

USER RESEARCH: FRAGRANCES AND YOUNG GENERATION

U-Corp @ Meiyume

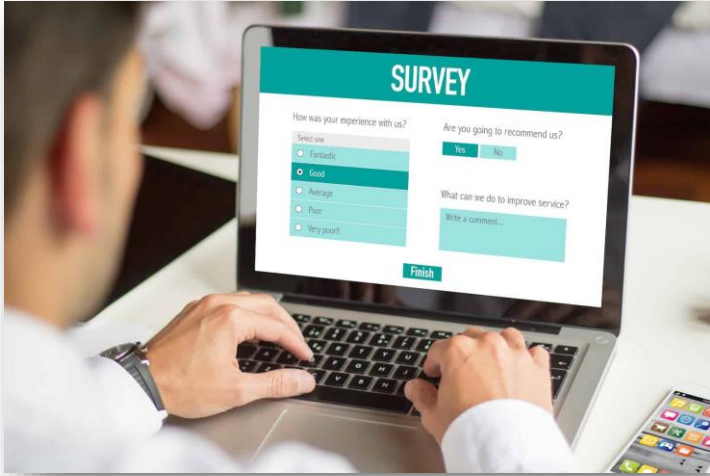
Research Report
Duke Kunshan University
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Goals & Research Questions:

- Learn the motivation, persona, current dynamics, and consumer preference of China's young generation
- Understand what characteristics of fragrance that China's young generation is looking for to help develop user-generated products
- How product information (packaging, color, material, shape, smell) and marketing strategy (KOL and social media) would influence young consumer decision





**Desk
Research**



Survey



**Interview
Focus Group**



Desk Research —References of existing research reports

1. Gen Z consumer behavior

Future trends in consumer behavior (Acapture, 2020)

Understanding Consumer Behaviors of Generation Z under China's Blind Box Economy (Gao & Chen, 2022)

2. China's fragrance industry and consumer trend

Perfumes in China: Scent of A Good Future (Daxue Consulting, 2021)

Takeaways From Jing Daily's Webinar "The Future of C-Beauty: Cosmetics, Gen Z and Influence" (Jing Daily, 2021)

2020年中国香水行业研究白皮书1.0 (iResearch, 2020)

A growing interest in fragrances among Chinese Gen Z - not just because of the smell (Vfluencer, 2021)

THE EVOLUTION OF THE CHINESE FRAGRANCE MARKET (BeautyMatter, 2021)

International brands should enter the Chinese perfume market before it is too late (Daxue Consulting, 2018)

Desk Research —Takeaways from existing reports

1. Gen Z consumer behavior

Shopping channel: Gen Z prefers to interact with retailers via casual channels, such as social networks

Motivation:

Gen Z shows the willingness to pay for diversified interest and the core values of products they identify with while caring less about price

Shopping experience: consider shopping as an emotional connection with a brand and investing in a holistic experience

2. China's fragrance industry and consumer trend

The untapped market potential for China's fragrance market

Consumer Preference in terms of fragrance products:

Chinese consumers prefer floral, citrus, woody, or fruity fragrances in bottles of less than 50 ml from world-known brands.

Occasion: Daily commuting, gathering with friends, and leisure activities on weekends are the top 3 occasions to use fragrance

Motivation: Chinese young consumers conceive perfumes as a tool to express their uniqueness and embody their personality

Channel: Social media such as the RED BOOK (Xiaohongshu) has a significant influence on young consumers' purchasing decision

Desk Research

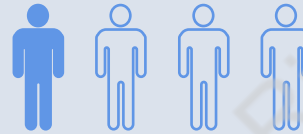
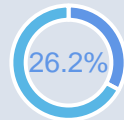
—Gaps that we fill based on current research

- ❑ Only a handful of existing fragrance research has been conducted on the Gen Z population, therefore **our research is geared towards the Gen Z demographic**, who will further grow to become a major driver of national consumption.
- ❑ The existing research reports present mostly superficial phenomena, **we dig into the deeper reasons for Gen Z consumers' motivation, preferences, and behavior via interview.**
- ❑ Existing research reports have paid less attention to perfume packaging design, in our study **we focus on Gen Z's preferences in terms of packaging.**
- ❑ Very few of surveys done focus on the lifestyle of the Gen Z population which is closely related to their purchase behavior, therefore **we aim to complete a comprehensive analysis of life attitudes among Gen Z fragrance users.**
- ❑ Existing research reports haven't surveyed **what role fragrance play in Gen Z's life**, therefore we would like to explore the topic in our research.

