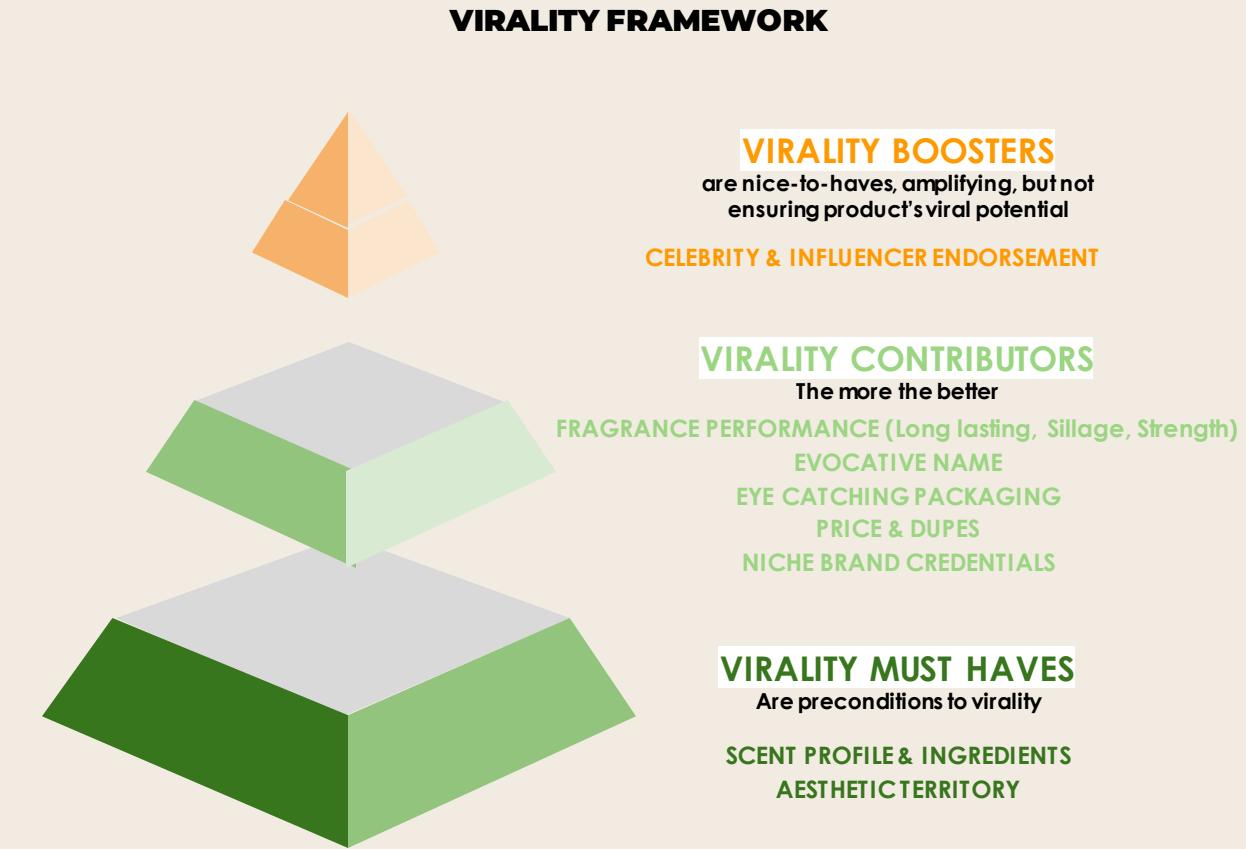


5

VIRALITY COMES ON TOP TO BOOST AN EXCEPTION SUCCESS

Exception fragrance is a fast-growing topic (+740% 2023 vs 2021). However, not all viral perfumes are not necessarily best sellers (Gris Dior).

