

THE SWEET SMELL OF LICENSED PERFUMES

by Kenneth Hirst, Hirst Pacific, Ltd.

Licensing deals are flourishing and will continue to do so as marketers seek to take advantage of emerging niches, celebrities attempt to create their own brands, and retailers look to differentiate their product offerings. There is little doubt that licensing has a bright future and that innovative marketers can successfully leverage brands in new and profitable directions.

Licensed products allow brands to leverage their equity and extend into new product categories, markets, and market segments. They capitalize on the consumer's quest for variety while expanding on a brand's core image. New and different products also offer a broader range of price points that appeal to a wider audience and create opportunities for broader channels of distribution. Savvy consumers shop and make decisions based on who they are and how they want the world to perceive them, whether it is conveyed in their clothes, the perfume they use, or the bag they carry. Licensed products should be designed and developed just as thoughtfully as the core brand's product, paying attention to the core attributes, resulting in products that are innovative, compelling, and profitable.

IDENTIFY CORE BRAND EQUITIES

When designing for a licensed brand, it is important to identify the core brand identity and image, the target market, and what the brand wants to communicate to the consumer. Research, such as a

brand survey can convey meaning on several levels, including attributes, benefits, values, culture, and personality. In order to successfully understand the totality of what the brand represents to consumers, all of these facets must be explored. It is crucial that licensed products naturally extend from this equity and appeal to its core customer, while at the same time attracting new ones.

Despite the growing popularity of licensing, there are certain drawbacks. While licensing deals can be lucrative for licensee and licensor, they also carry the risk of negatively impacting a brand if there is no focused strategic approach. Lack of attention to quality and credibility within product categories or market segments can be detrimental to a brand's image. The use of a brand by a licensee should be consistent with that of the brand owner, focusing on its unique equities in order to design relevant product. As such, licensing should add value to the brand and never dilute the strength of its core values. While all of this may seem painfully obvious, especially when talking to the trade, I'm sure you can all think of examples where these rules were not followed.

BRANDS AND BEAUTY

Many brands are licensing their names to beauty companies, in particular, for fragrances. Although not all licensed, more than 2,500 new fragrances, flankers, and limited editions have been launched in the

past six years, barraging consumers with a huge variety of scents and creative packaging stylings. Although the actual scent garners most of the sales, innovative packaging and creative marketing also draw much interest and appeal. An eye-catching bottle, carton, or ad campaign may lead people to sample the scent, potentially leading to a purchase.

According to market information provider Euromonitor, L'Oréal had a 12.9 percent share of the \$20 billion global fine fragrances market, while Procter & Gamble was second with a 12.2 percent share. The third biggest player is luxury goods group LVMH with an 11.2 percent share of the market. Coty has a 3.9 percent share.

ILLUSTRATING THE PROCESS— FRAGRANCE DESIGN

Perhaps it may be illustrative to consider some of our experiences in designing licensed fragrances for established brand names such as Nautica, celebrity personalities like Celine Dion and Jennifer Lopez, and experiences such as NASCAR's Daytona 500. In conjunction with the company licensing the brand, we explored the entire universe of the brand and its core consumer to inspire design—from the examples listed above it's quite an array of consumer tastes.

Nautica Voyage, a fragrance targeting 25–35-year-old men, was a step toward subtle opulence for the traditional Nautica brand. Working within the con-

fines set by Nautica and licensee Coty Beauty U.S., we cultivated unique inspiration through an exploration of the nautical world to produce a design consistent with brand objectives. "Timeless, energetic, and balanced" were the core values that motivated the vision behind the design. It was important to Nautica to infuse an air of tradition in the bottle and to present a classic look that would not appear dated. The cap sits on a weighted glass bottle, filled with an aqua-blue fragrance, inspired by the winches and pulleys found on sailboats. The look of Voyage reflects a sailing heritage that captures the spirit of the ocean-going lifestyle and represents central characteristics of the brand identity: freedom, confidence, relaxation, and adventure. The design objective for the men's prestige *eau de cologne* was to create a classic fragrance meant to be worn every day.

In designing *Belong* by Celine Dion (Coty Beauty U.S.), her second fragrance, the objective was to combine her glamorous image with a more casual attitude, targeting 25–35 year olds. Celine is one of the most successful recording artists of all time with a huge fan base for products bearing her name. For *Belong*, the bottle was meant to symbolize her candid, natural side while focusing on five core attributes: voice, strength, passion, beauty, and spirit. The pentagon-shaped design with its circular collar, is symbolic of Celine's childhood lucky five Yen coin, which she found shortly before winning her first

singing contest. The overall tone is simple and pure.

A recent project for Elizabeth Arden, NASCAR's Daytona 500, was designed to embody the masculine all-American lifestyle. This was interesting because it focused on a single event and what that brand represents as the second



most popular professional sport in terms of television ratings in the U.S., ranking, just behind the NFL. With 75 million fans who purchase some \$2 billion in licensed product annually, NASCAR boasts the highest brand-loyalty in sports, and, not surprisingly, Fortune 500 companies sponsor NASCAR more than any other event. The Daytona 500 bottle communicates the power and design of the racecar in a bid to appeal to motor sports enthusiasts across the country. The design cues were born of racecars and their parts: wheels, pistons, and tail pipes, as well as elements of the race itself.



Two different audiences, two distinct fragrances. Pictured above is Celine Dion's *Belong*. Pictured on the left is Daytona 500 cologne.

Fashions come and go and consumer preferences are constantly evolving. Yet licensing provides astute brands limitless opportunities to extend into new categories and target new markets. Fragrance is but a single example, as lucrative licensing deals extend to skincare, makeup, clothing, sunglasses, shoes, handbags, home goods, and well beyond. The opportunities are endless.

A product and retail interior designer, Kenneth Hirst provided the creative vision behind such fragrance lines as Still by Jennifer Lopez, Celine Dion, Havana, and Tommy. Hirst designed the exclusive metal box packaging for Movado Vizio watches, the Gillette Series men's grooming products, and high-end glass bottles for PepsiCo., among other consumer goods packaging and product campaigns. Visit www.hirstspacific.com for more information.