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PERFUME CONSUMER BEHAVIOURS AND FACTORS INFLUENCING PURCHASING DECISIONS IN HO CHI MINH CITY, VIETNAM

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The purpose of this thesis was to identify perfume consumption patterns and evaluate the impact of various factors on perfume purchasing decisions in the current market of Ho Chi Minh city, Vietnam. Based on the data collected and data analysis, the host company would get a general picture of the current perfume market situation which benefits their plan of entering the perfume retailing market as another source of income. A survey was distributed online to collect data and also data from previous research was used to either support or challenge the results of the data collected with the survey. The main population of the research was between 18 to 40 years of age, they were educated and had some kind of jobs to do. Half of them wore perfume often and they were willing to spend for quality. Scent and scent duration were the key factor in choosing which perfume to purchase. The main reasons for wearing perfume lay in the fact that perfume wearers felt more confident and attractive. Due to the limited number of respondents, certain market segments were missed. Besides, this thesis provided only a general picture of the current market; thus it did not deeply evaluate how much each factor influenced the purchasing decisions. Further research should be conducted with a larger population so that the hypotheses can be supported statistically.
## CONTENTS

1. **INTRODUCTION**  
2. **THE COMPANY**  
3. **METHODOLOGY**  
   3.1 Research problem and objectives  
   3.2 Research questions  
   3.3 Data collection method  
4. **PERFUME THROUGH HISTORY IN BRIEF**  
5. **CONSUMER BEHAVIOR**  
   5.1 Segmentation  
      5.1.1 Perfume and gender  
      5.1.2 Perfume and age  
      5.1.3 Purpose segmentation  
   5.2 Consumer decision-making  
      5.2.1 Scent as the most influential factor on perfume purchasing decision  
      5.2.2 Consumer self-concept  
6. **HO CHI MINH CITY – A GROWING MARKET**  
7. **FINDINGS**  
   7.1 Demographic  
   7.2 Consuming behaviors and factors influencing purchasing decisions  
8. **CONCLUSIONS FROM THIS RESEARCH**  
9. **LIMITATIONS**  
10. **RECOMMENDATIONS**  
   10.1 Build a knowledgeable and professional perfume sales force  
   10.2 Online store and digital marketing  
   10.3 The collection offered by the company  
      10.3.1 Conventional collection  
      10.3.2 Gift sets  
      10.3.3 Celebrity branded perfumes  
      10.3.4 Customized or personalized perfume  
   10.4 Cooperate with hair salons and spas  
   10.5 Cooperate with tourist agencies to bring customers to perfume houses, perfume museums and flower plantations  
11. **FINAL WORDS**  
12. **REFERENCE**
TABLE OF FIGURES, PICTURES AND TABLES

Picture 1. Calvin Klein - Obsession for her (Source: Calvin Klein’s website) ....... 12
Picture 2. Calvin Klein – Obsession for him (Source: Calvin Klein’s website) ...... 12
Picture 3. Calvin Klein – CK One unisex (Source: Calvin Klein’s website) .......... 13
Picture 4. Calvin Klein – CK2 non-gender (Source: Calvin Klein’s website) ........ 14
Figure 1. Perfume purchasing among Australian women by age (Source: Roy Morgan Research press release 2015) ................................................................................. 16
Figure 2. Stages in consumer decision-making (Source: Consumer behavior: A European Perspective, 5th ed., Pearson Higher Education) ........................................... 19
Figure 3. Factors considered by consumers for purchase of fragrance/perfume (Source: Raza et al., 2013) ................................................................................................. 21
Figure 4. The Configuration of Private and Public Self-Images That Comprise the Consumer’s Holistic Self-Image (Source: Adapted from Consumer Behavior Today V. 1.0 by Sirgy J., Rahtz, D. and Dias L. P., Flat World Education, 2014) ................. 23
Figure 5. Ho Chi Minh city GDP per capita ......................................................... 25
Figure 6. Household Income Classification distribution in urban Ho Chi Minh city (Source: Nielsen 2013) ....................................................................................................... 27
Figure 7. Survey - Gender distribution ................................................................. 28
Figure 8. Survey - Age distribution ...................................................................... 29
Figure 9. Survey - Occupation ............................................................................. 29
Figure 10. Survey - Frequency of wearing perfume ............................................ 30
Figure 11. Survey - Reasons for wearing perfume .............................................. 31
Figure 12. Survey – Number of bottles ............................................................. 31
Figure 13. Survey – Bottle size ........................................................................... 32
Figure 14. Survey - Perfume type ........................................................................ 32
Figure 15. Survey - Budget ............................................................................... 33
Figure 16. Survey - Purchase time ..................................................................... 33
Figure 17. Survey - Purchase location ............................................................... 34
Figure 18. Survey - Reasons for purchase location ............................................ 34
Figure 19. Survey - Information seeking source ................................................. 35
Figure 20. Survey - Who with ............................................................................ 35
Figure 21. Survey - Main factors affecting purchasing decision ....................... 35
Figure 22. Survey - Reliability of sales assistant’s consultancy ....................... 36
Figure 23. Survey - Purchasing perfume as a gift ............................................. 36
Table 2. Brands owned by respondents in order of the number of times mentioned. 41
Picture 5. Sephora favorites perfume sampler set (Source: Sephora’s website)..... 43
Picture 6. David Beckham - intimately BECKHAM for men (Source: David Beckham Fragrances’ website) ............................................................... 44
Figure 24. Top-selling celebrity fragrance in the U.S (Source: Euromonitor International) .................................................................................................................. 45
Table 3. Steps in creating one’s own perfume .................................................. 46
Picture 7. Poster - Perfume: The Story of a Murderer (Source: IMDb’s website).... 47
Picture 8. Bronze perfumer statue (Source: The Independent Travel Cats' Blog) ..... 49
1 INTRODUCTION

Ho Chi Minh city with its more than 7.5 million people and the annual population growth rate of around 2% (Ho Chi Minh City Statistics Office, 2012) has been the biggest and the most potential market in Vietnam. Thanks to appropriate investment policies, a foreign-investor friendly environment, a rich resource of cheap but qualified employees and its good location, Ho Chi Minh city has ranked first among 63 Vietnamese cities and provinces in attracting foreign direct investments (which was worth more than 31 billion USD in total at the end of December 2011) (Ho Chi Minh City Statistics Office, 2012) and as a result, Ho Chi Minh city was the wealthiest city in Vietnam (TNS report, 2010). This entails a new middle-income class who is hungry for consumer goods from the West and shopping malls have been mushrooming in Ho Chi Minh city since Vietnam joined the World Trade Organization (WTO) in 2007 which opens doors to retailers worldwide. Traditionally, perfumes were sold in luxurious shopping centers and/or in clothes/accessory stores as an accessory. Ho Chi Minh city nowadays witnesses a boom in specialized perfume stores either online and/or in brick-and-mortar. The Gioi Nuoc Hoa (The Perfume World) for example, after their first opening in 2007, is now leading the perfume retailing with 11 shops and showrooms in the 4 Vietnamese biggest cities, i.e. 5 shops in Ho Chi Minh city (Southern Vietnam), 4 shops in Hanoi (Northern Vietnam), 1 in Hai Phong (Northern Vietnam) and 1 in Da Nang (Central Vietnam), attracting nearly 1500 visits every day. Their website www.thegioinuochoa.com.vn becomes a reliable destination with around 6000 views daily.