12 SKUs	Sell-Out (source: NPD ; FY 2022)	Virality (TikTok ; 2023)
Baccarat Rouge 540 – Maison Francis Kurkdjian	121M	543M (#1)
Aventus - Creed	79M	133M (#3)
Oud Wood – Tom Ford	46M	48M (#6)
Lazy Sunday Mornings – Maison Margiela	32M	28M (#7)
Delina – Parfums de Marly	29M	19M (#8)
Santal 33 – Le Labo	6M	100M (#4)
Coveted Duchess Rose – Penhaligon's	5M	727K (#11)
Erba Pura - Xerjoff	3.4M	50M (#5)
Rose of no man's land - Byredo	2.5M	1M (#10)
La fille de Berlin – Serge Lutens	1.1M	42K (#12)
Bois d'Argent - Dior	0.2M	5M (#9)
Gris Dior - Dior	0.1M	198M (#2)

**MAJOR INSIGHT**

Virality is necessary but not sufficient. Virality only amplifies propositions that adhere to the exceptional contract, which has for base an exceptional juice. For example, 'Missing Person' from Phlur was a failure due to its short-term journey, not designed to be enduring. Time is required for a creation to establish itself as the cornerstone of exceptional success.

6 POS EXPERIENCE KEEPS LAGGING BEHIND ALTHOUGH IT IS KEY FOR PERFUME DISCOVERY

Expert consumers

They look for exceptional places and stores scarcity

- Expert consumers highly value the in-store experience as it provides them with **advice, knowledge, and the feeling of being 'special'**.
- They look for exceptional stores that they associate to special destinations.
- They are proud when they find the "**hidden treasure**" they will make their signature scent.
- They expect the perfume advisor to **educate them and understand who they are**.

Newcomer consumers

They look for exceptional digital experiences

- Newcomers that discover Exceptional Fragrances on social media are more inclined to **blind buy perfumes**.
- Brands need to address this need **of playful and emotional discovery** through samples and/or phygital experiences.

7 STRONG INSIGHTS BUT NO “ONE SIZE FITS ALL” RECIPE. EACH SUCCESS HAS ITS OWN MAGICAL, IMPONDERABLE DREAM FACTOR.

ART OF THE JUICE

- Staying true to original perfumer / artistic director inspiration to deliver an **authentic message**
- **Associate the juice to a story** (fictional or based on reality) to justify and support the uniqueness of the scent (Women ++)
- **Culturally rooted ingredients** are relevant in China

ART OF THE PACKAGING

- In France: more **minimalistic**
- In the US: instantly **recognizable and collectible**
- Overall, consumers expect **high quality & perfect execution** (heavy materials, luxury feeling, gold/precious materials...)

ART OF EVOKING NAME

- **First hook** to make the consumer enter your **cultural universe**: brand heritage, aesthetics, emotions etc...

FIT WITH NEW SHIFTS

- China : social elevation through knowledge / next-gen genderless..
- **Gen Z** : co-creation process, sustainable packs, ultra personalization..

RISK-TAKING

A perfect playground for our twist culture

THE DREAM FACTOR

Imponderable & unpredictable mix elements

TIME TO LET THE MAGIC HAPPEN

MAJOR INSIGHT

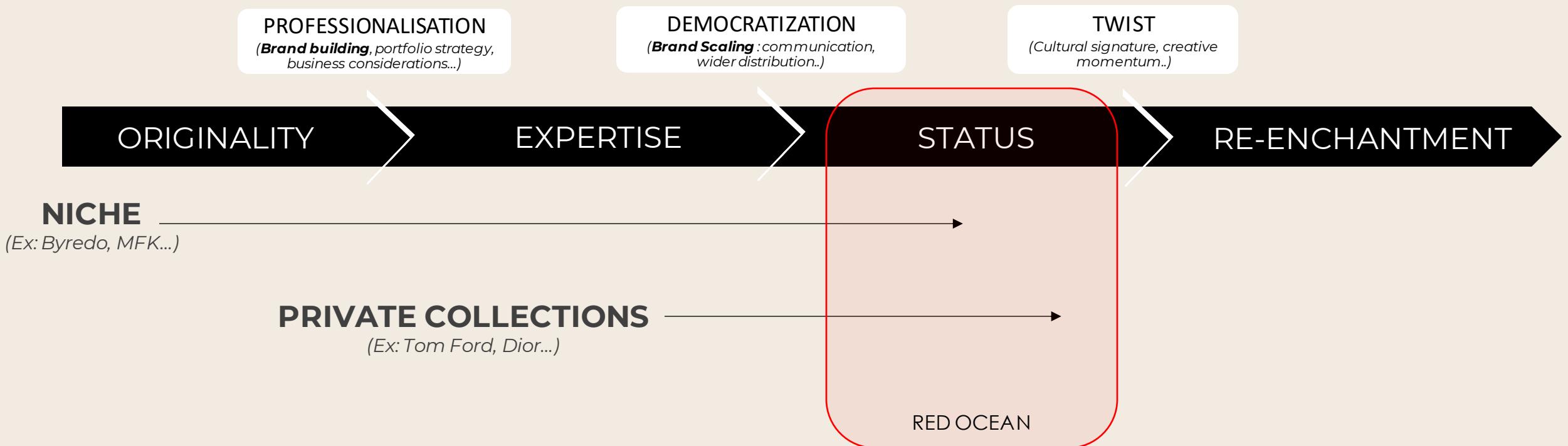
Success is a long-term journey : whether it is about creation, consumer appreciation, skin revelation or virality, time is the prevalent component of a market success. Most of the 12 benches were not immediate successes. There is a challenge of the creative process and challenges in the communication. Brands often need to choose between fast sell-out and shooting star virality.

