

2025 China Perfume & Fragrance

WHITE PAPER

Embracing New Dimensions
Fragrance Inspiring the Future



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— 2025 —

**CHINA PERFUME & FRAGRANCE
WHITE PAPER**

Embracing New Dimensions · Fragrance Inspiring the Future

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FOREWORD

While global consumer markets remain volatile, China demonstrates its 'Ice and Fire Resilience'¹ through a dual-engine consumption model powered by strategic policy intervention and inherent market dynamics. The rising consumption potential of lower-tier cities is being gradually unlocked, injecting fresh momentum into the market, while international brands and domestic forces are jointly advancing industry development. Under the combined influence of value re-centering around people, stronger cultural identity, increasingly diverse application scenarios, and ongoing technological empowerment, China's fragrance and perfume industry is showing strong growth potential and steadily entering a new stage of broader and deeper consumption.

We are witnessing the transition of perfume from 'scent as transaction' to 'value-resonant consumption'. Consumers are using scent-infused with emotion, culture, and situational expression to shape personal identity and aesthetic expression. Brands, in turn, are reinforcing emotional bonds and long-term stickiness through product strength, cultural storytelling, and channel synergy. In an era where consumption growth is increasingly stratified, lower-tier cities are exhibiting faster growth in consumer spending than first-tier cities, injecting incremental momentum into the market. Meanwhile, fragrance brands are delving deeply into Eastern cultural symbols, local lifestyles, and emotional needs, constructing expression systems that resonate with Chinese consumers within a global context.

This marks the sixth consecutive edition of the China Fragrance and Perfume Industry Report. We continue to take a panoramic perspective across brand building, cultural expression, product innovation, and channel strategy, aiming to decode the forces driving market evolution, distill insights of strategic value, and help brands navigate a path toward resilient growth amid a rapidly changing and increasingly diverse landscape. Based on this year's research, we have identified the following noteworthy market phenomena and emerging trends.

¹'Ice and Fire Resilience': 'Ice' symbolizes the turbulent conditions confronting the broader consumer market; 'Fire' embodies proactive policy direction at the national level; and 'Resilience' underscores the inherent capacity for risk mitigation and recovery within China's consumer goods market.

1. Market Evolution and Brand Response Under Intertwining Forces

At present, second-tier and below cities exhibit greater resilience in consumption growth and hold significant unrealized consumer potential compared to first-tier and new first-tier cities, emerging as a crucial source of new economic dynamism. Amid intersecting policy boosts and structural headwinds, consumers are increasingly drawn to the cultural value and emotional resonance conveyed by brands. 'Value-resonant consumption' has become a key underlying force of the market. While international brands are accelerating local adaptation by leveraging their global strengths, domestic brands must continue to deepen engagement with domestic demand, solidify internal capabilities, and steadily pursue global expansion.

2. Channel Restructuring and Brand Resilience Co-define the Growth Path

Fragrance and perfume, as highly emotion-driven categories, have shown resilient growth amid market fluctuations. Online channels bring brands closer to consumers through content, while offline experiences enhance brand stickiness—together reshaping the consumer journey. Brands are exhibiting two distinct paths toward resilience: one builds long-term value through emotional depth, artisanal craftsmanship, iconic scent design, product iteration, and narrative depth; the other relies on ultra-refined operations, agile response capabilities, and creative content to establish immediate connections and seize growth opportunities.

3. Consumer Structure Differentiation Driving Multi-Level Growth

Experienced perfume consumer represented by quality fragrance enthusiasts and scent hunters continue to lead perfume market development, with their increasingly diverse roaming-style fragrance wearing and continuous exploration of perfume and fragrance value providing ongoing inspiration for brands in product and marketing innovation. Meanwhile, although lower-tier city consumers are still in the stage of establishing brand awareness and usage habits, their growth potential and penetration space constitute key forces for market expansion, and the accelerated awakening of the men's fragrance market should not be underestimated.

4. Product Expression Moves Toward Integration and Diversification

Perfume and fragrance are transitioning from single sensory consumption to richer emotional and scenario expression, becoming a vehicle for conveying attitudes and cultural identity. Unlike most other consumer goods, perfume and fragrance can create brands and products that transcend cycles, enduring in the market, while also benefiting subsequent innovators. Alongside product aesthetic diversification, the rise of 'addictive notes' reflects increasingly clear aesthetics rooted in Eastern culture and continuously evolving within China's modern social and cultural environment, potentially providing the key to understanding consumers' core demands for olfactory products. Meanwhile, AI is also accelerating product innovation in research and development and experience dimensions.

5. Marketing Evolution Reshaping Brand-Mind Connections

Eastern cultural expression is evolving from symbolic interpretation to value resonance, becoming a key pillar of brand emotional equity. As cultural narratives deepen, marketing strategies increasingly emphasize emotional and situational immersion—driving a shift from functional consumption to emotional identification. IP collaborations inject visibility and cultural resonance into brand stories, while immersive experiential retail is redefining offline interaction through narrative engagement, further anchoring consumer brand affinity.

1

Part 1

The Resilient Growth of China's Consumer Market

Key Focuses of this Chapter



As global consumer markets search for new direction amid uncertainty, China stands out for its rare resilience under pressure. What underpins this strength? We believe it stems from the interplay between policy stimulus and internal resilience-giving rise to a distinctive 'ice and fire spectrum'. Meanwhile, the phenomenon of 'consumption compression' in lower-tier markets is reshaping supply and demand dynamics, and the strategic evolution of international and domestic brands is redrawing the competitive landscape through collision and co-creation.

- How is the rebalancing of consumption momentum fueling the rise of emotion-driven consumption?
- Under a new narrative shaped by regionalization and localization, how can brands decode the complex dynamics of growth?

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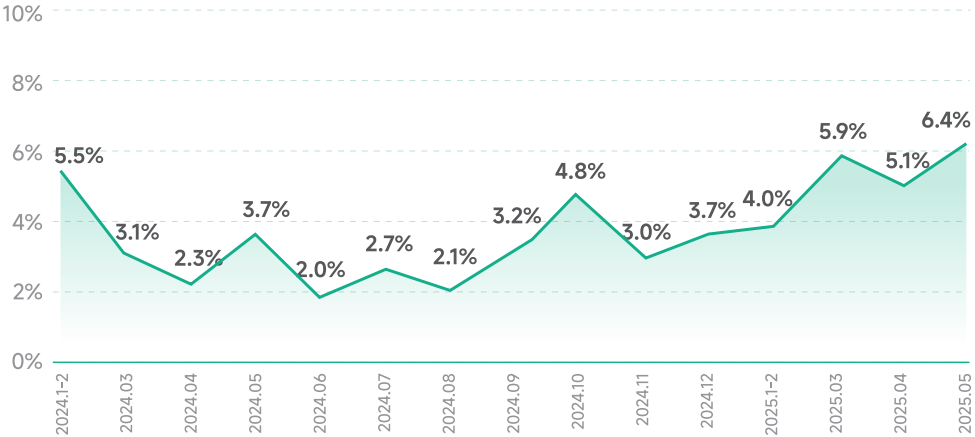


- 1.1 Decoding China's 'Ice and Fire Spectrum': Rebalancing Policy Stimulus and Endogenous Growth
- 1.2 'Consumption Compression' in Lower-Tier Markets: Restructuring the Dynamics of China's Consumer Market
- 1.3 The 'China Proposition' for Global Brands: Unlocking Incremental Value Amid Localized Competition-Cooperation
- 1.4 Chinese Brands' Global Ambitions: Deepening Domestic Demand While Breaking into Global Markets

1.1 Decoding China's 'Ice and Fire Spectrum': Rebalancing Policy Stimulus and Endogenous Growth

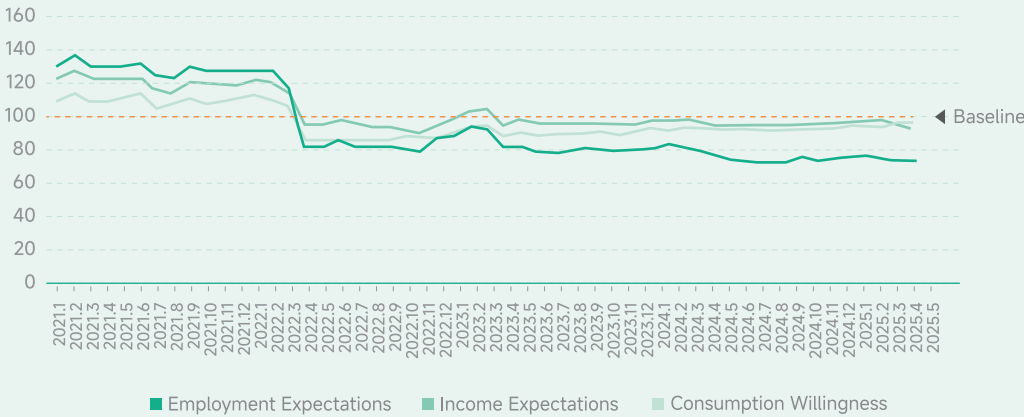
As the world's second-largest economy, China has established a solid and resilient foundation for long-term development, demonstrating strong endogenous resilience and growth momentum. Against the backdrop of global economic realignment, the Chinese market continues to exhibit unique advantages—underpinned by a comprehensive industrial chain and an ultra-large domestic demand base. Since the beginning of this year, the growth rate of total retail sales of consumer goods has shown a positive growth momentum. According to the National Bureau of Statistics, the year-on-year growth in total retail sales reached its highest monthly level since 2024 in May 2025. On the consumer side, after a period of fluctuation, consumer sentiment has entered a phase of low-level stability. Since early 2025, consumption willingness has remained within a narrow range of 94.4 to 96.1, signaling an ongoing adaptation to the new norm of moderate-to-low growth and a gradual trend toward stabilization.

2024-2025.5YOY Growth Rate of Consumer Goods Total Retail Sales



Sources: National Bureau of Statistics; Deloitte Analysis

2021.1-2025.5 China Consumer Confidence Index



Sources: National Bureau of Statistics; Deloitte Analysis

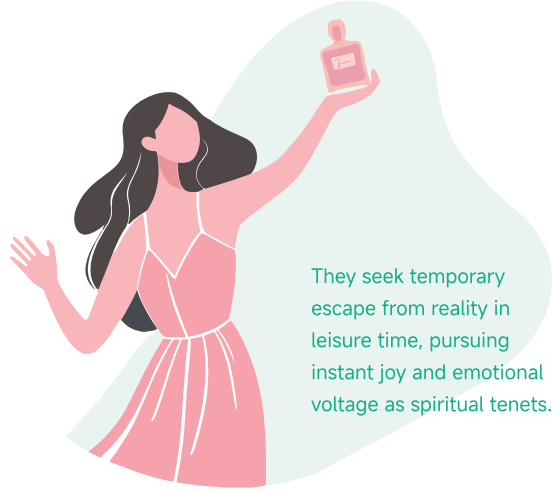
China's accelerating aging population continues to suppress marginal consumption propensity, while a declining birth rate is eroding the long-term foundation of consumer demand. Together, these factors are placing rigid constraints on the release of consumer willingness.

Against this backdrop, China is reshaping its economic growth logic through a 'domestic demand strategy', designating 'expanding domestic demand' as one of the top five priorities for 2025. The goal is to shift from survival-driven consumption to development-oriented consumption. To support this transition, the central government has launched the Three-Year Action Plan on Optimizing the Consumption Environment (2025-2027), which calls for the accelerated upgrading of categories such as cosmetics toward premiumization, national cultural branding, and fashion-driven innovation. Initiatives such as the National New Product Launch Season aim to unlock the potential of new offerings, stimulate upgrade-oriented consumption, and open new pathways for domestic demand.

Notably, Deloitte's consumer goods market monitoring shows that service-based and emotionally driven consumption segments have demonstrated exceptional resilience—becoming key anchors of

domestic demand growth. This reflects an evolving consumption philosophy among Chinese consumers: a shift from transactional purchases to value-resonant consumption. Consumers now look beyond basic product functionality, placing growing importance on brand culture, contextual relevance, and emotional connection—elevating their experience from acquiring functional products to embracing emotional expressions that align with their unique personal identity and life pursuits.

Platform monitoring shows that emotionally charged scenarios are gaining momentum across major digital ecosystems. On Red, there is a growing interest in experiences such as live music events, art exhibitions, and creative markets. On Douyin, emotional consumption is centered around aesthetic travel, celebrity performances, and Fan-driven IP consumption culture in ACG (Animation, Comics, Game) communities. Meanwhile, Kuaishou data highlights rising attention to cultural scenes such as intangible heritage activities and folk music festivals. Amid this trend, perfume and fragrance—deeply driven by emotional resonance—are uniquely positioned to become a key medium for capturing the psychological leap in consumer sentiment, offering both emotional connection and a means of self-expression.



They seek temporary escape from reality in leisure time, pursuing instant joy and emotional voltage as spiritual tenets.

Dopamine Rush

Dopamine Hunters Sensitive Demographics

Centered on instant thrills, it zeroes in on high-octane joy spikes that flood the senses with dopamine, countering real-life fatigue and stress.

Preferred content

Gaming, short dramas, celebrities, beat-sync edits.

Favorite activities

idol events, dance catharsis, collecting merch("吃谷"), gaming hideouts.

Core attributes

aged 25–30, gender-balanced, tier-1/2 cities, 99% office warriors.

Awakening Self-Healing

Emotional Self-Care Group Sensitive Demographics

With warmth as the keynote, cherishing tiny joys and small beauties in everyday life, , savoring healing instances to alleviate stress.

Preferred content

Cute pets, soothing landscapes, heart-warming moments.

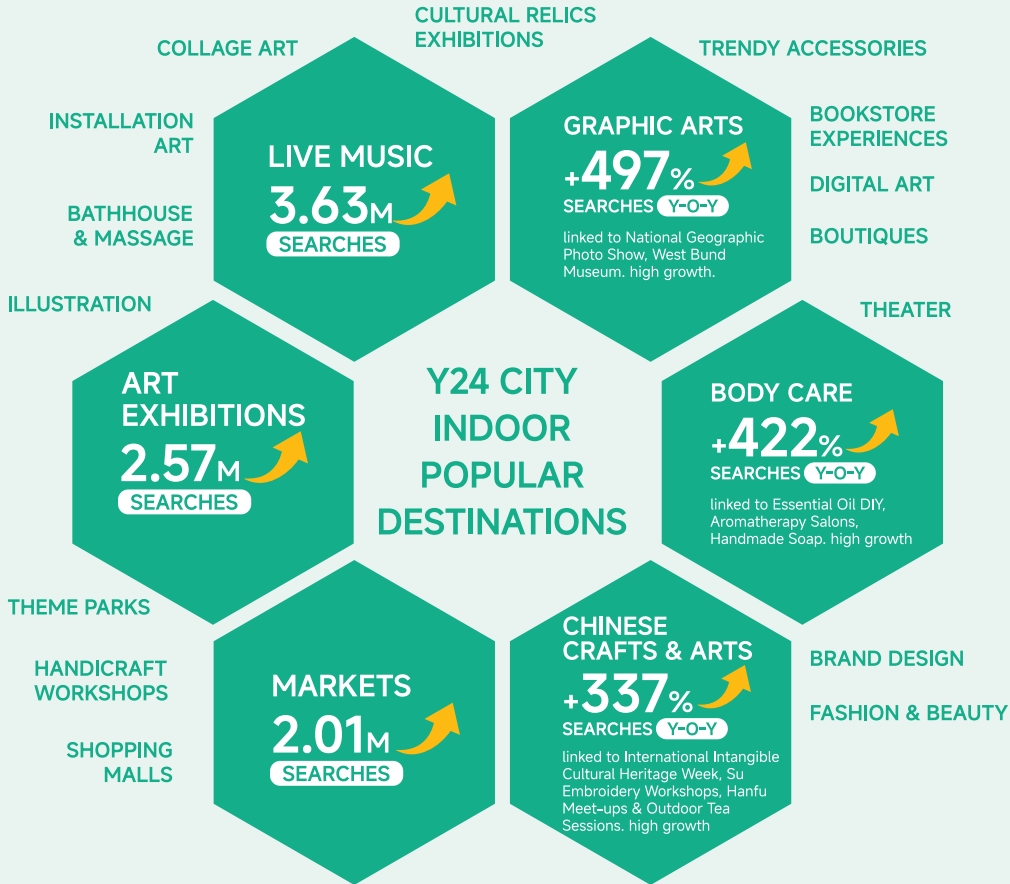
Favorite activities

Photo-worthy trips, DIY lifestyle rituals, offline/online creative pet interactions.