Upon seeing the opportunities, Nu Hoang Sac Dep Ltd. (Beauty Queen) also wants to get a share of the pie. This thesis serves as an initial market research for them in the hope that it would benefit them by giving a general picture of the current perfume consumer behavior and the major factors influencing their purchasing decisions.
2 THE COMPANY

Nu Hoang Sac Dep Ltd. was founded in 2006, functioning as both a distributor and a retailer in skin care products partly manufactured in Vietnam and partly imported from Korea, America, France and Japan including:

- Facial skin care
- Body skin care
- Eye skin care
- Hair care
- Makeup

In contrast to Westerners’ love of tanning, most of Vietnamese girls and women wish to have a bright skin tone. As a result, whitening products are always hot in the market and Nu Hoang Sac Dep Ltd. has chosen whitening products as its focus, followed by melasma treatment, anti-aging and skin repairing products and so on. Their target market segment lies in the group of women with low to middle income. Their monthly revenue is from 1.5 to 2 billion VDN (from about 67 to 90 thousand USD – exchange rate on 25.03.2016). Upon seeing the opportunities in the perfume market, the company wants to expand their product category as well as market segments. They are planning to venture into perfume retailing business as another source of income.

In doing this research, the author wishes that the company would get a general view of the consumers’ choice and preferences in using perfumes. In addition, by determining which factors influencing the purchasing decision, the company would design a marketing plan which satisfy what consumers are looking for and therefore, attract more consumers to the store.
3 METHODOLOGY

3.1 Research problem and objectives

The research was conducted in order to:

- Study the perfume consumption patterns
- Determine consumer’s preferences of the way to get information and the location for perfume purchase
- Evaluate the impact of various factors on purchasing decision
- Assess the level of trust consumer has on the consultancy of sales personnel

The main hypotheses include:

H1 People wear perfume as a way to express their personality.

H2 Internet is the most important means to extract information nowadays.

H3 Scent and scent duration is the key factor which drives consumer purchase for perfume products.

H4 People choose to make a purchase at a certain place mostly due to convenience.

H5 It is more likely for those who use perfume to choose perfume as a gift for others.

Based on the data collected and on pervious related research, recommendations on the choice of the products and strategies to keep the customers involved were presented. The target segment in this research consisted of those who were mainly from 18 to 40 years of age in urban area of Ho Chi Minh city, Vietnam.

3.2 Research questions

Descriptive research methodology was employed to examining various variables in perfume consumer behavior and purchasing decision. In order to portray the perfume consumers, there are questions to be asked as the following:
• Who are the consumers?
  • What age? Male or female? What occupation?
• What are their consuming and purchasing behaviors?
  • How often do they use perfume? How many bottles do they own? Which brands do they own? Which brands do they like best and why? Why do they use perfume?
  • What is their budget for perfume? When do they make a purchase? Where? Why? What size of the bottles do they prefer?
  • How do they find information? How reliable is the shop assistant’s consultancy?

3.3 Data collection method

A survey was distributed through online channel and data was collected with this main method. Survey was designed in a way that it included not only close-ended checkbox questions but open-ended as well. A Likert five-point scale was also employed. Data from previous related research worked as background to either support or challenge the results of this research.

4 PERFUME THROUGH HISTORY IN BRIEF

Fragrance has been an integral part of the society since the dawn of human being reflecting through the collection of special herbs for healing and for spiritual purposes. Myrrh and frankincense have been mentioned many times in the Bible as an offer to God and to Jesus at his birth. Fragrances were entombed together with Pharaohs and Egyptian priests as another demonstration of the importance of satisfying ‘olfactory needs’. The powerful and wealthy Egyptians anointed their bodies in cinnamon and honey. The Greeks created the first perfumes which could be worn on the skin by grounding aromatic plants and resins and then suspending them in oil; and after Alexander the Great’s conquest in the East bringing spices, incense and new perfume
ingredients from China, India, Africa and Arabia, fragrance blends appeared more frequently and were worn by poets, athletes. To satisfy the increasing demand, perfume shops were opened all over Athens. The Italians took the perfumery techniques brought to Europe by Crusader from the Middle and Far East to a new level by managing to produce a scented alcohol close to 95% proof which was then known as ‘aqua mirabilis’ or ‘aqua vita’ (marvelous water or water of life), and liquid perfume started to replace solid ones. However, it was not until 1370 that the perfumery we know today got into shape inspired by Queen Elizabeth of Hungary: a fusion of aromatics including lavender and rosemary. Under King Louis XIV pressure on his perfumer to create a new scent for each day of the week, the perfumery trends were up to a new height, upbringing the tradition of ‘personal fragrance’ to the people of rank. Napoleon was in love with Eau de Cologne and his wife loved violet as much as Queen Victoria. The 19th century witnessed the first synthetic scents and the era of natural-synthetic blending fragrance opened its door to the market. With the success of Chanel No.5, Chanel has been the biggest icon in the world of fragrances until now. The mass market begun to form from 1950s to 1970s. Before that, perfume was more of a luxury. Women could buy for themselves as the trend provoked by Estee Lauder against the traditions of waiting for gifts from husbands. Revlon released Charlie which was priced lower than anything else on price for a mass market of working women of new era. Charlie was a success as number one best-selling at that time and Revlon was the first to feature an African American wearing pants in a fragrance ad. The 1980s was time for power and money and 1990s for Zen and spirituality. 2000s witnessed a boom in celebrity perfumes.

According to the website [http://www.fragrancesoftheworld.com/](http://www.fragrancesoftheworld.com/) (2015), their database has information of more than 20,000 direct retail fragrances ranging from niche, masstige to mass fragrance. A retailer can be drowned in this mass, needless to mention the consumer. Therefore, by understanding what is offered in the market and understanding what consumers prefer, the host company can have an appropriate product selection that can better satisfy their customers’ demands.
5 CONSUMER BEHAVIOR

Emphasized by Solomon et al. (2013), consumers are described as actors with many different roles such as choosers, communicators, identity-seekers, pleasure-seekers, victims, rebels and activists on the marketplace stage and consumer behavior is a complicated process with the involvement of various actors due to the fact that the one who purchases the product might not be the actual user (Solomon et al., 2013). The purchasing process and decision might be strongly influenced by the actual user while the purchaser only performs the act of purchasing, for example when a father asks his little daughter to go and buy a can of Coke. Consumer behavior researchers study the issues arising from the pre-purchase stage through the purchase stage to the post-purchase stage. Consumer behavior is a large field to be studied, involving a wide range of variables in the process of selecting, purchasing, using or disposing a product or a service to satisfy an individual or a group’s needs and desires. In order to better identify what kind of need or desire might be, consumers are divided into specific groups which are called market segmentations.

5.1 Segmentation

Consumers within a segment should have similar product or product’s attribute preferences which are different from the preferences of consumers of other segments. Segmenting the consumers can be based on various characteristics of the consumers such as age, gender, lifestyle… and so on. Table 1 presents the categories and the variables of each category of market segmentation.


<table>
<thead>
<tr>
<th>Categories</th>
<th>Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demographics</td>
<td>Age</td>
</tr>
<tr>
<td></td>
<td>Gender</td>
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<tr>
<td></td>
<td>Social class, occupation, income</td>
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</tbody>
</table>
In the scope of this research in relation with perfume consumer behavior, the author would want to present more details of the demographic variables, i.e. gender and age in this case and a behavioral variable which is the purpose of wearing perfume.

5.1.1 Perfume and gender

For him or for her, or for both? According to Trufragance.com, of the 30-billion-dollar fragrance sales worldwide, 67% of the sales belongs to female branded products, 27% male products and 6% unisex. Gender reference has been an important factor influencing the choice of ingredients, the design of the bottle, the package, the advertisement and so on. Fragrances for women tend to be described as sweet and flowery while fragrances for men as spicy and musky. In general, the perfume industry has mainly targeted women in the last decade according to Magdalena Petersson McIntyre (2013). There are brands specially designed for only women such as Victoria's Secret’s ‘Very Sexy’ or for only men such as Givenchy ‘Gentlemen Only’. Chanel No.5 had been successful since 1920s but not until 1955 did the first Chanel for men appear and was relaunched in 1989 as Chanel Pour Monsieur with the insist from Chanel that the formula remained unchanged since its first launch in 1955.
Company such as Calvin Klein optimizes their production and profits by maximizing the use of the same name for both women and men: Eternity, Eternity Now, Obsession, Endless Euphoria, Reveal, and CK One Red. For example, Calvin Klein launched Obsession for her in the Spring 1985, and a year later Obsession for him in 1986.