EXCEPTION BRAND MAPPING BASED ON CONSUMERS' MOTIVATIONS



EXCEPTION BRANDS LIFECYCLE

- Successful exception franchises/brands all follow the **same pattern**.
- Through **democratization**, both collections and niche end up in the same statutory **crowded space**
- Brands will have to bring their own **Signature Twist** to the table to reenchant the category



THANK YOU



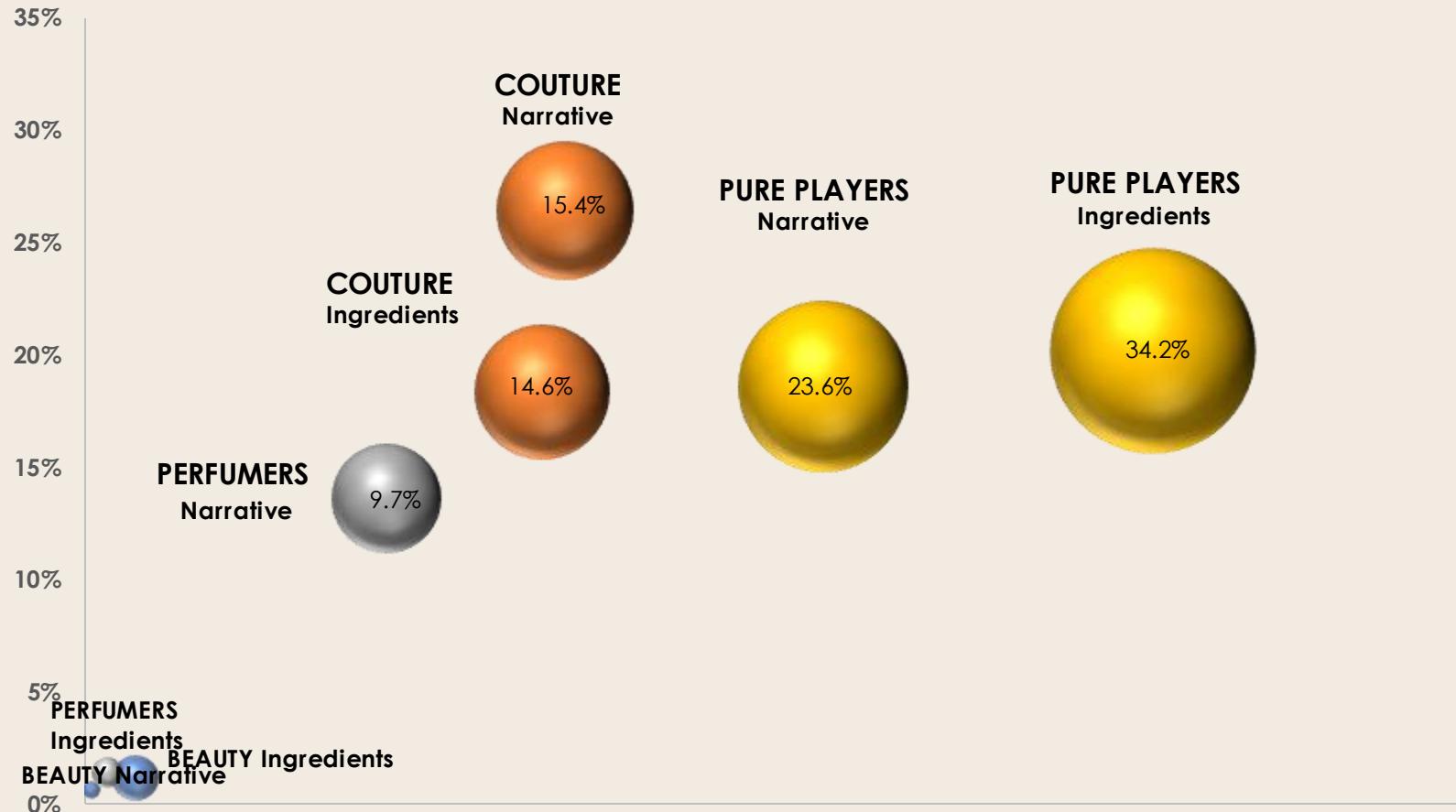
ANNEXES



OFFER STRUCTURE : NICHE PURE PLAYERS DOMINATE SALES. NARRATIVE OFFER IS MORE DYNAMIC.

**Contribution
to growth
2022 vs 2021**

Bubble size =
Market share in %



Sell out 2022

2 dimensions

Brand origin

- Pure players,
ex Le Labo, Dyptique...
- Couture brands
ex Armani privé, MM
- Perfumers
ex F. Malle, S. Lutens...
- Beauty
ex Lancôme collection

Brand « parti pris »

illustrated in range structure

- Ingredients
ex Santal 33 (Le Labo) , Musc ravageur (F.Malle)
- Narrative
ex Lazy Sunday Morning (MM) , the Tragedy of Lord George (Penhaligon's)

EXPECTATIONS ABOUT THE MIX ARE DIFFERENT DEPENDING ON ASPIRATIONS

ELEVATION THROUGH
UNIQUENESS

INSTANT EDGE OF SOPHISTICATION AND COMPLEXITY → MORE EXPERT TARGET

Key elements that aspire:

- **Discreet quality:** low-key, no commercial, no spokesperson, sharing-the-secret talks
- **Perfume properties are important:** unusual note combinations, precious ingredients, performance (++ sillage, long lasting)
- **Packaging:** minimal, neutral
- **Brands:** patrimonial, artisanal
- **References** of culture and history
- **In France:** feeling of wearing something unique & refined



ELEVATION THROUGH
COMPLIMENT-GETTING

