

## Fragrances: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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



“The fragrance category was in decline before the COVID-19 outbreak and has been one of the hardest hit categories in 2020, with a particularly slow recovery forecast. Confined to their homes, consumers have reduced their usage of beauty products deemed non-essential.”  
 – **Samantha Dover, Senior Beauty and Personal Care Analyst**

This report looks at the following areas:

- The impact of COVID-19 on the fragrance market
- How usage and shopping habits have changed in response to COVID-19
- The value of individual segments and brand performance in 2019
- Launch activity and opportunities for 2020
- Fragrance discovery and the evolution of the purchase journey
- Brand preferences and opportunities for premiumisation

Whilst COVID-19 has created a more challenging environment for fragrance brands, the category had lost its lustre prior to the outbreak, with value sales falling 4% to £1.4 billion in 2019. Online growth is exacerbating savvy shopping behaviours as 29% of adults now shop online for fragrances, whilst 39% of fragrance consumers shop around to get the best prices.

COVID-19 has caused significant disruption in the fragrance category. Social distancing restrictions have impacted usage whilst ongoing anxieties around spending time in stores have impacted fragrance discovery. Travel restrictions have wiped out duty-free spending and subdued demand for holiday beauty.

The rise of online beauty during 2020 is particularly problematic for the category as fragrances are notoriously difficult to sell online. A digital overhaul is needed to aid online fragrance discovery, with investment into digital customer service tools and an overhaul of social media strategies needed to engage today's fragrance consumer.

Compared to other beauty categories, the masstige disruption in fragrances has been relatively limited to date. However, this presents brands with opportunities to reach new consumers and cater to a heightened demand for value for money in the post COVID-19 era. Embracing the rise of masstige with new brand partnerships and affordable fine fragrance formats can future proof a brand's proposition and help them maintain their price integrity amidst intense price competition.

### Products covered in this Report

This Report examines the UK market for men's and women's fragrances, including parfum, eau de toilettes (EdT), eau de parfums (EdP) and colognes:

- **Parfums or perfume extracts have a 15-40% concentration of essence.**
- **Eau de parfum (EdP) have a 10-30% concentration of essence.**
- **Eau de toilette (EdT) have a 5-20% concentration of essence.**
- **Colognes, often referred to as eau de cologne (EdC), have a 3-5% concentration of essence.**
- **Eau fraiche have a 1-3% concentration of essence.**

**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

APAC  
+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

## Fragrances: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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

Also included within this Report are body sprays (fragrances in a spray can or spritz format) for men and for women.

Unless otherwise specified, throughout this Report the term 'fragrances' refers exclusively to perfumes (eg eau de toilette, eau de parfum, parfum), eau de cologne and aftershaves. This includes perfumes, eau de cologne and aftershaves in solid, oil and gel formats, but excludes body sprays.

### COVID-19: Market Context

*This update on the impact that COVID-19 is having on the market was prepared on 12 August 2020.*

*The first COVID-19 cases were confirmed in the UK at the end of January, with a small number of cases in February. The government focused on the 'contain' stage of its strategy, with the country continuing to operate much as normal. As the case level rose, the government ordered the closure of non-essential stores on 20 March.*

*A wider lockdown requiring people to stay at home except for essential shopping, exercise and work 'if absolutely necessary' followed on 23 March. Initially, a three-week timeframe was put on the measures, which was extended in mid-April for another three weeks.*

*The Health Protections Regulations 2020 came into effect on 15 June allowing the reopening of all non-essential stores in England and the mandatory use of face masks on public transport. Pubs, restaurants, hotels and hairdressers reopened on 4 July and beauty salons reopened on 13 July, whilst the use of face masks in shops and supermarkets became mandatory on 24 July.*

*Our economic assumptions are based on the illustrative scenario included in the Bank of England's Monetary Policy Report, released on 7 May 2020 (<https://www.bankofengland.co.uk/-/media/boe/files/monetary-policy-report/2020/may/monetary-policy-report-may-2020.pdf>). The scenario suggests that UK GDP could fall by 14% in 2020, recovering by 15% in 2021, and that unemployment will reach 8% by the end of the year, easing slightly to 7% by the end of 2021. The current uncertainty means that there is wide variation on the range of forecasts, however, and the numbers presented in the BoE's illustrative scenario are at the more pessimistic end of the spectrum.*

BUY THIS  
REPORT NOW

**VISIT:** [store.mintel.com](https://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Fragrances: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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
- Key issues covered in this Report
- Products covered in this Report
- COVID-19: Market Context

### Executive Summary

#### The market

##### Fragrances loses its lustre before COVID-19

Figure 1: UK central forecast value sales of fragrances and body sprays (prepared 17 July 2020), 2015-25