*Picture 1. Calvin Klein - Obsession for her (Source: Calvin Klein’s website)*

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**FEMININE. PASSIONATE. POWERFUL.**

*The legendary original Calvin Klein fragrance. A lasting blend of florals and spices with an earthy, warm base that evokes sensuality, ardor, and passion beyond reason. The round sculptured lines and curves of the bottle designed by Pierre Dinand are a modern interpretation of Indian prayer stones. (Website of Calvin Klein)*

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*Picture 2. Calvin Klein – Obsession for him (Source: Calvin Klein’s website)*
COMPELLING. POTENT. POWERFUL.

An intensely provocative scent created as a counterpoint to the original Calvin Klein a masculine blend of botanics, spices, and rare woods reflect the determination and fire that drives men's passions. (Website of Calvin Klein)

Calvin Klein was also known in the perfume industry as an innovator when he took a special step to be the pioneer in launching the first unisex perfume CK One in 1994 with the sale of 20 bottles per minute at its peak. CK One brought $90 million a year to the company in the mid-1900s but dropped to $30 million in 2007.

Picture 3. Calvin Klein – CK One unisex (Source: Calvin Klein’s website)

PURITY. UNITY. SENSUALITY.

Clean and contemporary with a refreshing green tea signature throughout, it is intended to be used lavishly. (Website of Calvin Klein)

In February 2016, CK Two appeared in the market as the first ‘gender-free’ fragrance, aiming at the younger consumer population with a modern storytelling line. CK Two has an ‘urban woody fresh blend’ with the message of non-prejudice world on gender matter, estimated to bring $60 million to the company from the global market in the
first year on shelf. With special bottle design out of any traditional notions of perfume bottle designs, CK2 hopes to break the conventional boundaries and create a new market trend.

*Picture 4. Calvin Klein – CK2 non-gender (Source: Calvin Klein’s website)*

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**FRESH. WARM. ELECTRIC**

*An urban woody fresh fragrance. CK2 celebrates the life of today’s youth, embodies the thrill of life and celebrates the diversity of connections between two people. The thrill of life, the thrill of youth, when we are #the2ofus. CK2 is a dual-faceted scent that balances two opposing forces: the strike of spicy electric freshness and the warmth of magnetic woods. A signature fragrance for an urban, alternative, new freshness.*

*(Website of Calvin Klein)*

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However, men’s fragrances are not reserved for men only; women wear one third of the men’s fragrances sold. A study by Lindqvist (2012) suggested that the commercial gender category was not sufficient as the experiment showed that the feminine perfume did not smell more feminine when applied on a female, and the case for masculine was with the same finding. The preference appeared to be independent of gender. Another study by Pezoldt and Michaelis (nd.) examined 160 male and female students on their preferences by rating different aspects affecting their purchasing decision of a unisex perfume. The result showed that scent was the most important point.
Gender fragrance statistics by Tru Fragrance revealed that 72% of adult women wore fragrance, 59% of them wore at least daily. 79% of those who wore fragrance owned from two to ten bottles, 8% owned 11 or more bottles. 26% purchased fragrance as a gift and those who used and owned fragrance preferred small bottle size under 2.5oz. The statistics also revealed that 59% of adult men wore fragrance, 54% of them wore at least once a day. 55% of men who wore fragrance owned from two to four bottles and 24% owned more than four. A 2013 report on men’s fragrance usage from the global information NPD group showed that 23% of their tracking population of adult men age 18-64 always wore fragrance while 40% wore fragrance at least occasionally. They also reported that key persons in lives such as life partner much affected men’s decision on what kind of fragrance to purchase. Also, 72% of those adult men who wore fragrance started when they were 17 years or even at a younger age. Father’s habit of using fragrance had an influence as a mirror for 40% of teen males to follow. Adult men tended to choose the long lasting fragrance that could be applied all day and/or all occasion, resulting in the fact that the number of bottles they owned mostly ranging from two to four, while women could own from two to ten different smells. Another difference between the consuming style of men and women which showed in different reports was the size of the bottles they chose to purchase. As women preferred smaller size under 2.5oz. most often, sale of men’s fragrance with bigger bottle size 6.7oz. or more rose 12% compared to the previous year, leading the sale raising percentage. The NPD Group also published their findings in fragrance uses of consumers in America in 2015 which showed their consuming trend, i.e. $5,1 million in prestige EDP sales to men and $69,6 million in prestige cologne fragrance sales to women. According to another press release from NDP group (2013), the five top American women’s prestige fragrance included Coco Mademoiselle, Chanel No.5, Light Blue (Dolce & Gabbana), Flower Bomb (Viktor & Rolf) and Beautiful (Estee Lauder). Website www.thegioinuochoa.com listed 5th Avenue (Elizabeth Arden) as the top selling women’s perfume and Armani Cold Ice (Giorgio Armani) and Bvlgari man In Black (Bvlgari) as men’s best-selling (2016). Another big perfume retailer www.linhpufume.com also claimed that Bvlgari man In Black (Bvlgari) was their best-selling men’s perfume but their best-selling women’s perfume was Tous Touch (Tous), a Spanish brand (2016).
5.1.2 Perfume and age

Age has a close relationship with income and the budget, which in turn determines also the taste and the purchasing decision of consumers.

Concerning the age of perfume users, Roy Morgan Research Ltd. reported in their press release in 2015 that 18% of Australian women aged under 25 bought perfume at least once every four weeks, compared to 9% of women aged between 25 to 65. According to Angela Smith, the Group Accounting Director of Roy Morgan, female perfume users nowadays did not always stitch to one smell. They could apply different smells on a regular basis. Statistics from Tru Fragrance presented the result that men from 35 to 39 years of age tend to spend more on fragrance than other age groups.

Herz (2011) wrote that young women in her research in 2003 tended to pick fragrances that were popular among their peers while women in their 40s chose fragrances independently based on their personal preference. Older women had a tendency towards the fragrances which their significant persons in life suggested that they had used and liked. In the same research, mood and the situation or the aim of the occasion were reported to influence the choice of perfume women wanted to wear, i.e. whether
the perfume they chose lifted their mood or whether it was consistent with their mood, whether they went to a romantic date or to a job interview.

A research by Laurent and Lambert-Pandraud (2006) on the relationship between perfume choice and the age of the wearers suggested three main points to perfume retailers. First, having newly-launched perfume in stock was not a risky choice because younger consumers were eager for novelty. Second, older consumers tended to have an attachment to their past selections; therefore, it is important to keep older options available and even bring some old back to stock. The third suggestion was that women in 40s and 50s had high income and long life expectancy; thus they were an important target segment.

5.1.3 Purposive segmentation

Since the early history of perfume, scents has been used for religious or spiritual purposes. Exodus (30:34-37) leads the word of God to Moses on how to make perfume as an offer to please God:

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*Take unto thee sweet spices, stacte and onycha and galbanum; these sweet spices with pure frankincense: of each shall there be a like weight: and thou shalt make it a perfume, a confection after the art of the apothecary, tempered together, pure and holy: and thou shalt beat some of it very small, and put of it before the testimony in the tabernacle of the congregation, where I will meet with thee: it shall be unto you most holy. And as for the perfume which thou shalt make, ye shall not make to yourselves according to the composition thereof: it shall be unto thee holy for the God. (Exodus 30:34-37)*

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Christians nowadays continue to use fragranced essential oils and burn incense in baptism and other ceremonies. In Buddhist temples and pagodas, incense never stops burning to purify the surroundings and connect the people with Buddha. In many other religions, worshippers had to purify themselves and apply perfume before they went for prayers.

