Artistic Perfumery and Pandemic: **what happened from the last year?**

A survey conducted by essencional: develon digital

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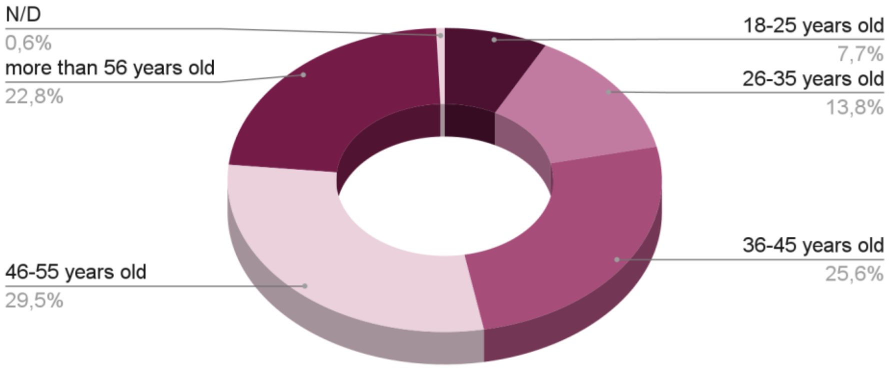
B2C - Consumer ID

63% women **VS 36%** men

84% from Italy **VS 16%** from other countries:
Belgium, Germany, Romania, Canada, Greece, Ukraine, Croatia, Ireland, USA, Czech republic, Israel, Syria, UK, Poland, Mexico, France, Nigeria.

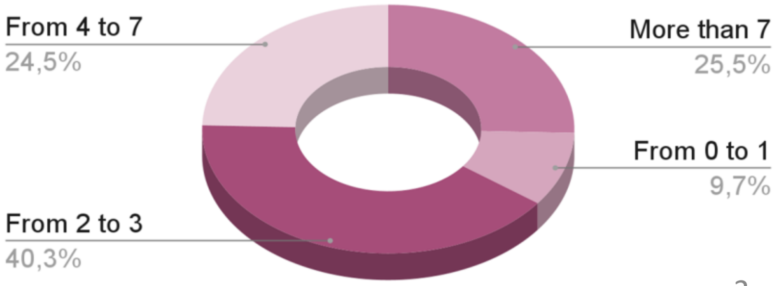
50% Degree
30% High School
11% Master
7% Other qualifications
2% PhD

Age



54% of respondents wear only niche perfumes
39% of respondents wear both niche and commercial perfumes

How many perfumes (both niche and commercial) **did they buy per year?**



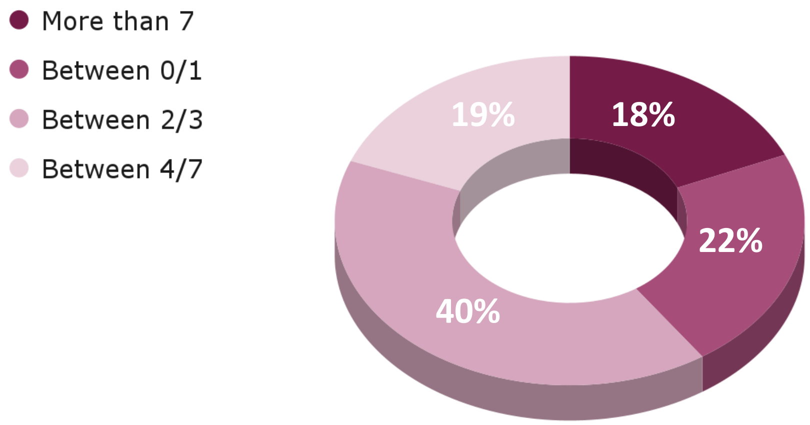
Consumers and Artistic Perfumes

Why wearing niche perfumes?

82/100 said that they wore perfume during lockdown to feel better and escape.

57/100 said that niche perfumes give them more olfactory pleasure than commercial ones.

Niche perfume buy per year

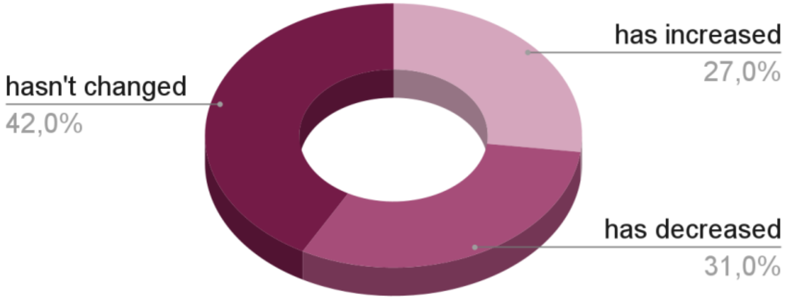


Participants have continued to wear perfume even if they had to stay at home. Wearing fragrances becomes a ritual that end-users can not do without.

56% of respondents use **often** niche perfumes during pandemic.

35% of respondents use **sometimes** niche perfumes during pandemic.

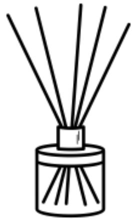
Spending on niche perfumes over the past year and considering the effects of the pandemic...



Not only to wear

Since the beginning of the ongoing pandemic, purchasing habits have changed, these changes have involved perfume industry. It was necessary to stay indoors, this caused an increase of tensions and stress.

<u>Looking for calm, well being,and trying to recreate a cozy place at home consumers buy:</u>



Home fragrances
69% of respondents

Essential oil diffusers, aromatherapy kit
53% of respondents

Have users continued to attend physical stores?