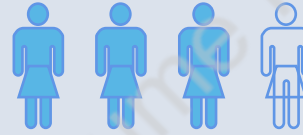
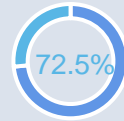
360 Responses from Gen Z Population (400+ Response)



Gender

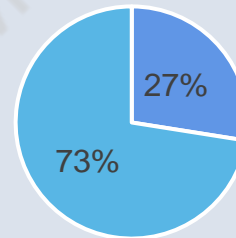


Male



Female

Age



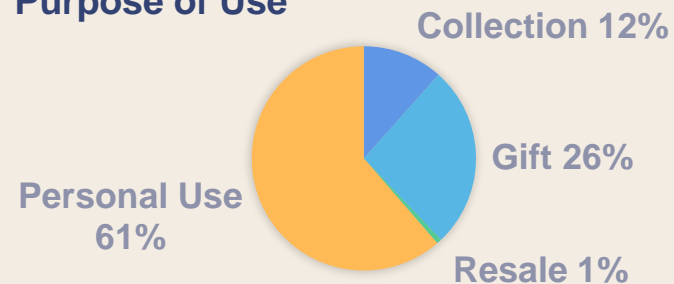
■ 18-22 ■ 23-27

- 60% have disposable consumption expenditure 1,000-3,000RMB per month
- Most GenZ respondents have a bachelor's degree
- 80% have purchased or used fragrance products (80% are female and 21% are male)

Most respondents use fragrance products frequently, especially the body lotion

Over 30% use fragrance daily, 81% use it to please oneself, dating/party are popular occasions for people to use perfume