Hippocrates, Galen and Crito used perfume for medicinal purposes. Hippocrates prescribed fumigation by burning scented stakes to prevent and cure plague. Galen and
Crito emphasized on the use of aromatics for healing by compiling all the cosmetic remedies available at that time.

At the time when bath was rare, perfume was heavily used to mask natural body odor. However, people used perfume as a way of emphasizing their natural body odor in late 18th century.

Nowadays, people are still using perfumes with the same purposes: some for ritual, some for religious, some for healing, some for masking or hiding body odor but often, they use it to impress the others. Being different from other cosmetics and makeup products, perfumes are more intangible, even when all the ingredients are listed. Marketers have connected perfumes with symbols, with images, with emotions, with feelings rather than with the water in the bottle. Perfumes become necessary accessories to show the wearer’s unique individuality, the style, the power, the class and so on. McIntyre (2013, 292) stated

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*With words and pictures which convey luxury and desire they also produce glamorous and sensual meanings. Placed on a store shelf, accompanied with images of attractive men and women and suggestive lighting, bottles and cartons create a luxurious atmosphere which says that it is important to spend money on beautifying oneself and that the consumption of luxury will make you into a desirable and attractive person.*

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And

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*Perfume is a consumer good with no real function; its purpose of concealing bodily odors has long since been replaced with soap, deodorants, shampoos and running water. Realizing this condition, marketers and manufacturers have placed the meanings of fragrances in the realms of seduction; senses, sensuality, emotions, gender and sexuality. (p.309)*

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Eastlack (2011) suggested a useful way to analyze perfume segmentation, based on the purpose a consumer bore in mind when he/she purchased perfume: while one used it to mask body odor, another used it to add more flavor or scent. He stated that ‘purposive segmentation has been of great value to alert marketers.’
5.2 Consumer decision-making

Examining consumer decision making is an essential task in understanding consumer behavior. Consumer decision making is comprised of 5 stages and the decision making process is not always rational.

A person who runs out of her Chanel No.5 might make a habitual decision making without much conscious effort if she knows the price and where to buy and she has the budget ready for it. However, another person who wants to give a perfume as a special gift might need to do much pre-purchase research before making the decision.

Chang (2013) conducted a research to examine the impact of brand familiarity and communication channels on Taiwanese perfume consumer decision-making process. The data collected revealed that respondents sought for consultancy from salesperson, expert, friends, family or colleagues and confirmed the hypothesis that people’s opinions were more influential than advertising. The researcher recommended focusing the communication strategy on interpersonal communication. Brand familiarity was key out-of-store as it provided trust and lead consumers through the

Figure 2. Stages in consumer decision-making (Source: Consumer behavior: A European Perspective, 5th ed., Pearson Higher Education)
evaluation of alternative process to get to the final decision of purchasing or not. Several other studies have been carried out to examine the different factors influencing perfume consumer behavior and purchase decision making such as the impact of bottle designs on adolescent purchase intent (Deliani & Amin 2012), the influence of advertising appeals, tendency to spend, perceived social status and materialism on purchasing behavior (Fah, Foon & Osman 2011), the stimulation of packaging on perfume preference (Valenta, Lestari, Gotama & Kumar 2014).

5.2.1 Scent as the most influential factor on perfume purchasing decision

Scent and smell can provoke memories and emotion. Together with other senses, smell can uplift and trigger an energy boost or be a soothing cue to relax. Smell can make people feel confident, sexy, attractive, fresh, relaxed and so on. Smell can connect people to an experience in the past, bring them back to their childhood or to their first date for example. In 2002, Santa Maria Novella launched a perfume named Nostalgia, claiming to evokes memories of old Italian racing cars through the smell of leather, gasoline and burning tires. Nostalgia has been used as a variable in examining the consumer loyalty to fragrance choice by Laurent and Lambert Pandraud (2010). Raza et al. (2013) surveyed the factors considered by consumers for purchase of perfume/fragrance (illustrated in figure 2). There were 13 factors mentioned in their hypothesis including price, brand, packaging, bottle design, fragrance, quality, availability, prior experience, recommendation from friends/family, total personal care budget, sales technique of sales person, special offers/promotion and advertisement.
Figure 3. Factors considered by consumers for purchase of fragrance/perfume
(Source: Raza et al., 2013)

After collecting and analyzing the data, the researchers found out that the most influential elements on purchasing decision of perfume and fragrance products included the fragrance and the quality of the fragrance. Brand, packaging and bottle design were also important to be considered.

Donna (2012) challenged the fragrance marketers by stating that they had long been focusing on the sense of self the fragrances would bring to the consumers through the shape of the bottle, the name of the fragrance and the advertisement rather than focusing on olfactory preference which answered the fundamental question ‘What do people want to smell?’ Through the findings of her research, she claimed that olfactory preference was the key driver for fine fragrance sales. The study proved that though women were lured by the marketing strategies, they only wore and repurchased the scent they enjoyed. Women developed their scent attachment to perfumes which lie ‘within a specific range of the olfactory continuum’ (Donna, 2012).
Wang (2013) found out that brand familiarity was a key Out-of-store but scent decided the purchase experience in-store.

Milotic (2003) presented a research which focused on the fragrance as a primary driver in consumer choice. The findings applied well to many product categories especially body care, skin care, household cleaner, fabric care and coffee.

5.2.2 Consumer self-concept

Consumer self-concept plays a significant role in explaining and predicting consumer behavior of a highly expressive, image-oriented product category like perfume. Consumers have multi selves and each self is distinct, giving ways to a set of purchase needs and motivations. The multi selves reflect the roles a person plays, and sometimes one role is the opposite of the other role. A woman may choose a mass fragrance to wear every day when she is a house-wife but she may need a splash of a more sophisticated fragrance when she dines out with her friends in a five-star hotel. The self-image congruence models provide tools to evaluate and predict consumer behavior through the cognitive matching process between product attributes and consumer self-image with the assumption that a person normally chooses a product with attributes matching some aspect of the self. Figure 4 illustrates the configuration of consumer holistic self-image which is comprised of private or actual self and public self. Lying under each different self are the distinct motives. Self-consistency motives prevent people from falling away from the image of actual self. Self-esteem motives encourage people to purchase and use products which have an image consistent with the ideal-self they want to be. The social consistency motives drive people to behavior which reflects the image they believe other people would see about themselves. Social approval motives push people to perform behavior which causes others to think highly of them.
Kim (2009) studied the perfume purchasing and using behavior in accordance with men’s fashion lifestyle and found out that men selected perfumes which matched their self-image or the purpose of using perfumes. The researcher divided the examined population into four groups, and the findings revealed that men who belonged to the fashion leader group purchased and owned more perfumes than other groups.