MAINLY PRAISED BY NEWCOMERS - BUT NOT ONLY - THAT WANT TO PROJECT A CAPTIVATING AURA THROUGH THEIR PERFUME

Key elements that aspire:

- **Compliment-getter scent:** a juice that doesn't leave anyone indifferent
 - ✓ Strong projection
 - ✓ Noticeable sillage
- **Confidence boosters:** scents that give confidence and strength
- **Seduction at the center:** desire to get compliments is often linked to the desire to seduce (lovers & global entourage)
- **Narratives & aesthetics +++ :**mesmerizing, hypnotizing, otherworldly, "Femme Fatale"



ELEVATION THROUGH
STATUS

A NEWCOMER ASPIRATION

Key elements that aspire:

- **Trend-setter quality:** exclusive enough to stand out, but also recognizable enough to be trendy
- **Perfume recognition is important:** scents that invite attention, "signature" quality, performance (++ strength, beast-mode)
- **Packaging:** more decorative, instantly recognizable and collectible
- **Brands:** designer, cult, exclusive
- **References** of arts and fashion, local
- **In China:** refers to high education. A way to fight new-money status.



CONFIDENTIAL

CONVERSATIONAL

MAIN TOPICS OF CONVERSATION

#1 31%

SCENT&NOTES



30%



29%



42%

#2 23%

PERFORMANCE & QUALITY



24%



26%



13%

#3 18%

EMOTIONS



21%



18%



7%

#4 8%

VALUE PERCEPTION



6%



8%



12%

#5 7%

PACKAGING PERCEPTION



6%



7%



10%

#6 5%

SAMPLING CAMPAIGNS



5%



4%



6%

#7 4%

AESTHETICS



3%



2%



5%

#8 2%

AFFORDABLE DUPES



2%



1%



1%

#9 1%

SUSTAINABILITY



1%



3%



<1%

#10 1%

INSTORE EXPERIENCE



1%



1%



2%

#11 1%

PRODUCT CUSTUMIZATION



1%



1%



2%