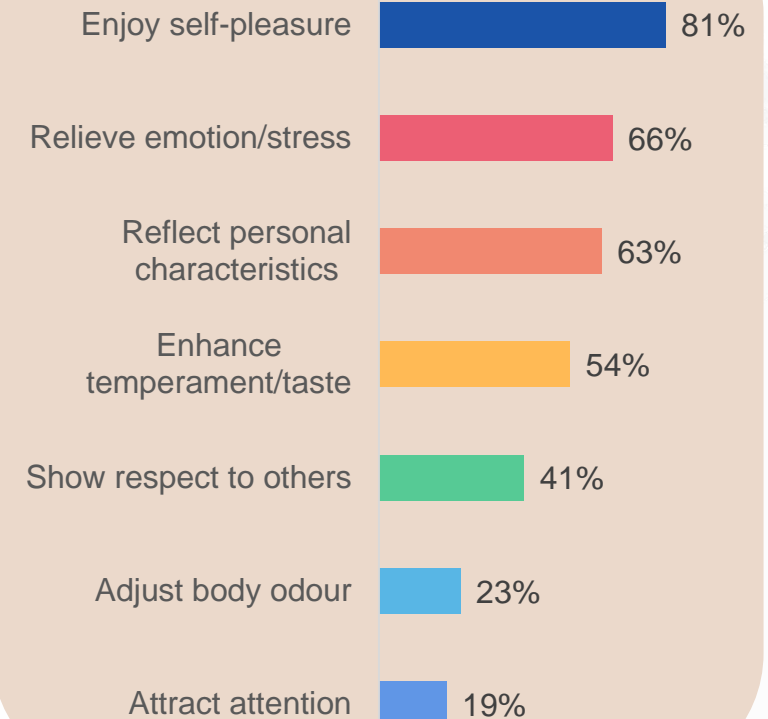
Purpose of Use



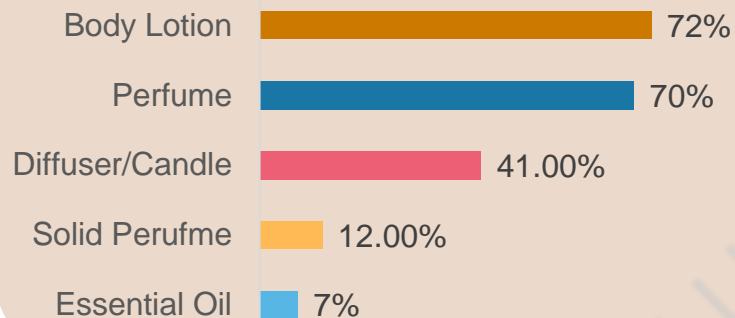
Fragrance Use Occasions (frequency: high-low)

