type of perfume lasts the longest	140
what perfume should i wear quiz	140
what cologne should i wear quiz	110

### What...

what is a niche fragrance	210
what is niche perfume	210
what is a perfumer	90
what is used to make perfume	30
what is your scent	20
what is my perfume scent	20

**82K / month**

**are an interesting pool of topics for any brand's content strategy**



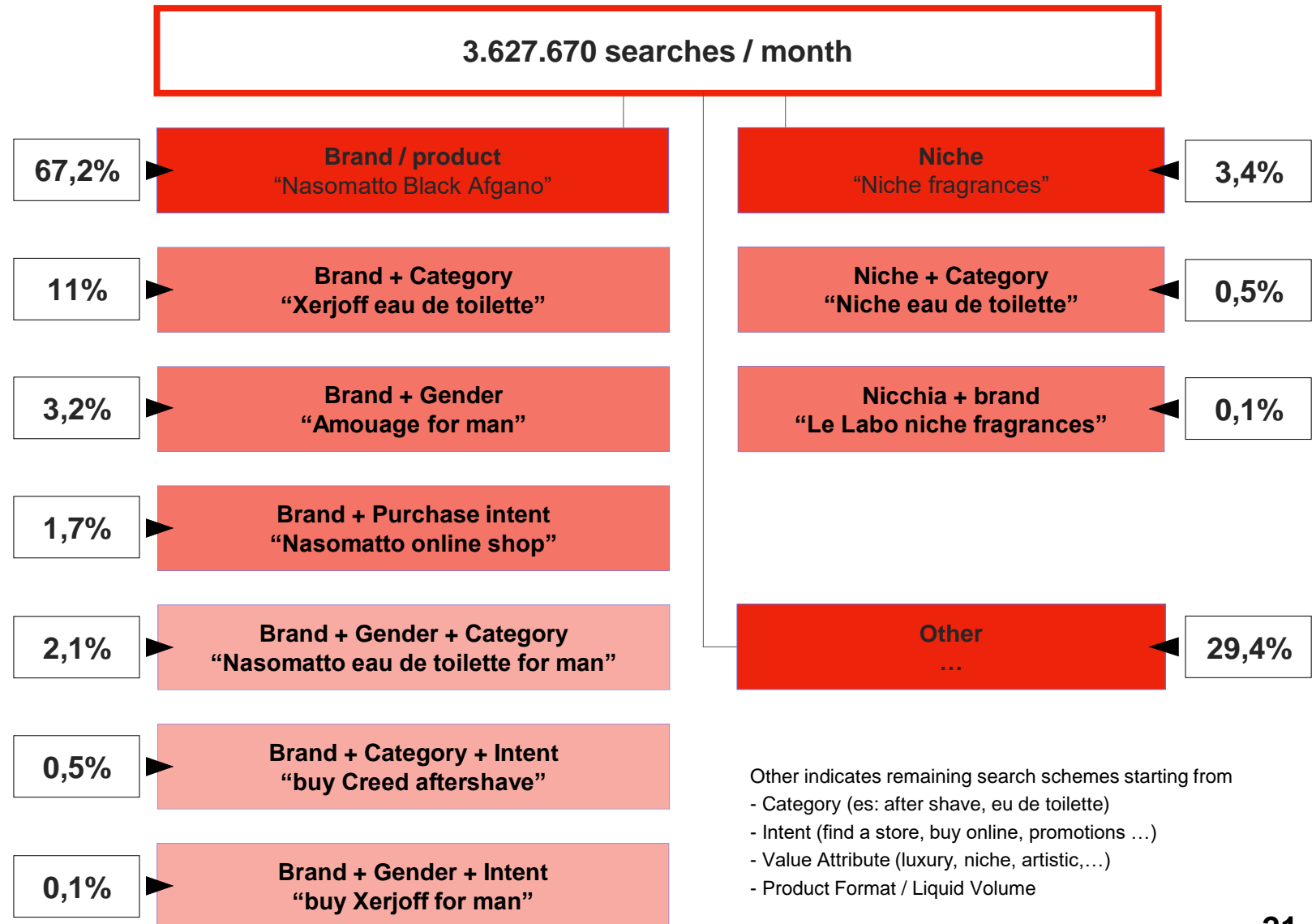


## SEARCH

# Search patterns

Users who search for niche fragrances make use of recurring schemes to build their “search phrase”