#### The impact of COVID-19 on fragrances

##### COVID-19 accelerates the decline

Figure 2: Expected impact of COVID-19 on fragrances in the short, medium and long term, 17 July 2020

##### COVID-will drive conscious consumerism

##### Growth in self-care can create new usage occasions

##### Companies and brands

##### NPD growth not enough to boost sales

Figure 3: New product launches in the fragrance and body-spray category, by launch type, January 2017-June 2020

#### The consumer

##### Usage dips as repertoires decline

Figure 4: Types of fragrance formats used, June 2019 and June 2020

##### Unisex fragrances have niche appeal

Figure 5: Types of fragrance scents used, June 2020

##### COVID-19 drives down fragrance usage

Figure 6: Change in frequency of fragrance usage since the COVID-19/coronavirus outbreak, June 2020

##### Value for money is the priority

Figure 7: Fragrance purchase drivers, June 2020

##### Consumers are torn between masstige and prestige

Figure 8: Average spend on fragrances, June 2020

##### Eco-ethical concerns offer premiumisation opportunities

Figure 9: Factors that would encourage higher value purchases, June 2020

##### In-store trial remains influential

Figure 10: Fragrance purchase journey, June 2020

##### Fragrance recommendations need to evolve

Figure 11: Interest in fragrance innovations, June 2020

##### Demand for affordable fine fragrances is strong

Figure 12: Fragrance usage and purchase behaviours, June 2020

#### What we think

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](https://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Fragrances: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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

## The Impact of COVID-19 on Fragrances

### The market

Significant disruptions in 2020

Brand preferences will shift

The online channel gains prominence

Companies and brands

Christmas gifting needs a new approach in 2020

Brands innovate for changing consumer demands

Marketing strategies evolve in response to disruption

Discounting will erode brand perceptions

Brands can get creative on social media

### The consumer

Spending power has been impacted

Social distancing subdues fragrance usage

Masstige fragrances will gain prominence

The 'doing more with less' mindset will shape purchase decisions

Offer affordable alternatives to fine fragrances

## Issues and Insights

Respond to price sensitivity with value-driven propositions

The facts

The implications

Reimagine the online experience for the post-COVID-19 era

The facts

The implications

## The Market – What You Need to Know

COVID-19 accelerates value sales decline

A hit to disposable incomes will create challenges

Unisex growth boosted by innovation

Channel disruption in 2020 will have a lasting impact

Masstige disruption expected to accelerate

Pressure mounting on brands to embrace sustainability

## Market Size and Forecast

Significant disruption in the short term

Figure 13: Expected impact of COVID-19 on fragrances in the short, medium and long term, 17 July 2020

Short term

Medium term

Long term

Sales were in decline before COVID-19

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](https://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Fragrances: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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

Figure 14: UK value sales of fragrances and body sprays (prepared 17 July 2020), 2015-25

A slow recovery expected

Figure 15: UK central forecast value sales of fragrances and body sprays (prepared 17 July 2020), 2015-25

A recession will drive masstige popularity

Figure 16: UK value sales of fragrances and body sprays, 2007-17

## Market Segmentation

Unisex fragrances continue to outperform

Figure 17: UK retail value sales of fragrances, by sector, 2018-20 (est)

Innovation needed to boost demand for body sprays

Figure 18: UK retail value sales of body sprays, by sector, 2018-20

## Channels to Market

Online-only and discount retailers gain ground in fragrances

Figure 19: UK retail value sales of fragrances only, by outlet type, 2019-20

Health and beauty specialists suffer from COVID-19 disruption

Grocers see their share of body spray sales fluctuate

Figure 20: UK retail value sales of body sprays only, by outlet type, 2019-20

## Market Drivers

COVID-19 hits consumer confidence

Figure 21: Mintel's financial confidence index, January 2015-June 2020

Consumer spending power will be impacted

Figure 22: Real wage growth – average weekly earnings vs inflation, June 2018-May 2020

Online growth driven by savvy shopping habits

Figure 23: Channels used to purchase fragrances in the last 12 months, by gender, June 2020

Store experience influences prestige shoppers

Figure 24: Sources of information when buying prestige BPC products, October 2019

Consumers want more for their money

Figure 25: BPC purchase behaviours, October 2019

A reliance on gifting

Young consumers drive demand for natural fragrances

Figure 26: Types of fragrances typically purchased, by age and gender, April 2020

Green penetration lags behind

Figure 27: Purchase of eco-friendly and regular BPC products, by category, November 2019