313
B2C respondents

78%
respondents kept going to physical stores

Only 14%
of them did not buy their perfumes online (so they only bought on physical stores)

Have users preferred to attend physical stores or they choose online shopping?

18%
have shopped **only online** because they could find special offers because they personally have **suffered economically**.

34%
said that they felt supportive and **only** purchased in independent shops and/or local **stores.**

47%
said that they felt supportive and purchased in independent shops and/or local stores, but **they have also** shopped online for more convenient delivery.

Shopping experience

We asked the participants if they felt hesitant to attend the physical stores. Only **24% said that they weren't hesitant.**
Users who felt hesitant indicated 3 main reasons:

- **20%** because of health reasons
- **15%** because they felt pressure to buy so they did not feel comfortable going in to discover new products
- **13%** beause online they could find better prices for what they wanted to buy

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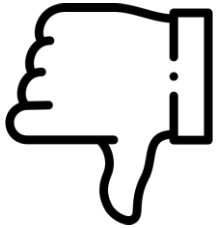
How do you consider your shopping experience during the pandemic?



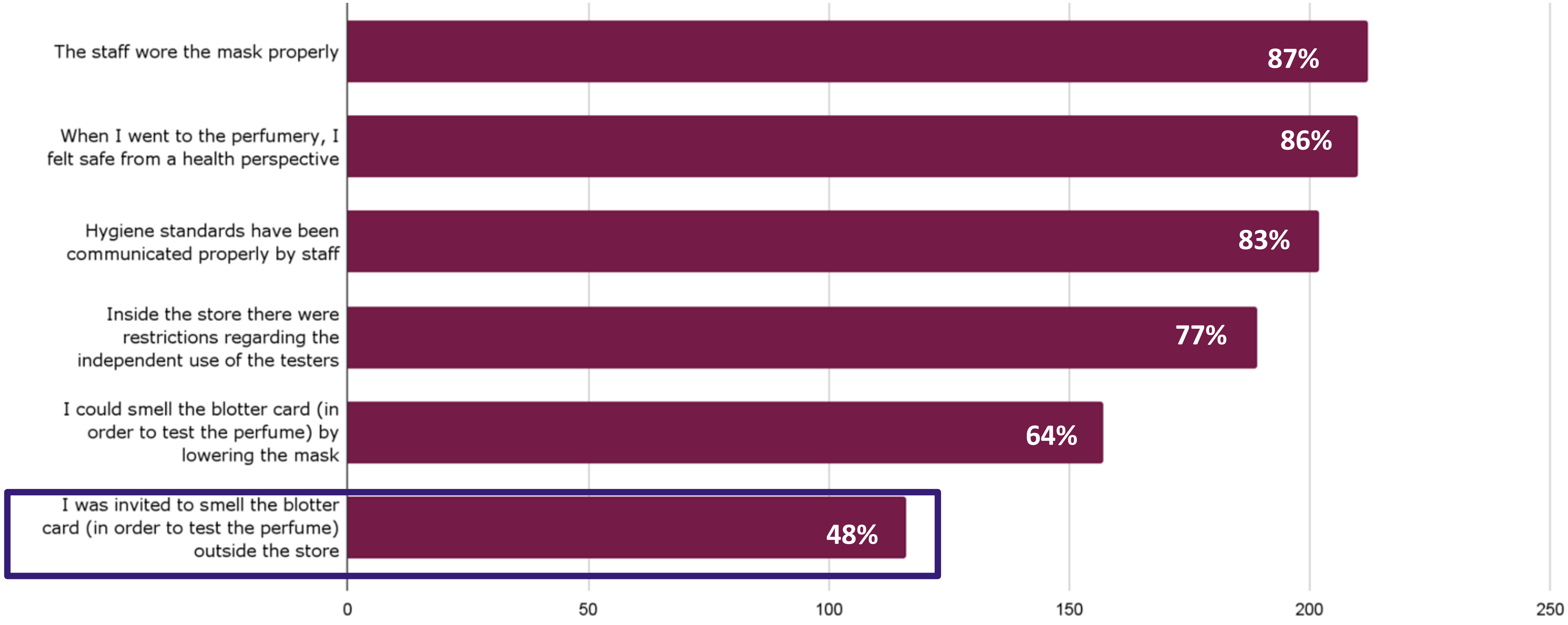
57% of respondent said that the purchase experience was **<u>less satisfying.</u>**

43% of respondent said that the purchase experience was **<u>satisfying</u>** despite the restrictions due to Anti-Covid rules.

Safety in physical stores

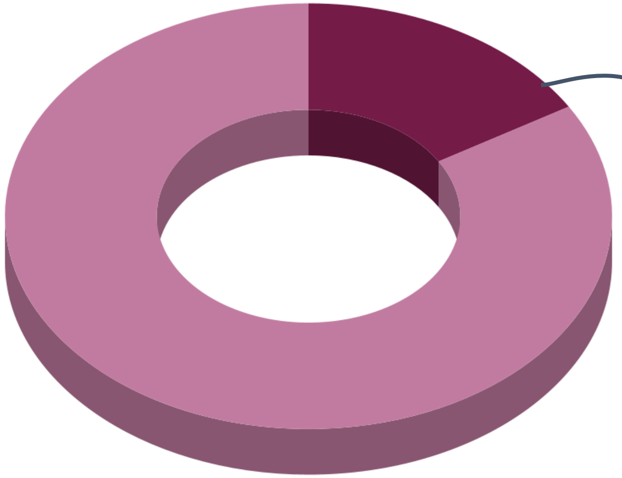
78% respondents said that they went to physical stores during last year.