Core attributes

Under 30, predominantly female, tier-1 cities, career starters earning 10–30 k RMB.

They switch between two life modes at clock-in and clock-out. Bluntness is their spirit totem; KPBL is their personality.



VIDEOS RELATED TO INTANGIBLE CULTURAL HERITAGE ON KUAISHOU

178 2024 / 5 ~ 2025 / 4
Garnered a total **BILLION**
with nearly 10,000 livestream sessions held daily



Source: Monitoring data from Red 2025 Luxury Experiential Marketing Report, Ocean Engine x CBNDATA 8 Key Trends in Emotional Marketing 2025 Insights Report, Kuaishou 2025 Kuaishou Intangible Cultural Heritage Ecosystem Report, Deloitte analysis

1.2 'Consumption Compression'¹ in Lower-Tier Markets: Restructuring the Dynamics of China's Consumer Market

China's consumer market is gradually outlining a new regional growth landscape. According to Deloitte analysis, FMCG sales value and volume growth rates in lower-tier cities now exceed those of Tier 1 cities. On one hand, high-tier cities—with already leading penetration rates—continue to attract fragrance brands to deepen their presence. On the other, vast lower-tier markets, where penetration remains relatively low, are rapidly awakening and demonstrating strong momentum.

A key opportunity lies in the phenomenon of 'consumption compression' in lower-tier cities. As short videos and social media platforms expand their reach, consumers in second-tier and below cities are gradually breaking out of their former information silos. They are gaining exposure to a broader array of brands, lifestyles, and aesthetics—resulting in consumption expectations and emotional demands that far exceed the level of local market supply. This cognitive advancement, when paired with the lag in supply, creates a

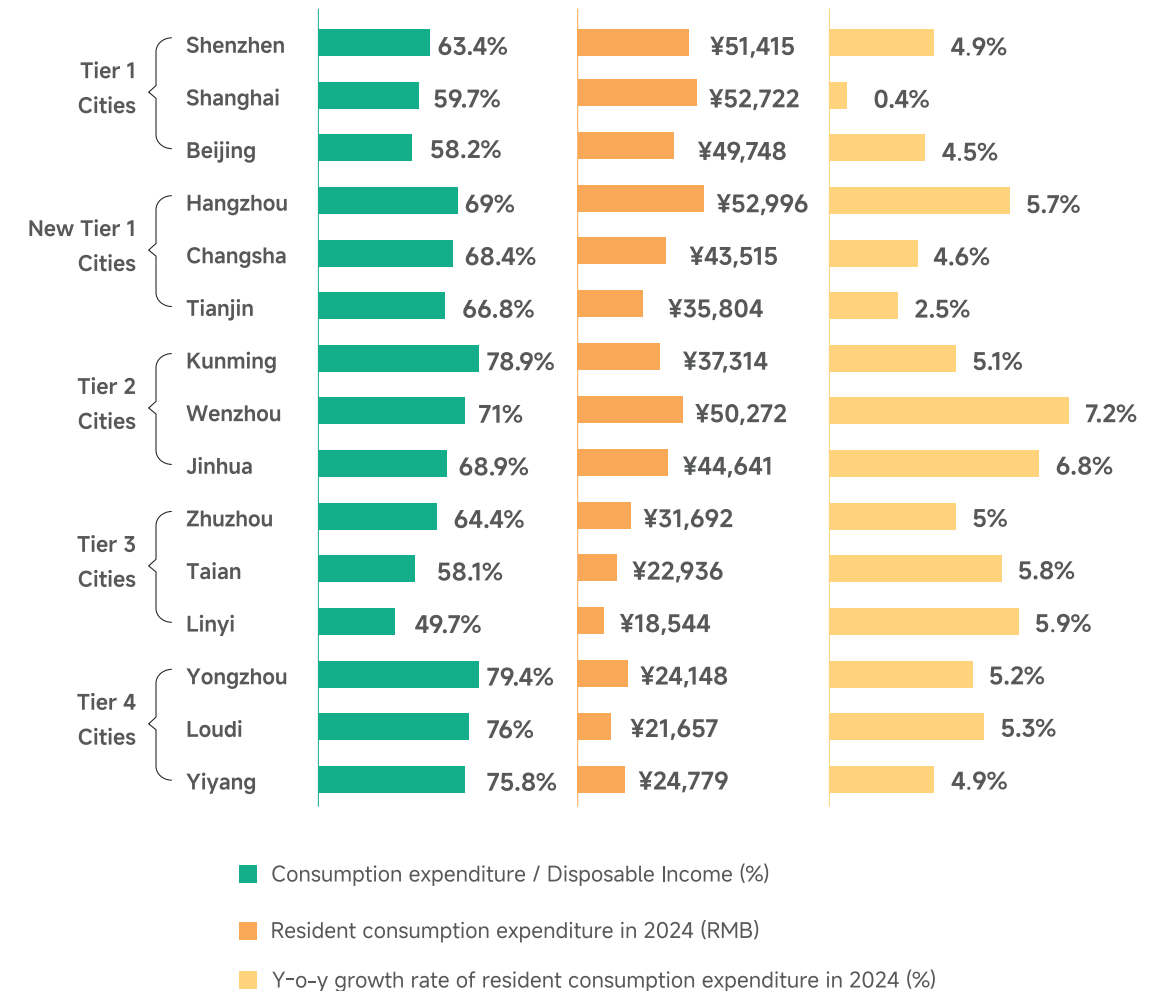
'time gap' that, along with the emergence of 'value-resonant consumption', forms a strategic lever for brands to unlock emotional demand in lower-tier markets.

Meanwhile, tier 1 and new tier 1 cities remain the core strongholds of the fragrance market. With well-established distribution networks and a solid consumer base, these cities continue to draw increased investment in physical retail from international commercial and niche perfume brands, serving as key platforms for brand influence and premium value realization.

At the same time, consumption expenditure growth in second-tier and below cities has already surpassed that of higher-tier markets, signaling a latent yet significant potential waiting to be released. The key to unlocking this opportunity lies in identifying high-potential second-tier cities, tailoring appropriate channel formats, and capturing consumer mindshare—thereby unleashing underestimated growth.

¹'Consumption Compression': As consumers in second-tier and below cities gain wider access to information—breaking free from information silos—they encounter more diverse products, lifestyles, and aesthetic perspectives, resulting in upgraded consumption needs that currently exceed what local markets can provide in terms of goods and services.

Consumer willingness to pay across different city tiers



Sources: National Bureau of Statistics; Deloitte Analysis

- Note:
1. Incomplete Data: The statistics are not comprehensive, as some cities have not disclosed per capita disposable income or household consumption expenditure, and are therefore excluded from the analysis.
 2. Nominal Growth Rate: The growth rates shown are nominal, calculated based on current market prices without adjusting for inflation.
 3. City Selection Criteria: Cities were selected according to the '2024 New First-Tier Cities Attractiveness Ranking' published by the New First-Tier City Institute, including only those with publicly available data.

1.3

The 'China Proposition' for Global Brands: Unlocking Incremental Value Amid Localized Competition-Cooperation

Geopolitical shifts are reshaping the global economic order. Rising supply chain pressures and cost inflation are challenging the foundations of the traditional trade system, accelerating a shift from globalization to regionalization and loosening the grip of Western-centric trade structures. In response, China is reinforcing domestic demand and economic stability while actively building a more resilient and inclusive regional economic framework.

Against this backdrop, China is enhancing its global appeal through institutional opening-up. In 2024–2025, breakthroughs such as the full removal of foreign investment restrictions in manufacturing and the 'National Treatment Plus' framework established at the Third Plenary Session are unleashing sustained policy dividends.

Driven by both supply chain resilience and an upgrading consumption structure, international and Chinese brands are entering a phase of deep 'co-opetition'—competing across local insights, product innovation, and channel operations, while simultaneously expanding market space and co-building a thriving fragrance ecosystem. In this dual dynamic of competition and cooperation, international brands possess distinct

advantages—strong brand equity, product strength, and global consumer mindshare. Yet to sustain resilient growth in China's increasingly competitive landscape, these brands must further localize their expressions—blending Eastern aesthetics with the Chinese context—and deepen collaboration and co-creation with local channels and partners to continuously strengthen their competitive edge.

DSM-Firmenich stands as a key representative advancing localized strategies in China. As early as 2019, the company established a fragrance creation center in Shanghai to bolster innovation capabilities in the Asia-Pacific region—demonstrating a long-term confidence in the Chinese market. More global players are accelerating their investment in China. In 2024, IFF launched its largest innovation center in Asia in Shanghai. Givaudan established a new fragrance creation hub in Xuhui and acquired a majority stake in Brazil's Vollmens Fragrances to enhance its global value chain. Meanwhile, Balenciaga relaunched its fragrance line, and brands like Max Mara are expanding into the fragrance sector to deepen their foothold in the Chinese market.



DSM-Firmenich opened its first Fragrance Creation Center in 2019 in Shanghai.

These developments reflect a shared recognition among multinational companies: China is an irreplaceable strategic market. For brands seeking long-term competitiveness, the integration of global perspective with local intelligence has become essential. Localization has evolved from a matter of adaptation to a central pillar of sustainable development. Today, the combined strategy of 'localizing supply chains, embedding brand-building into local contexts, and deepening co-creation with Chinese brands, channels, and partners' is becoming the essential lever for brands to forge deeper consumer connections and long-term influence. Through multi-stakeholder collaboration, China's fragrance industry is cultivating a more resilient and inclusive ecosystem—continuously expanding market boundaries and unlocking new engines for sustainable growth.

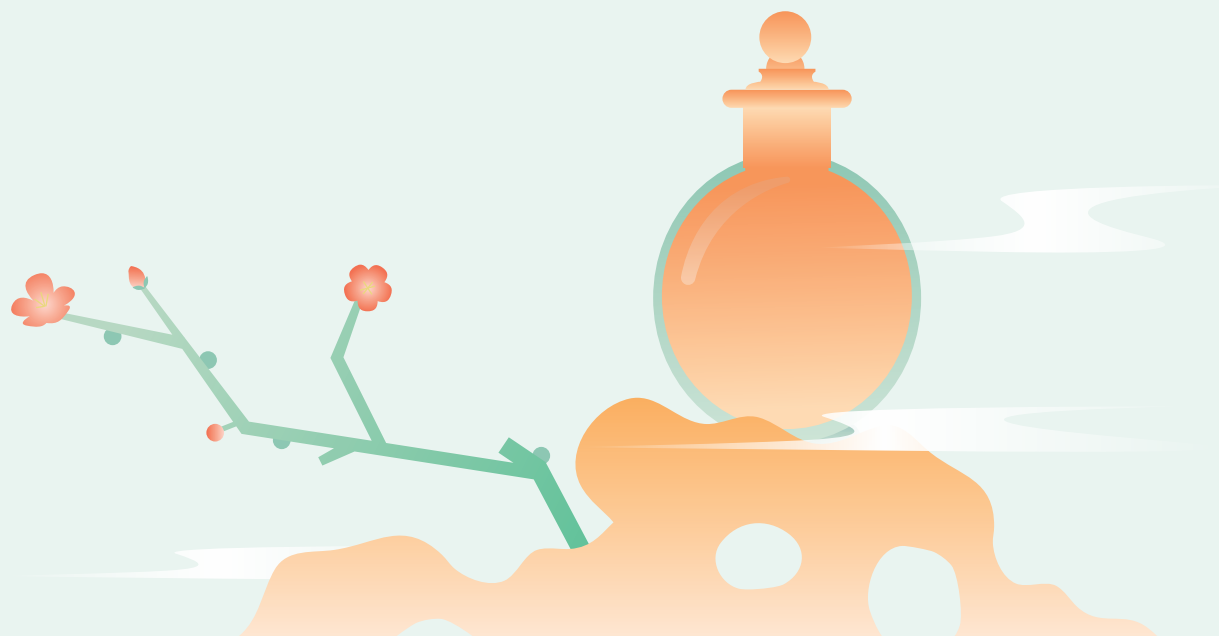
When perfume brands cross oceans to enter the Chinese market, the real challenge has just begun—how to precisely take root in China's vast territory with diverse consumption preferences? From marketing to channels, the costs for interna-

tional brands entering the Chinese market are increasingly rising. Chinese consumers' perception of perfume is fundamentally different from European and American markets: they focus more on emotional narratives rather than single fragrance notes, rely more on social platform recommendations rather than traditional advertising, and prefer to complete purchases in high-end shopping malls or e-commerce flagship stores. Meanwhile, China's channel structure is extremely complex: high-end department stores in first-tier cities, boutique buyer stores in new first-tier cities, multi-brand store channels in lower-tier markets, and content e-commerce platforms like Douyin and Red constitute a crisscrossing retail ecosystem. Drawing from Eternal Group's four decades of deep cultivation experience, Chinese teams or partners of international brands need to build a complete operational system to help brands achieve a 'super-localization strategy': from consumer insights to channel strategies, from digital marketing to CRM, comprehensively empowering brands to realize the transformation of 'in China, for China'.

1.4 Chinese Brands' Global Ambitions: Deepening Domestic Demand While Breaking into Global Markets

Amid significant shifts in the global business landscape and rising external uncertainties, Chinese enterprises are accelerating strategic transformation—shifting from passive responses to external shocks toward proactively redefining growth trajectories. With the continued strengthening of China's market scale, industrial chain completeness, and digital capabilities, conditions for Chinese brands to expand globally are becoming increasingly favorable. Against this backdrop, a dual-engine model of 'local innovation + global expansion' is rapidly taking shape. At its core, this model seeks to fully leverage the unique strengths of the Chinese market while pursuing in-depth globalization.