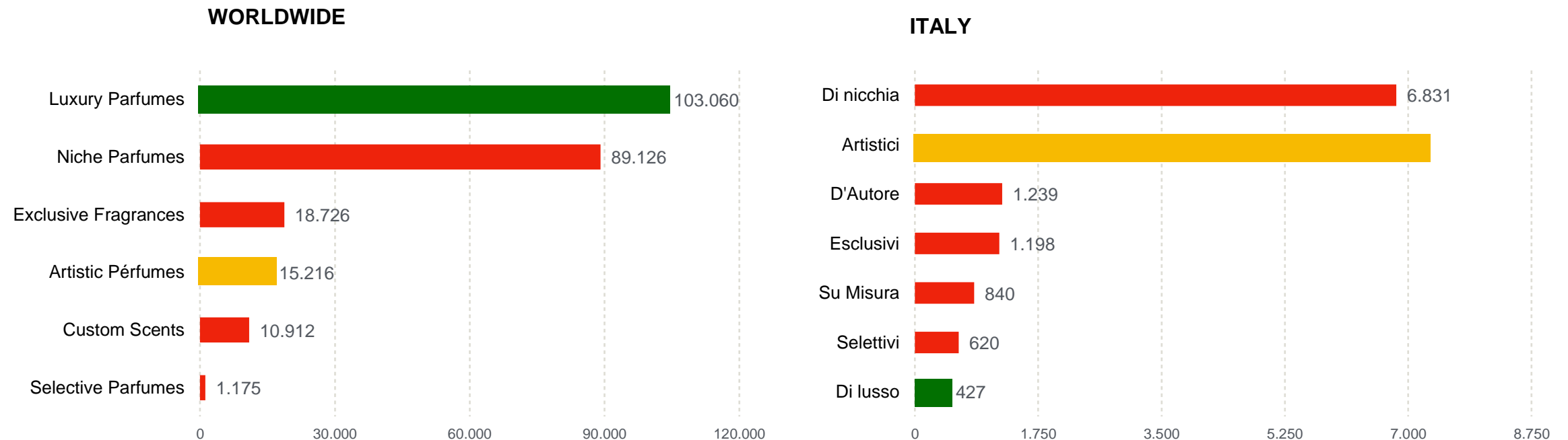
Each of these mental schemes represents a different stage in the customer journey of that user, leading him from exploration to consideration and from purchase to advocacy



# Luxury vs Niche

Going back to conversation, the most internationally used terms when referring to unconventional fragrances are “Luxury” and “Niche”. “Artistic” or “Exclusive” attributes are less popular. There is often a misconception between with custom (customized / individualized) and niche.

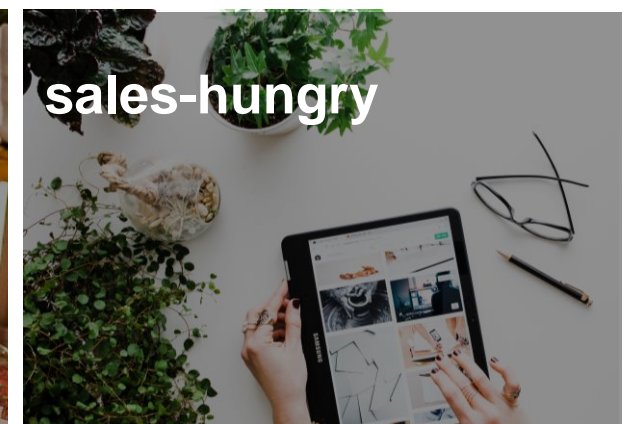
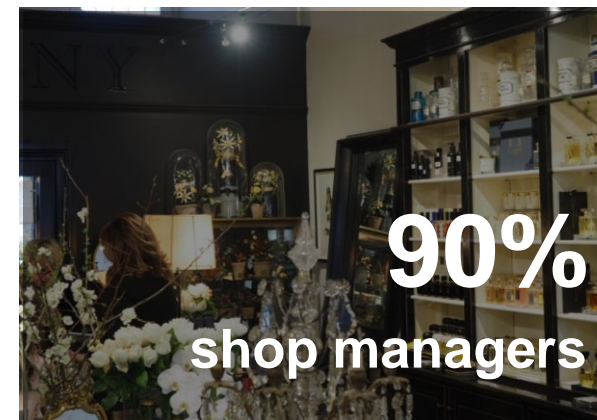
In Italy “Artistico” is widely used to identify the market segment, much more than “Di Lusso” (Luxury)



# Behavioral Clusters

By analyzing one year of online conversations and matching them with user profiles, with the aid of artificial intelligence we've been able to regroup the audience into 4 clusters.

90% of all mentions may be reconducted to the activity of online perfume shops, followed by influencer and consumers.



# The Shop Manager



## Who are they?

**These are perfumery shops and in some case niche-only shops** promoting themselves on social networks (mainly Instagram and Twitter)

## How do they act?

**They Publish photos of products available in their shops**, shooting photos at the bottles on thematic backgrounds or on their shop windows  
**They utilize a multitude of hashtags** related to niche perfumery and in particular the combination of #niche + #fragrances