Considering the safety of the stores that you have attended, ***do you agree with the following statements?***



Product 2.0 more than a perfume bottle...

Consumers aren't looking only for products but they also want services. The product evolves and becomes product 2.0.



16%
participants said that they took part in free video consulting sessions with beauty and perfumery experts.
All of them would do it again.

16% isn't a big number, but all "YES" respondents were satisfied!

*What happens when it comes to **fee-paying** video consulting?*

3% respondents said that they took part in fee-paying video consulting sessions with beauty and perfumery experts.

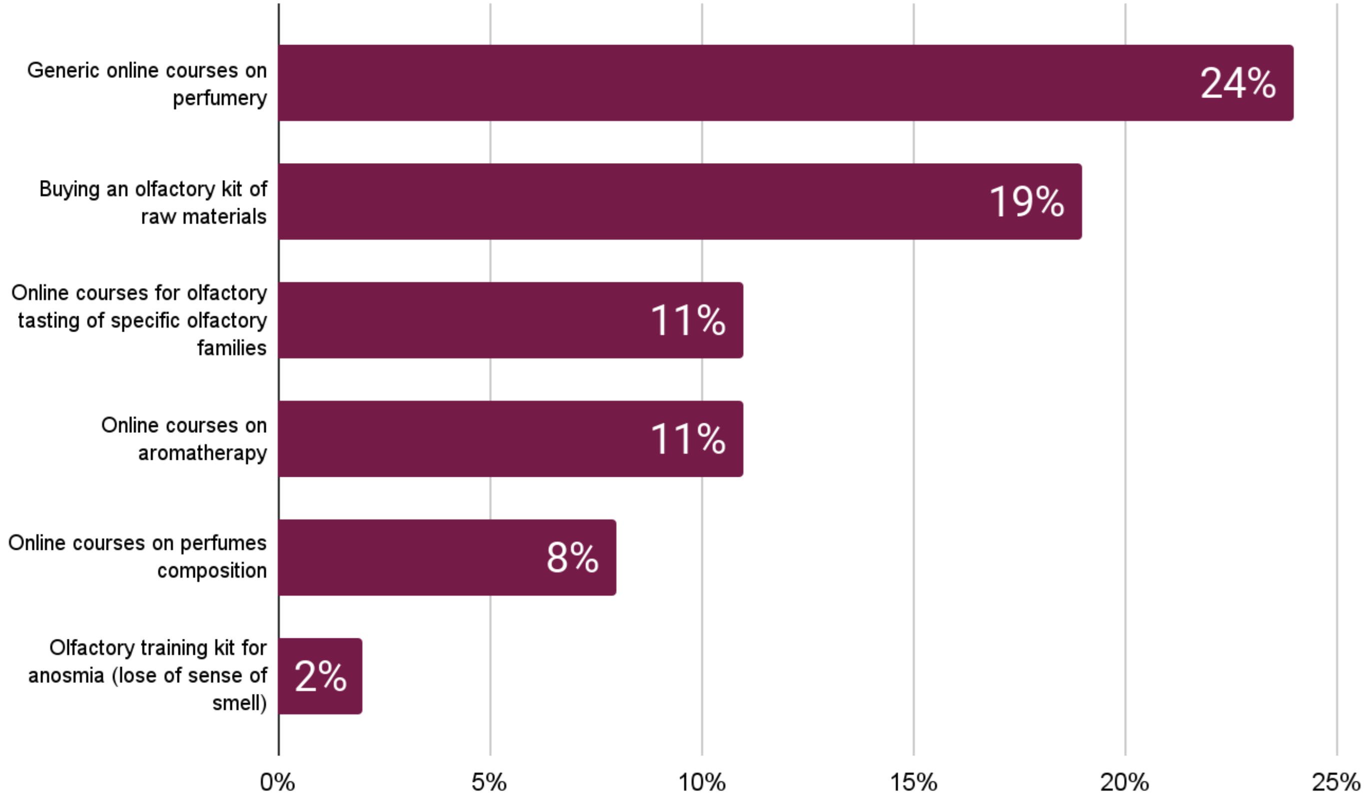
8 out of 10 confirm they would do it again in the future.

More about Product 2.0

We investigated if in addition to traditional purchases consumers were also interested in new products/services.

48% of respondents were interested in olfactory kits and/or online courses on Artistic Perfumery during pandemic.

During the last year, which of these products/services related to your passion have you been interested in?



10%
people took it a step further, because <u>they also purchased this products/services.</u>

What happened in 90% of cases where users don't buy?

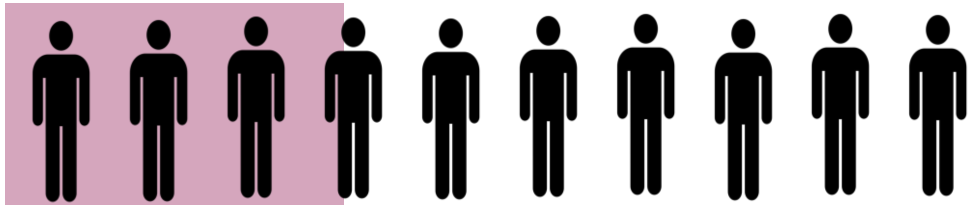
Olfactory Families

30% of respondents confirmed that during the pandemic they discovered new olfactory families.
Users approached **citrus, oriental, floral and woody.**
The word-cloud here below presents the most purchased olfactory families in the last year.