- Dating
- Party
- School/Work
- Formal Banquet/Meeting
- Home living
- Sports

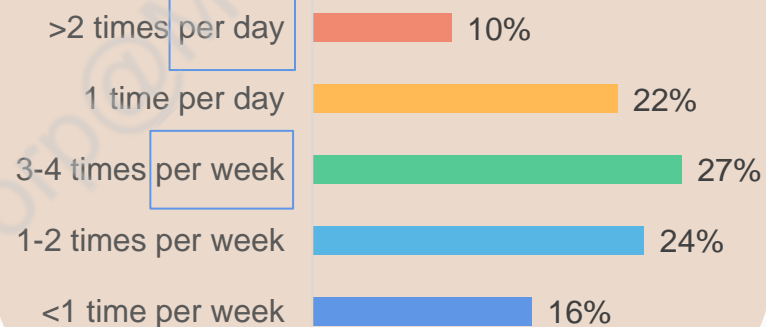
Meaning of using Fragrance Products



Most frequently used Fragrance Products

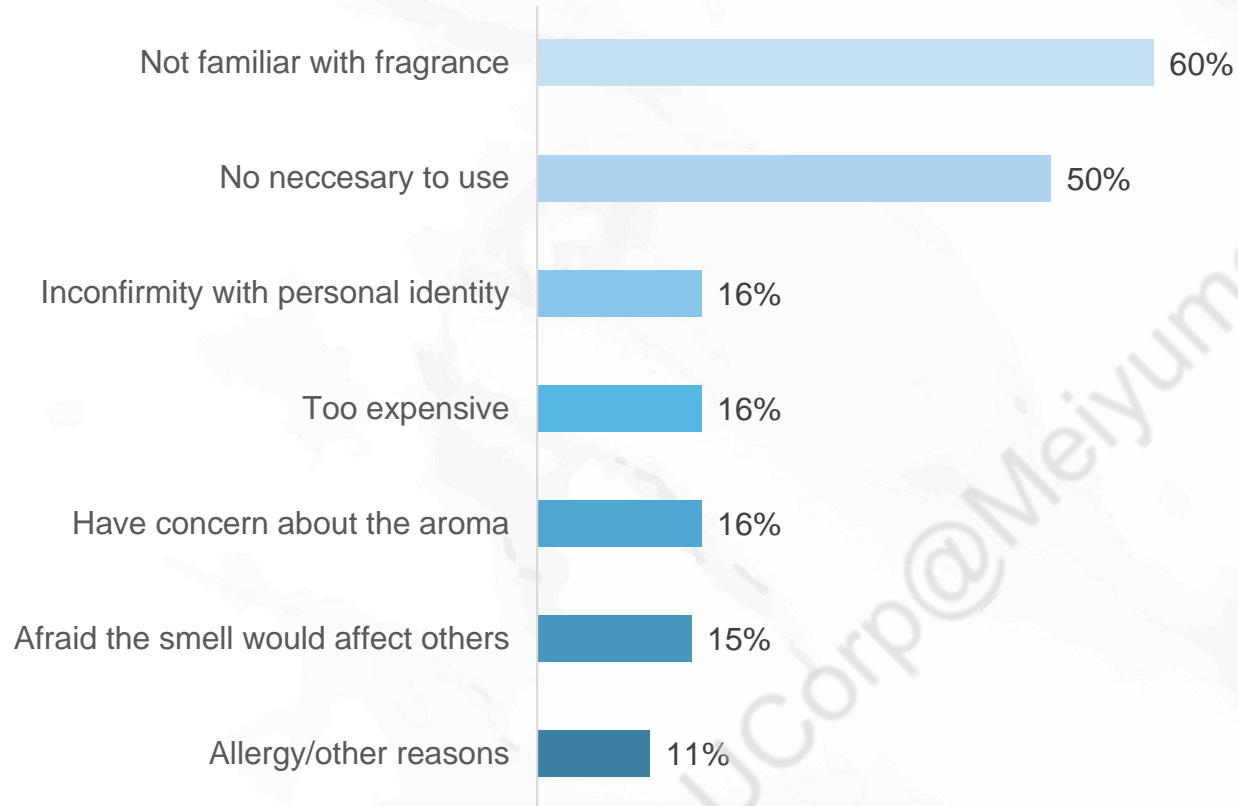


Frequency of using Fragrance Products



Reasons for those who have not ever used fragrance —mainly because they are not familiar with fragrance products

Why have you not used fragrance before?



- **Using fragrance is not yet a habit for all GenZ population**
- **50% think it is not necessary to use fragrance in daily life (perhaps related to profession and Gen Z's identity)**
- **70% of them are willing to try fragrance in the future**

05

Interview

01

Total Interviewees: **20** (mainly students)

02

2 focus groups
15 one-on-one interviews

03

Approach: **story-telling** (semi-structured)

05

Persona (Four typical types)

Main focus:

- Packaging Preference
- Brands Preference
- Advice for sales channels
- Different attitudes to fragrance between female and male/
- Fragrance and Culture



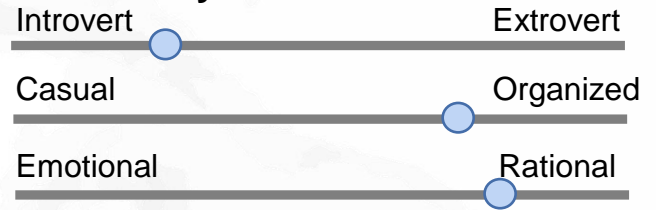


Jason

Major: Computer Science
Status: Freshman

- not use perfumes but tends to use on important occasions after work

Personality:



Independent / Analytical / Logical / temperate

Behaviors:

- not use perfumes but tends to use on important occasions after work
- Entertainment: reading / playing computer games / doing sports / ...
- App use: simplex / mainly WeChat, QQ and game software
- Shopping online mostly

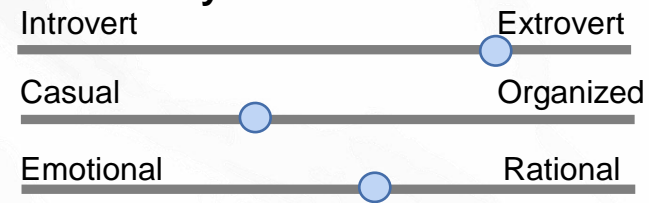
Major: Finance
Status: Sophomore

Roy

Behaviors:

- Knows different kinds of perfumes well and use perfumes regularly
- Entertainment: exploring restaurants / doing sports / watching movies / gathering with friends...
- App use: multiple / including Little Red Book, Tik Tok, Weibo...
- Shopping both online and offline

Personality:



Creative / Motivated / methodical / active / audacious / intelligent





Arwen

Major: Psychology
Status: Sophomore

Personality:



Confident / talkative / Exquisite / Energetic

Behaviors:

- Perfume lover, use perfume everyday and choose perfume to wear according to occasions and moods
- Entertainment: hanging out with friends / watching TV series and vocational variety show / shopping for clothes and cosmetics
- App use: multiple / including Little Red Book / video app / Weibo / Taobao...
- Shopping both online and offline

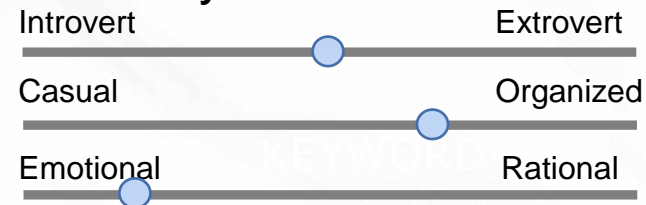
Major: Artistic Designing
Status: Freshman