# The Expert Consumer



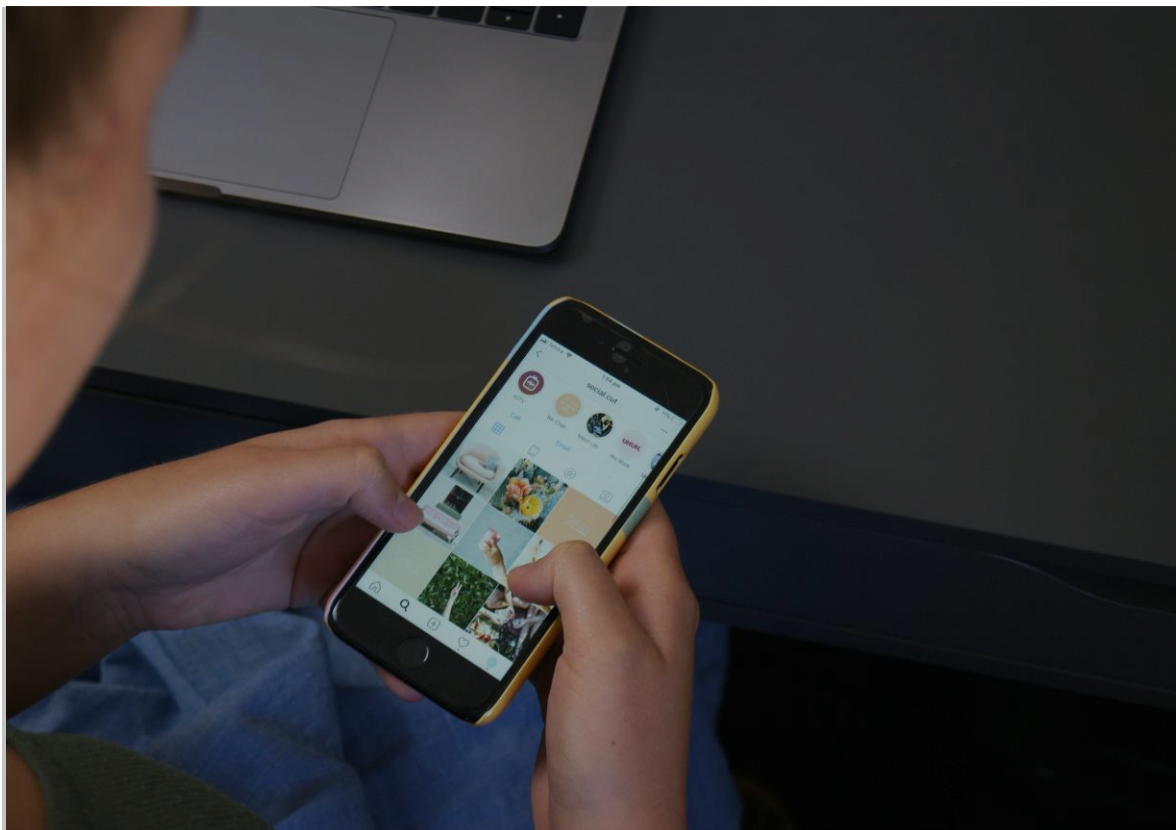
## Who Are They?

**Mostly women, expert and in love with the niche,** able to appreciate all shades and values of niche fragrances. You can find them mainly on forums for enthusiasts and Youtube, where they often comment and review fragrances even if they have small fanbases.

## How do they act?

**They review fragrances with attention to details and great care. They often trade opinions with their peers.** They tell people about the perfumes they wear and which are their favorites for any season of the year. They prefer lesser known brands of niche fragrances.

# The Fashion Influencer



## Who Are They?

Women (and men) **averagely influential in the fashion community**. They publish pictures of their favorite perfumes to promote the brand itself. They mainly hang out on Instagram, Twitter and YouTube. They do not join the conversation on forums for niche-enthusiasts.

## How do they act?

**They publish posts about niche perfume bragging and claiming an exclusive status**, not necessarily because they really appreciate and understand the values belonging to the world of niche fragrances. They make a massive use of hashtags and their posts are often promotional.

# The Sales-hungry



## Who Are They?

Mostly women, they know about niche fragrances existence, but are also **considering “equivalents” in order to save their money.**

Instagram, Twitter e Youtube, are their playground where they follow and comment reviews and opinions of people wearing niche fragrances

## How do they act?

Their leitmotif comment regards how “equivalents” smell like the original and cost 10 times less.



# ONLINE SURVEY

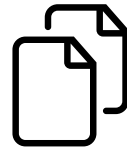
## INVOLVING B2B AND B2B ESXENCE COMMUNITY

INSPIRATION  
FLOW

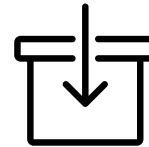
# Methodology



The survey was launched in April 2019, along with EsXence 2019 edition campaign. Respondents took the survey on an online platform. They dedicate an average of 9 minutes of their time for providing answers.



Two version of the surveys. One dedicated to the end user (B2C), the other dedicated to market operators and professionals (B2B).



534 persons responded, 76,7% were end users e 23,3% were professionals.



End users came mostly from Italy (95.8%) vs 4,2% of other nationalities. There is not a big gap between genders: men (45,73%) women (54,27%).

Professionals mostly came from other countries (69,3%) vs (30,7%) Italy. Most of them were manufacturers of niche fragrances (28,5%), shop owners (24,2%) and pr / communication specialists (22.8%).



The survey was conducted on a 4-dimensional scale (not at all agree; disagree; agree; definitely agree).

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## Panel

**Whispers: the perception of  
Artistic Perfumery in online  
audiences.**

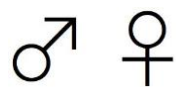
B2C

INSPIRATION  
FLOW



# B2C

## Consumer ID



No evidence for gender gap: male (45,73%) female (54,27%).



Most of the audience age (60,3%) ranges from 46 to 56 and over



They purchase niche fragrances as well as commercial fragrances but they tend to wear niche fragrances (65%) for they believe they have an increased olfactory and emotional pleasure in comparison with commercial fragrances.



2-3 is the number of perfumes purchased in a year. Among these, 40% declares to purchase niche perfumes. In any case it is relevant to observe that 30.7% of respondents buys 4-7 perfumes a year, and 26,4% says they buy more than 7.



38,7% of respondents is willing to spend up to 200€ for a niche fragrance. 30% declares to be open to spend even more than 200€.