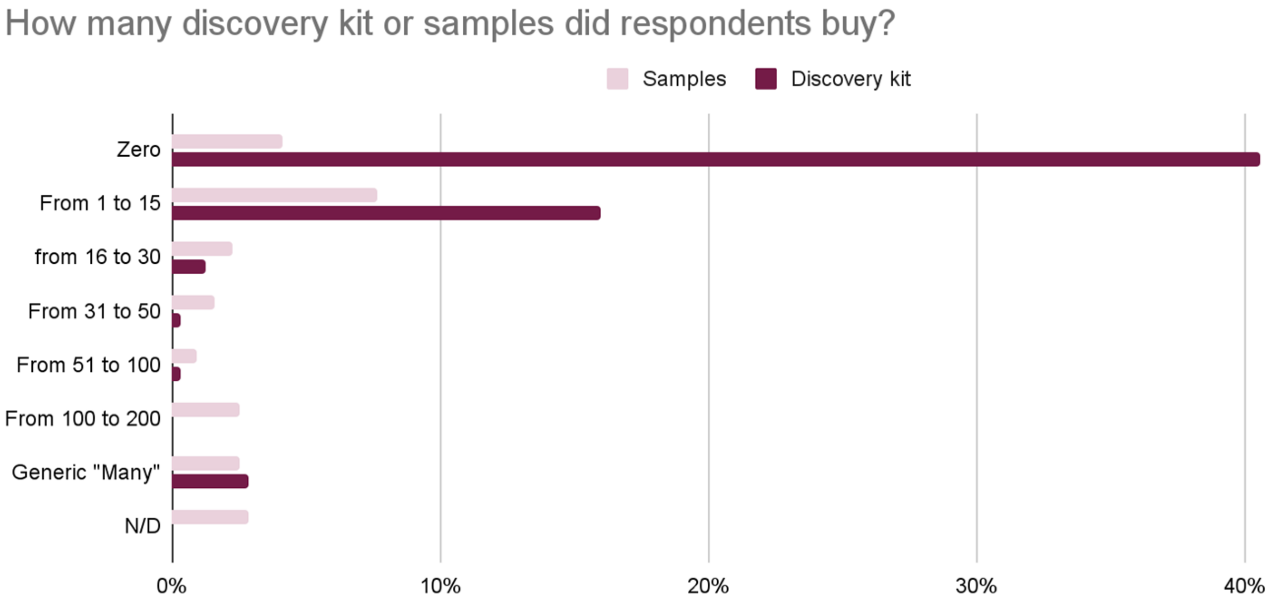
Citrus	**38%**
Woody Oriental	**30%**
Oriental	**28%**
Floral	**26%**
Floral Oriental	25%
Woody	25%
Leather	20%
Gourmand	19%
Soft Floral	17%
Mossy Woody	15%
Fruity	15%
Soft Oriental	12%
Aquatic	12%
Green	12%
Aromatic	10%

Samples and discovery sets

Samples and discovery sets can be purchased by consumers who wants to try the fragrances. Many consumers continue to prefer traditional formats when they purchase a fragrance.
We asked the participants if, since the beginning of the pandemic until today, they bought more samples and discovery sets instead of traditional formats.



37%
ANSWERED YES



We also investigated, if they bought samples, who did they bought them from?

50% from online perfumeries
41% from the brand
10% from private individuals

Online communities

44%
of participants are members of an online artistic perfumery community (community social, forum).

29% respondents

Attend online communities mainly to **buy samples or perfumes.**

52% respondents

Participate online communities mainly to keep **informed about the next launches of new products.**

63% respondents

Take part in online communities mainly to **share their passion with other enthusiasts.**

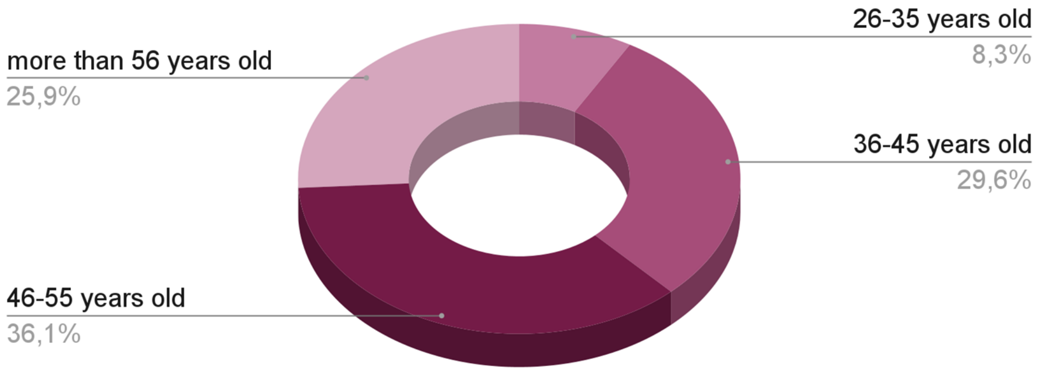
*The total amount of respondents change because it represents the users who answered yes to the question *"Are you a member of an online artistic perfumery community"* and in addition they expressed their agreement on the stated motivation.

