

Report Price: £1995.00 | \$2583.33 | €2370.86

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



"After two years of disappointing sales performance, the fragrance sector is estimated to see modest growth in 2017. NPD in both the fragrances and body spray sector has encouraged people to spend more, however, consumers remain price-savvy and high-end fashion brands increasingly face competition from beauty and high street fashion brands."

- Roshida Khanom, Associate Director BPC

This report looks at the following areas:

- Blurring the lines with BPC
- Competing for the middle-income shopper

The fragrances sector is estimated to see modest growth in value of 0.7% in 2017 (to £1.48 billion), seeing growth for the first time in two years. 2016 has seen NPD (New Product Development) from high-end fashion brands in the fragrance sector targeting a wider range of people, whilst the body spray sector has seen innovation in formats.

As consumers show an interest in fragrances with added benefits, such as skincare and mood enhancement, driving associated NPD further could encourage greater spending in the sector.

# BUY THIS REPORT NOW

VISIT: store.mintel.com

# **CALL:** EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

арас +61 (0) 2 8284 8100

**EMAIL:** reports@mintel.com

**DID YOU KNOW?** 

This report is part of a series of reports, produced to provide you with a more holistic view of this market



Report Price: £1995.00 | \$2583.33 | €2370.86

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

# **Table of Contents**

**Overview** 

# What you need to know Products covered in this Report Excluded Executive Summary The market

# Fragrances set to bounce back

Figure 1: Best- and worst-case forecast for UK retail value sales of fragrances and body sprays, 2012-22

#### Companies and brands

NPD drives value sales in fragrances

Figure 2: Manufacturer shares in fragrances only, top four and other, 2016

#### Unilever leads market share in body sprays

Figure 3: Manufacturer shares in body sprays only, top five and other, year ending April 2017

### Increase in NPD in 2016

Figure 4: New product development in the fragrances category\*, by launch type, January 2014-June 2017

## The consumer

#### Body sprays see a rise in usage

Figure 5: Usage of fragrances only, June 2016 and May 2017

# No change in scented toiletry usage

Figure 6: Usage of scented toiletries, June 2016 and May 2017

#### Beauty brands are popular

Figure 7: Fragrance brands used, by gender, May 2017

# Pulse points are popular areas of application

Figure 8: Areas of application, May 2017

# Consumers like to smell their fragrances

Figure 9: Fragrance behaviours, May 2017

# Purchase is on the rise

Figure 10: Purchase of fragrances, June 2016 and May 2017

#### Interest in skincare benefits is high...

Figure 11: Interest in fragrance benefits, May 2017

# ...as well as interest in emotional benefits

Figure 12: Interest in mood/emotional benefits, May 2017

What we think

#### **Issues and Insights**

Blurring the lines with BPC The facts

# BUY THIS REPORT NOW



# Report Price: £1995.00 | \$2583.33 | €2370.86

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

The implications

Competing for the middle-income shopper

The facts

The implications

# The Market – What You Need to Know

Fragrances see growth in value

Gender perceptions impact value sales

Department stores drive prestige sales

Teenagers are a growing market

Fragrance is a daily routine

#### Market Size and Forecast

# Fragrances set to bounce back in 2017

Figure 13: UK retail value sales of fragrances and body sprays, at current and constant prices, 2012-22

#### Consistent growth estimated

Figure 14: Best- and worst-case forecast for UK retail value sales of fragrances and body sprays, 2012-22

# Forecast methodology

# **Market Segmentation**

#### Gender fluidity continues to be on trend

Figure 15: UK retail value sales of fragrances only, by sector, 2015-17 (est)

#### Body spray continues to fall in favour

Figure 16: UK retail value sales of body sprays, by sector, 2015-17 (est)

# **Channels to Market**

# Spending in the prestige sector boosts department stores

Figure 17: UK retail value sales of fragrances only, by outlet type, 2015 and 2016

#### Retailers offer seamless multichannel experiences

#### Bringing digital to retail environments

#### Low price drives sales of body sprays at discount stores

Figure 18: UK retail value sales of body sprays only, by outlet type, 2015 and 2016

# **Market Drivers**

# Teenagers are a growing market

Figure 19: Trends in the age structure of the UK population, 2012-22

#### Focus on ingredients

Figure 20: Attitudes towards hand/body/footcare products, January 2017

#### Fragrance is a daily routine

Figure 21: Daily beauty and grooming priorities, December 2016

#### A luxury sector

Figure 22: Brand types bought, October 2016

# BUY THIS REPORT NOW



Report Price: £1995.00 | \$2583.33 | €2370.86

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

# Companies and Brands – What You Need to Know

NPD impacts brand value

High-end fashion brands target a wider audience...