## Shop experience

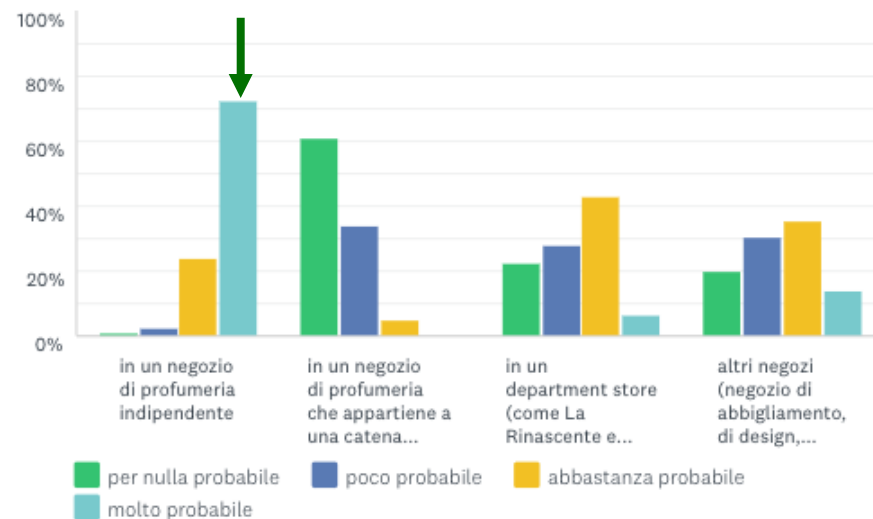
According to end consumers, the main distinctive factor between commercial perfumery and niche fragrances is THE SHOP. 73,97% of the audience expects to be able to buy a niche fragrance in an independent shop.

Big chains such as Sephora or Douglas are not perceived as suitable places for buying niche fragrances.

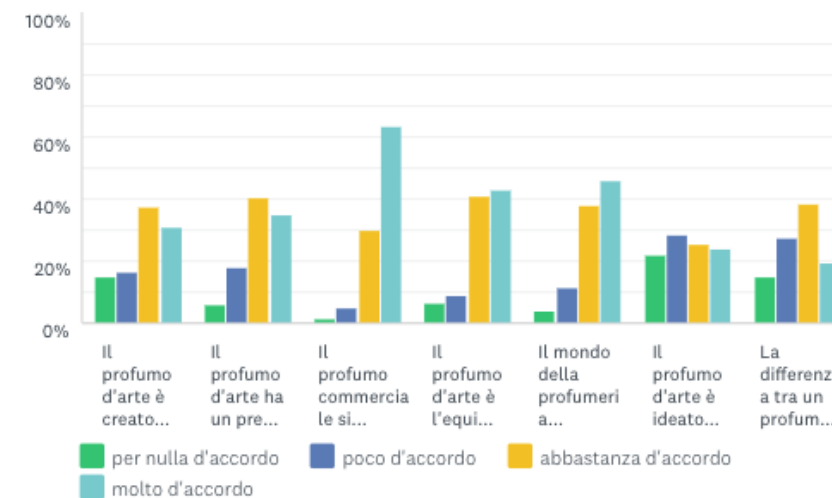
63,22% of consumers, intact, does not expect to find niche fragrances in chain stores or department stores.

35,5% imagines he could buy a niche fragrance in other type of shops such as fashion boutiques, designer showrooms, concept stores...

**Where do you imagine you can find and purchase an artistic perfume?**



**How do you think the world of artistic perfumery is different from the commercial perfumery one?**



## Shopping experience - artistic perfumery

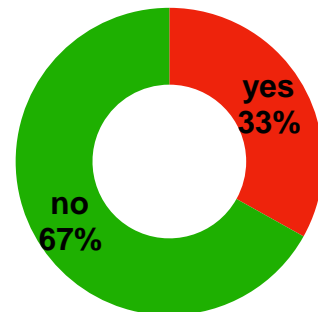
44,63% of consumers does not associate niche perfumery with a luxury environment, with precious fittings.

Moreover, most of them does not feel a sense of inhibition when entering a niche perfumery shop.

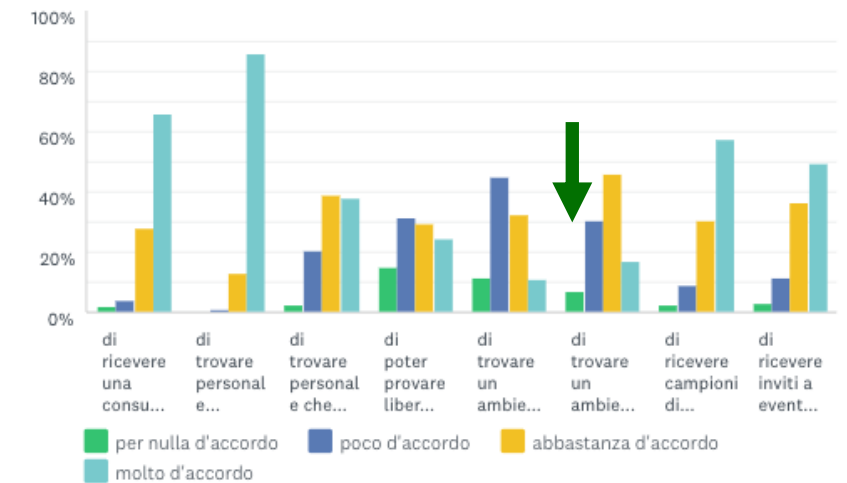
It is interesting pointing out that 33,1% feels a sense of inhibition for the following reasons:

- felt like being bound to purchase (46,7%)
- felt like the staff was judgmental and unfriendly (42,3%)