Population trends will influence demand

Figure 28: Projected trends in the age structure of the population, 2018-28

## Companies and Brands – What You Need to Know

Mixed results from the leading players

Increased NPD driven by unisex launches

Wellbeing launches gain traction in 2020

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](https://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Fragrances: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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

Fragrance advertising is highly competitive  
 Marketing efforts pivot amidst COVID-19 disruption  
 Disruptive brands continue to have a niche following

## Market Share

L'Oréal and Chanel outperform in fragrances  
 Figure 29: Manufacturer shares in fragrances, top four and other, 2018 and 2019

So...? continues its winning streak in body sprays  
 Figure 30: Brand shares in body sprays, years ending May 2019 and 2020

## Launch Activity and Innovation

NPD remains robust  
 Figure 31: New product launches in the fragrance and body-spray category, by launch type, January 2017-June 2020

Elevate fragrances through collaborations  
 Figure 32: Examples of fragrance product launches carrying collaborative claims, 2019-20

Sustainable ingredient sourcing is a priority  
 Figure 33: Examples of fragrance product launches carrying eco/ethical claims, 2020

Packaging innovation needed to drive eco engagement  
 Figure 34: Fastest growing and declining claims in the fragrance and body spray category, 2018-19

Aromatherapy fragrances align with the growth in the wellbeing trend  
 Figure 35: Top 5 claims in the fragrance and body spray category (based on 2020), January 2017-June 2020

Retro scents evoke nostalgic sentiments  
 Figure 36: Examples of fragrance product launches carrying aromatherapy claims, 2020

Limited edition fragrances gain momentum  
 Figure 37: Examples of fragrance product launches carrying limited edition claims, 2020

Women's fragrances regain ground in 2020  
 Figure 38: New product launches in the fragrance and body spray category, by sub-category, January 2017-June 2020

COVID-19 presents brand extension opportunities  
 LVMH dominates fragrance NPD  
 Figure 39: New product launches in the fragrance and body spray category, by ultimate company, 2019

Unilever and So...? compete for body spray sales  
 Figure 40: Examples of new product launches in the body spray segment, 2019

## Advertising and Marketing Activity

Advertisers up the ante later in the year  
 Figure 41: Total above-the line, online display and direct mail advertising expenditure on fragrances, January 2017-May 2020

Fragrance brands respond to changing consumer sentiment  
 Figure 42: Penhaligon's Homepage, July 2020

TV advertising dominates expenditure  
 Figure 43: Total above-the line, online display and direct mail advertising expenditure on fragrances, by media type, January 2017-May 2020

Online engagement has become more important

**BUY THIS  
 REPORT NOW**

**VISIT:** [store.mintel.com](https://store.mintel.com)  
**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094  
 Americas +1 (312) 943 5250 | China +86 (21) 6032 7300  
 APAC +61 (0) 2 8284 8100 |  
**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Fragrances: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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

Figure 44: Jo Loves Instagram, April 2020

L'Oréal Luxe continues to lead spending

Figure 45: Total above-the line, online display and direct mail advertising expenditure on fragrances, 2019

Men's fragrance advertising lags behind

Figure 46: Total above-the line, online display and direct mail advertising expenditure on fragrances, by product type, Jan 2017-May 2020

Nielsen Ad Intel coverage

## Brand Research

Brand map

Figure 47: Attitudes towards and usage of selected brands, July 2020

Key brand metrics

Figure 48: Key metrics for selected brands, July 2020

Brand attitudes: Molton Brown benefits from strong brand awareness

Figure 49: Attitudes, by brand, July 2020

Brand personality: Floral Street and NEOM are seen as ethical

Figure 50: Brand personality – macro image, July 2020

Influencer and celebrity brands lead on glamour

Figure 51: Brand personality – micro image, July 2020

Brand analysis

Molton Brown in a strong position to make gains in fragrance

Figure 52: User profile of Molton Brown, July 2020

Ariana Grande Fragrances youthful image sets it apart

Figure 53: User profile of Ariana Grande Fragrances, July 2020

KAYALI benefits from its sister brand's strength

Figure 54: User profile of KAYALI, July 2020

NEOM is innovative and efficacious, but wellbeing claims may be lost

Figure 55: User profile of NEOM, July 2020

Floral Street battles with limited brand awareness

Figure 56: User profile of Floral Street, July 2020

## The Consumer – What You Need to Know

Fragrances see a reduction in spend

Consumers reduce their fragrance repertoire

Encouraging more frequent usage will be challenging

Mood enhancing claims and limited editions add value

Fragrance discovery is reliant on physical stores

Consumers want personalised recommendations

Affordable formats set to gain popularity

## The Impact of COVID-19 on Beauty Consumers

Consumers cut back on overall BPC spend

BUY THIS  
REPORT NOW

**VISIT:** [store.mintel.com](https://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Fragrances: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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