Sukato and Esley (2009) applied the theory of Reasoned Action with self-image as a modified attribute to examine whether the beliefs in product attributes, self-image, normative influences and attitudes toward applying skincare products would have an impact on male skincare consumers’ purchase intention and behavior in Thailand. The findings confirmed the hypothesis and thus the modified theory of Reasoned Action was an appropriate choice to explain consumer behavior in the research’s specific setting.
6 HO CHI MINH CITY - A GROWING MARKET

Le (2011) mentioned in his guide Franchising Marketing Guide the key factors contributing to the opportunities when doing business in Vietnam especially in the two big centers, i.e. Ho Chi Minh city and Hanoi capital, one of which was the rise of middle class with disposable income. These people were asking for quality and lifestyle oriented products and services. Nielsen (2015) again mentioned Vietnamese middle class as a potential which should not be missed in their report on Vietnam Consumer Landscape 2015. According to their estimation, Vietnamese middle class would reach 33 million in 2020, more than double the figure of 12 million in 2014. Nielsen clearly stated that people earned more and spent more, and they had more opportunity and power to shop and buy more than ever before. They were among the top most optimistic consumers globally and they had strong desire for better life. As a result, 73% was ready to pay more for higher quality. Le (2011) stated that Vietnam market was in demand of high-end, well-known premium brands from the West because Vietnamese consumers often related Western brands with high quality, affluent life-style and product reliability. Euromonitor International had the same observation in their 2014 report, stating that the consuming spending was driven by a rising middle class and foreign products were preferred.

Ho Chi Minh City is the most important economic and commercial center in Vietnam due to the fact that Ho Chi Minh city GDP accounted for 20% of the total 2009 GDP of Vietnam (Nielsen, 2009) with the occupation of only 0.6% of the whole country’s land. According to the official website of Ho Chi Minh City People’s Committee Office, Ho Chi Minh city is the place which attracts the most foreign direct investments. It is the biggest finance and banking center which brought one third of the 2005 revenue of the whole country. Ho Chi Minh city GDP per capita has been almost triple the GDP per capita of Vietnam in general, and it has been growing over the years at a stable percentage of around 10%.
Figure 5. Ho Chi Minh city GDP per capita

Influenced by the consumer-oriented environment brought to Saigon (former name of Ho Chi Minh city) by Americans, Ho Chi Minh city people (still call themselves Saigonese) are considered to be more capitalism and the lifestyle from the past was still lingering up to the joining of Vietnam to WTO to now.

Truitt described her experience in her book *Critical Dialogues in Southeast Asian studies: Dreaming of Money in Ho Chi Minh City* (2013, 6):

> My gaze was drawn upward to the large billboards that towered over the crowded traffic roundabouts, projecting images of consumer lifestyles associated with the West. During the day, large department stores, gleaming office buildings, and oversized restaurants offered spectacles of technology and of newfound spending power. At night, the neon signs of transnational companies such as Hong Kong Shanghai Banking Corporation loomed large on the horizon.

Her experience has been true, reflected in the welcoming attitude of the residents in Ho Chi Minh city towards foreign brands. In 2013, thousands of people waited in line for their first ‘local’ Starbucks coffee regardless of the burning hot noon, resulting in Starbucks’ opening the second store only six months later and the third store two months after the second. Hugo Boss and Versace established their store at Vincom Eden, the no-where-else-can-be-more-center location in Ho Chi Minh city. According to figures from Location Group AG (2014), Hugo Boss and Versace store had a display
area of 196sqm and 300sqm respectively, costing Hugo Boss around 22,500€ and Versace 40,000€ monthly (p.730).

Ho Chi Minh city had a population of more than 7.5 million in 2011 with a golden population age due to the fact that 50.9% of the population who was 15 years or above had a job and one third of them was trained employees (Ho Chi Minh city Statistics Office, 2012) and this golden age would last about 30 years. And again, Truitt (2013,6) observed the life of residents:

“Looking for money” (kiem tien) was a common preoccupation of residents. Everyone in the city was in one way or another looking for income-generating activities.

Figure 6 illustrated the household income band classification based on the gross monthly income of urban households in Ho Chi Minh city (figures adopted from Nielsen, 2013). More than half of the households got over 7.5 million a month and one fourth of the households was considered to be wealthy with monthly income of 15 million or more. In a situation that most urban households had already basic appliances and media devices such as TV (99%), motorcycle (96%), hand phone (94%), DVD (92%), fridge (85%), washing machine (61%) (TNS Vietnam, 2011), urban citizens had more chance to spend on something else rather than those listed above. Moreover, a large population in urban Ho Chi Minh city got a big amount of money from relatives who lived overseas, i.e. more than 5 billion USD in 2014 and 3.2 billion USD in the 9 first months in 2015 (Ha Noi Moi, 2015).
A research by Nielsen VN in 2009 found out that Ho Chi Minh city had a diverse range of consumers with high level of adoptiveness. They did open doors for new things and gave themselves a try. They would like to live for the moment, therefore there purchase intent lay much in the core value ‘I buy it because I need it’, and it was less likely for them to save to buy premium products. 85% of respondents cared about product origin and quality. Among the factors that influencing purchasing decisions, advertising, newspaper/magazines were rated more important than recommendations from sellers and/store owners. Promotion preferences were also varied, i.e. reducing price was not the only option. Attached gifts, bigger size, bigger volume were other choices. Concerning the spending budget, consumers in Ho Chi Minh city were willing to spend 11 dong while their income was 10. In tough financial situation, they tended to trade down to cheaper brands.

7 FINDINGS

The survey was designed in Vietnamese language to ensure that all the respondents would not need to struggle to understand the questions asked. However, the term such
as Eau De Parfum, Eau De Toilette were used without any explanation. The main segment of this research included those between 18 and 40 years of age due to the fact that they are the main consumers.

7.1 Demographic

The survey was distributed online and was responded by 93 persons. The number of female respondents doubled the number of male respondents, and it accounted for 69,6% of the total number.

![Figure 7. Survey - Gender distribution](image)

The biggest age group of respondents was between 23 and 30 with 47,3%, followed by 25,8% aged 18-22 and 23,7% aged 31-40. There were 3 respondents who were over 40 years old and no one was under 18. According to Nielsen’s youth categorization in their Vietnam Youth Insights (2010), the group 18-22 years of age was called young adult. They were described as more mature and calm than teenagers of 13-17 years of age. Young adult females wished to show their feminine. The group 23-30 years of age was first jobbers or working adults. They started to have jobs and earned their own money to their pocket. Therefore, they had more financial power to spend and they could decide how much they would spend on what and how often. Spending money was also a way to show to the world that they were now grown-up independent adults. Vietnamese aged 31-40 started to settle down with family and kids, as 90% in 35-39
of age was in a marriage according to statistics in 2009 (General Statistical Office, 2010).

Figure 8. Survey - Age distribution

In relation to the age group, the three main occupation groups consisted of office worker 35.6%, student (college or university) 30% and teacher 24.4%. The rest of the 10% belonged to housewife 5.6%, doctor/engineer 1.1% and other 3.3% respectively. Because of the fact that there was no one under 18, the group of student from high school or below had no share.

Figure 9. Survey - Occupation
7.2 Consuming behaviors and factors influencing purchasing decisions

When being asked of the frequency of wearing perfume, 92 answers were recorded with one third (30.4%) admitted the use of perfume every day. In combination with 26.1% using perfume often, half of the questioned population was heavy perfume users. One fifth wore perfume on special occasions only, however this depends much on how they defined ‘special occasions’, some consider weddings as special occasions while others can have a wider range including weddings, birthdays, reunions, funerals, anniversaries, house-warming parties and so on. In a society in which promotion does not base on true ability and capacity but on bribery from the smallest thing such as asking for a copy of a birth certificate, social relationship is valued and attending to all the invitations every year seems overwhelmed to many. So the market is still open to this segment.

![Figure 10 - Survey - Frequency of wearing perfume](image)

To feel more confident and attractive was the main drive of more than 60% of these perfume users. 16.5% chose perfume as a stress-relief agent as they stated that they used perfume because the scent helped them feel relaxed. 15.4% wore perfume because they thought that perfume could help them show their personalities.
Concerning the number of bottles they were owning, the cake was divided into four pieces: the biggest part of the respondents (28%) owned more than four, the second biggest piece belonged to those who owned two bottles (26.9%), the third piece consisted of those who owned only one bottle and the last piece was shared between those who owned three (15.1%) and four (8.6%) bottles. Of the fifty-five brands owned by the respondents, Chanel was mentioned 28 times, Lancôme 15 times, Victoria’s Secret 13 times, CK 12 times, Dior and Bvlgari 8 times, Hugo Boss 6 times and the rest from 5 times to once.

