



THE Smell OF SUCCESS

Fragrance has become an essential characteristic for a wide range of private-branded consumer products

By Dana Cvetan

Fragrance is glamorous in and of itself and adds glamor to products that are anything but. As an attribute that stimulates the senses and lifts the mood, it heavily influences purchase decisions not just of personal scents =but of everything from laundry detergent to hand soap to household cleaning and personal grooming products.

Once regarded as “frivolous and non-essential commodities,” fragrances have “seamlessly transformed themselves into essential day-to-day products” according to Albany, N.Y.-based Transparency Market Research’s report “Fragrance Market — Global Industry Size, Share, Trends, Analysis, and Forecasts 2012-2018.”

With that in mind, it’s important to ask how fragrance can make a meaningful impact in private brands.

INNOVATION

In fragrance, there are a number of concepts gaining popularity, says Deidre Dimock, brand manager of fragrances for Rouses Point, N.Y.-based Belcam Inc., an employee-owned maker of bath and body products founded in 1954.

Consumer desire for a personalized experience has fueled growth in “mix-and-match,” where one fragrance is layered over another to create a unique scent, Dimock says.

“We are (also) seeing the blurring of lines between men’s and women’s fragrance, with non-gender-specific scents by some of the leading prestige fragrance houses,” she observes.

Store brand mists are becoming popular in chain drug and mass retailer specialty bath collections, Dimock notes.

“Mists have seen better growth over the last few years due to price point and consumer desire for a ‘wardrobe’ of fragrances. Adding mists as part of a private brand specialty bath program allows retailers that are not ‘fashion’ oriented to offer a fragrance option,” Dimock says.

Men’s grooming is another area with significant growth potential as well, Dimock states.

“This includes fragrance, either as part of a grooming collection or in the fragrance department,” she says, adding that “men’s is a growth opportunity that not all retailers have taken advantage of.”

EXCLUSIVITY

To stay competitive, retailers are focusing on special fragrances to differentiate themselves, observes Oliver Neale, marketing specialist for Global Essence, a Hamilton Township, N.J.-based multinational ingredient supplier to the fragrance, consumer product and other industries.

TRENDING

“We see more [movement toward] boutique fragrances. Instead of regular orange, blood orange ... or kaffir lime rather than regular lime,” Neale explains.

Natural fragrances are also becoming more prevalent but are still a small part of the market, Dimock says.

Indeed, the demand for natural fragrance ingredients has begun to outpace the supply, Neale says.

In the immediate short term, ingredient costs could rise, but that could change as new crops come in by summer, Neale says.

In addition, some retailers are introducing exclusive brands that are linked to makeup artists or emerging designers as a way to create a fashion image, Dimock points out.

TRANSPARENCY

The clamor for organic and natural ingredients is heavily influencing the fragrance market, Neale observes.

“With the push for transparency and the rush to have clean labels, more companies than ever are looking to

remove synthetics from their formulations,” he says.

This can pose a challenge since it involves reformulating existing products and possibly incurring higher production costs, Neale adds. However, some fragrance blends can offer desired profiles while keeping costs at a reasonable level, which is especially important for everyday household products, he notes.

Environmental regulations could also affect the market, Neale says, noting that those regulations are tightening in China.

Domestically, California Gov. Jerry Brown signed the Cleaning Product Right to Know Act in October. As reported by “Mother Jones” magazine recently, beginning in 2020, manufacturers of cleaning solutions, air fresheners and automotive cleaning products will be required to disclose some of the chemicals used, first online and the following year, on product labels, if those chemicals are known allergens or on the California Department of Toxic Substances Control’s list of harmful chemicals. **SB**

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