Figure 57: Change in BPC spending since the start of the COVID-19/coronavirus outbreak, by age, 18-30 June 2020

## Fragrances are hard hit by reduced spend

Figure 58: BPC categories that have seen a reduction in spending since the start of the COVID-19/coronavirus outbreak, 18-30 June 2020

## The outbreak has changed consumer priorities

Figure 59: Why consumers have reduced BPC spending since the start of the COVID-19/coronavirus outbreak, 18-30 June 2020

## Newness can be used to encourage spending

Figure 60: Why consumers have increased BPC spending since the start of the COVID-19/coronavirus outbreak, 18-30 June 2020

## Where consumers shop for beauty is changing

Figure 61: Changes to selected shopping behaviours since the COVID-19/coronavirus outbreak, 9-15 July 2020

## Value for money doesn't necessarily mean discounts

Figure 62: How BPC spending habits will change if consumers face an income squeeze, 18-30 June 2020

## Brands with a conscience will resonate

## Encourage experimentation with added value

Figure 63: Neom Instagram, June 2020

## Types of Fragrances Used

### Fragrance usage dips in 2020

Figure 64: Types of fragrance formats used, June 2019 and June 2020

### Eco-friendly concerns impact repertoires

Figure 65: Repertoire of fragrance formats used, June 2020

### Usage continues to be driven by young consumers

Figure 66: Types of fragrance formats used, by age and gender, June 2020

### Young consumers embrace unisex scents

Figure 67: Types of fragrance scents used, by age, June 2020

## Frequency of Fragrance Usage

### Once a day usage reigns supreme

Figure 68: Frequency of fragrance usage, by age, June 2020

### Older consumers save it for a special occasion

Figure 69: Purchase of fragrances for different occasions, by age and gender, June 2010

### Usage frequency impacted by COVID-19

Figure 70: Change in frequency of fragrance usage since the COVID-19/coronavirus outbreak, June 2020

## Fragrance Purchasing

### Price is the priority when buying fragrances

Figure 71: Fragrance purchase drivers, June 2020

### Demand for quality drives prestige purchasing

### Fragrance spend is evenly distributed

Figure 72: Average spend on fragrances, June 2020

### Young consumers are less willing to spend

Figure 73: Fragrance price positioning, by age, June 2020

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](https://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)



# Fragrances: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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

## Limited editions could boost market value

Figure 74: Factors that would encourage higher value purchases, June 2020

## Sustainability can drive premiumisation

### Fragrance Discovery

#### Stores remain influential

Figure 75: Fragrance purchase journey, June 2020

#### Innovation needed at store level to restore trust

There are also opportunities to offer an elevated experience.

#### Avestan reimagines the in-store experience

Figure 76: Avestan flagship store in London, 2019

#### Connect the online and offline worlds

#### Create hype to attract consumers back in store

#### Men and women approach fragrance discovery differently

Figure 77: Fragrance purchase journey, by gender, June 2020

#### Young consumers are embracing online research

Figure 78: Fragrance purchase journey, by age, June 2020

#### Social media is driving purchasing

Figure 79: Fragrance purchase after viewing social media content, June 2020

### Interest in Fragrance Innovations

#### Online fragrance recommendations need to evolve

Figure 80: Interest in fragrance innovations, June 2020

#### Emotive fragrances present opportunities to boost value purchases

Figure 81: Willingness to pay more for fragrances that enhance mood, by age and gender, June 2020

#### Target men and women with different in-store experiences

Figure 82: Interest in fragrance innovations, by gender, June 2020

#### Youth experimentation boosts interest in fragrance devices

Figure 83: Interest in fragrance innovations, by age, June 2020

### Fragrance Usage and Purchase Behaviours

#### An income squeeze will drive demand for greater affordability

Figure 84: Fragrance usage and purchase behaviours, June 2020

#### Men are driven by brand name

Figure 85: Agreement with select fragrance usage and purchase behaviours, by gender, June 2020

#### Collaborations appeal to young consumers

Figure 86: Agreement with select fragrance usage and purchase behaviours, by age, June 2020

#### Fragrance wardrobes popular amongst affluent Millennials

Figure 87: Fragrances – CHAID – Tree output, June 2020

Figure 88: Fragrances – CHAID – Table output, June 2020

#### CHAID-analysis methodology

BUY THIS  
REPORT NOW

**VISIT:** [store.mintel.com](https://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

## Fragrances: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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

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

Abbreviations

Consumer research methodology

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](https://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)