With deep insights into domestic consumer needs, Chinese brands are achieving breakthrough innovation across multiple fronts—from product R&D to cross-scenario integration (such as fragrance × cultural tourism), as well as in business models and user experience. This homegrown innovation capability is becoming a core driver for building differentiated advantage and cultural influence in global competition.



Fragrance as a 'Cultural Value Converter': A Strategic Lever in the Integration of Culture and Tourism

In May 2025, MAOGEPING launched its high-end fragrance line 'Wen Dao Dong Fang', stepping beyond the lens of Western brands to distill scent culture from Eastern aesthetics and philosophy. Drawing inspiration from the cultural heritage of the Forbidden City, the brand reimagines fragrance as a 'wearable scene of Oriental aesthetics'. The olfactory experience becomes a medium for projecting personal interpretations of objects, emotions, and artistic realms—inviting infinite imagination of Oriental cultural spaces and integrating the philosophical essence of Chinese culture into everyday life.

From April 1 to June 29, 2025, the Wen Dao Dong Fang fragrance series was showcased within the cultural and creative space of the 'Le Linqun: A Cultural Dialogue Between Chinese and Western Gardens' exhibition at the Palace Museum. Creations such as Taihe Qiankun resonated with the floral and avian imagery in the paintings of Giuseppe Castiglione, guiding visitors through an immersive multisensory experience. Through scent as a narrative thread, the exhibition enabled audiences to perceive the essence of Eastern aesthetics not only through sight but also through smell—realizing a seamless fusion of the visual and the olfactory.

The essence of Chinese brands' globalization strategies is undergoing a profound evolution—from cost-driven product exports to an upgraded approach centered on shaping global brand perception, conveying cultural values, and fostering emotional resonance. According to the 2024 MeetBrands: Emerging Chinese Global Consumer Brands Report jointly released by BeyondClick and Ipsos, the total scale of China's consumer goods exports in 2024 is projected to reach USD 672.2 billion (approximately RMB 4.88 trillion), underscoring the systemic rise of Chinese consumer brands in global markets.

As Chinese perfume brands are attempting cultural value output and integration, The overseas expansions of brands like Pop Mart and CHAGEE demonstrate that Chinese companies are shifting from price-driven competition to value-driven positioning. The focus of brand competition is moving toward emotional fulfillment, identity expression, and cultural belonging—redefining the meaning of 'Created in China' and reshaping the position of Chinese brands in the global value chain.

Still, the road to globalization is far from smooth. While overseas expansion remains a long-term goal, changing international dynamics in 2025 are prompting brands to take a more cautious approach. Some Chinese fragrance brands, such as to summer and Documents, have tested overseas markets through low-cost trials on social platforms to gauge consumer response.

KEY IMPLICATIONS

China's consumer market is unleashing its counter-cyclical resilience as a new source of growth. Consumers are shifting from functional needs toward value-resonant consumption, while 'consumption compression' in lower-tier cities is unlocking aesthetic transformation and demand-supply mismatches as fertile ground for expansion. In this context, the fragrance industry, by virtue of its emotional attributes, is demonstrating remarkable resilience. Meanwhile, international brands are deepening their local presence in the face of global competition, and Chinese brands are recharting their paths to globalization. In this new cycle, competitive moats are being redefined across three dimensions: emotional resonance, channel adaptability, and strategic depth.

1 Value Anchor Migration: Leveraging Emotional Value to Offset Structural Consumption Slowdown

Despite modest recovery in retail sales, the economy continues to face structural pressures. Fragrance, enabled by the characteristic of 'value-resonant consumption', is defying the downturn. The rapid rise of emotional consumption reflects consumers' growing demand for psychological comfort and identity expression—positioning fragrance not merely as a functional item, but as an irreplaceable carrier of emotional value.

2 Unfolding Consumption Compression: Unlocking Growth Amid Structural Misalignments

'Consumption compression' in lower-tier markets is becoming a new driver of growth. The rise of diversified content platforms is accelerating aesthetic advancement, while local supply often lags behind these upgraded consumer expectations—creating a 'temporal gap dividend'. Brands can first focus on high-potential Tier 2 cities, deploying fit-for-purpose retail formats, and capturing consumer mindshare to unlock incremental value.

3 Global Strategy Realignment: Multi-Party Collaboration Fuels High-Quality Growth in China's Fragrance Market

Against the backdrop of a shifting global order, international brands, Chinese players, and local partners are working together to drive the high-quality development of China's fragrance market. Global brands are increasing their investments in China—enhancing supply chain efficiency and deepening cultural relevance to sharpen their local responsiveness and competitiveness. Meanwhile, Chinese brands are consolidating their domestic foundations while cautiously expanding overseas, pursuing global presence through culturally driven narratives and category innovation.



Part 2

The Evolution of China Fragrance Market

Key Focuses of this Chapter ?

Despite the overall consumer market remaining in a low-growth status, China's fragrance market continues to show resilient growth momentum. The scent economy is heating up, online and offline channels are evolving toward deeper integration, precision-led operations are gaining traction, and the brand ecosystem is becoming increasingly diversified. Together, these forces are shaping a multidimensional, ever-evolving market-one actively seeking sustainable paths to long-term growth.

- How is the synergy between online and offline channels evolving?
- How is the fragrance brand landscape shifting? How are different types of brands performing-and what enables resilient growth?

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- 2.4 Brand Resilience: Navigating Cycles with Stability & Speed

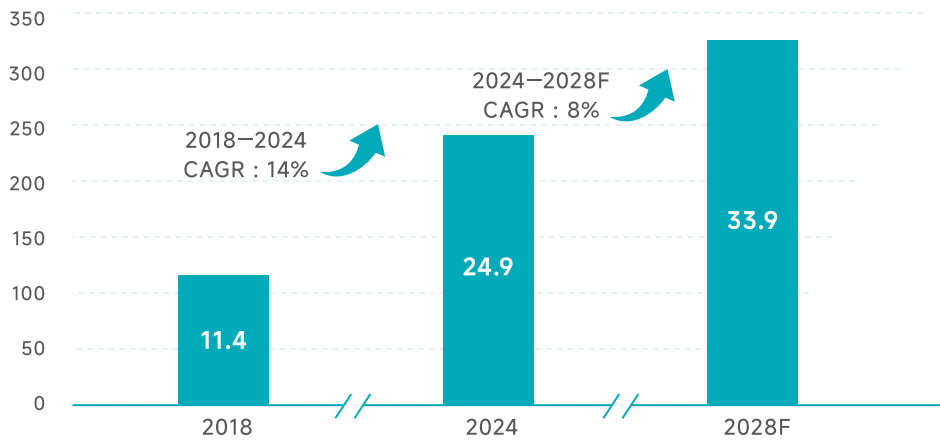
2.1 China's Fragrance Market as the 'Dual Leader': Global Growth Engine and Local Resilience Benchmark

Although the global fragrance market is projected to maintain a moderate growth rate of 4%–6% over the next four years, structural shifts are underway. In mature fragrance markets such as Europe and North America, growth is slowing, increasingly reflecting characteristics of saturated markets with high penetration but low incremental expansion. In contrast, emerging markets are rising through differentiated growth drivers.

In comparison, China's fragrance market is expected to achieve high single-digit growth, driven by overlapping trends of premiumization, niche preference, and diversified usage scenarios—positioning it as a 'strategic core' of the global fragrance landscape. At the same time, Southeast Asia is witnessing rising mass-market fragrance demand fueled by demographic dividends, while the Middle East, with its distinctive olfactory preferences and established fragrance culture, is emerging as a high-potential region. Together, these two regions are becoming key battlegrounds for brand-driven incremental growth.

Drawing on the channel expertise of Eternal in China's beauty market and Deloitte's ongoing tracking of global fragrance consumption, we estimate that the size of China's fragrance market will surpass RMB 33.9 billion by 2028, with a compound annual growth rate of 8%. This momentum reflects a virtuous growth cycle driven by sustained brand-side investment and an evolving consumer mindset.

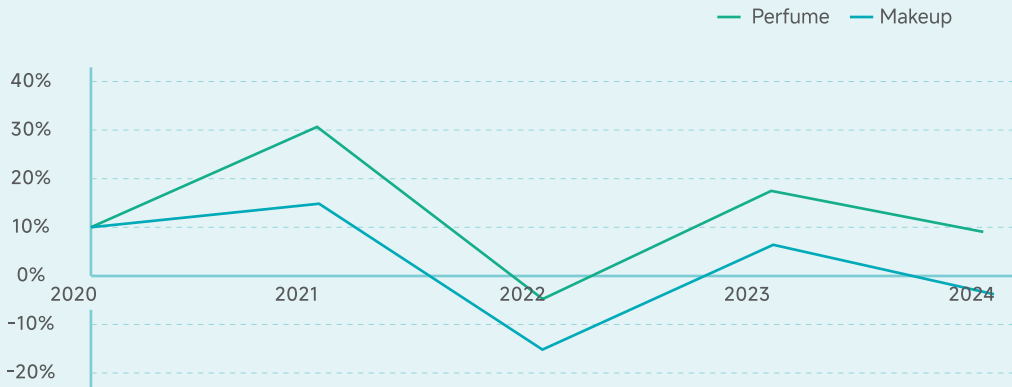
China Fragrance Market Size by Retail Sales Value (Unit: billion RMB)



Source: Frost & Sullivan Data; Public Reports; Deloitte Analysis

Among China's beauty subcategories, fragrance has demonstrated superior dual resilience compared to cosmetics. From 2020 to 2024, fragrance consistently outpaced other categories in growth. Leveraging its emotional value and identity expression attributes, the sector demonstrated resilience during economic slowdown while rebounding sharply in upswing periods.

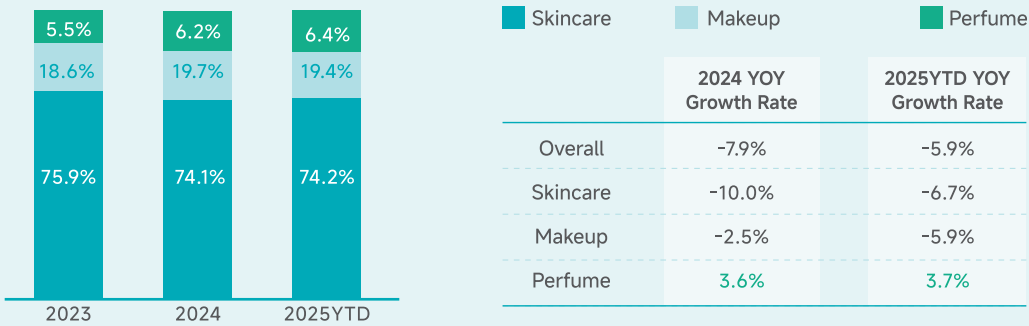
2020–2024 Growth Rate Comparison of China Perfume and Makeup Markets



Source: Frost & Sullivan Data

This trend is also evident in offline channels. According to GfK's monitoring of department store performance across 51 Chinese cities, fragrance has been the only beauty category to post consistent positive growth over the past three years. As of 2025 to date, its year-on-year growth has reached 3.7%, with market share rising to 6.4%.

Category Share and YOY Growth of Beauty Sales in China's Offline Market



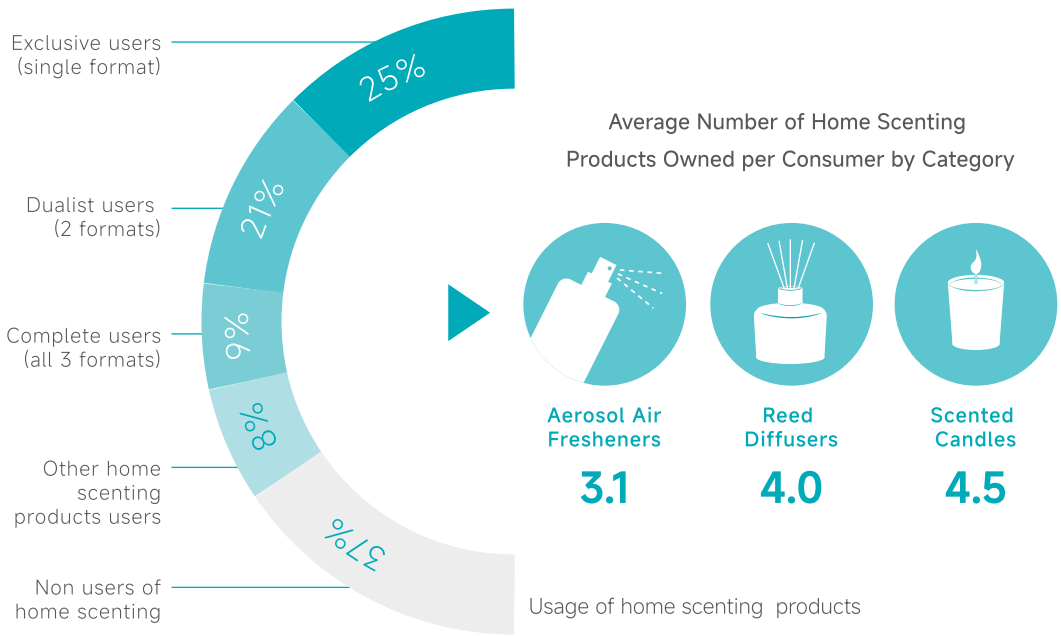
Source: GfK Monitoring of Department Stores in 51 Cities; Deloitte Analysis

2.2

The Rise of the Scent Economy: From Fragrance to Immersive Scented Experiences

The scent economy is rapidly emerging, with fragrances evolving from traditional perfume products into sensory mediums integrated across daily life. As scent boundaries blur, brands are shifting from single-product competition to multi-scenario penetration and cross-category collaboration, driving the industry into a new phase of ecosystem-based growth.

High-repurchase, low-decision 'pleasure categories' like home fragrance are rapidly integrating into daily routines—transforming from niche rituals into mainstream essentials. With seamless integration into high-frequency use cases, fragrance is breaking through traditional boundaries and significantly expanding its consumer base and spending potential. According to the 2024 DSM-Firmenich home scenting survey (N=1,499), 63% of respondents reported using scented home products regularly, owning an average of 3.1 air fresheners, 4.0 reed diffusers, and 4.5 scented candles.



Notes: Others refers to home scenting products other than aerosol air fresheners, reed diffusers, and scented candles.

Source: dsm-firmenich Data

Eternal Data monitoring shows that from January to June, sales revenue for perfume and aromatherapy categories on online e-commerce platforms (including Taobao, JD and Douyin) all achieved year-over-year growth. Frequent scene-based engagement is reinforcing user mindshare and fuel fragrance growth across categories.

Simultaneously, the personal care segment is leveraging fragrance's sensory appeal to unlock new growth opportunities. The fragrance industry is transitioning from category expansion to ecosystem construction, as consumers increasingly prioritize emotional value and lifestyle quality—driving deeper integration of scent into personal care and home-related categories.

In this evolution, leading brands are positioning fragrance as the sensory core of a lifestyle experience—accelerating integrated category expansion across multiple touchpoints.

