

The New Fragrance Consumer

Prepared for The Fragrance Foundation

September 2021

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EXPERTISE IN MORE THAN 20 INDUSTRIES

POINT-OF-SALE DATA FROM
MORE THAN **290,000 doors**
PLUS E-COMMERCE AND
MOBILE PLATFORMS

MORE THAN **2,000** OF THE
WORLD'S LEADING BRANDS AND
RETAILERS ARE NPD CLIENTS

Millions of receipts
FROM BRICK-AND-MORTAR
AND E-COMMERCE
(CHECKOUT)

MORE THAN **12 million**
CONSUMER SURVEYS
CONDUCTED ANNUALLY

SERVICES IN 19 COUNTRIES

IN THE AMERICAS, EUROPE, AND ASIA-PACIFIC



FOUNDED IN
1966

1600+ EMPLOYEES WORLDWIDE

**We combine data, industry expertise, and prescriptive analytics
to help our clients grow their business in a changing world.**

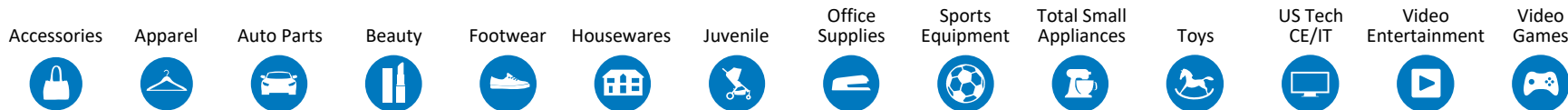


A person wearing a blue and white vertically striped short-sleeved shirt is shown from the chest down. They are holding a black smartphone in their right hand and a white shopping bag with thin black handles in their left hand. The background is a blurred outdoor scene with buildings and a sky. A semi-transparent blue horizontal band is overlaid across the middle of the image, containing the text 'U.S. RETAIL' in white, bold, sans-serif capital letters.

U.S. RETAIL

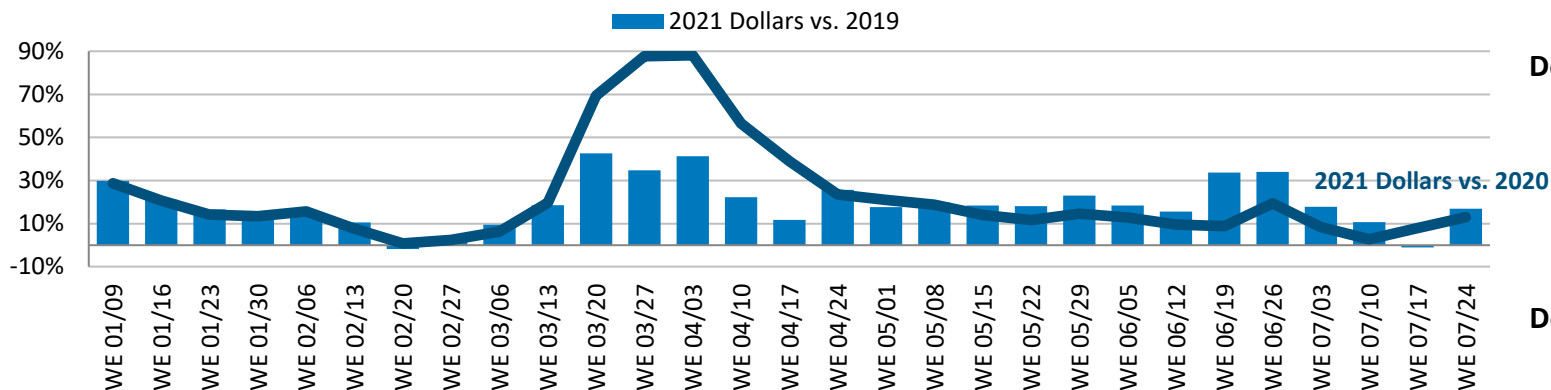
Total Retail Sales: Growth Continued

Factors affecting this unprecedented growth include vaccine roll-outs, promotional events, and consumer getting back to in-person activities