Among the different sizes offered in the market, four fifth (80.6%) of the responding population preferred bigger size, i.e. 50ml or more. 100ml and 50ml were the most popular choices with 33.7% and 27.2% respectively.
Due to the hot weather in Ho Chi Minh city all year round, Eau De Parfum was the best choice to keep the scent duration, followed by Eau De Toilette. When being asked about which brand they liked most and why, Chanel was mentioned the most of time and the scent and scent duration was the biggest reason drove them to Chanel and other brands mentioned in the answers from respondents such as Victoria's Secret and Dior. Phelan (2015) in a blog post on NDP Groups' Blog led the result of their 2015 women's fragrance track, stating that most of women sought for long lasting but light and subtle scents.

More than one fourth of the respondents was ready to spend more than 1.5 million VND (€61) for a bottle of perfume. 52.2% of the respondents was willing to spare from 1 million VND (€40.78) for a bottle of perfume, half of that 26.1% could pay
from 1 million VND to 1.5 million VND while the other half could spend 1.5 million VND or more. The group which was able to afford from 300 thousand VND to 1 million VND shared 31.5% of the audience. 10.9% was sharing only less than 300 thousand VND from their budget for a bottle of perfume.

![Graph of budget distribution](image)

*Figure 15. Survey - Budget*

Concerning the frequency of perfume purchase, nearly half answered that they bought a new bottle only when the old one was finished. Promotion and discounts attracted 23.9% of the audience while the other 22.8% purchased perfume once a year no matter when was the time. Special occasions such as birthday and Valentine accounted for 19.6% of the time.

![Bar chart of purchase time](image)

*Figure 16. Survey - Purchase time*

Due to the fear of counterfeit products, 38% of the respondents were buying perfume through their acquaintance from abroad. This might be the cause for the preference of big bottle size. Besides, 19.6% went to perfume specialized stores which are mushrooming in the big city like Ho Chi Minh city and 16.3% chose to make their purchase in the shopping mall. However, there were still articles on counterfeit products even in the big and luxurious shopping mall. Only 4.3% spent their money
on a retailing website. Surprisingly to the author of this research, there was 3.3% venting directly through the website of the perfume house.

![Figure 17. Survey - Purchase location](image)

Convenience was the first reason why they chose to make their purchase at a certain retailing point. Competitive price and diversified collection were the next to be considered within the population of this research. People were also coming back when they were satisfied with the service provided by the staff and the knowledge of the consultant.

![Figure 18. Survey - Reasons for purchase location](image)

The Internet was the best way for them to seek information. Reference from friends and relatives were also the source of information. 35.9% chose to try directly at the store and got the information from there.
When seeking for information, respondents could ask friends or relatives but when they went to the retailing point, they preferred to go by themselves.

![Figure 19. Survey - Information seeking source](image)

When purchasing perfume, scent and scent’s duration were the most important factor affecting the purchasing decision. Prices and brands influenced 10% of the purchase, and 3.2% depended on the reference of friends or relatives.

![Figure 20. Survey - Who with](image)

In order to get a general view of the perfume purchasers over the level of how much they trusted the consultancy or advice of the sale agents, more than half of the
respondents had a neutral view, as they did not either trust or distrust. The percentage of people who did not rely on the consultancy of the shop assistant outnumbered the percentage of the people who could rely, 25.5% compared to 22.2%. Therefore, it is necessary to build a professional and knowledgeable sales force which would benefit the company in the long run.

![Figure 22. Survey - Reliability of sales assistant's consultancy](image)

70.7% had ever purchased perfume as a gift. There was one respondent giving the answer of his favorite perfume was the one that his wife gave him and they both liked the scent of it.

![Figure 23. Survey - Purchasing perfume as a gift](image)
8 CONCLUSIONS FROM THIS RESEARCH

According to data presented, perfume users were young and educated. Most of them wanted to feel confident and attractive by wearing perfume. They had jobs to do, had their own power to choose and own what they wanted and they were willing to spend for the quality, i.e. scent and scent duration in this case. They owned many scents at the same time but most of them stated that they loved Chanel for its long-lasting scent and the elegant and luxurious image it brought. More than half wore perfume often and there was a market for those who wore perfume on special occasions. Eau De Parfum was a better choice to ensure the scent duration due to the climate characteristics of Ho Chi Minh city, i.e. average temperature of 28 degrees Celsius with little variation throughout the year. Being afraid of frauds, most respondents chose to make their purchase through 'reliable' channels such as relatives, friends or acquaintances from abroad. They also placed their trust in specialized stores and shopping malls. They sought for information mainly from the Internet and from friends and relatives, but they also went directly to the store and sought for information directly from there. However, they did not really trust the consultancy of a store sales assistant.

Concerning the hypotheses, the data collected supported all the hypotheses except H1 regarding the use of perfume as a way of expressing the user’s personality. The majority chose perfume as an agent which helped them feel more confident and attractive and convenience was the main reason which drove consumers to a certain purchase location. Thus, the company should combine different elements such as light, color, sound and other store design elements to create the store atmospherics which present the opportunity of having their needs (a perfume/perfumes which can help them feel more attractive/confident) satisfied in a convenient way.

The Internet becomes an essential means of communication; therefore, the company should consider the design of their online store and what kind of information they might feed the consumers with.

As scent and scent duration was the key driver to perfume purchase, it is important for the company to conduct further studies into the scent preference of consumers. The company can apply the model used by Donna (2012) to identify consumer’s loyal fragrance family.
The findings showed that it was more likely for those who used perfume to choose perfume as a gift. The company should have relevant programs for this kind of customers.

9 LIMITATIONS

Due to the fact that this is a general market research, limitations were inevitable. First, the population examined was not big enough to represent the whole market segment. Similar research should be carried out with a larger population of a more specific smaller segment to make the data collected more reliable, valid and to-the-point. The market segments can be divided into smaller groups according to age for example as followed:

- Teenagers aged 13-17
- Young adults 18-22
- Middle youth 23-30
- Mid-lifer 31-40
- Late-lifer 41-50
- Senior over 50

Second, the research lacked a certain level of depth, for instance, what convenience meant in H4. Convenience can be related to the location of the point of purchase, the ease of choosing the suitable scent among hundreds of fragrances displayed, the ease of paying method or a combination of all the factors mentioned and so on. In addition, better rating scales should be employed to evaluate the level of influence on purchasing decision of the factors rather than simple multiple choice used in this research. The variables tested should be more limited so that the analysis could be more focused.