B2B - Professional ID

62% women **VS 36%** men

35% from other countries **VS**
65% from Italy

Age

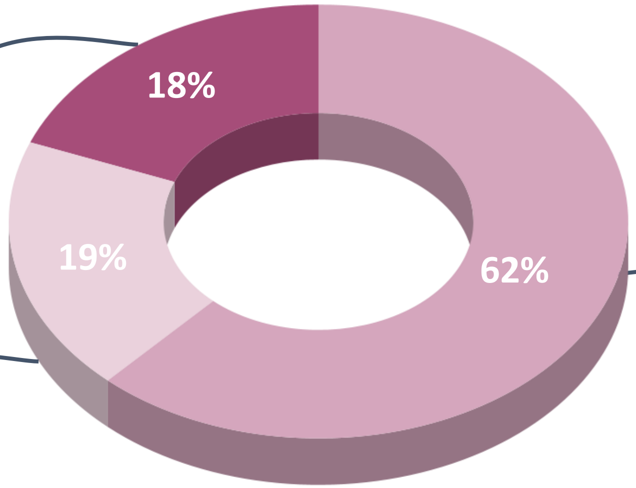


47% are Store owners or Employees
22% are PR and influencers
16% are Brand owners
10% are Buyers and distributors agents
4% are Noses

Purchase services

37% of respondents answer that **they created a new e-shop** during the pandemic (they didn't already have one previously).

We also investigated how brands retailers manage their store during the pandemic, as we can see in the pie chart below.



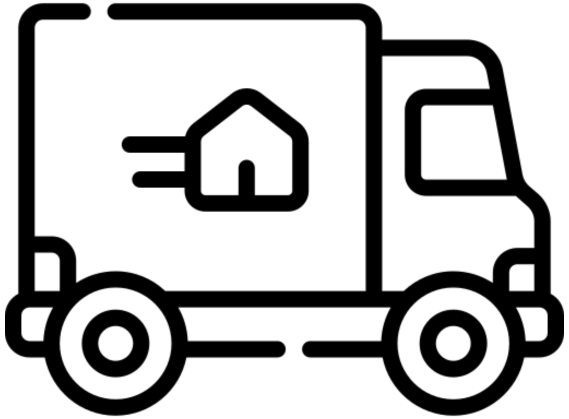
During lockdown period respondents **kept open the online shop only.**

During lockdown period respondents **closed their physical store and they had no online shop available.**

The majority of the respondents **kept their physical store closed and then they managed to reopen it.** Throughout the period they could still take advantage of the online shop.

Forms of resistance of brick and mortar

Among the purchasing services adopted in the period of the pandemic that were not previously adopted by brand, retailers and professionals we highlight:



72%
Home delivery

49%
Phone reservation of products and pick up in store (in store payment)

Selling & purchase

72% of respondents believe that online sales didn't balance out the lack of in-store sales, however the **61%** of respondents are aware that over time online sales will continue to grow significantly.

Considering the reopening of physical store **47%** of respondents think that **not all customers have reduced their purchases** during the last year.

Slow mover

The most significant strategy adopted by brands retailers and professional to deal with product "slow mover" was promoting them through samples: **50%**

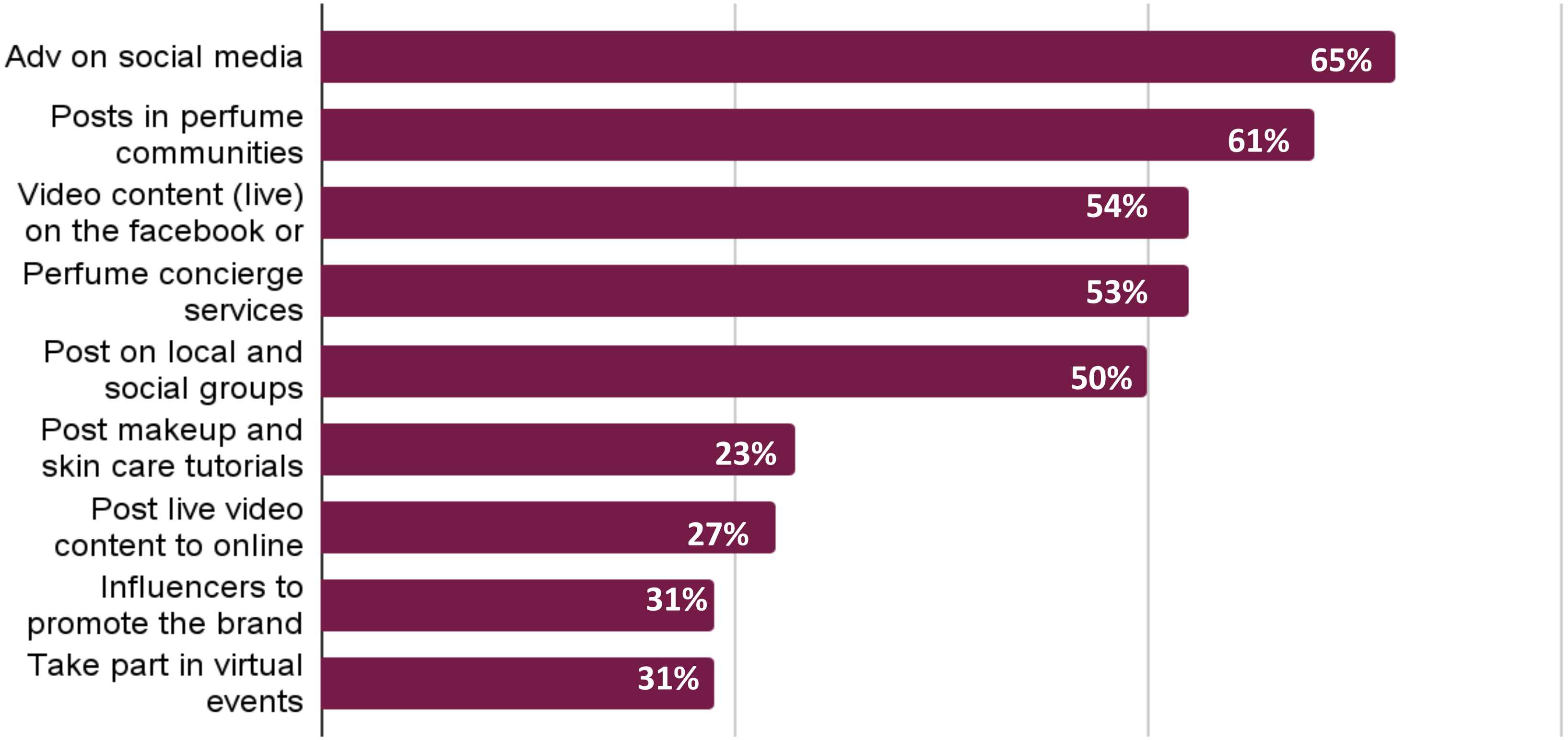
How the product portfolio changed in the last year?