Kristina

Behaviors:

- Familiar with some perfume brands but not use frequently
- Entertainment: painting / seeing the exhibitions / watching TV series...
- App use: multiple / including Little Red Book, Tik Tok, Weibo...
- Shopping both online and offline

Personality:



Ingenious / adroit / energetic /
sweet-tempered / expressivity





“

There are prejudices when men use perfume (there is bias for males to use perfumes too delicately).

“

I consider that perfume represents the attitude to life and reflects the personality. The good perfumes will be share by both women and men.



“

Wearing perfume is to increase happiness and show personality and I only loves Woman EDT with sweet, floral aroma because it fits well with my cutie characteristics ^^.



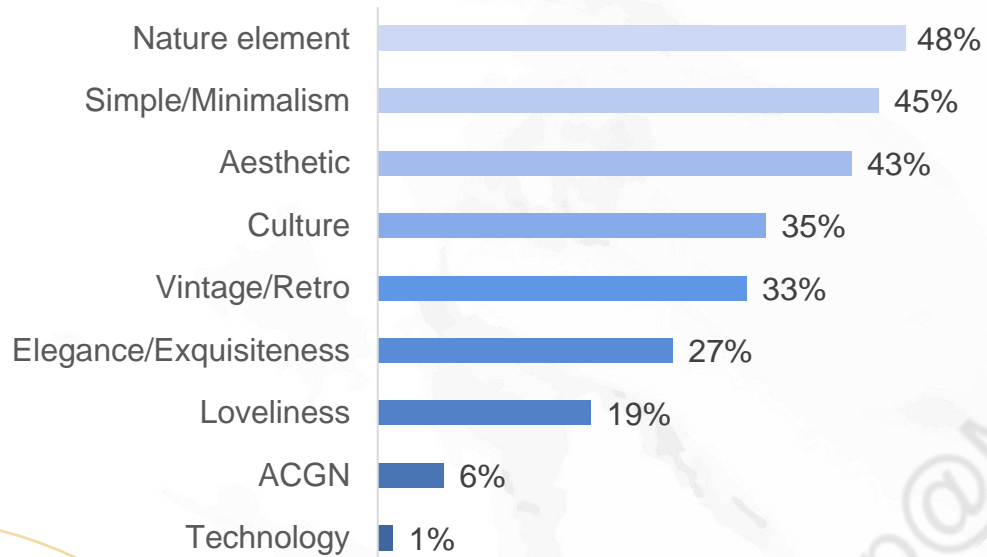
“

I prefers buying perfume samples which have small capacity. Besides, I am looking forward to buying perfumes that collaborate with my favorite Ips...I support neutral perfumes...



—Chinese GenZ prefer natural, practical and unique packaging

Preferred Packaging Style



Survey Question 25: Which of the following fragrance products have the most attractive packaging for you (choose up to 3)

Other factors that Chinese Gen Z consider about perfume packaging:

- **Practical, fit the perfume holistic concept/brand style, have special design, show a sense of classic, broken-resistant.**
 - **Small Size: Roll on perfume is getting popular since it is easy to carry with.**
- ”I will certainly be attracted by a unique packaging, but the scent is still the major consideration. I prefer to use many perfume samples at first.” —Arwen**

—when it comes to purchasing decisions, scent is a more critical factor than attractive packaging



Two interviewees mentioned their favorite packaging is Marc Jacobs Daisy Eau de Toilette Spray which has two daisies on top of the bottle.



Insights

—Chinese Gen Z's desire for individuality and social recognition

Perfume as a way to express unique characteristics:

- Chinese GenZ are interested in customized perfumes, limited edition or holiday exclusive perfumes and have diverse attitudes towards perfume clashing.
- Nevertheless, they desire social recognition simultaneously as they do not want the perfume that they love to be something unacceptable to the majority. Thus, they still sometimes prefer famous brands and rely on recommendations when making purchasing decision, helping them to obtain more user experiences for reference, purchase quality-guaranteed perfumes, and gradually build their own aesthetic system.