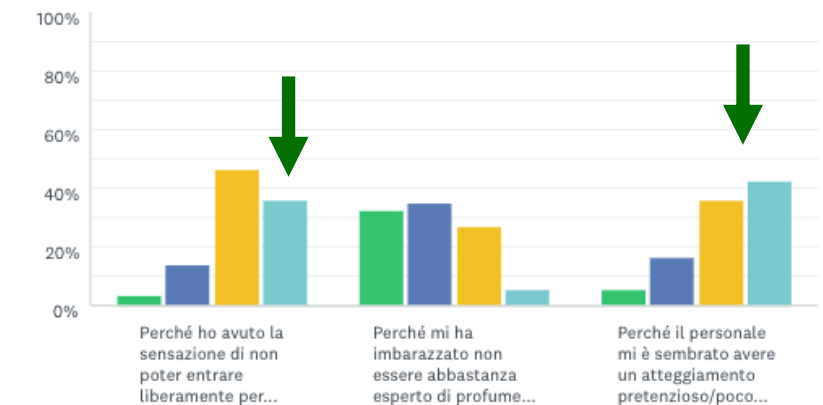
Have you ever felt embarrassed or inhibited in entering an artistic perfumery store or purchasing from one?



What do you expect from an artistic perfumery store?



If YES, why?



# Shopping experience - influencing factors

When the respondents decide to buy a nice fragrance they tend not to be influenced by advertising, communications, social media or ecommerce suggestions

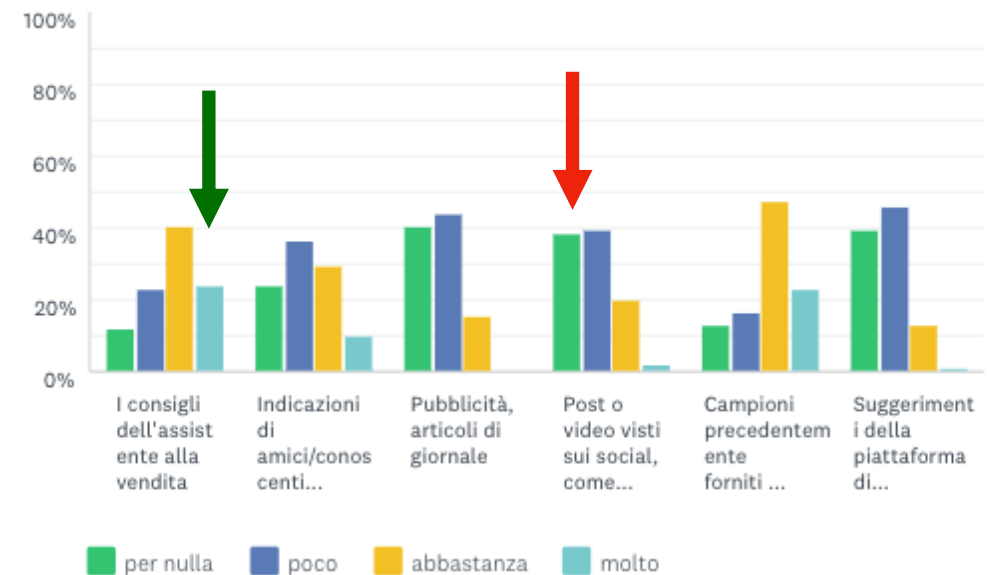
## most relevant aspects

Most relevant factors able to influence the purchase of a niche fragrance are for 67,5% of the interviewed persons the **guidance and advices** from the shop assistant.

## less relevant aspects

47,7% finds **little use of posts or videos on social networks, blogs and YouTube.**

## Which elements influenced your decision to buy an artistic perfume?



# Shopping experience - expectation

**79,7%**

of the audience would buy a niche fragrance for personal use, without any special occasion or recurrence for purchasing.

Great is the audience expectation towards shop personnel:

**85,9%**

expects to find competent, professional and well prepared personnel

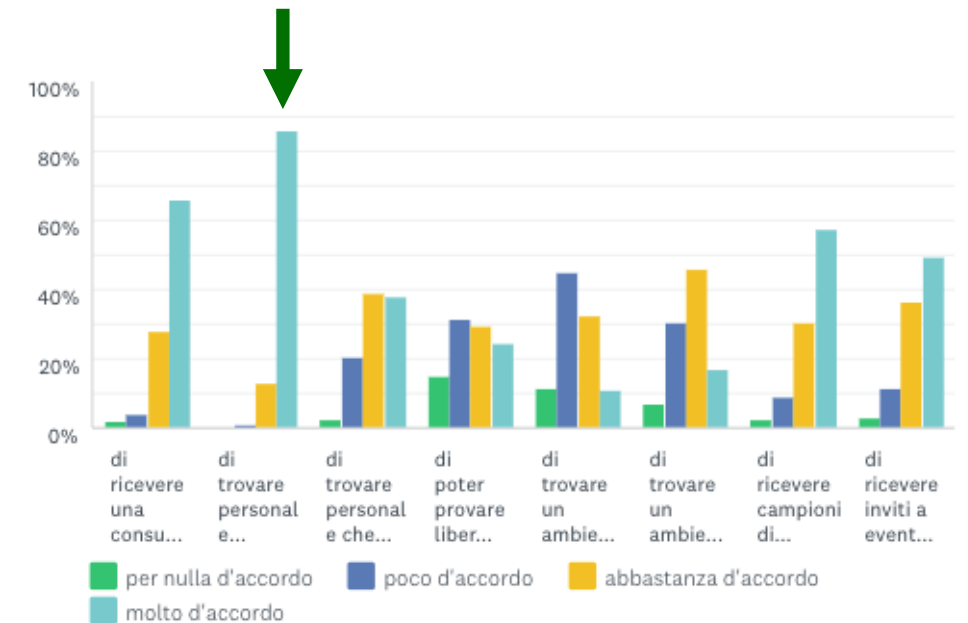
**66,2%**

declares he expects a tailored consultancy to identify his own olfactory code

**57,7%**

expects free samples

What do you expect from an artistic perfumery store?