23% of respondents add shaving and barber products to their portfolio.
Compared to the pre-Coronavirus era and considering this last year, **49%** of respondents confirmed that they have increased the numbers of home fragrances references.
In addition the **63%** of brand retailers and professionals confirmed that they have increased niche fragrances instead of masstige ones.

...And what kind of niche fragrances?
62% decided to introduce new independent brands!

Business ***routine*** during the pandemic

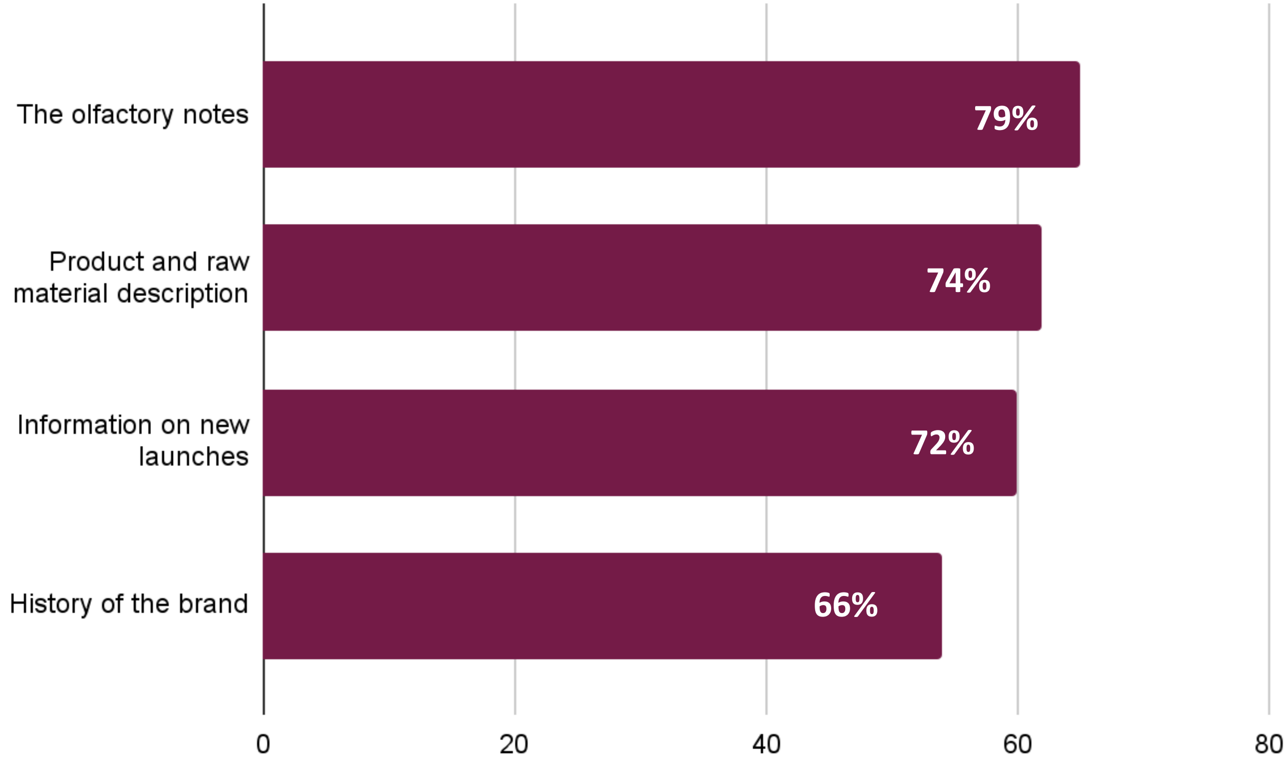
We investigate what kind of content brand, retailers and professionals spread during the pandemic.
They did ADV on social media, they published content in perfume communities, and they managed perfume concierge service. Talking about the investment in communication,
33% of respondents have also confirmed that the return of investment has been successful.



Priorities during the pandemic

In the 2019 analysis we saw that for b2b main contents concerned how the brand and the fragrances were born and illustrating and storytelling the creative process of the Nose. In the last year, however, the focus has been mostly on **the olfactory notes**, product and raw materials description and information on new arrival.

Taking into account the Coronavirus situation and the institutional communications made on social media, what elements did you prioritize in your communication?



Social and communication platforms

Compared to the pre-Coronavirus era and considering the **49% of respondents use new social platforms.** Brand, retailers and professionals approached **mostly Instagram and Facebook.** Another platform used is Clubhouse a social network with audio chat.
It is also interesting to notice how messaging platforms (such as Telegram Signal and Whatsapp) were introduced.
The two tables here below presents the social media adopted by brand, retailers and professionals split in italians respondents and other countries' respondents.