—Fragrance indicates Chinese GenZ's life attitudes



Using fragrance is a way to record life and relieve life burden

- Fragrance is one of the carriers to record life, recall memories, and get recognition in the fast-paced society.
- GenZ have an Increased emotional need for commodities. Using fragrance is as a life ritual to carry a spiritual self-healing and de-stress, and increase emotional well-being



Perfume is related to professions or major

- Chinese GenZ's perfume use is common in art and finance related major, and it helps them to represent their professionalism and formality.



Perfume shouldn't be restricted to gender

- As social attitudes are changing, GenZ cares a lot about sexuality, gender equality, and discrimination.
- Many young people love gender neutral perfumes. Using perfume is a pursuit of beauty and higher life quality and it is not related to gender differences.

—Culture products are popular among Chinese Gen Z: ACGN and Chinese Traditional Style



Perfume with ACGN culture (animation, comic, game, novel) is attractive to Gen Z

- A medium that connects the virtual world with reality
- Exclusive to people dislike ACGN

“I would love to buy if there is a perfume designed like the magic bottle in Harry Potter”. —Christina (Interviewee)



Traditional Chinese style perfume is popular among Gen Z

- Helping Gen Z to escape from the modern society
- Fulfilling Gen Z's desire for seeking a national identity.
- Creating a sense of ritual



Insights

—Gen Z users can make purchasing decisions online and are unsatisfied with the experience in physical stores

- Gen Z users favor online shopping
- They tend to make purchasing decision online according to comments and pictures
- They are used to filtering information online (64% of survey respondents get fragrance information source on social media like review posts, recommendation...)
- KOL/celebrity endorsement strongly influences only small groups of people's decision
- They believe physical stores should improve their information classification.
- They prefer soft advertisement than hard sell.



“I would choose one perfume only by looking at the fragrance review, the description of the top -, middle - and base-notes.” —Kristina (interviewee)

“I often select the perfume online by checking the negative comments and pictures from buyers.

I dislike going to the physical stores to purchase perfume because there are too many scents mingling with each other. I can neither distinguish nor memorize them.” —Yolanda (interviewee)

—Unique habits and attitudes of wearing perfume in China compared to Western countries



Chinese Gen Z prefer lighter scent due to their light body odor and low-key attitude

- They generally prefer light perfumes due to their light body odor.
- While Chinese Gen Z emphasize individuality, they do not like to use strong-scent perfumes that may put themselves at the center of attention.
- They believe perfume with strong sense indicate vanity and a sense of showing off.



People who do not use perfumes are more likely to have bias towards men wearing perfume in China

- In Western culture, men's use of perfume is a regular means of enhancing charm.
- Perfume sometimes evokes femininity and bias for Chinese male users among people who do not wear it.
- Generally, Gen Z users have an open attitude towards men using perfume compared with previous generations.



Chinese Gen Z consumers tend to favor storytelling and common memories behind the perfume

- Gen Z consumers would purchase perfumes evoking symbolic common memories (Scented Library) which can increase their self-identity and national confidence.
- They value the storytelling behind the products.

- ❑ Chinese Gen Z: long for uniqueness as well as recognition; love to share and record life
- ❑ **Fragrance for Gen Z**: a tool to please oneself, relieve stress, showcase personality, and gain recognition
- ❑ What kind of potential fragrance products they are looking for?
 - ❑ **packaging**: with niche, ingenious, classic, natural elements; fits well with the product holistic concept
 - ❑ Growing preference for **gender-neutral scent** due to the emphasis of gender equality among Gen Z
 - ❑ **Culture-related products** such as ACGN and Traditional Chinese Style are attractive to certain groups of Gen Z
- ❑ Choose fragrance dependent on occasions and professions
- ❑ Highly rely on **social media** (soft advertisement, feedback posts) and **recommendation** to make fragrance consumption
- ❑ Prefer lighter perfume considering specific culture and environment
- ❑ Value the **storytelling and collective memories** behind the fragrance



THANKS

Do you have any questions?