# Ecommerce vs department stores

Most of the interviewed consumers declares they never bought online a niche perfume

**only 35%** declares a recent online purchase, but 84,4% is willing to repeat the experience.

**Notino** is the most mentioned online perfumery shop

**Creed** is the most purchased online niche brand

Frequent expectations about eCommerce:

**85,5%** seeks protection from fakes and scams

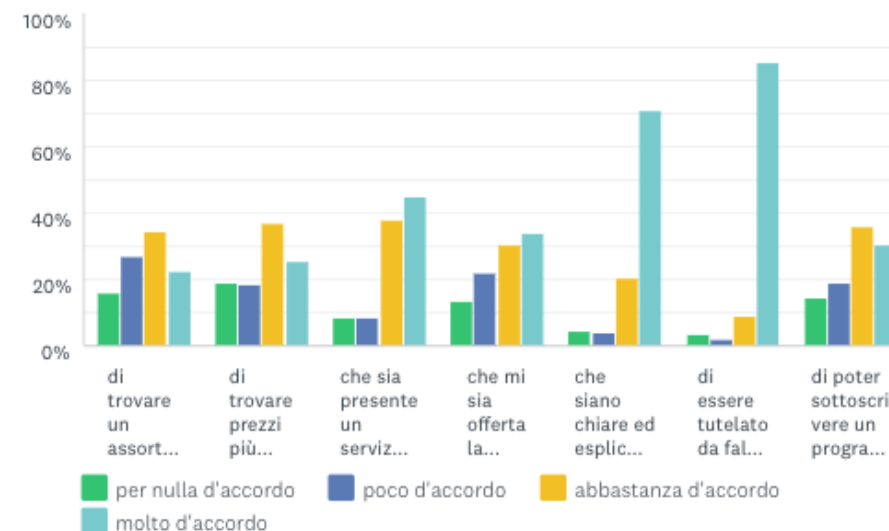
**70,7%** expects to find quick and easy access to terms and conditions

**45,1%** requires a fast and transparent customer care service, preferably via dedicated phone number, email and live chat.

Have you ever bought from an online artistic perfume store?



What do you expect from an online artistic perfumery shop?





## Customization vs exclusivity

When it comes to the distinctive factors of niche perfumery (right after the in store experience) consumers think that niche is synonymous of TAILORED fragrances.

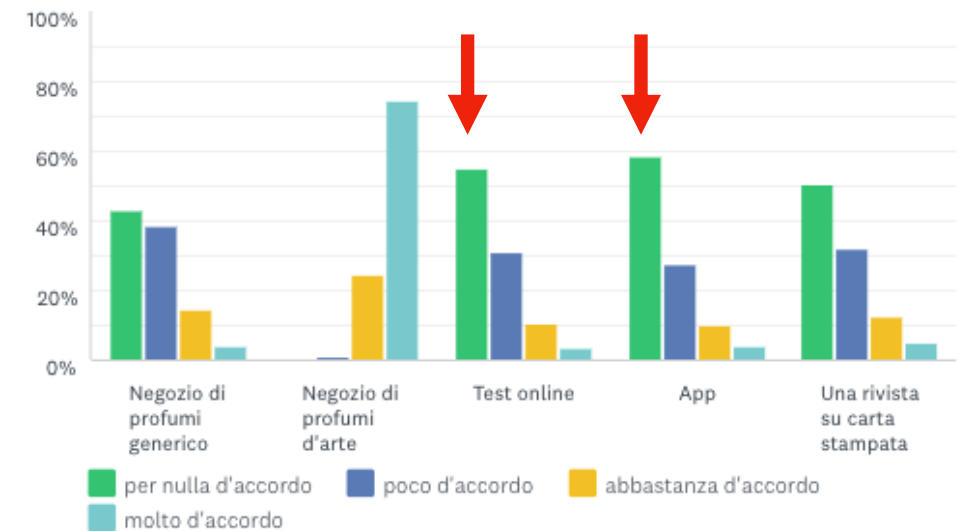
**They are well aware that in order to take an olfactory test they must visit a niche perfumery shop (82,7%).**

They'd hardly take into consideration the possibility of conducting that test on a mobile app (58,46%) or via an online tool (54,78%).

**They expect to find shop personnel able to discover and remember their olfactory preferences.**

# 56,99%

of surveyed people tried an olfactory test and judged it **useful and fun** because it was able to represent and evaluate their olfactory impressions.