Dollar Percent Change

WE January 9, 2021 to WE July 24, 2021 vs. same week prior years



+13%

Dollar % Change

WE July 24, 2021
vs. 2020

+17%

Dollar % Change

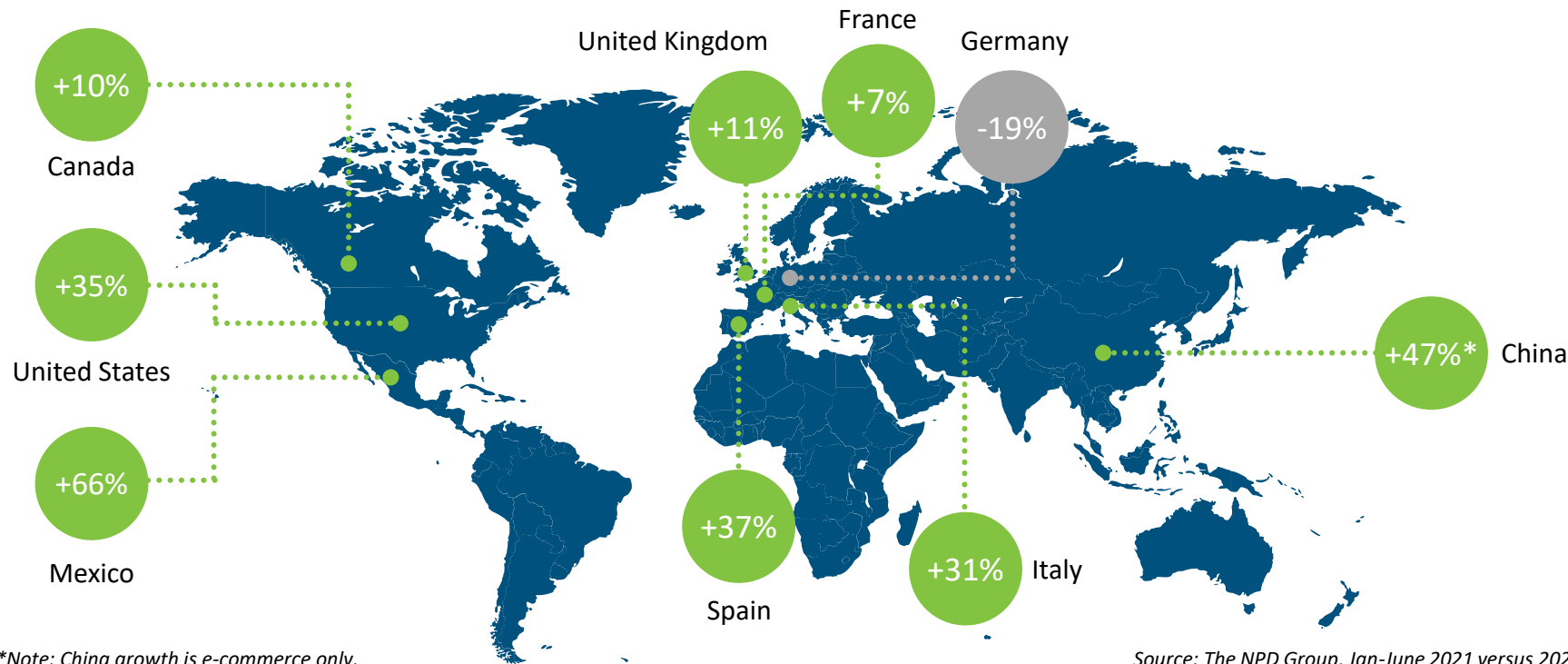
WE July 24, 2021
vs. 2019

Source: The NPD Group/Point-of-Sale Early Indicator Report, NPD universe

A close-up photograph of a person's hands holding a small, clear glass perfume bottle. The person's skin is light-toned, and their hair is dark. A semi-transparent blue banner is overlaid across the center of the image, featuring the word "FRAGRANCE" in white, bold, sans-serif capital letters. The background is softly blurred, showing more of the person's torso and arms.