Modified Theory of Reasoned Action can be employed to predict purchase behavior through the purchase intent based on personal attitudes and subjective norms.
10 RECOMMENDATIONS

10.1 Build a knowledgeable and professional perfume sales force

Perfume belongs to a different category compared to food or water in a sense that people do not really need it to survive. Perfumes are more intangible products than makeup products because there is no obvious way to test the efficacy of the products and because when we deal with perfume, we are dealing with a world of feelings and emotions, with memories and aesthetics. People use perfume because they want to feel more confident, they want to feel more attractive, they want to feel relaxed and so on through the scents. And although more than half of consumers in the survey sought for information on the internet, going to the store and trying directly at the store was the second choice to obtain information with more than 35% of respondents. However, half of the respondents had a neutral view towards the sales assistant’s consultancy, and one fourth distrusted. In order to get customer engaged and maintain their interest, a sales assistant should do better than only read the label on the package. Decoding the symbols of the perfume world and making them comprehensible to customers are two among the key jobs of a sales assistant. And as the results present, a large segment of perfume consumers is young and educated, and they are doubting the consultancy of store sales assistants. Therefore, a knowledgeable sales force helps much in inspiring the customers, asking them the right questions to reveal their needs, and matching the right things in stock with what customers are seeking. Training them with only sales skills is incomplete. They need sales knowledge as well so that they can speak fluently about why the customers use this specific company's service, what this company can offer to solve their problem, the marketplace of the perfume industry, the competitor and the company competitive advantages. Fluency is a key point, as the sales assistant needs to know when to apply what information or knowledge in their sales conversations. Stepping into the store, the customers would see large collections openly available for sampling or testing, and a well-trained and knowledgeable sales staff needs to be waiting to provide any assistance with any product. In selling perfume, it is crucial to turn the normal customer into a person who admires the art of perfume and considers it as a part of their life. Another significant factor which impresses the customers is the appearance of the sales force. They are the face of the
company so they cannot be someone who has poor hygiene. Freshness and cleanliness should be always kept in mind and should be displayed to customers who step into the store. Despite the fact that it takes time and effort to build a knowledgeable and professional sales force, it would benefit the company in the long run and when the customers are satisfied with the service, they will return for repeat purchases.

10.2 Online store and digital marketing

Despite the fact that customers cannot smell perfumes online, 50% of the respondents still stated that they sought for information through internet and the website thegioinuochoa.com.vn gets about 6000 views daily. A study by Global Habit on the use of smartphones in 14 Asian cities including Ho Chi Minh city in 2013 revealed that 94% of their survey respondents owned either a mobile phone or a smartphone. The time people spent on the computer to be connected through the Internet recently has been shifting to tablets and smartphones and Vietnam has not yet reached its peak in smartphone ownership, i.e. each and every one owns at least one smartphone which the user can connect through the Internet and add more applications. Due to the convenience of being connected through a smartphone, more and more people are saving their income to get it. Companies like Huawei and Lenovo have quite cheap lines of smartphones which are suitable to low-to-middle income users. According to Nielsen's 2014 report on technology and consumer behavior, Vietnam in 2014 had 52% of the population using smartphones (a 22% rise from the previous year), compared to 74% of the population using a smartphone of a developed country like UK. Moore Corporation reported that there were approximately 3.2 million male and 2.8 million female Facebook users in Ho Chi Minh city (Vietnam Digital Landscape, 2015). If we add them together, Facebook is really an important marketing and communicating channel which connects the company with 6 million users in Ho Chi Minh city (while the population was more than 7.5 million in 2014). People now communicate through photos and videos more than words, and it is not any more difficult for amateurs to create and edit their own photos and videos thanks to many free apps and websites available in apps stores. The problem now changes from the lack of means to lack of ideas. And though customers do not make purchase through internet due to the risk involved and the cash culture, online store is the place where the company feeds the
customers with relevant information, inspiring them to come and have a look at the brick-and-mortar store. Another important point is the mobile version of the webpage as people are changing from viewing pages on computer to smartphone. In addition, Google just released the new algorithm Mobilegeddon in April 2015 which has affected all the Vietnamese companies which do not have a mobile version of their website. This new algorithm works in a way that it increases the visibility of mobile-friendly websites and decreases the non-mobile-friendly websites. However, Google provides assistance on how to optimize for mobile and do give a way to test the website if it works up to Google's standards (DeMers, 2015).

10.3 The collection offered by the company

10.3.1 Conventional collection

Contrary to its age, Chanel still proves to be the most favorite brand among perfume users and in the best-selling list of many perfume retailing websites in Ho Chi Minh city such as thegioinuochoa.com.vn and Linhperfume.com. Table 1 displays a list of the brands owned by consumers in the survey in order of the number of times they were mentioned. The list ranged from famous and expensive brand like Chanel to a more mass product line like Romano and X-men or Axe.

Table 2. Brands owned by respondents in order of the number of times mentioned

<table>
<thead>
<tr>
<th>Chanel (28)</th>
<th>Chloe (2)</th>
<th>Heidi Klum (1)</th>
<th>Coach (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lancome (15)</td>
<td>Elie Saab (2)</td>
<td>Givenchy (1)</td>
<td>Nike (1)</td>
</tr>
<tr>
<td>Victoria's Secret (13)</td>
<td>Lolita (2)</td>
<td>Jimmy Choo (1)</td>
<td>Elizabeth Arden (1)</td>
</tr>
<tr>
<td>CK (12)</td>
<td>Lacoste (2)</td>
<td>Banana Republic (1)</td>
<td>Thierry Mugler (1)</td>
</tr>
<tr>
<td>Dior (8)</td>
<td>Kenzo (2)</td>
<td>Salvatore Ferragamo (1)</td>
<td>Hermes (1)</td>
</tr>
<tr>
<td>Bvlgari (8)</td>
<td>Versace (2)</td>
<td>Nina Ricci (1)</td>
<td>Diesel (1)</td>
</tr>
</tbody>
</table>
A research by FTA on regional differences between Ho Chi Minh city, Hanoi and Da Nang questioned the respondents on their opinions or view points toward expensive cosmetic products. Respondents from Ho Chi Minh city mostly agreed that expensive products equaled quality and duration and they were willing to pay for the good brands which had their quality proven through other consumers' reviews (FTA, 2013). Thus, prestige brands are an important part of the collection as well as brands for middle-income class.

10.3.2 Gift sets

Perfume is considered to be a personal gift as a scent that a woman or a man chooses to wear is personal and subjective. In combination with personal body odor, two people who wear the same scent may not smell exactly the same; therefore, a perfume is also unique. More than 70% of respondents stated that they did purchase perfume as a gift thanks to its luxurious, personal and practical characteristics. And if someone has a signature smell, it is easy to shop. Perfumes are normally packed nicely and elegantly. A gift set might be a convenient choice and a gift set does not always mean that it has to be given as a gift. If a customer wants to test many different scents in order to find a scent that suits their purpose, a gift set of many samples can be a good choice. Take Sephora set of their most sought-after women’s perfumes for example. Sephora sells this set at 65$ for a 105$ value with free shipping. There are 13 samples in this set,
including many popular brands such as Prada, Gucci, D&G, Giorgio Armani, Burberry, Tom Ford, Chloe, Marc Jacobs, Jimmy Choo and so on. By owning this set, the customer can choose one of their favorite and redeem for a full-size bottle at no extra cost in condition that they have to take with them the included scent certificate to any Sephora store in the U.S (Sephora’s website).

Picture 5. Sephora favorites perfume sampler set (Source: Sephora’s website)

10.3.3 Celebrity branded perfumes

Celebrity endorsement has an impact on buying decision making of a fan-based consumer source. A research in the UK found out that 30% of 854 respondents made their purchasing decision due to the endorsement of a celebrity. Women were more attracted to the luring effect of celebrity endorsement, with 66% of the population who answered yes. Another notable point was that young people aged 18-24 played an important role in this game, holding 41.2% of the yes respondents. With young population, Ho Chi Minh city perfume market is still open to those who want to sell celebrity branded perfumes. David Beckham for example is an idol of many football fans and also many girls thanks to his elegant look. A girl may want her boyfriend to wear his scent as a sign of her support.
Facing the changes in consuming styles and habits, perfume houses have contracted with celebrities for a new way of generating sales and profit: developing scents and associating them with celebrities as the selling point. This has benefited both the celebrities and the perfume houses so far. Elizabeth Arden perfume house started with Elizabeth Taylor’s White Diamond which was claimed to sell £54 million a year and it is still one of the best-selling celebrity perfumes even after her decease in 2011. Continuing with the success of Elizabeth Taylor, Elizabeth Arden branded Britney Spears selling 500 million bottles week after the release. Justin Bieber, Mariah Carey, Taylor Swift, Nicki Minaj and Hilary Duff are also in the book of Elizabeth Arden. Another giant perfume house Coty, Inc. cooperates with David Beckham and Jennifer Lopez to name a few. Celebrity endorsed perfume brands share an important part in the perfume world market, bringing in £18 billion worldwide in 2013 (£225 million in UK). With 10 top selling celebrity-endorsed perfumes, the U.S. market got 251 million dollars according to 2010 statistics from Euromonitor International.
10.3.4 Customized or personalized perfume