# Expertise

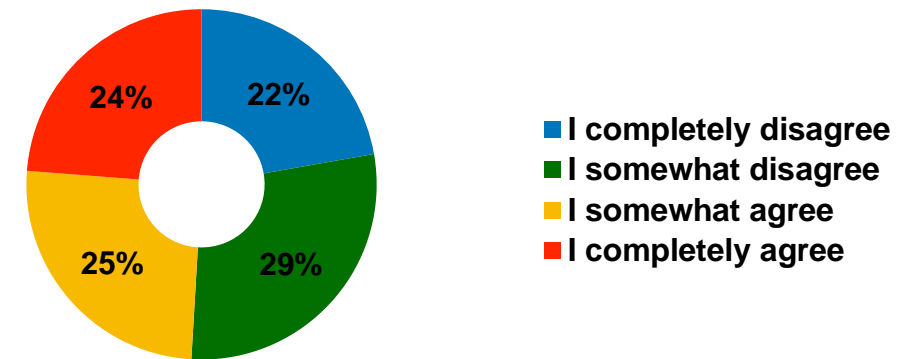
There is a recurrent confusion between the term “nose”, the brand name and the product name.

The Nose/Perfumier is not recognized with great evidence as a distinctive factor of niche perfumery against commercial perfumery

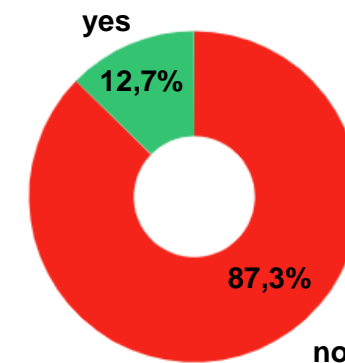
**88%** of respondents said they are not able to tell the name of a Perfumier

**87,3%** of respondents was able to mention a brand name related to niche perfumery

Artistic perfumes are created by real-world professionals: Noses.  
Commercial ones are created by software



Do you remember the name of one or more artistic perfumery professionals (noses, perfumers, etc)?



## Related topics: sustainability

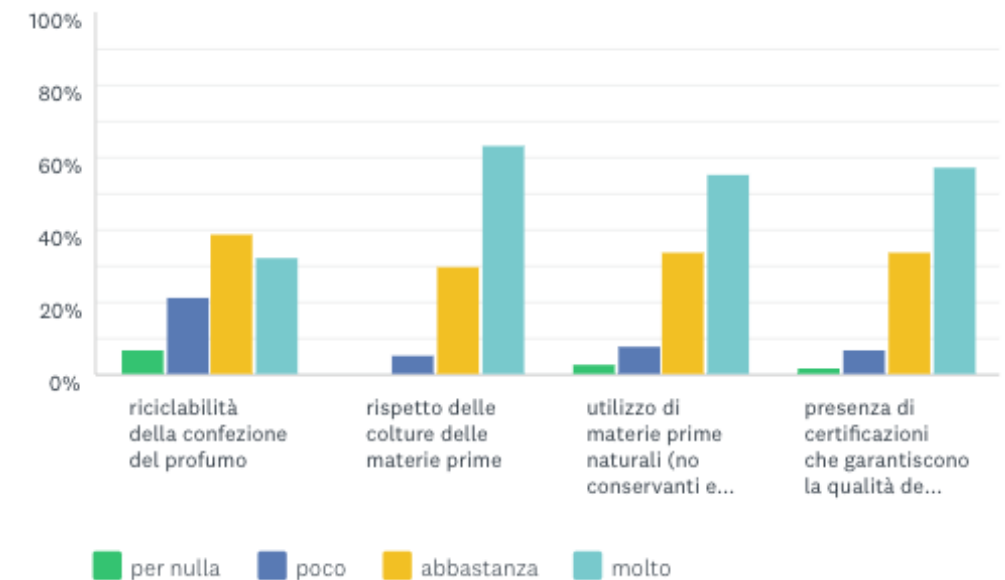
According to sustainability, our end customers replied that niche fragrances stand out for:

- respect of the farming and materials (63,7%),
- presence of certifications that guarantee the respect of workers conditions (57,3%),
- natural raw materials usage(55,2%).

Less importance is given to

- recyclability of the packaging
- the packaging,

In your opinion, how important is sustainability in artistic perfumery, taking into consideration the following features/elements?



## Professional Operators ID



Male respondents were (47,2%) and female (52,7%).



Most of the responding audience (67,5%) had an age from 36 to 55, and came mainly from France and Italy. They are mainly manufacturers of niche fragrances (18,51%) followed by shop owners, and pr / communication professional



They wear both niche and commercial fragrances (28,7%), even if niche are the first choice (35,18%).



They purchase more perfumes in years time if compared to end consumers. 4-7 is the average purchased units for niche fragrances. 17,6% buys more than 7 units.



38,7% is willing to spend more than 200€ per unit. 30% is open to spend more than 200€.

## Trends

**67,1%**

think that niche the perfumery segment is on a growing trend

**71,4%**

is more inclined in investing in workshops and events organized in store. Events, infact, can grow loyalty in acquired clients as well as new and potentials.  
The same perspective was given by the end consumer survey.