FRAGRANCE

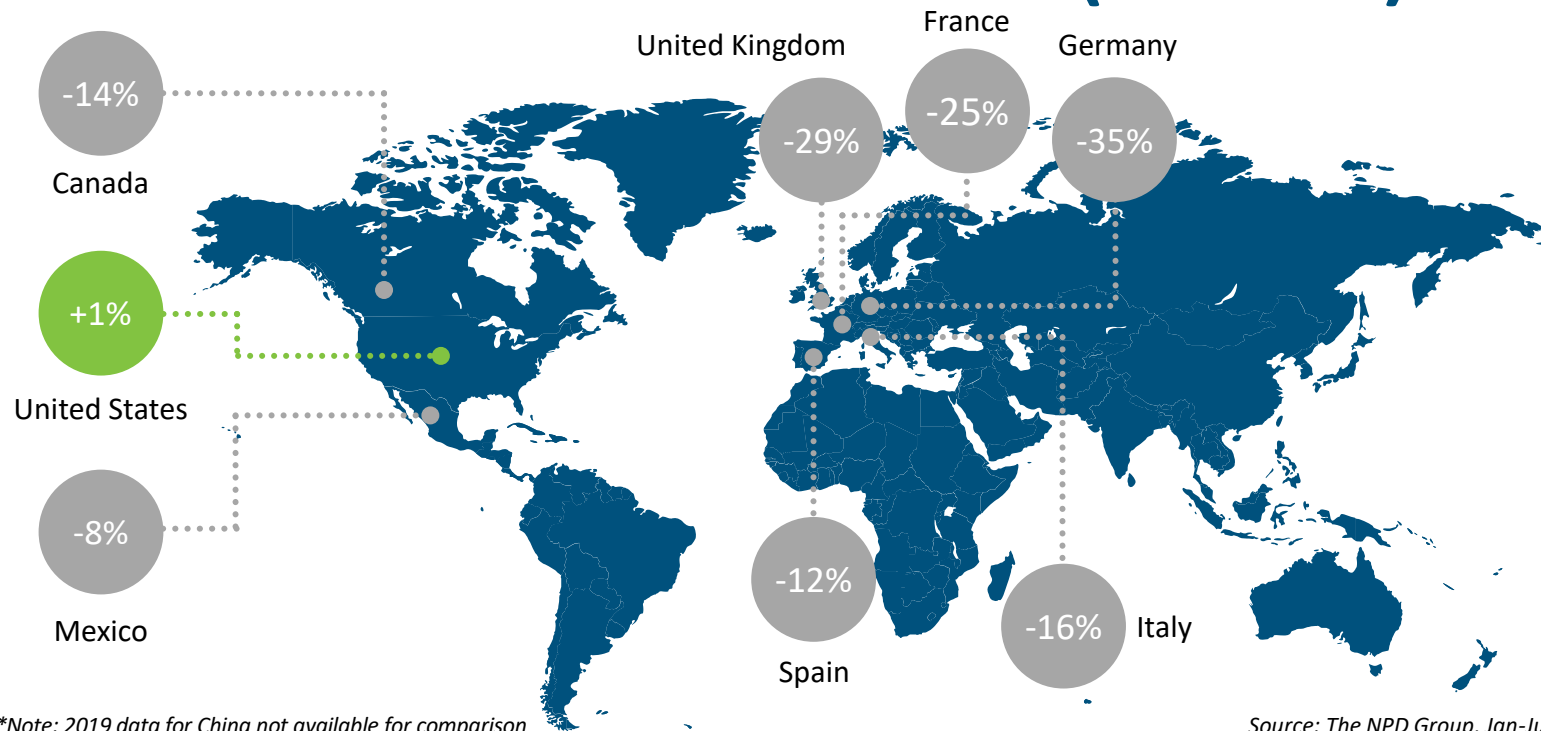
Prestige Beauty First Half 2021 Total Market Dollar Performance vs. 2020



*Note: China growth is e-commerce only.

Source: The NPD Group, Jan-June 2021 versus 2020

Prestige Beauty First Half 2021 Total Market Dollar Performance vs. 2019 (2 YAGO)



*Note: 2019 data for China not available for comparison

Source: The NPD Group, Jan-June 2021 versus 2019

U.S. Prestige Beauty Category First Half Dollar Sales Performance



-23% vs 2019

Makeup

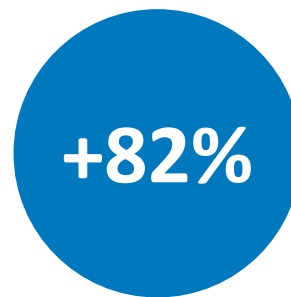
\$3.2B



+6% vs 2019

Skincare

\$2.9B



+35% vs 2019

Fragrance

\$2.3B



+63% vs 2019

Hair

\$648M

Source: The NPD Group/Retail Tracking Service, Total Measured Market, U.S., 1H 2021

The Power of Scent



The sense of smell is directly related to memory

Smells trigger **more vivid emotional memories** and are better at inducing that feeling of “**being brought back in time**” than images.

3 out of 4 consumers feel that fragrance helps lift/enhance their mood or bring back memories or happy times, places, and experiences

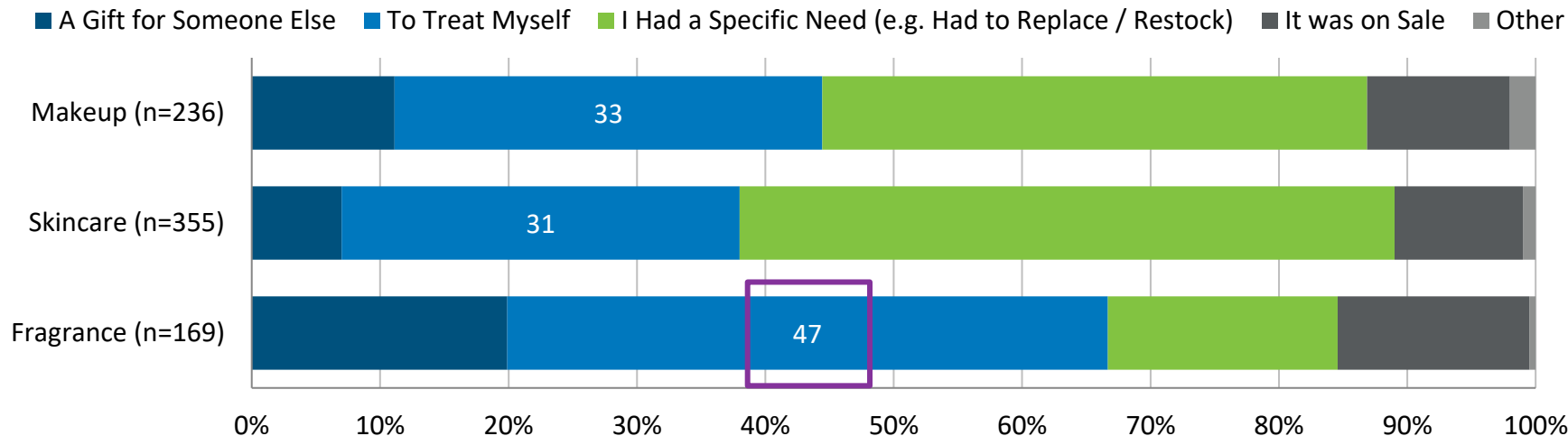
Source: The NPD Group/U.S. Prestige Beauty Total Measured Market