ACCA KAPPA: Contemporary Renaissance of Italian Aesthetics

With a 156-year heritage, Italian brand ACCA KAPPA has positioned itself at the intersection of natural ingredients, artisanal craftsmanship, and Italian healing aesthetics to meet the refined, slow-living needs of high-net-worth consumers. Focusing on the home and travel scenarios of urban elites, the brand extends its lifestyle aesthetic through high-frequency products such as perfumes, hairbrushes, and personal care items.

To localize its presence, ACCA KAPPA opened a high-profile flagship store in Shanghai's Xintiandi in October 2024, marking strategic elevation in China. This artfully curated space blends seamlessly into Xintiandi's cosmopolitan ambiance while immersing visitors in the brand's natural aesthetic through intentional design. Leveraging its cult-favorite 'White Moss Eau de Toilette' as an olfactory signature, the brand extends into travel-ready body care sets (shower gel/lotion). Its

iconic hairbrushes—cherished by global celebrities—integrate ACCA KAPPA's distinctive elements into daily 'self-indulgent pampering' rituals. At launch, the brand activated strategic collaborations with multiple lifestyle establishments in Xintiandi—cross-pollinating with premium Italian restaurants and aesthetic healing studios—to introduce 'joint membership privileges' and 'premier SPA services', continuously expanding the immersive scope of Italian lifestyle aesthetics.

As Elisa, the brand's principal and family successor, stated during the launch event (marking her first public appearance in mainland China), ACCA KAPPA's century-old legacy transcends 'product functionality' to achieve 'lifestyle resonance', with cultural integration becoming a cornerstone of its contemporary identity. This underscores the founding family's strong



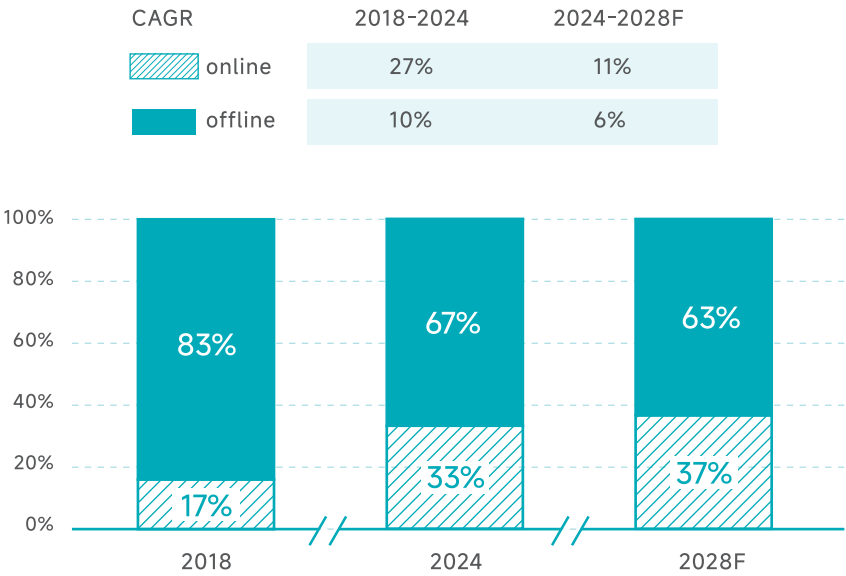
confidence in the brand's Chinese future.

The strategy—spanning multi-category fragrance scenarios, nature-infused retail environments, and service-enhanced ‘urban wellness sanctuaries’—naturally catalyzed a dual boost in brand visibility and sales: extensive coverage by top-tier media during the opening, over 60% organic social UGC propagating ‘Italian lifestyle aesthetics’, while star products (White Moss Eau de Toilette and classic hair brushes) achieved top-tier sales per square foot in Xintiandi. This case reveals how heritage brands must soften exclusivity through ‘human narratives + experiential immersion’ to break perceptual barriers. The breakthrough formula - ‘flagship excellence + elite community infiltration + cross-sector ecosystem integration’—enables the majestic leap from niche to mainstream.

Ultimately, the shift from verticals to scenarios, exclusivity to accessibility, and transactions to ecosystem permeation is propelling the fragrance industry into a new growth cycle while redefining brands ‘role in consumers’ lives.

2.3 Channel Dynamics: A Synergistic Ecosystem under Omnichannel Integration

Breakdown of China’s Perfume Market by Online and Offline Channel Share



Data Source: Online and offline market share percentages for 2018 and 2024, Euromonitor,Deloitte.

Note:The 2028 forecast is based on global industry fragrance market data and Deloitte analysis.
The 2018-2024 Compound Annual Growth Rate (CAGR) is calculated using data from Frost & Sullivan and Euromonitor.
The 2024-2028 CAGR is projected based on global industry fragrance market data and Deloitte analysis.

From a structural perspective, online channels break cognitive barriers through content-driven education and elevate omnichannel efficiency, while offline channels deepen scene-based engagement through spatial storytelling and value immersion. These two form a dynamic symbiosis-jointly enabling a structural growth path that integrates experience, efficiency, and business outcomes.

Online channels leverage their technological edge to overcome traditional education bottlenecks, particularly excelling in shaping the ‘self-rewarding mindset’. Compared with earlier approaches focused on category explanation or aesthetic dissemination, today’s digital content ecosystem is evolving toward more granular audience targeting and deeper psychological resonance. Brands are increasingly using segmented content planning, co-created trending topics, and immersive livestream setups to shift the fragrance aesthetic journey from mere ‘information delivery’ to ‘emotional resonance’, thereby expanding consumer awareness and

perception boundaries.

However, the operational complexity of the online ecosystem should not be underestimated. Brands must master refined management strategies across multiple platforms—balancing price control with promotional rhythms—to avoid disordered discounting that could erode brand equity. Maintaining pricing discipline is critical to sustainable online growth.

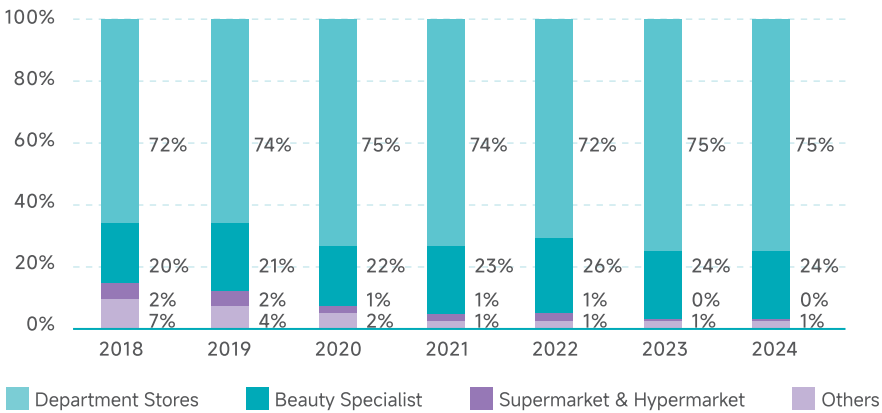
Simultaneously, the breakdown of platform silos is reshaping the consumer journey. The ‘Red Cat Plan’ (Red × Tmall) exemplifies how content and commerce ecosystems are merging. In parallel, JD and Douyin are evolving from broad-based reach strategies to more focused interest-based community engagement, using precise marketing to activate deeper user participation and build value barriers that go beyond traditional price-driven competition. These platform-level transformations all point toward a central trend: the omnichannel ecosystem is redefining consumer journeys and brand value delivery models.

Notably, despite the rising share of online sales, offline retail remains the primary arena for high-end perfume

consumption in China’s tier-one and tier-two cities. Unlike skincare products, which emphasize visible ingredients, perfumes rely heavily on in-person sensory experience and spatial storytelling to convey emotional resonance and brand narratives. Perfume sales conversions depend on three offline dynamics: olfactory memory × spatial storytelling × real-time interaction.

According to interviews with ‘CCAGM’, offline experiences play a pivotal role in fragrance purchase decisions. Immersive scent trials and beauty advisor (BA) interactions not only enhance product understanding but also enable personalized recommendations, reducing decision-making friction. As decision paths become increasingly non-linear, offline settings serve as emotional and cultural anchors—delivering rare, high-touch experiences amid the noise of digital content. This reconstruction of ‘experience power’, which blends sensory immersion, expert guidance, and emotional resonance, has become a core competitive advantage for high-end fragrance brands in building mental loyalty and consumer stickiness.

Breakdown of China’s Offline Perfume Sales Market by Channel Segment



Data Source: Euromonitor, Deloitte.

Note:

Beauty Specialist include boutique shops.

Department Stores refer to brand counters in traditional department stores and high-end shopping malls, such as Beijing SKP and Shanghai Plaza 66. Beauty specialty stores refer to multi-brand cosmetics retailers, such as Sephora and HARMAY. Supermarket & hypermarket refer to fragrance sections in supermarkets and large retail stores, such as Ole’, Hema, and Sam’s Club. Other channels include brand-owned stores with direct sales licenses.

A deep dive into channel strategy reveals that brands at different stages must align with corresponding channel pathways. In the current market, department stores, beauty specialty stores, and boutiques remain irreplaceable core venues. International niche perfume brands anchor their brand building in boutique stores located in Tier 1 cities, using them to convey artistic storytelling. Meanwhile, international commercial fragrance brands rely on premium department stores in Tier 1 and Tier 2 cities, leveraging immersive environments, upscale positioning, and affluent foot traffic for deep consumer engagement.

When expanding into lower-tier markets, brands must adopt a localized approach, tailoring strategies city by city to uncover specific regional needs and preferences in both product offerings and operational

execution. Notably, simply offering low-priced products is not sufficient for true market penetration. Instead, enhancing in-store experiences—such as scent testing and fragrance salons—is essential to establish strong, intuitive brand recognition. In this context, multi-brand beauty retailers serve as an effective approach due to their reach and efficiency, while convenience stores and supermarkets are emerging as valuable supplementary touchpoints given their high-frequency footfall.

In the saturated competition of Tier 1 cities, the key to structural growth lies in ‘hyper-localization’. Embedding offline brand activations into city-level cultural themes is becoming a powerful way for brands to deepen regional relevance and trigger emotional resonance.



EKA TIANWU · Perfume Box

EKA TIANWU · Perfume Box stands as a benchmark case in this landscape. Conceptualized as an ‘Olfactory Experience Space’, Perfume Box reinterprets fragrances through the experience of scent memory signatures, allowing consumers to experience international luxury fragrance and discover niche perfumes. Its omni-channel gifting scenarios and sensory-rich experiential design elevate perfume retail from standardized shelves to a human-centric urban third place. This transforms traditional retail’s ‘channel value’ into a dual moat of ‘user value+brand equity’.

Meanwhile, Perfumer H anchors its flagship within Shanghai’s iconic Julu Road Shikumen lane. This meticulously crafted 300-sqm four-level space serves as a three-dimensional brand manifesto: The first floor operates as a functional candle refill station; the second pioneers an art gallery with private consultation suites; while the third and fourth levels house exclusive lounges and artist collaboration ateliers. Through layered spatial storytelling harmonized with historical architecture, the store reinvents premium fragrance ‘artisan-experiential journeys’, rapidly establishing potent cognitive symbolism and elite mindshare.

2.4

Brand Resilience:
Navigating Cycles with
Stability & Speed

In China’s current multi-platform fragrance market, brands are charting two distinct growth trajectories: One group builds compounding resilience through deep cultural storytelling, tangible product value, and enduring emotional resonance-leading to long-term brand loyalty. The other relies on high awareness and fast response, quickly capturing emerging consumer segments, new scenarios, and unmet needs to unlock incremental growth in a highly competitive market.

Stability on Traditional E-Commerce:
International Brands Leverage Systematic Strengths

Beauty Research shows that international brands dominate the omnichannel perfume market. However, when focusing on the online e-commerce market, China’s online perfume market reflects a diverse yet stable brand ecosystem, according to Eternal Data’s monitoring of Tmall, JD, and Douyin sales from January to May 2025. Tmall and JD exhibit a ‘stable international dominance’ pattern: their top brand portfolios are remarkably consistent, with over 80% overlap in the Top 10, dominated by international commercial and niche perfume brands-showing minimal volatility in overall rankings:

Timeless Leaders

Legacy luxury houses like Chanel and Dior continue steady growth on these platforms. The enduring popularity of iconic scents such as N°5 and J’adore underscores the timeless appeal of classic fragrances.

Cross-Category Synergies

Leading beauty conglomerates are amplifying synergies between fragrance and makeup-driving traffic with hero product sets and achieving ‘1+1>2’ portfolio uplift through bundled sales.

2025 Q2 Top 20 Perfume Brands Ranking in Omni-channel

RANKING	2025Q2
1	Chanel
2	Christian Dior
3	Jo Malone London
4	Yves Saint Laurent
5	Diptyque
6	L'Occitane
7	Maison Margiela
8	Tom Ford
9	Giorgio Armani
10	Versace
11	Hermes
12	Gucci
13	Le Labo
14	Guerlain
15	Byredo
16	Bvlgari
17	Penhaligon's
18	Lancome
19	Acqua Di Parma
20	Burberry

Data Source: Beauty Research, Q2 2025. Omnichannel market (including online and offline), calculated by retail sales.

Douyin's High-Speed Ecosystem:
Efficiency, Volatility, and Opportunity

Douyin operates at a fast clip with rapid turnover. Affordable domestic brands account for nearly half of the Top 20, yet the brand replacement rate is 40%-highlighting the sustainability challenges of influencer-led sales. In this hyper-competitive pricing environment, long-term brand building is more critical than ever. The key lies in balancing short-term gains with sustainable brand equity.

Explosive Growth of Emerging Brands

Domestic newcomers have risen rapidly by leveraging the influencer livestreaming model native to Douyin.

Accelerated Localization of International Brands

International fragrance brands are expanding on Douyin by launching across multiple categories, frequently releasing new products, and pushing out tailored content, and adopt a hybrid model of brand-operated livestreams combined with influencer collaborations.

Sustainability Challenges Emerging

Several affordable domestic brands have dropped out of Douyin's Top 20, highlighting limits in traffic conversion efficiency and the risks of over-reliance on short-term promotional tactics.

Navigate through Cycles: Six Brand Force

How to achieve sustained, forward-looking, and healthy growth? Truly resilient perfume brands with cross-platform and cross-cycle durability have at their core the creation of an accumulative 'compound interest engine', rather than relying on single hit products or short-term trends:



1.Universal Emotional Value:

Focus on fundamental classic scenarios to build deep emotional connections.

Perfume is not just scent, but an emotional carrier. Successful perfume brands often focus on basic human emotional needs—love, freedom, belonging, or self-expression. These four themes are enduring, awakening collective memories or inspiring emotional resonance. In today's market, brands need to pay more attention to Generation Z's pursuit of 'authenticity' and 'emotional value', transforming fragrance into a medium for spiritual healing or identity recognition.

Jimmy Choo —I Want Choo perfume is an excellent interpretation of 'self-expression'. It pays tribute to the joyful vitality and radiant confidence that women emit from within, awakening inner sensual glamour while releasing that captivating playful charm—encouraging every woman to fearlessly showcase her true self, turning unique personality into the most brilliant signature.