...whilst high street fashion brands become more competitive

Traditional claims see a decline

Digital advertising sees investment

Beauty brand fragrances are caring

## **Market Share**

#### L'Oréal and Estée Lauder show strong growth in value sales

Figure 23: Manufacturer shares in fragrances only, top four and other, 2015 and 2016

#### NPD limits value decline in body sprays

Figure 24: Manufacturer shares in body sprays only, years ending April 2016 and 2017

#### Launch Activity and Innovation

#### High-end fashion brands innovate in 2016

Figure 25: New product development in the fragrances category\*, by launch type, January 2014-June 2017

Figure 26: Examples of fragrance launches from high-end fashion brands, 2016

#### High street fashion brands become more competitive

Figure 27: Babe power by Missguided, May 2017

# Body mists blur the line between skincare and fragrance

Figure 28: Examples of body mist launches in 2016

#### NPD from beauty brands

Figure 29: New product development in the fragrances category\*, by top ultimate companies and other, 2016

#### Traditional claims see a decline

Figure 30: Top fastest-growing and fastest-declining claims in the fragrances category\*, 2016

## **Advertising and Marketing Activity**

#### Digital advertising sees a rise

Figure 31: Recorded above-the-line, online display and direct mail advertising expenditure on fragrances and body sprays, by media type, January 2014-May 2017

# Going back to the founder

Figure 32: Gabrielle, a rebel at heart, Chapter 18 of Inside Chanel, February 2017

#### Coty and L'Oréal lead advertising spend

Figure 33: Recorded above-the-line, online display and direct mail advertising expenditure on fragrances and body sprays, by leading companies, 2016

# Lynx sees a rebrand

Figure 34: Lynx rebrand, January 2016

#### Nielsen Ad Intel coverage

Brand Research

# Brand map

Figure 35: Attitudes towards and usage of selected brands, June 2017

Key brand metrics

# BUY THIS REPORT NOW



# Report Price: £1995.00 | \$2583.33 | €2370.86

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 36: Key metrics for selected brands, June 2017

Brand attitudes: Premium fragrances are worth paying more for Figure 37: Attitudes, by brand, June 2017

## Brand personality: Celebrity fragrances are unappealing Figure 38: Brand personality – Macro image, June 2017

#### Beauty brands have a caring image

Figure 39: Brand personality – Micro image, June 2017

# Brand analysis

# Chanel has strong associations with luxury

Figure 40: User profile of Chanel, June 2017

# Gucci appeals to high earners

Figure 41: User profile of Gucci, June 2017

#### Huge Boss appeals to men

Figure 42: User profile of Hugo Boss, June 2017

# Lancôme appeals to younger women

Figure 43: User profile of Lancôme, June 2017

# Tom Ford has a quirky image

Figure 44: User profile of Tom Ford, June 2017

#### Clinique is accessible

Figure 45: User profile of Clinique, June 2017

#### DKNY has a youthful image

Figure 46: User profile of DKNY, June 2017

# Jennifer Lopez Fragrances set to see a relaunch

Figure 47: User profile of Jennifer Lopez Fragrances, June 2017

#### The Consumer – What You Need to Know

Body spray usage is on the rise

## Beauty brand fragrances are popular

Pulse points are popular areas of application

#### Women are experimental with their fragrances

Fragrance purchase is on the rise

#### Interest in added benefits is high

# Usage of Fragrances

Body sprays increase in popularity

Figure 48: Usage of fragrances only, June 2016 and May 2017

## No change in usage of scented toiletries

Figure 49: Usage of scented toiletries, June 2016 and May 2017

# **Brand Preferences**

Beauty brands are as popular as fashion brands

# BUY THIS REPORT NOW



# Report Price: £1995.00 | \$2583.33 | €2370.86

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 50: Fragrance brands used, by gender, May 2017

Millennials show preference for high street fashion brands

# **Application of Fragrances**

Neck and wrists are the most popular areas of application Figure 51: Areas of application, by gender, May 2017

#### NPD opportunities for beard fragrances

Hair fragrance usage remains low

#### **Fragrance Behaviours**

#### Fragrance should be strong

Figure 52: Fragrance behaviours, May 2017

#### Masking bad smells

## Women are more experimental

Figure 53: Statements related to experimentation with fragrances, by gender, May 2017

## People prefer variety

Figure 54: Statements related to having a signature scent and a few favourite brands, by age, May 2017

## **Purchase of Fragrances**

# Purchase of fragrances is on the rise

Figure 55: Purchase of fragrances, June 2016 and May 2017

#### **Interest in Fragrance Innovations**

#### High interest in skin benefits

Figure 56: Interest in fragrance benefits, May 2017

#### Fragrances is an emotional sector

Figure 57: Interest in mood/emotional benefits, May 2017

#### Appendix – Data Sources, Abbreviations and Supporting Information

#### Abbreviations

#### Consumer research methodology

Forecast methodology

# BUY THIS REPORT NOW