OTHER COUNTRIES' RESPONDENTS

Instagram	18%
Clubhouse	14%
Pinterest	9%
Linkedin	9%
Zoom	9%
Twitter	4%
Niche	4%
Signal	4%
Tik Tok	4%
Tradeling	4%

ITALIAN RESPONDENTS

Instagram	33%
Facebook	33%
Whatsapp	14%
Meet	5%
Teams	5%
Telegram	5%
Tik Tok	5%
Pinterest	5%
Zoom	5%
Clubhouse	5%
Linkedin	5%

***Niche** is the creator-first platform that provides creators with the ability to grow, understand, and activate their social presence across all networks. Niche, a part of the Twitter family since 2015, works with creators worldwide alongside top brands to develop authentic and resonating branded content.*

BRAND, RETAILER, PROFESSIONALS

Sales and markets trends

We asked what were the most relevant shopping habits during the pandemic and we find out that among our respondents, **56% of respondents think that lockdown has not influenced fragrance choices of the clients**. We discover also that in the last year **31%** of respondent said that **their customers look for natural ingredients** in perfume and **39%** of respondent **disagree that their customers are indifferent to the use of synthetic molecules.**

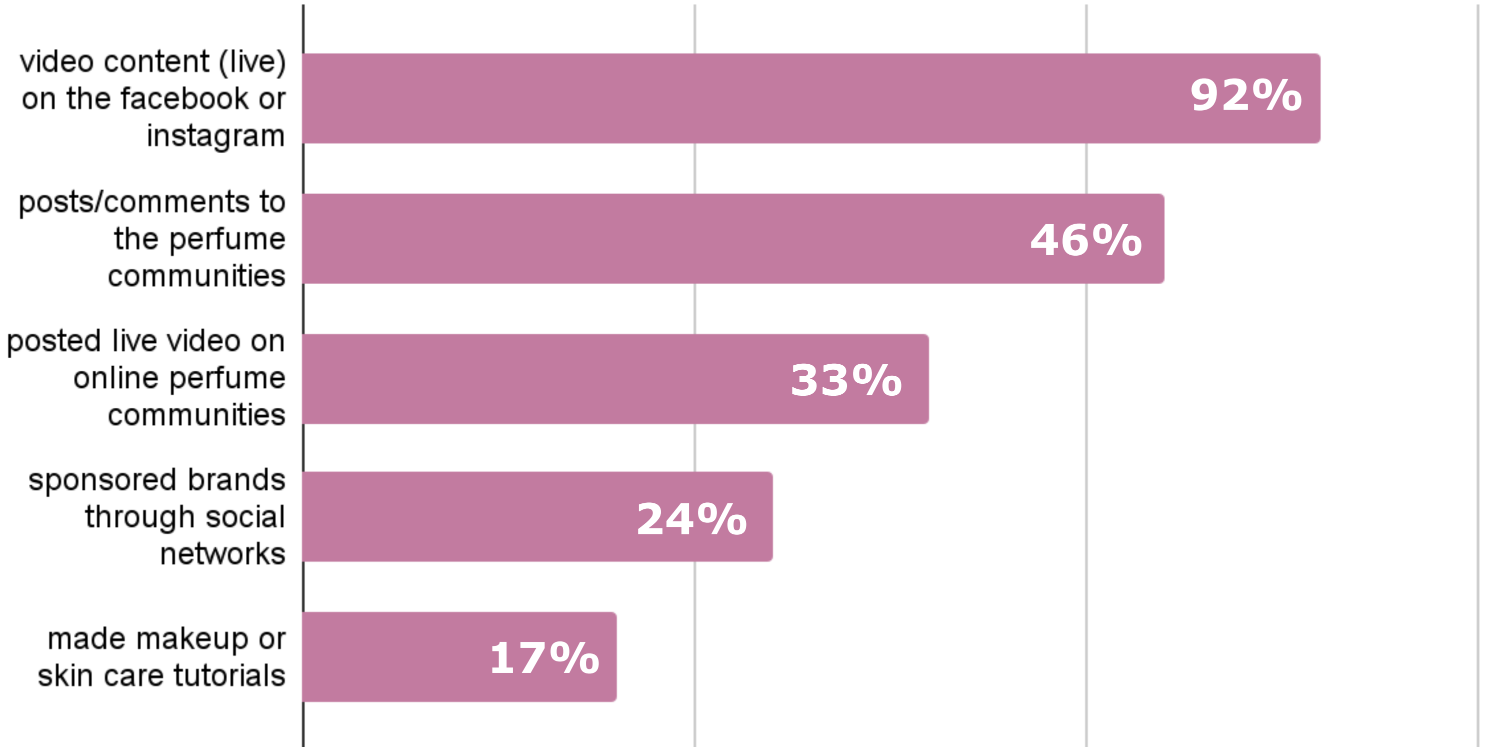
We also investigated which olfactory families they sold the most. The word-cloud here below presents the most purchased olfactory families in the last year.

Floral	**45%**
Citrus	**43%**
Gourmand	**42%**
Woody	33%
Leather	31%
Soft Floral	28%
Oriental	28%
Woody Oriental	27%
Aquatic	24%
Floral Oriental	24%
Green	19%
Fruity	19%
Soft Oriental	19%
Fougère Aromatic	18%
Mossy Woody	15%

Communication during the pandemic

We investigate what kind of content pr, journalist and influencers spread during the pandemic. We find out that in the last year they preferred create video content live on Facebook and Instagram and they interact with posts/comments to the perfume communities.