2. Craftsmanship and Artisanal Heritage:

Perfume is essentially 'the art of time'. From the flower fields of Grasse to perfumers' laboratories, top brands build irreplicable competitive barriers through centuries of accumulated craftsmanship and technology. For example: **Guerlain's** 'Bee Bottle' perfumes have become industry benchmarks through complex craftsmanship and exclusive formulas. Today, as consumers increasingly demand 'transparent traceability', brands need to transform craftsmanship stories into perceivable value—such as revealing the perfumery process, emphasizing eco-friendly distillation techniques, or even launching 'perfume workshop experiences' to transform artisanship from abstract concept to tangible experience.

3. Ultimate Pursuit of Product Materials:

Perfect integration of rare qualities with perfumery inspiration. The soul of perfume lies in scent, and the core of scent lies in materials—top brands' pursuit of materials is not simply about claiming 'natural', but about whether the rare qualities of materials can perfectly integrate with perfumery narratives.

Memo Paris understands this well, cleverly combining travel inspiration with rare materials. 'Inlé' draws inspiration from Myanmar's tranquil Inle Lake, blending mate tea with osmanthus fragrance, and through special extraction processes, captures the dewy transparency of osmanthus blooming in morning mist; 'Irish Leather' selects moss and leather unique to Irish pastures, filling the fragrance with the vitality of moist grasslands. Each Memo perfume tells a story about a specific region and specific moment, with materials becoming the most moving footnote in this narrative.



Xerjoff demonstrates another aspect of material luxury. The brand establishes exclusive partnerships directly with the world's rarest material suppliers: from Tuscan iris root (3 years aged) to Indian Mysore sandalwood (30 years old), every material undergoes rigorous selection. More remarkably, Xerjoff doesn't stop at accumulating precious materials, but releases their unique charm through innovative processes—such as using low-temperature extraction to preserve the most delicate fragrance of Damascus roses or creating stunning modernity by combining Sicilian blood orange with agarwood.

These two brands prove that what's truly precious is not the materials themselves, but how perfumers tell unique stories through materials. Whether Memo uses osmanthus to recreate morning mist over Eastern water towns, or Xerjoff uses aged iris root to interpret Renaissance Italian luxury, both make materials transcend physical properties to become carriers of emotion and art. In contemporary perfumery, this ability to perfectly combine geography, culture, and perfumery artistry is the core of building brand differentiation.



4. World-Class Narrative Ability:

The ultimate competition in perfume is cultural narrative competition. **Hermès'** 'Parfums-Jardins' series once drew inspiration from the Silk Road, transforming spice trade history into fragrant epic. In an age of information overload, brands need to abandon empty 'luxury' rhetoric and instead build concrete, expandable IP universes—such as through collaborative art exhibitions, fragrance literature, or short drama content, making scent a carrier of cultural discussion.

5. Iconic Fragrance Signatures:

Establishing 'olfactory signatures' to strengthen brand recognition. But symbolization doesn't equal rigidity—brands need to continuously refresh experiences while maintaining core recognition through perfumery styles, limited editions, seasonal fragrances, or customization services. For example: **Santa Maria Novella**, originating from Florence's classical perfumery narrative, serves as its best identity marker. Regardless of scent themes, SMN always maintains its unique perfumery aesthetics, continuing brand commonality that makes enthusiasts collect frequently.



6. Dynamic Evolution:

When brand core and product strength are stable, perfume and fragrance brands must always focus on current social value evolution, preventing loss of resonance with consumers. Currently, feminism, diversity and inclusion, mental health and other issues are profoundly influencing the perfume market. Brands need to establish 'social trend radar', regularly reviewing whether products and communications align with consumer values, avoiding becoming 'outdated elegance'.

The Essence of Compound Growth is 'Systematic Capability'

These six brand strengths don't exist in isolation but form a mutually nourishing ecosystem: craftsmanship and materials support product strength, narrative and symbols amplify emotional value, while dynamic evolution ensures brands don't disconnect from the times. In the attention economy era, only by embedding short-term innovation within long-term value frameworks can perfume brands truly transcend cycles and become 'indispensable scents' in consumers' lives.



FERRAGAMO: In the Name of Flame, Reshaping Italian Luxury

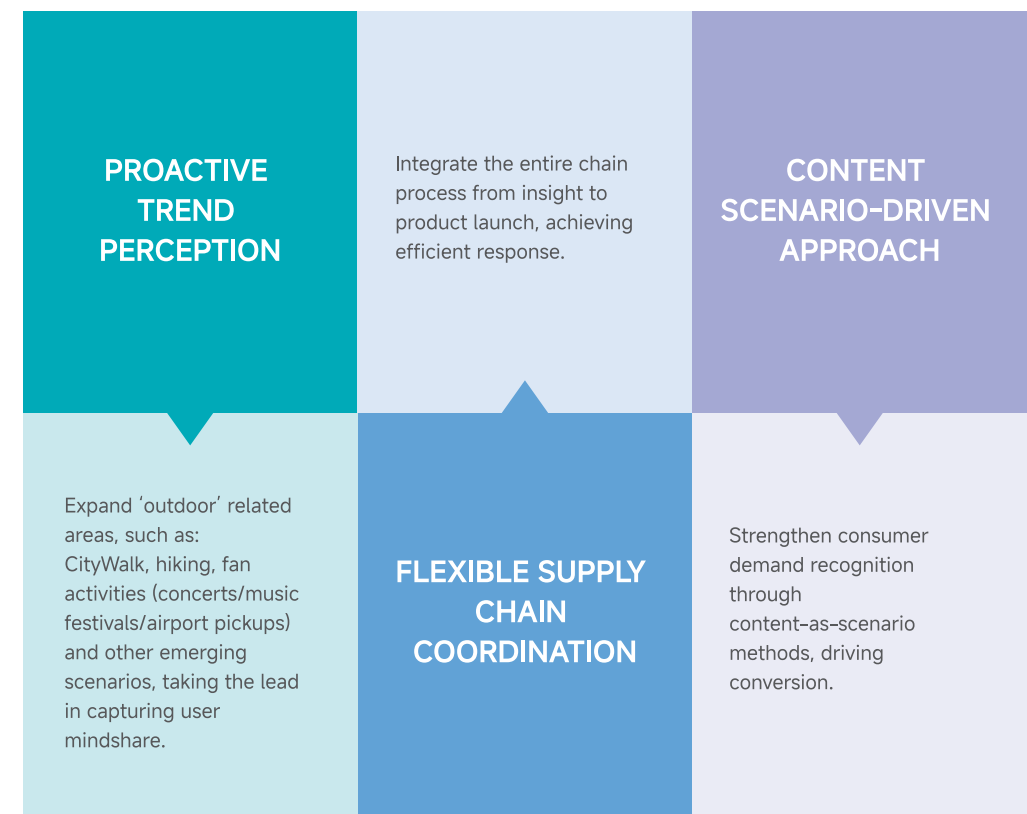
As a synonym for Italian luxury craftsmanship and innovative design, FERRAGAMO has always led fashion trends with exquisite artistry and pioneering spirit. In 2025, the brand pays tribute to its legendary history through bold innovation—launching the new 'Fiamma' collection (Chinese name '以我之名' — 'In My Name'), inspired by founder's daughter Fiamma Ferragamo, reinterpreting the power and elegance of contemporary women.

'Fiamma' means 'dancing flame' in Italian, symbolizing passionate vitality and unbridled creativity. This naming is not only a tribute to Fiamma Ferragamo—who once created multiple classic handbag elements for the brand with extraordinary creativity—but also carries FERRAGAMO's determination to break tradition and embrace renewal. From conceptual inspiration to olfactory innovation, the entire collection breaks conventions, interpreting the spiritual core of modern women's 'self-awakening, inner strength, and fearless expression' through revolutionary design and energetic fragrance.

The 'Fiamma' collection is not only FERRAGAMO's reinterpretation of classics, but also an important step toward the future. The new products no longer confine themselves to stereotypical impressions of women, adopting the theme of 'gentle light breaking through cocoon', collaborating with renowned KOLs to initiate discussions. Its fragrance resembles professional women who elegantly subvert rules, possessing the unique temperament of both softness and resilience. This is also the best interpretation of today's independent women's manifesto: true luxury stems from firm recognition of self-worth, and FERRAGAMO will continue to accompany every woman pursuing excellence with Italian craftsmanship and pioneering attitude, writing their own legendary chapters.

Quick Response Engine:
Agile Principles for Capturing Incremental Markets

Facing refined competitive landscapes, to achieve breakthrough growth in the short term, brands need 'trend identification-response implementation' quick response capabilities:



The future of China's fragrance market will be shaped by both the Stable and the Agile. The former leans on emotional resonance, craftsmanship, and brand storytelling to build compounding value, while the latter capitalizes on trend responsiveness and execution speed to expand rapidly. Currently, the stable must improve reactivity, while the agile face the challenge of deepening brand equity. Sustainable growth will only come to those who continuously refine their chosen paths with flexibility and intent.

KEY IMPLICATIONS

China's fragrance market is undergoing systemic transformation, reshaping the dimensions of competition. As scent consumption extends beyond traditional categories, omni-channel synergy enhances access efficiency, and the brand landscape becomes increasingly stratified.

1 Scenario Expansion: From Fragrance to the Scent Economy

Scented categories such as car diffusers and candles—as well as the fragrance-driven evolution of personal care—are emerging as primary growth drivers. Leading personal care brands strengthen competitiveness through continual scent innovation, while category-focused fragrance players leverage specialization to rise to the top. Together, they are scaling the scent economy by diversifying and expanding sensory use cases.

2 Channel Symbiosis: Omni-Integration Defines New Era

Online channels harness technology integration to create a seamless loop from content discovery to real-time conversion, reducing decision barriers and fueling mass-market penetration. Offline spaces, on the other hand, leverage immersive storytelling, scent memory, and expert service to build premium brand equity—enabling targeted reach through localized strategies. Together, these touchpoints form a complementary system throughout the consumer journey.

3 Brand Landscape: The Stable & The Agile

Chinese fragrance brands are forging resilience through two distinct strategies: long-term compounding and agile acceleration. The former builds enduring value through emotional connection, craftsmanship, and brand narrative; the latter captures incremental demand by leveraging trend insight, responsive supply chains, and scenario-driven content. As traffic peaks flatten and consumer expectations evolve, true long-term competitiveness lies in strengthening brand fundamentals.



Part 3

Consumer Behavior Insights from the China's Perfume and Fragrance Market

Key Focuses of this Chapter



The perfume and fragrance market is being reshaped by emerging consumer desires—shifting from social symbols to emotional vessels, from identity tags to rituals of everyday life. This fragmentation of value demand has triggered a profound behavioral revolution.

- How should brands more precisely analyze consumers' continuously evolving value demands?
- Which pioneering consumer groups are leading market transformation?
- Which consumer groups with high growth potential are the core drivers of category expansion? What are their respective value orientations and behavioral characteristics?

Contents

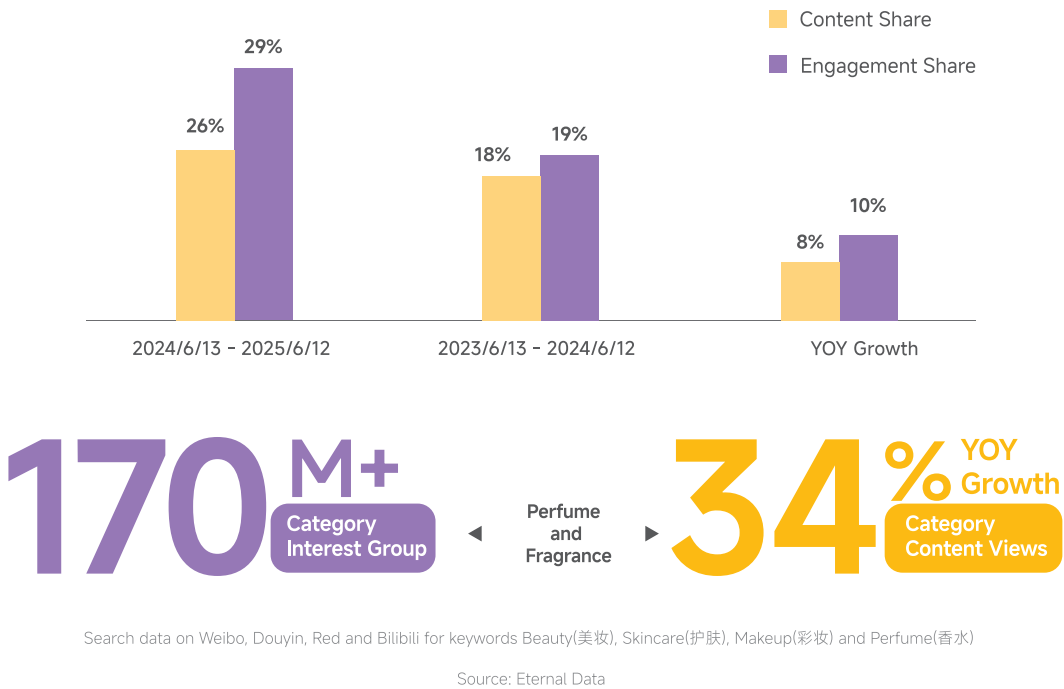


- 3.1 Category Penetration: Accelerating Growth of Fragrance-Interested Consumer Base
- 3.2 Fragrance Journey: Building Personal Scent Universes—One Person, A Thousand Facets; One Scent, One Identity
- 3.3 Male & Lower-Tier Breakthroughs: Unlocking New Usage Frontiers
- 3.4 Cognitive Reconstruction: Deconstructing Brand Definitions & Evolving Classification Systems

3.1 Category Penetration: Accelerating Growth of Fragrance-Interested Consumer Base

According to the '2025 Perfume and Fragrance Trend Inspiration Guide' jointly published by Red and ELLE, the number of users interested in fragrance on the Red platform has surpassed 170 million, with perfume and fragrance category readings growing 34% year-over-year. Compared to last year's data, perfume content's share in beauty content across social media platforms like Douyin, Red, Bilibili, and Weibo increased by 8 percentage points. Overall, Chinese consumers' interest in perfume and fragrance is accelerating. Notably, through emotional connections and scenario-based presentations, perfume content shows higher interactivity, with perfume content interaction rates increasing by 10 percentage points year-over-year.