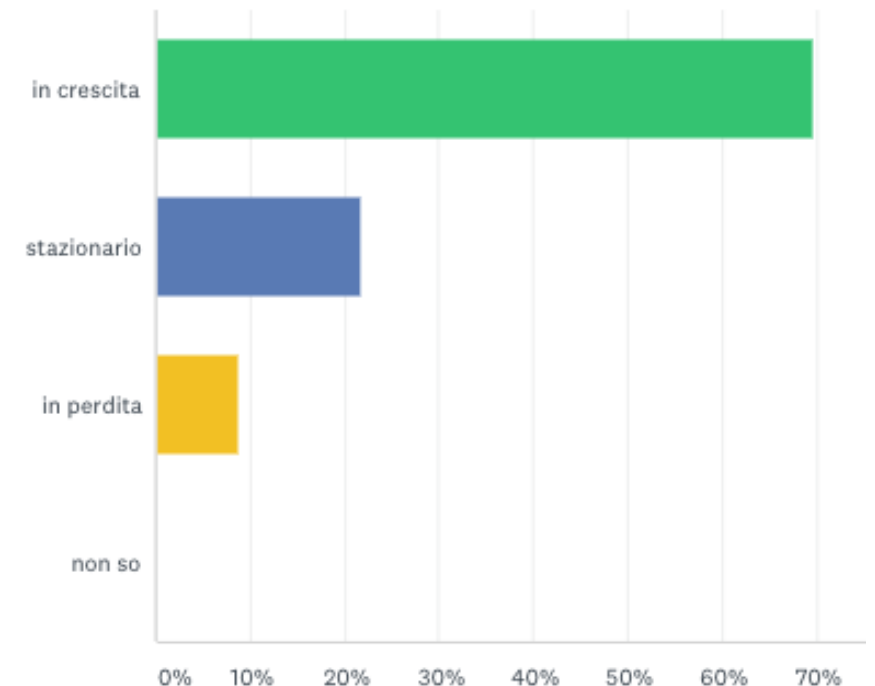
**45%**

says he is sometimes organizing workshops and events around niche perfumery.

## Fears

Two are the most relevant obstacles and fears according to the niche fragrances retailers: the increase in the number of brands and the lack of culture and awareness in the end consumer about the differences between niche and commercial fragrances.

Based on your personal and professional experience, how do you think that the world of artistic perfumery will develop? (only one option allowed)



## Promotion

### Word of mouth

50% of B2B respondents believes that it is an important driver for niche perfumery awareness

Peers, friends and relatives' impressions, after experiencing niche fragrances on themselves, are able to influence their intent of purchase.

### Social media

95% of operators utilizes social networks to promote their activity. 65% of them on a daily basis..

They think they are useful instruments to simplify relationships between operators and consumers and to amplify the demand while getting known in shorter time.



# Content

## History

is a topic very important that needs to be communicated, describing how the brand and the fragrances were born and illustrating the creative process of the Nose.

## Persistency

is believed to be the main leverage to attract new audiences and get the closer to niche fragrances.

## Sustainability

40% of the respondents declared that their clients are moderately interested in this topic. This has been confirmed also by the B2C Survey.

## Shop

The niche perfumery shop has no dominant style. Neither luxurious nor minimalist, most of them are fitted with sober colors and materials. The number of staff members mostly ranges from 1 to 6

## Staff training

Is believed to be very important therefore the services that are more useful for their daily job are:

- Training about the product
- Consultancy on brand/store promotion on digital channels

Declared turnover settles around 500.000,00€/year, of which 70% is related to niche perfumery selling.

They also over estimate the number of purchases of niche fragrances by the end consumer (more than 7 / year)

While end user tend not to spend more than 200€ per fragrance, they are open for more expensive purchases

**47,3%** does not make use of olfactory test

**21,5%** didn't even know they existed

# Final considerations

## INSIGHTS

Respondents age does not seem to affect differences in the opinions expressed.  
Millennials, for example, do not show greater affinity towards digital channels touchpoints in this market segment.

Consumers expect to find niche fragrances in independent shops, far away from the idea of chain stores or department stores. Some of them would also consider fashion boutiques. Shops are not necessarily related to luxury. Most of them do not feel inhibited from entering.

Consumers know what an olfactory test is and they say they already tried this experience in the past, remembering it as “useful and engaging”.

Professionalism, advice and competence are what consumers are looking for when interacting with shop assistants.

Being in a context where consumers are seeking exclusivity, social networks are not able to influence their taste.

## SUGGESTIONS

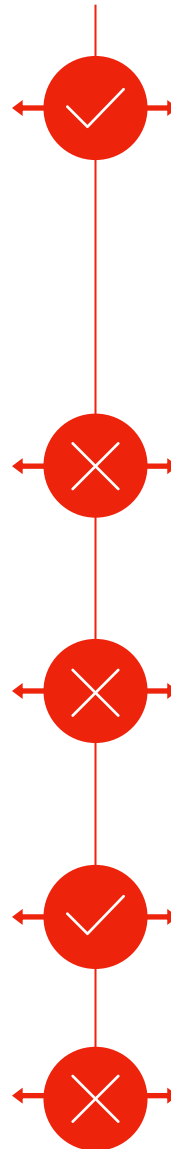
For niche perfumery the physical experience is much more relevant than the digital one. Ignoring or not properly caring about the perceived quality of the in-store experience would be a terrible mistake.

Retailers and market players need to consider that consumers are seeking an experience where their individuality is central and where they need to feel at home, welcomed and most of all recognized.

Many operators declared they don't make use of olfactory tests. Some of them don't even know them. This gap, being one of the pillars of the customer experience, needs to be closed with great priority.

Retailers believe in professional preparation of their staff and are constantly investing in training.

Word of mouth by close friends and relatives living the experience is the greatest driver for arising curiosity and spreading culture and awareness.





Thank you!

INSPIRATION  
FLOW