



Friday, 24 March 2017
Workshop

Staying ahead: How to Remain Creative in Today's Competitive Niche Perfumery

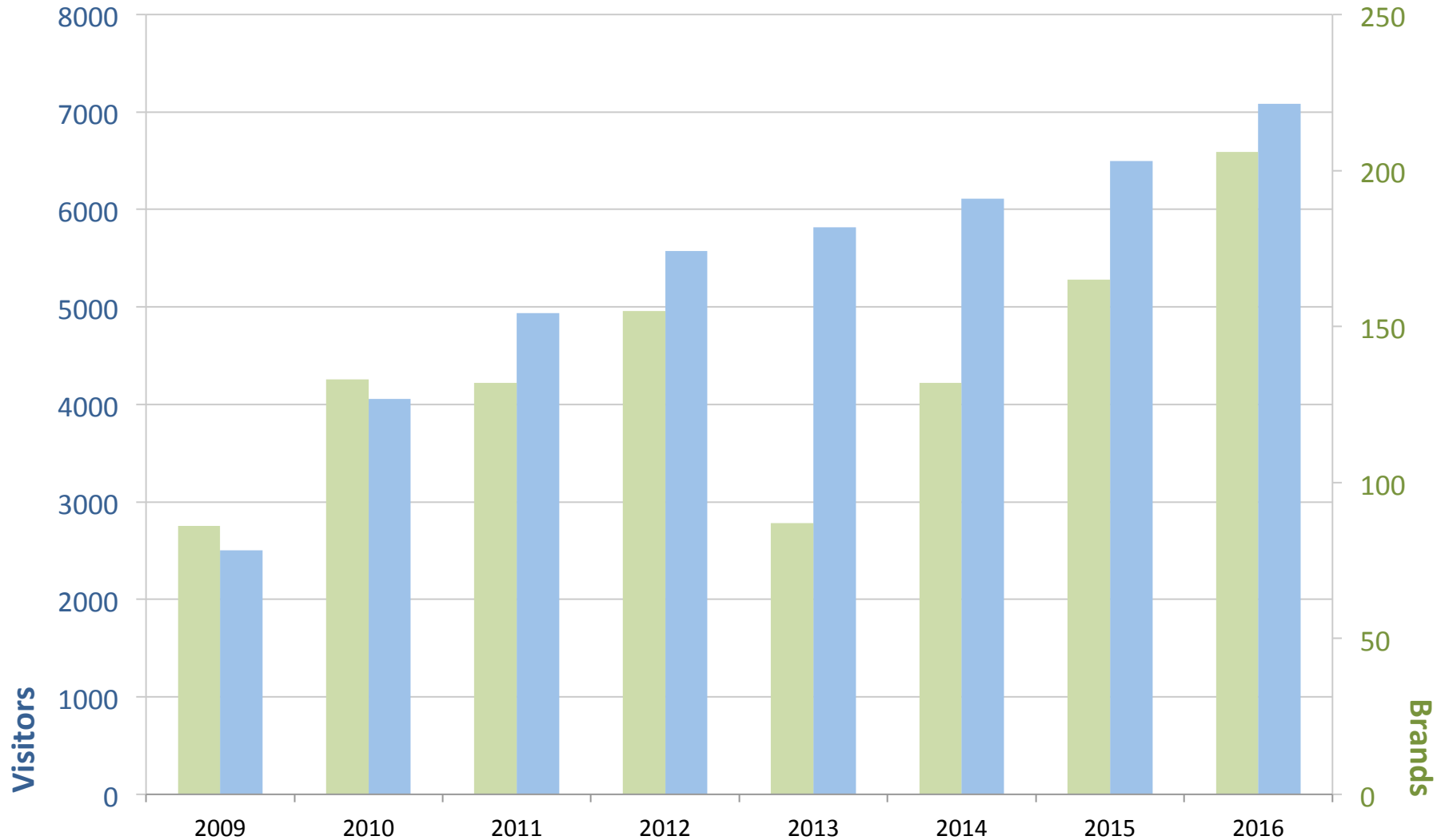
Dr. Bodo Kubartz & Dr. Claus Noppeney with
Lisa Bonfatti, Rossella Caputo & Barbara Herman

The pluralization of artistic perfumery: overall growth & fragmentation

- Fragrance sales dropped 6% in US in 2016 (Nielsen):
 - prestige sales rose slightly
 - while mass dropped significantly
- Launches in overall fragrance category decreased by 9% in US in 2016 (Nielsen)
- 10% fewer women age 18-24 and 5% fewer women age 25-34 reported shopping for fragrance in all of 2016 (NPD).
- Artistic perfumery segment added more than \$240 million to the fragrance market in US since 2014
- Fragmentation of artistic perfumery: Growing niche, in fact: several niches!
- Development of Esxence 2009-2017

Esxence 2009-2016

What are the longer-term options to remain on top of the game?



Source: Marina Oyewale & Shelley Wang: Zwischen Nischenmarkt und Mainstream: Innovationen im Parfümmarkt. Seminararbeit Universität St.Gallen 2015 & Esxence: Press Release 2009-2016.

Being different, being better!(?)

The narrative of artistic perfumery is challenged

- Different foci of brands
 - Entrepreneurial: owner-driven
 - Creative: self-definition of goals and intentions
 - Quality: juice-focused motivation
- Shared ideas
 - Minor focus on and investment in marketing
 - No market-testing

Retail as „*the bottleneck*“:

The new advantage of being close to the consumer

- Shelves are overcrowded
- Not all brands can be stocked
- Requirements to be stocked have changed
- Consumers lack orientation in abundance of brands

-> Shifting the power in artistic perfumery?

A crisis of artistic perfumery...

- Increased demand for brands to professionalize to become fit for market (packaging, POS material, samples, displays, ad and PR material)
- Through the multiplication of juices -> questioning of prices, quality, value, and argumentation for a brand
- Increase in capabilities to choose/evaluate/purchase new brands by the retailer necessary

...or the merits of more choices and the survival of the fittest?

Panelists

- Lisa Bonfatti, Campomarzio 70
- Rossella Caputo, International Sales Agent &
- Barbara Herman, Eris Parfums
- Dr. Bodo Kubartz, Passion and Consulting
- Dr. Claus Noppeney, Bern University of Applied Sciences

Brands in artistic perfumery

- There is no niche.
- Capital kills creativity, increasingly so.
- The opportunity to stand out shrinks.
- The limits to brands are: borders.
- The options to market brands are limited.

The quality of the juice in artistic perfumery

- There is no such thing as quality as an absolute characteristic.
- Quality is negotiated and channeled through multimedia.
- The perfumer is a cipher for quality.
- Employers enable quality.
- Good work loses against big media budgets.

Retailing in artistic perfumery

- Retailers are co-creators of brands.
- Stocking means loving.
- A multiplication of retail spheres is noticeable.
- Retail is based on support, not on quality.
- Retail is multi-scalar.