Source: us.moodmedia.com/scent/scent-research



Beauty Consumers Treat Themselves with Fragrance

Fragrance ranks higher than other categories for those looking for way to treat themselves, rather than to fulfill a specific need.



n=varies by category

Source: The NPD Group / April 2021 Omnibus

High Concentration Fragrances

EDP's and Parfums represented an attainable luxury for consumers and provided value through longevity.



Eau De Parfums

Men's EDP: **+2.3 Pts**
Women's EDP: **+3.0 Pts**



Parfums

Men's Parfum: **+1.0 Pts**

Nearly **80%** of fragrance consumers consider “**long lasting**” to be important or extremely important when purchasing a fragrance.

More so among Gen Z and Millennials.

Based on Total Juice

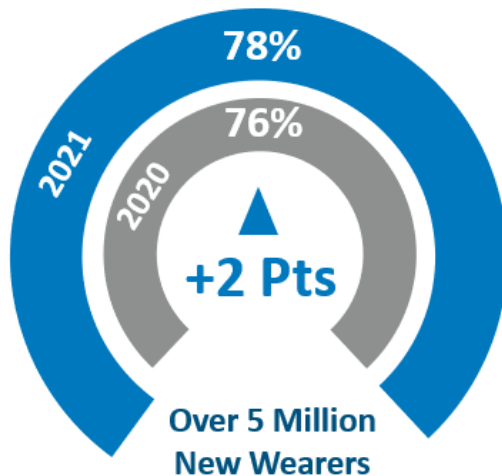
*Source: The NPD Group/U.S. BeautyTrends®/ Total Measured Market Jan-Jun vs YAGO
The NPD Group/ Consumer Fragrance Report 2021*

Fragrance Usage Increased

More people are using fragrance overall, more so among Millennials and Boomers. Consumers are also wearing more often.

Fragrance Wearers

% that report wearing fragrance
within the last 12 months



Frequency of Usage

Among Fragrance Wearers

Heavy Users* **+1 pt**

Among Millennials **+4 pts**

Among Gen Z **+4 pts**

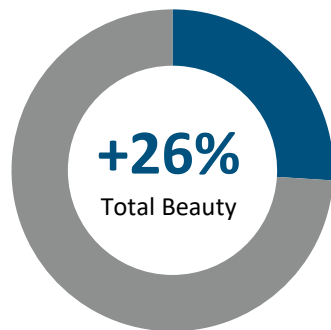
*Heavy Fragrance Users: wear fragrance 3-4 or more times per week

The NPD Group/ Consumer Fragrance Report 2021

How Will Beauty End the Year?

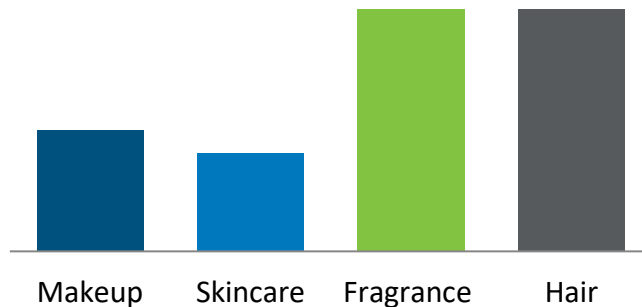
Combining macroeconomic data along with NPD Total Measured Market results and industry expertise, forecast models predict a strong 2021.

Forecasted Dollar Performance
Annual 2021 vs Annual 2020



2% vs 2019

Annual 2021 Forecasted Dollar
Performance By Category



How will
Fragrance
perform
in Q4?

Source: The NPD Group/U.S. Prestige Beauty Total Measured Market

To learn more about how NPD can help you grow your business, please reach out to:



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