Fragrance Category Share in Social Media Beauty Industry Content



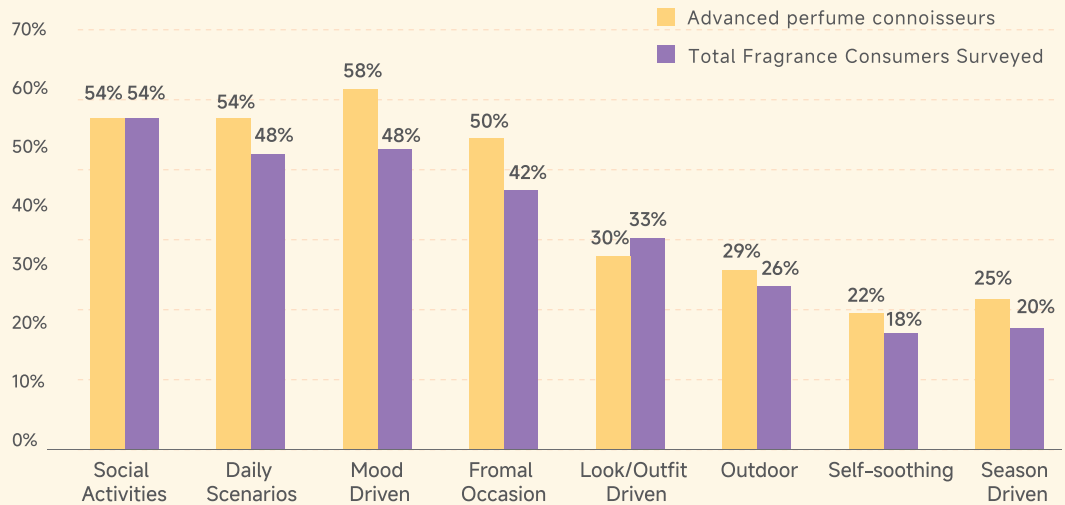
3.2 Fragrance Journey: Building Personal Scent Universes—One Person, A Thousand Facets; One Scent, One Identity

Based on our 2025 consumer research, we found that perfume consumers are no longer tamed by a single fragrance but use myriad scents to tame countless scenarios—modern people's olfactory freedom begins with passionate responses to every frame of life.

Over 40% of consumers match perfume usage based on social activities, daily life, mood changes, formal occasions, and other scenarios or emotional demands. Advanced perfume consumers are particularly refined in their usage scenarios, with nearly 60% choosing perfumes based on mood, and around 30% matching different scents according to outfits/makeup or outdoor scenarios.

Similarly, according to the '2025 Perfume and Fragrance Trend Inspiration Guide' jointly published by Red and ELLE, perfume brand scenario reading terms significantly increased in 2024, with emerging perfume scenarios such as outdoor sports, commuting, and travel showing year-over-year growth of 30%, 46%, and 97% respectively, while traditional usage scenario 'formal occasions' decreased by 19%. From 'lifelong devotion' to 'daily fragrance mystery box', consumers are deconstructing single fragrance loyalty—workplace, social, outdoor, healing, and seasonal moment demands are proliferating, catalyzing a new era of 'scenario-based fragrance decision-making'.

Fragrance Usage Occasions

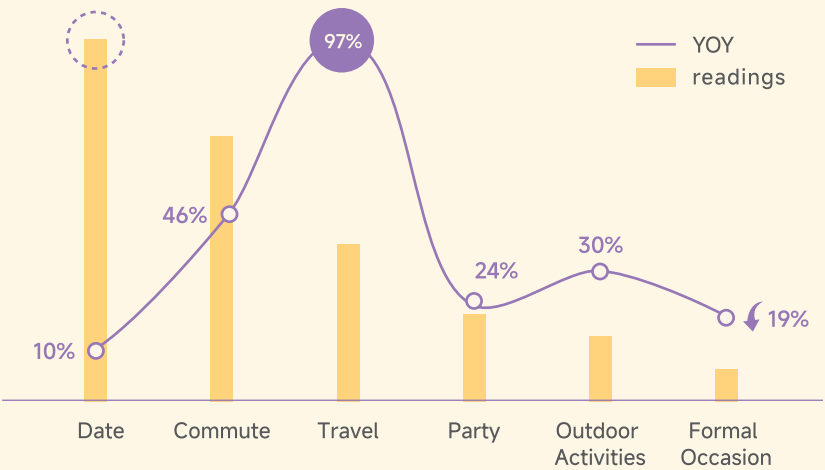


Source: Eternal Data& Deloitte China
Quantitative Consumer Survey on Perfume and Fragrance in China (N=1,064)

Perfume Category 2024 Note Scene Word Cloud

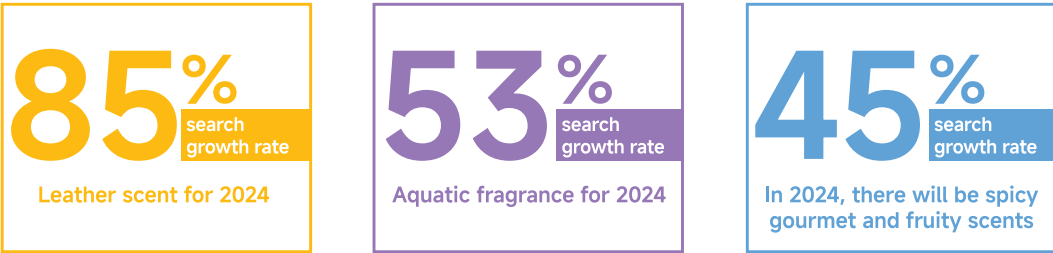


FragranceCategory Y2024 Scenario Engagement

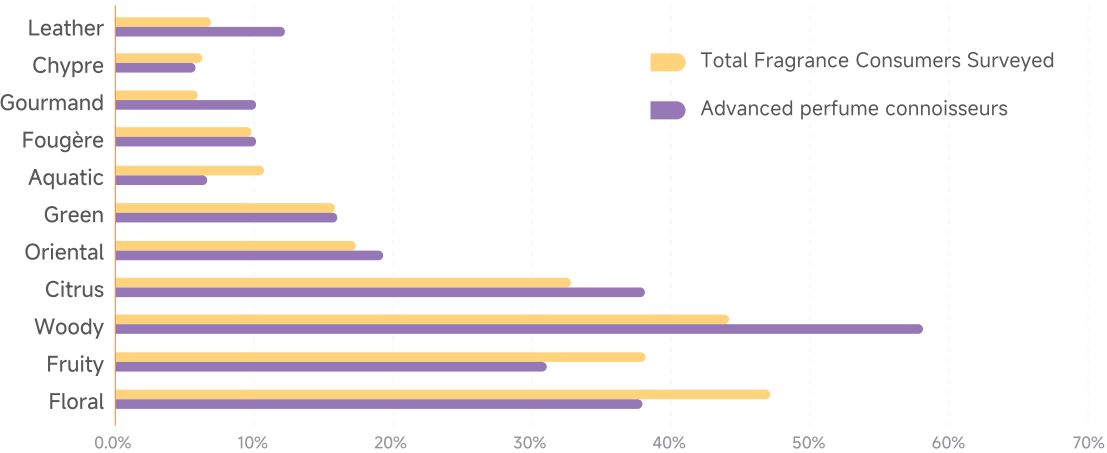


Data source: Red Data Center, Y2024

As perfume consumption enters the era of precise matching, the need for building personal scent universes with 'one person, thousand faces. one face, one fragrance' is emerging. Chinese perfume consumers' choices of fragrance notes are becoming increasingly diverse. Data from the '2025 Perfume and Fragrance Trend Inspiration Guide' shows that niche notes like leather and aquatic had 2024 search growth rates of 85% and 53% respectively, while spicy, gourmand, and fruity notes also showed year-over-year growth approaching or exceeding 45%. Similarly, in our 2025 perfume consumer research, we found that perfume consumers, especially seasoned ones, have more balanced usage preferences across different fragrance families. Woody commute fragrances are armor, rose date fragrances are sweet whispers, cedar for solitude is breathing—contemporary people's perfume collections hide scripts for versatile lives, with precise scent annotations for every scenario and heartbeat moment.



Fragrance & Perfume Note Preferences

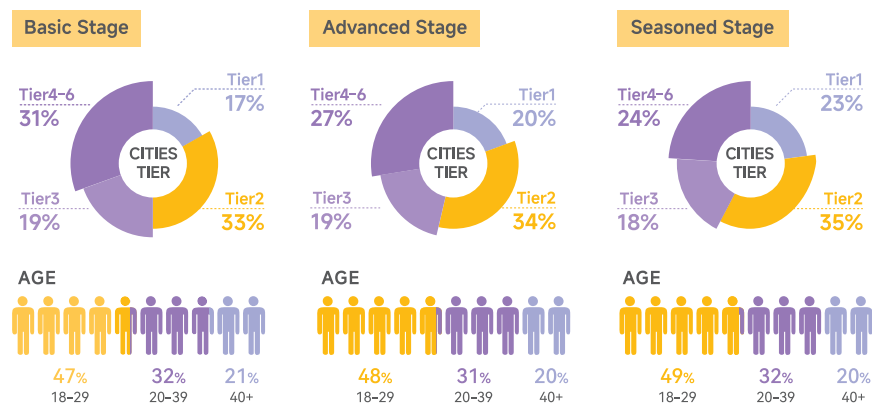


Source: Eternal Data& Deloitte China
Quantitative Consumer Survey on Perfume and Fragrance in China (N=1,064)

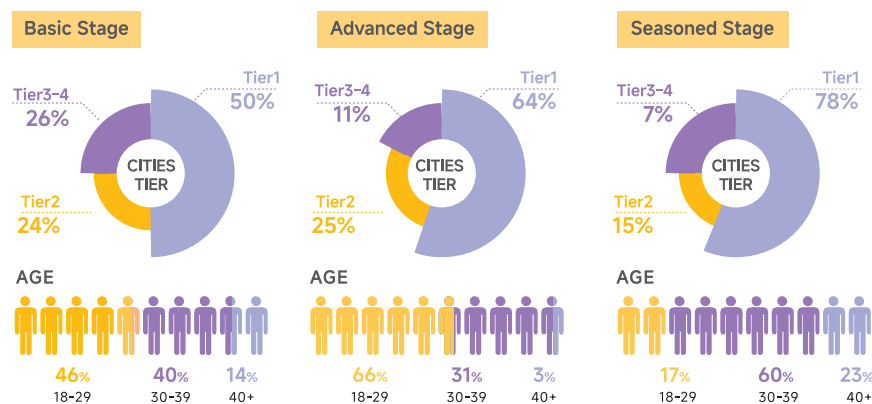
3.3 Male & Lower-Tier Breakthroughs: Unlocking New Usage Frontiers

Based on our long-term tracking and observation of China's three major perfume consumer groups (basic, advanced, and seasoned) from last year, during this year's in-depth consumer research, we further discovered two high-growth potential groups in the perfume market: 'Pragmatic Scent-Seeking Males'¹ demonstrating the penetration potential of male perfume and fragrance consumption, and 'Dream-Chasing Scent Seekers'² showing lower-tier city entry-level consumers' emotional projection and self-expression product demands for perfume.

2024 Chinese perfume and fragrance consumers profile



2025 Chinese perfume and fragrance consumers profile



Data source: Eternal data

¹'Pragmatic Scent-Seeking Males': Male consumers in tier-one and tier-two cities who represent the foundational fragrance user base, making rational purchasing decisions that prioritize practical utility and functionality, favoring products suited to everyday situations.

²'Dream-Chasing Scent Seekers': Predominantly female consumers in tier-three and lower cities within the basic fragrance user segment, seeking an optimal balance of value-for-money and practicality while showing strong affinity for international prestige brands.

These two blue ocean forces are accelerating market base expansion. According to Qingyan Intelligence's '2025 Perfume Consumer Insight Report', the perfume market shows two major trends:

significant growth in male clientele with awakening consumption consciousness

Male perfume consumption share has risen from 37.1% in 2023 to 40.1% in 2024, indicating continuously improving acceptance and frequency.

Generation Z young consumers (18-25 years old) are emerging as the new main force

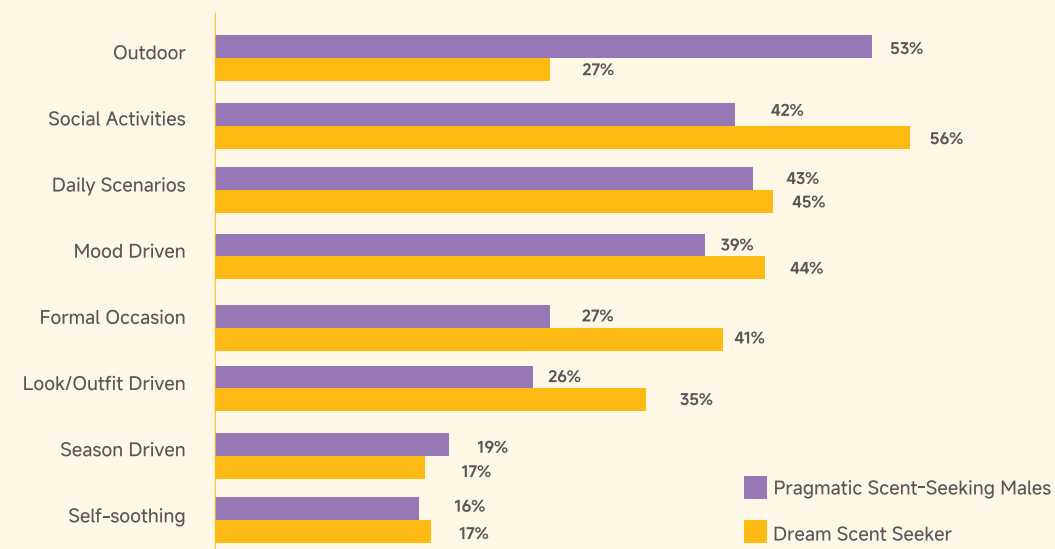
particularly prominent in second-tier and lower cities, where this group accounts for 18.7%, significantly higher than the 12.9% in first-tier and new first-tier cities.

Focusing on these two foundational consumer groups, the evolution of their demands is clearly discernible:

'Pragmatic Scent-Seeking Males', starting from the 'need for daily fragrance', their core pursuit in perfume is 'a refreshing and pleasant personal aura'. They favor fresh, neutral, and long-lasting fragrance profiles, catering to scenarios such as daily commuting and outdoor/athletic activities.

Dream Scent Seekers show high requirements for perfume's social expression symbolic attributes, using them for workplace, business meetings, important dates, and other moments requiring enhanced first impressions and establishment of professional/reliable/attractive images, with unique preferences for Chinese style and sentimental humanistic narratives.

Fragrance Usage Scenario Preferences: Pragmatic Scent-Seeking Males vs. Dream Scent Seeker



Source: Eternal Data& Deloitte China

Quantitative Consumer Survey on Perfume and Fragrance in China (N=1,064)

Pragmatic Scent-Seeking Males—Consumer Profile & Preferences

Fragrance Category Expansion Opportunities

Car Fragrance(driving scenarios)
Sports Fragrance(Long-lasting + Sweat-neutralizing)
Outdoor Scent(Rugged Style Compatibility)

Top Industry & Category Affinities

Internet > Travel & Tourism > Automotive > Education & Training > Local Lifestyle

Content Interests

Automobiles, Sports & Fitness, Tech & Gadgets,Social Sciences, Outdoor Activities, Lifestyle Vlogs

Consumer Profile

Rational Pragmatists:
Prefer functional content (automotive/tech), focus on product practicality
Scenario-Driven Consumers:
High engagement with travel/local lifestyle content, linking fragrance usage to commuting/outdoor scenarios



Source: Eternal Data-Social Media Analysis

Dream Scent Seeker—Consumer Profile & Preferences

Fragrance Category Expansion Opportunities

Affordable domestic brands (Tea/Oriental notes)
F&B IP collaboration fragrances (Oriental gourmand notes like boba milk tea)
Student-portable sizes

Top Industry & Category Affinities

Internet > Education & Training > Beauty & Personal Care > Travel & Tourism > Food & Beverage

Content Interests

Gaming, ACG (Anime-Comics-Games), Beauty, Fashion, Humanities, Tech & Gadgets

Consumer Profile

Value-driven trial:
Dual preference for Beauty & F&B, focus on practicality & price sensitivity
Culture-driven engagement:
Strong humanities interest, responsive to Guochao & nostalgic storytelling



Source: Eternal Data-Social Media Analysis

3.4

Cognitive Reconstruction: Deconstructing Brand Definitions & Evolving Classification Systems

China's perfume market category discourse power is similarly undergoing consumer-driven transformation. The traditional three-part system dividing by brand origin attributes—'international commercial fragrance', 'international niche fragrance', and 'domestic perfume' is gradually being reconstructed, replaced by three new trends based on consumer psychological demands:



When consumers view perfume as a catalyst for group belonging, the value of universal notes like floral and fruity is reactivated. These fragrances, with their universal cognitive threshold and high acceptance, become 'safe choices' in social scenarios like workplace and dating—no longer equivalent to traditional commercial fragrance labels, but evolving into olfactory shorthand for group identity.