Do It Yourself Corporation founded in 2015 was a pioneer in providing this service in Ho Chi Minh city and it has been attracting an audience of mainly students and office workers (which are also the two big occupation group in this research). This service has touched the deepest wish of each individual: being unique. And what else could be greater than being able to create a unique scent for ourselves? It could also be nicely offered as a gift. Do It Yourself Corporation currently offers three choices of aromatic compounds' percentage, i.e. 10%, 15% or 20% and the more aromatic compounds are in the blend, the longer the scent lasts. The solvent would include 70 to 85% of alcohol and the rest is water. They now have 40 fragrances for women and 15 for men, and all of the ingredients are imported from IFF from France. The price range differs in accordance with the percentage of aromatic concentrations, i.e. 4000VND for a ml of 10% aromatic oils, 5500VND/ml of 15% and 7000VND/ml of 20%. Bottles are mostly small for convenience purpose and the biggest bottle size is 20ml. Bottle prices range from 40 to 65 thousand VND, depending on which size and what kind of material: glass, ceramics or aluminum. With this pricing, a customer can prescribe their own unique scent which costs from 100 to 200 thousand VND, which is an affordable price to the majority of urban population (Cam Nhi, 2015). Another example of this kind of
service is the website uniquefragrance.com. Their system eases the process of making one's own perfume through six clear and easy steps with a brief explanation of the choice made, for example in step 2 of choosing a character for the perfume, if a customer does not know what it means by saying 'glamorous', he or she can click it and on the right hand side appears a brief explanation as followed:

---

**Glamorous**

*A timeless perfume:*

*Natural essences of fruity notes meet discreetly exotic.*

*Discover tingly moments with this sweet floral scent.*

*(The website of Unique fragrance)*

---

A person can prescribe his or her own perfume online without any need of fragrance knowledge. They have created 132 thousand unique perfumes worldwide.

---

**Table 3. Steps in creating one's own perfume**

<table>
<thead>
<tr>
<th>Step 1</th>
<th>Gender</th>
<th>Male or female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 2</td>
<td>Character</td>
<td>Casual, feminine, glamorous, sensual or natural</td>
</tr>
</tbody>
</table>
| Step 3 | Scent          | Scents differ according to the character selected in the previous step  
                  Casual: Fruity, natural, fresh, citric, Mediterranean, extravagant  
                  Feminine: Fruity, oriental, powdery, floral oriental, gentle, floral  
                  Glamorous: Fruity, natural, fresh, floral oriental, gentle, or floral  
                  Sensual: Noble lumber, fancy, oriental, powdery, floral oriental, gentle  
                  Natural: Mediterranean, extravagant, light grass, noble lumber, fancy, oriental |
Those two examples above may function as models for Nu Hoang Sac Dep Ltd.

In addition to perfume workshop, the company can hold a movie night for example, inviting customers to come and socialize, sharing their common love of scents. A suggested movie is one of German most expensive films *Perfume: The Story of a Murderer*, released in 2006 starring Ben Whishaw, Alan Rickman, Rachel Hurd-Wood and Dustin Hoffman. Bringing 135 million USD, the movie is based on the novel *Perfume* written by Patrick Suskin in 1985, telling the story of Jean-Baptiste Grenouille who was born an olfactory genius. He was obsessed with creating the finest perfume; however, the way he used to exploit the scents was so ill. The movie is classified fantasy thriller (Wiki, IMDb).

*Picture 7. Poster - Perfume: The Story of a Murderer (Source: IMDb’s website)*
10.4 Cooperate with hair salons and spas

Women tend to do a lot of chit-chats in hair salons and in spas when they get their hair cut or dyed, or when they get their nails painted, or when they are relaxing with a massage therapy. Many casual conversations like those can be turned into an important means of marketing for the company. Above all, word-of-mouth is still playing a significant role in marketing as the respondents seek for information through friends and relatives. The hairdressers or the masseurs can apply different scents each day as a model of how the scent really smells on the actual person. Samples and leaflets can also be placed in the reception area of those salons and spas.

10.5 Cooperate with tourist agencies to bring customers to perfume houses, perfume museums and flower plantations

With the open-door policies of Vietnamese government to the world by joining many different international and trade organizations such as ASEAN, AFTA, TPP, WTO, APEC, FTA with EU, bilateral trade agreement with U.S., more and more doors are now open to Vietnam and Vietnamese citizens for traveling abroad. Tours abroad to Europe, Africa, America, Japan, Korea… are available in most of tourist agencies. A small part of the tour can be dedicated to visiting perfume houses, perfume museums and flower plantations. France is an ideal destination. A two-hour perfume walking tour in Paris offered by one of the most successful online travel startups GetYourGuide as an example. Tourists will have an opportunity to discover the world-iconic perfume houses such as Chanel, Dior, Yves Saint Laurent, Guerlain and Givenchy and learn about their history and their importance in the perfume history of France as a whole. In addition, they have a chance to learn how to describe the ingredients in eau de cologne, the characteristics of different families of perfumes and the most interesting one being how the different perfumes are made (The website of Getyourguide.com).

Or another stop in France, Grasse – the perfume capital of the world is located in the Alpes-Maritimes department of France, about 10.5 miles northwest of Cannes. Visitors to this town can discover the 3000-year history of the fragrance industry, see the flower gardens, walk through the old city, take part in perfume creation workshop and many other activities. Grasse is also the setting of the movie Perfume: The Story of a
Murderer mentioned above. Tour to Grasse can be combined with Cannes, other Riviera towns or Gorges du Loup (The Blog of Independent Travel Cats). Grasse holds annual four-day Rose Expo in May, displaying from cut roses to blooming bushes in a wide range of colors from pure white to garnet red. Jasmine Festival takes place every August with fireworks, flower parade and many other activities throughout the city, starting the harvesting season (The website of The French Riviera Tourist Board).

The lavender season in Provence from June to August in combination with the lavender museum would attract those who love lavender.

One other stop is the Farina-house Fragrance Museum located in Cologne, Germany. It has a very convenient location which is across Cologne Town Hall and close to the famous Wallraf-Richartz-Museum. Established in 1709, this perfume house focused mainly on Eau De Cologne and when visiting the museum, visitors can see the original chamber where the perfume was made 300 years ago (The website of Farina-house Fragrance Museum).

In general, there are many options around the world, from the center of perfumery in France and Italy to Hungary and Turkey where roses are cultivated providing raw natural ingredients to the perfume industry to ylang-ylang plantation in Madagascar to different flowers plantations in India, one of the biggest floriculture countries in the world. Destinations are not limited to those who are eager for exploration.
11 FINAL WORDS

The thesis presents a general portrait of perfume consumer behaviors aged mainly from 18 to 40 in Ho Chi Minh city which is an important and growing market in Vietnam. Recommendations are either made based on findings of the survey distributed or on the author’s own view of the way to engage and interact with customers. Within the scope of this thesis, limitations are inevitable. Further research should be conducted to get into detail the preference category of a specific segment by using the model applied by Donna (2012) or the modified theory of Reasoned Action with self-image as a variable to explain and predict the consumer intent and behavior.
12 REFERENCE


Location Group AG. 2014. Ho Chi Minh City. In: Retail Market Study Worldwide 2014, volume 2, 730-735. Location Group AG.