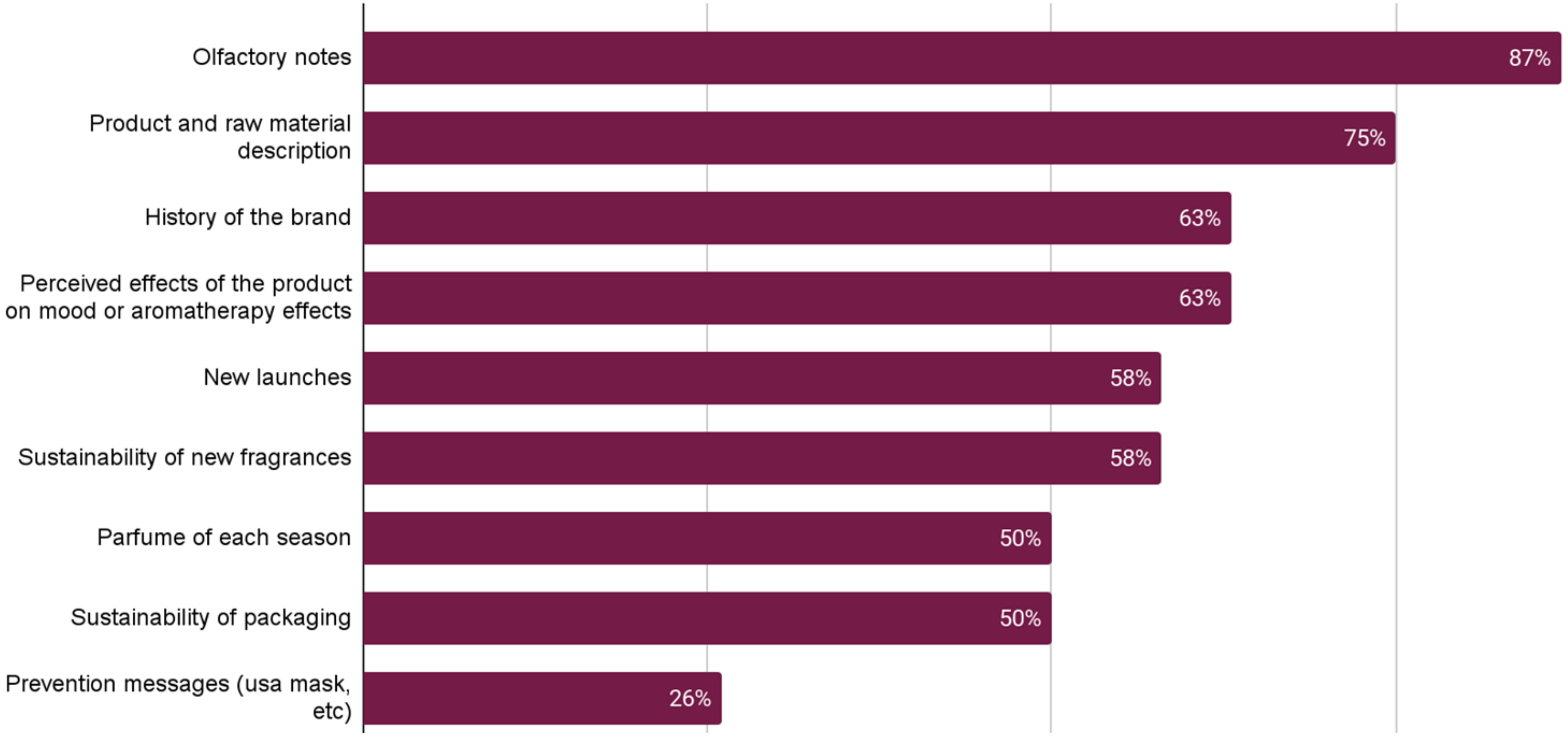
Compared to the pre-Coronavirus era and considering this last year, what did these professionals do online?



Priorities during the pandemic

Pr, journalist and influencers had mostly speak about olfactory notes, product and raw materials description. **62%** of pr, journalist and influencer think that the large amount of niche brand launches is not entirely positive because it lowers the quality of the offer. Here below a summary of the topics respondents prioritize in their communication during the last year.

Taking into account the Coronavirus situation and the institutional communications made on social media, ***what elements did you prioritize in your communication?***



Olfactory families

The word-cloud presents the olfactory families that pr, journalists and influencers promoted the most in the last year. **We also compared this data with the olfactory families most that b2b sold the most.**

	BRAND retailers and professionals	PR, journalist, influencer
Citrus	43%	41%
Aquatic	24%	29%
Green	19%	54%
Fruity	19%	25%
Floral	45%	54%
Soft Floral	28%	12%
Floral Oriental	24%	37%
Soft Oriental	19%	20%
Oriental	28%	25%
Woody Oriental	27%	20%
Woody	33%	33%
Mossy Woody	15%	25%
Leather	31%	21%
Aromatic	18%	37%
Gourmand	42%	46%

Demand *vs* Supply

	DEMAND: B2C	B2B brand retailers	B2B pr, influencers
Citrus	**38%**	**43%**	**41%**
Aquatic	12%	24%	29%
Green	12%	19%	**54%**
Fruity	15%	19%	25%
Floral	26%	**45%**	**54%**
Soft Floral	17%	28%	12%
Floral Oriental	25%	24%	37%
Soft Oriental	12%	19%	20%
Oriental	28%	28%	25%
Woody Oriental	30%	27%	20%
Woody	25%	33%	33%
Mossy Woody	15%	15%	25%
Leather	20%	31%	21%
Aromatic	10%	18%	37%
Gourmand	19%	**42%**	**46%**