The concept of niche fragrance is being deconstructed. New generation consumers' criteria for judging 'niche' have shifted from brand origin to the scarcity and personalized expression of the fragrance itself. This reflects consumers establishing circle recognition through 'scent personas'. Notably, this preference stems from Generation Z's social anxiety of 'refusing scent collision'—when perfume becomes an extension of personal brand, uniqueness itself becomes a rigid need.

Research on consumers' definition of 'niche

fragrances' reveals that among the TOP 10 niche perfume brands recognized by surveyed fragrance consumers overall, beyond industry-defined niche salon fragrance brands such as Parfums de Marly, Penhaligon's, and Byredo, emerging Chinese brands like to summer, The Beast, IM SOLE, and Herbal Ocean, as well as affordable domestic brands, are also included. This demonstrates on one hand that the definition of niche fragrance scents is ultimately controlled by consumer perception. On the other hand, since international brands' offline retail networks have not yet fully penetrated lower-tier cities, consumers have limited exposure to fragrance brands, resulting in their demands not being fully satisfied; meanwhile, some consumers' understanding of fragrance notes remains at a preliminary stage, with limited knowledge of niche fragrance families such as chypre and fougère. Brands need to create 'first fragrance experiences' through high emotional resonance and cost-effectiveness, capturing both the educational and mindshare advantages.

The Chinese fragrance market is currently facing a critical period of intensive development regarding consumer usage habits and category awareness. Leading brands and groups can leverage their product power, brand influence, and communication capabilities to act as 'bridges' in market education during this phase, advancing consumer cognition and laying a solid foundation for the market's long-term growth.

KEY IMPLICATIONS

China's perfume and fragrance market is being driven by segmented scenario value demands and new populations, with consumer behavior showing three major characteristics: 'scenario refinement', 'group stratification', and 'value emotionalization'. Four strategic customer groups, each with unique mindset paths and value anchors, are driving multi-dimensional market evolution:

1 Accelerated Awakening of Perfume and Fragrance Interest, Emotional Value Driving Strong Interactivity

China's perfume and fragrance market interest population has significantly expanded, with Red platform fragrance interest users surpassing 170 million and perfume category readings growing 34% year-over-year. Social media platforms (Douyin, Red, Bilibili, etc.) saw perfume content share increase by 8 percentage points, with interaction rates up 10% year-over-year, showing rapidly rising consumer attention and participation in perfume, with the market entering an accelerated awakening stage.

2 Myriad Scents Taming Countless Scenarios, Consumers Refining Personal Scent Universe Mapping

Perfume consumption shows highly scenario-driven trends, with over 40% of consumers choosing perfumes based on social, daily, and mood scenarios, and 60% of advanced consumers matching by mood. Emerging scenarios like commuting and travel show significant search volume growth, up to 97%, with some niche note search growth exceeding 50%. Consumers are building 'personal scent universes' through diverse notes, breaking single loyalty and shifting toward precise scenario matching.

3 Male and Lower-Tier Consumers Dual-Track Driving Perfume Category Penetration Growth

Male perfume consumption share rose from 37.1% to 40.1%, with young populations in lower-tier cities (18.7% in second-tier and below) becoming the new main force. Blue ocean group Pragmatic Scent-Seeking Males prefer fresh, long-lasting fragrances, focusing on scent with high fragrance needs for commuting and outdoor scenarios; Dream Scent Seekers emphasize social expression, favoring Chinese style narratives. Both groups drive market expansion with distinct but complementary demands pointing toward functional and emotional value integration.

4 Perfume and Fragrance Classification Definition Deconstruction, From Brand Labels to Consumer Perception Certification

Traditional brand classifications of international commercial, niche, and domestic fragrances are being reconstructed by consumer psychological demands: 'mainstream fragrance' becomes socially safe choices, 'niche fragrance' shifts toward scarcity and personalized expression, 'domestic original fragrance' carries cultural confidence. Blue ocean populations show localized cognition and blurred brand concepts, requiring strengthened note education and first-experience guidance. Pioneer brands should assume 'bridge' roles in market education during this critical perfume education stage, promoting consumer cognitive advancement and laying solid foundations for long-term market growth.

Part 4

Product Development Trends in the China's Perfume and Fragrance Market

Key Focuses of this Chapter



The evolution of China's perfume and fragrance industry reflects not only the shifting preferences of consumers, but also the cutting-edge insights and continuous R&D efforts of brands. Together, these forces are driving the core momentum behind an 'Oriental olfactory revolution'.

- How is fragrance evolving from a sensory indulgence into a holistic expression of lifestyle value?
- How are Oriental scent profiles reshaping the olfactory value framework of Chinese consumers?
- What kinds of innovation revolutions might emerge from the fusion of AI and perfumers' creativity?

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- 4.3 Advanced Olfactory Battles: Decoding the Cultural DNA behind 'Addictive Notes'
- 4.4 Technological Symphony: Fragrance Innovation in the Age of AI

4.1 A New Era of Fragrance: From Olfactory Consumption to Lifestyle Solutions

According to industry insights from DSM-Firmenich, the pursuit of scent is evolving from consumer behavior into a lifestyle standard, deeply embedded in the daily lives of urban populations. Fragrance has become a medium for building emotional territory and expressing aesthetics:

Lifestyle Upgrades Create Demand for Scenario-Based Fragrance

The emerging urban middle class uses scent to add ritual and mood to life moments. From glamping and art exhibitions to sound-bowl healing and home yoga, consumers increasingly seek customized fragrances tailored to these experiences. Scent becomes a vital element in creating a complete atmosphere.



Upgraded Consumer Mindset Drives Rise of Functional Fragrance

Scent is transitioning from a social display to a tool for personal well-being, especially during alone time. Incense with agarwood helps with sleep and calming the mind, while woody essential oils aid focus-self-healing and emotional regulation have become key needs.



Scent Marketing Evolves to Build Multi-Dimensional IP Value

Leading brands are turning scent into an asset to unlock new growth. Labubu's fragrance mystery boxes extend popular toy IPs into the olfactory space. Combined with scent diffusion, they create a 3D IP experience-visual, tactile, and olfactory-redefining fragrance value and the consumer experience.

4.2 The Borderless Trend of Fragrance: Evolving Product Forms Drive Lifestyle Integration

According to insights from DSM-Firmenich, fragrance is not only a 'luxury sensory experience' but also a 'daily lifestyle companion'. Emerging products—more affordable, functional, and versatile—are redefining usage boundaries and integrating fragrance into broader consumer segments and life scenarios. These innovations have become key levers for brand expansion and deeper market penetration.

New Forms × New Scenes: Fragrance Integrates into Daily Life

Freed from the traditional perfume bottle, new forms offer better lifestyle compatibility. Light-use products like fragrance wipes and fabric sprays combine practicality with sensory delight, meeting dual needs for function and pleasure. Their portability, flexibility, and accessibility make fragrance suitable for everyday use, breaking traditional limitations.



Simplicity × Self-Expression: Young Consumers Embrace Fragrance Anywhere

For young people who pursue pleasure and self-expression, lifestyle fragrances are the first choice for beginners. With their multi-purpose design—suitable for hair, skin, and bedding—such as hair mists, fragrance-infused skin-softening oils, and pillow sprays—these products allow fragrance to fill the entire living space, catering to sensory ambiance and shared experiences. Through narrative content, brands reinforce the notion that 'fragrance is a lifestyle', helping it elevate from a functional product to an emotional and cultural symbol.

Cross-Categories × Low Barriers: Multi-Touchpoints Attract Male Consumers

The men's perfume market holds vast potential, with cross-category product extensions serving as an effective way to reduce entry barriers for male fragrance users. Natural-scented deodorants and scented personal care products provide 'passive fragrance' use, while home and car fragrances create new olfactory scenes. These touchpoints help build male awareness of scent, gradually forming habits and paving the way for future interest in perfumes.

Fragrance is moving beyond an elite identity to resonate more broadly. Young people use scent to express emotion, men are introduced through adjacent product categories, and brands are responding with trends in 'lightweight', 'multi-functional', and 'multi-scenario' designs. Together, these forces are shaping a new fragrance norm that touches every aspect of daily life.

4.3 Advanced Olfactory Battles: Decoding the Cultural DNA behind 'Addictive Notes'

Based on DSM-Firmenich's analysis of global fragrance trends, clear distinctions emerge between domestic Chinese and Western olfactory preferences. Deep-dive segmentation research reveals that, within mainstream floral and woody notes, specific consumer segments exhibit unique and pronounced preferences for culturally resonant, classic raw materials. Examples include magnolia and osmanthus within floral notes, and sandalwood and camphorwood within woody notes. This phenomenon has driven the rise of 'Addictive Notes'. Focusing on this concept, three distinct characteristics further emerge in the divergence between China's local and Western interpretations of 'Taste-Projected Accords' (gourmand fragrances):

Memory-Triggering Floral Scents:

Oriental symbolic botanics crafted to evoke collective nostalgia and addictive allure.

Example: Melt Season's 'Innocent' captures the tender vitality of spring buds piercing soil, the crystalline purity of magnolias in bloom, and the caress of willow branches against skin-reviving youthful longing through vernal imagery.



Therapeutic Woody Notes:

Chinese accords recreate scenes like 'ancient temple incense' or 'scholar's study', fulfilling urbanites' yearning for spiritual utopias.

Example: MCM COLLECTION's 'ZEN ELEPHANT' opens with luminous grapefruit, then weaves warm magnolia and profound oakmoss into a meditative sanctuary. Its balanced philosophy guides wearers toward inner tranquility amid urban chaos.



Contrast-Driven Addictive Blends:

Tension-enhanced memorability via juxtapositions like 'velvety magnolia vs. powerful cashmere woods'.

Example: Maogeping's 'Unconquered' contrasts citrus-magnolia-rose elegance (feminine grace) with a base of resilient cashmere woods-forging yin-yang harmony in scent form.

Simultaneously, Chinese consumers are building a distinctive olfactory aesthetic system, expanding their olfactory horizons both in depth and breadth.

Olfactory appreciation is demonstrating vertical sophistication: Consumers are no longer satisfied with the elementary recognition of single-note scents but are actively exploring the intricate layers and elevated expressions of specific fragrance profiles. For instance, when encountering iconic notes like jasmine or osmanthus, advanced consumers can keenly distinguish scents from different raw material varieties, extraction techniques, and perfumery architectures. This discernment fuels their pursuit of floral accords with richer complexity and more sophisticated in depth. This deepening capacity to identify layers, details, and individual expression is driving perfumery artistry towards unprecedented levels of refinement.

Parallel to this, olfactory preferences are undergoing horizontal expansion: Emotionally driven, consumers are boldly traversing traditional boundaries—moving beyond familiar floral and woody territories into genres like Chypre, Fougère, and Amber—achieving richer stylistic syntheses and deeper cultural resonance.

4.4 Technological Symphony: Fragrance Innovation in the Age of AI

As AI technology increasingly permeates the consumer sector, the fragrance industry is undergoing a systemic transformation across R&D, sensory experience, and operational efficiency. Unlike other beauty categories that use AI merely as a tool, fragrance brands are exploring a new model that blends innovation speed, sensory engagement, and full-chain operations—embracing cutting-edge technology while preserving the craftsmanship and emotional storytelling behind perfumery. This balancing act is redefining the industry's innovation logic.

Intelligent R&D Revolution: From Molecule Screening to Creative Empowerment

- Global fragrance and taste company like DSM-Firmenich are integrating AI into R&D and production, significantly reducing time-to-market and improving formula precision.
- Tom Ford Beauty utilized Givaudan's Carto AI system to develop Bois Pacifique, which won the 2025 TFF Luxury Men's Fragrance of the Year, proving AI's commercial potential in high-end fragrance creation.



Digital Sensory Experience: Building a Multi-Dimensional Olfactory Universe

In January 2025, Givaudan launched the 'Guardians of Memories' game to translate scent preferences into personal narratives. Another innovation, the 'Scent Piano', offers an interactive in-store installation that enhances consumer understanding and appreciation of olfactory art.



Intelligent Operations: Full-Chain Optimization and Labor Efficiency

Beyond the dimensions of products and experiences, technology is profoundly empowering the operational systems of fragrance brands. As an industry-leading practice, Perfume Box, a curated fragrance gifting store, is actively embracing change to drive end-to-end operational upgrades. At its core, this involves offering intelligent fragrance selection services through future pilot stores, precisely adapting to the preferences of customer groups across different scenarios to achieve efficient demand matching. Simultaneously, it will experiment with data analytics to achieve dynamic inventory optimization and unified inventory management across all channels, ensuring agile and smooth goods flow. In terms of workforce efficiency, the deployment of KOS (Key Opinion Sales) intelligent training programs and a fragrance academy will enhance the professionalism of sales associates while reducing labor costs.

The future development of high-end fragrances will be a process of symbiosis between technology and art. AI will continue to promote holistic collaboration across the entire fragrance industry chain—from product creativity and experience construction to operational processes—yet the creative intuition, cultural insight, and artistic judgment of perfumers will always remain the irreplaceable core of value. This balanced philosophy of 'technology as the function, humanity as the essence' is precisely the key for high-end fragrances to maintain their luxury essence in the digital age.

KEY IMPLICATIONS

The transformation of the fragrance industry is being driven by both consumer demand and innovation across the value chain. Under the combined forces of cultural awakening, technological empowerment, and lifestyle integration, the product value system is being redefined. The future of fragrance will be shaped by a brand's ability to master a multidimensional equation: Human Value × Cultural Depth × Scene Integration × Tech Empowerment.

1 Scenario Elevation—Fragrance Becomes a Core Medium for Lifestyle solutions

Fragrance is evolving from a product into a holistic life enhancer. Detailed scenario integration is making scent a key experience driver; functional demands are enabling self-healing benefits; and multi-sensory IPs are building emotional connections. The future lies in using scent to unlock latent lifestyle needs.

2 Olfactory Awakening—Local Cultural DNA Fuels the 'Addictive Note' Revolution

Chinese consumers are constructing an olfactory system grounded in cultural identity. Successful fragrance innovation must translate abstract cultural concepts into sensory language. This transformation from metaphor to scent is key to seizing the cultural awakening dividend.

3 Human-AI Symbiosis—Efficiency Through Tech, Soul Through Art

AI is reshaping the fragrance industry: speeding up molecule screening and formula optimization, enriching digital scent storytelling, and powering full-chain operational upgrades. However, the core of creative insight remains human. The perfumer's artistry is the ultimate defense against homogenization—tech must serve, not replace, the soul of perfumery.

Part 5

Marketing Development Trend of the China Perfume and Fragrance Market

Key Focuses of this Chapter



As competition intensifies in China's perfume and fragrance market, while product innovation remains a foundational element, the evolution of marketing strategies has become the decisive factor for brand differentiation.

- How can brands deeply integrate into China's unique cultural DNA and consumer psychology to achieve organic localization and value co-creation?
- How can brands build efficient and emotionally resonant consumer connections across diversified scenarios and value-driven emotional demands?

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5.1 Deepening Cultural Marketing with Eastern Themes: From Symbolic Deployment to Value Co-Creation

With the revival of traditional Chinese aesthetics, Chinese perfume brands are elevating Eastern culture from decorative motifs to core strategic assets, transforming the sector from ‘scent economy’ to cultural consumption. While international brands leverage cultural symbols, homegrown labels anchor in spiritual resonance. The key lies in transcending superficial icons like dragons/phoenix or blue-white porcelain to embrace Eastern philosophy, lifestyles, and natural wisdom—forging deeper cultural connections with Gen-Z consumers.

1. Reimagining Eastern Aesthetics: Deconstructing Tradition

Revitalizing intangible cultural heritage (ICH) and metaphysical elements through modern reinterpretation, artistic deconstruction, and cross-border fusion. Focus shifts from scent alone to inner exploration and emotional journeys, aligning with youth aesthetics.

Global Pioneers: Beyond Symbolic Expression

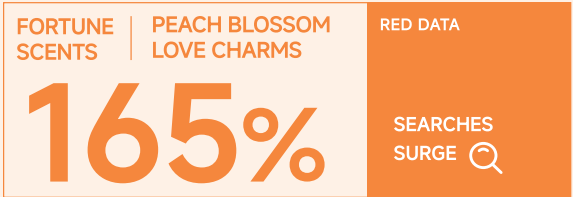
British niche perfume brand—Perfumer H hosted six immersive ‘Forest Mist Tea Gatherings’ at its Shanghai flagship. Featuring cold-brew and kung fu tea ceremonies, the events evoked the forest-like ambiance of the new fragrance ‘STEAM Mist’ through a synesthetic blend of scent and taste. The brand’s product ecosystem also embraces Chinese elements in its everyday aesthetics—traditional craftsmanship is reflected in mortise-and-tenon incense holders, handcrafted bronze burners, and diffusers made from locally sourced moss essential oil from Fujian.



Domestic Innovators: Systemic Cultural Curation

The Beast pioneers ICH fusion for years, collaborating with Shaanxi embroidery for Dragon Boat sachets. Its 2025 Shanghai flagship ‘Chinese Workshop’ transforms craftsmanship into experiential theater: Quanzhou beaded sachets glow, Yong Kang pewter vessels cradle time, Chaozhou woodcarving whispers heritage through light. This ‘ICH Immersive Retail’ model outperforms transient pop-ups by building sustainable cultural value.

Metaphysical Marketing: From Viral Tricks to Spiritual Infrastructure



As Gen-Z treats perfumes as ‘energy talismans’, Eastern mysticism becomes the ultimate crossover weapon. Global brands rapidly adapt, for example, Anna Sui has always maintained the gorgeous ‘Girl Revolution’ spirit at its core, refining gothic fairy tales into a dream sanctuary uniquely belonging to the younger generation, deeply beloved by young women. Now, its classic narrative is quietly transforming—the iconic wishing fairy and unicorn designs are no longer merely visual symbols of a fairy tale world but have evolved into ‘wishing artifacts’ with beautiful meanings.

International brands quickly follow trending topics in product promotion, injecting new labels and scenarios through social media marketing, while combining aromatherapy to deeply explore the psychological effects of fragrance ingredients on consumers, achieving effective product communication. For example: Versace Jasmin au Soleil stimulates ‘love fortune’, Chopard Love Chopard is crowned with ‘attracting romance’, and Atkinsons The Big Bad Cedar is labeled ‘empowering oneself’. These scenarios and mystical labels transform perfume into social currency, achieving magical conversion from topics to sales.



Versace
Jasmin au Soleil

Jasmine represents energy and confidence, capable of stimulating love fortune



Chopard
Love Chopard

Rose carries the strongest romantic energy, enhancing feminine confidence



Atkinsons
The Big Bad Cedar

The ancient and sacred cedar fills interpersonal aura with positive energy



2.Eastern Lifestyle and Emotional Memory

Binding specific life scenarios like solar terms with collective emotions, integrating fragrance into Eastern lifestyle habits and memory contexts.

Collective Memory Awakening:

Through keen capture of national emotional resonance points, international brands reconstruct 'tea culture' as emotional symbols, awakening Eastern tea memories through tea-scented synesthesia, such as Van Cleef & Arpels Thé Amara; domestic original brands collaborate across categories with childhood memories bearing strong generational imprints like 'Shuangmei,' transforming familiar taste and olfactory memories into unique fragrance languages that directly reach intergenerational consumers' emotional resonance points.

Solar Term Culture Cultivation:

Domestic original brands like Timenotes elevate 'nostalgia' to inheritance of traditional cultural wisdom. They keenly capture the scent imagery and profound philosophical connotations of the twenty-four solar terms, developing fragrance products (such as incense sticks and sachets) around seasonal cycles, condensing collective perception and emotional resonance of time's passage into readable, wearable cultural symbols.



3.Emphasizing Naturalism and Plant Wisdom

Leveraging Chinese consumers' cultural identification with herbal healing, utilizing Eastern characteristic plants, herbs, and spices to convey dual sensory and psychological balance and healing value, such as Jimmy Choo Floral, featuring magnolia as the core fragrance material, emphasizing feminine temperament and elegant floral bouquet natural imagery, as well as Santa Maria Novella's Rose Genes and ACCA KAPPA's Wintersweet.



5.2 In-Depth Scenario-based Marketing: The Emotional Infrastructure of Fragrance Consumption

2024 Red Fragrance Scenario Word Cloud



Source: Red Monitoring; Deloitte Analysis

Perfume consumption is evolving from functional use to multi-scenario experiences. On social media, topics like #Travel-size Fragrance# and #Car Fragrance# are gaining traction, reflecting a growing consumer desire for the fusion of 'scent + space'. Fragrance is now being used to construct parallel life scenes. Based on market observations, three high-potential emotional domains have emerged:

1.Geographical Compensation: A Distant Narrative Constructed by Olfaction

Product olfactory presence in geographical scenes allows consumers, who cannot be physically present, to complete a mental migration through scent, achieving an olfactory breakthrough beyond geographical constraints.

Jo Malone 【Natural Fragrance Healing
of Body & Mind】 Healing Trip in Moganshan

Forest hiking is combined with botanical workshops,
elevating body care into an exchange of natural energy.

Melt Season x SUNYATA

Cedarwood scent becomes a
spiritual medium for contemplating nature.

2.Advanced Healing: An Energy Field of Synesthetic Sensory Integration

High-end fragrance brands are deeply engaging in the creation of therapeutic energy fields, transforming daily living spaces into emotional healing zones through multi-sensory design

DIOR held a VIP private event at the Hengfu
Art Center in Shanghai
【Flower Secret Series: Luxury Beyond the Secret Realm】

Sound bowl meditation, custom portraits, and new product experiences form
a three-layered matrix of healing-providing both emotional restoration and
community identity for female clientele.

Nose Idea: Pioneer Experiment in Reconstructing Commercial Experience Through Olfactory Art

Nose Idea, the olfactory art exhibition brand under Eternal Group, published its second season exhibition in May 2025, marking its continued deep cultivation in the sensory economy field. This exhibition continues the first season's exploration of the relationship between 'olfaction and emotion', further expanding the research perspective to scent perception and psychological mapping amid seasonal changes.

In the spring-summer version debuted at the Shanghai Beauty Expo, Nose Idea reconstructed the 'seasonal scent landscape' through immersive installations. The most subversive 'Spring Fountain' installation overturns traditional cognition with the visual impact of a rose-colored fountain-when spring is green in vision, spring in olfaction is rich floral fragrance. The artist transforms flowers' most common colors into a fountain, allowing audiences to reconsider sensory authenticity through the collision of color and fragrance.

Upon release, the exhibition immediately received touring invitations from multiple high-end commercial centers. Unlike traditional cosmetics counters, Nose Idea's touring exhibitions provide shopping centers with scarce 'artistic traffic', building immersive commercial experiences centered on content. The exhibitions transform into artistic POP shows in shopping centers, combined with suitable product selection plans, peripheral designs, and cross-brand collaborations, forming exciting omnichannel pop-up retail spaces.

Looking ahead, Nose Idea has formulated a systematic platform development strategy. The brand plans to continuously deepen its layout in the olfactory economy field through three core business segments: 'annual themed touring exhibitions + industry museums', 'healing-themed exhibitions', and 'cultural tourism festival activities'. This three-dimensional development model of 'artistic communication - industry empowerment - commercial monetization' not only effectively expands public awareness of scent art, but also provides partner brands with quality channels to connect with target consumer groups. Nose Idea's practice demonstrates that in the sensory economy era, artistic experience and commercial value can achieve organic unity, with every deep sensory exploration potentially transforming into sustainable commercial value.

nose
idea



3. Gift Reciprocity: Leveraging 'Product Social Assets' to Tap the High-End Gifting Market

As various gifting scenarios continue to upgrade, high-net-worth individuals' gift needs have shifted from practicality to emotional value and social attributes. Research shows that gift selection uniqueness lies primarily in its social value, requiring both demonstration of unique taste and obvious social value at first glance.

Italian hall-of-fame fragrance brand Dr. Vranjes cleverly utilizes celebrity same-style products-Rosso Nobile and Oud Nobile reed diffusers-paired with matching scented candle combinations to launch limited Christmas atmosphere gift boxes during Christmas, one of the brand's most important gifting occasions. This gift box marketing strategy continues the celebrity same-style social attributes while expanding related categories to boost average order value, exceeding consumers' gifting needs.

Operationally, the brand sets holiday-exclusive benefits more attractive than daily offerings, providing the final push for sales. For consumer segmentation, precisely

reaching and seeding gift-giving populations: private domain targeted brand loyalty customers receive holiday blessing content while conveying 'brand launches limited gift boxes + exclusive benefits' information, highlighting 'celebrity same-style and holiday emotion binding' to awaken existing customers; meanwhile, collaborating with shopping malls to create 'Christmas fragrance gift zones', directing new customers to SA (Sales Associate) WeChat for ice-breaking.

This market strategy effectively drove brand holiday sales increases while significantly boosting average order value, with existing customer holiday repurchase order values increasing several-fold. Dr. Vranjes' Christmas gift box marketing case confirms that holiday marketing essence is 'emotional investment'. For luxury brands, 'celebrity endorsement + limited scarcity + private domain deep service' constitutes the core triangle for boosting average order value and the key strategy for successful holiday marketing.

When fragrance becomes an important carrier of emotional value, brand competition is shifting from 'olfactory innovation' to 'scenario narrative rights'. Products need to build spiritual anchors in real life, such as forest scents during hiking, sensory rituals in healing spaces, and emotional resonance during holidays—all representing scenario-based implementation of emotional value. The future key lies in mastering the definitional power of fragrance scenarios. Brands need to connect core contexts through complete narrative systems, providing scent solutions throughout 24-hour moments, occupying unique positions in user mindsets.

5.3 Traffic Breakthroughs: Four Key Strategies for Brand Crossover Success

As the market matures, IP-driven traffic partnerships have evolved from a 'nice-to-have' to a 'strategic necessity'. The goal: leverage powerful cultural symbols to amplify brand influence and achieve cultural breakout. Four key approaches are proving especially effective:

Film and TV IP: Awakening Collective Memory, Creating Emotional Resonance

Estee Lauder × 'Blossoms Shanghai': Recreates the fragrance memories of 1990s Shanghai socialites to reinforce luxury positioning.

Melt Season × 'The First Frost': Pioneered the concept of 'character personality perfumes', the heroine's namesake scent 'First Frost' sold out immediately upon release.

Cultural Symbol: Capturing Young Minds

Labubu's THE MONSTERS Strange-tasting Convenience Store Series: Binds collectible culture and emotional resonance, turning a popular designer toy into an olfactory symbol. It triggers viral social buzz with bizarre scent expressions—bridging visual and olfactory dimensions.

IP Product Line: Creating Boxed Carriers, Reimagining Scenario Marketing

Perfume Box, a boutique fragrance gift shop breaking the traffic bottleneck through 'IP product line' strategies. Using its diverse brand portfolio, it curates themed scent boxes that cater to unmet consumer needs.

Successful IP collaboration goes beyond short-term exposure—it's about building cultural capital. The ultimate value of a super IP lies in becoming the brand's 'cultural immune system'—defending against market homogenization while continuously generating compounding brand memory.

Short Drama: Reconstructing Consumption Scenarios, Shortening Decision-Making Pathways

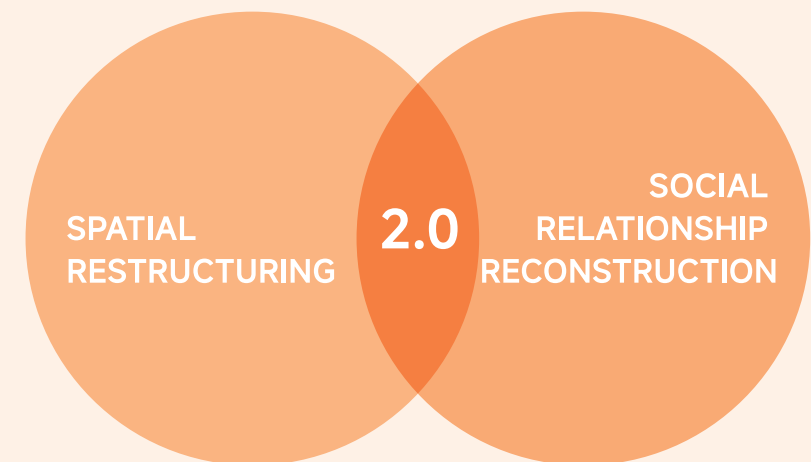
Beauty Brand MARUBI x'Dear Rival': MARUBI achieved 100M+ exposures through a workplace mini-drama focused on female empowerment—demonstrating how 'emotional payoff' formats can convert fragmented attention into product interest. Perfume brands can follow suit, embedding fragrance as a narrative anchor to simultaneously promote brand culture and educate consumers on usage scenarios.

5.4 Offline Space Revolution: New Spatial Logic for Perfume & Fragrance Brands

As standardized commercial spaces face the challenge of homogeneity, offline perfume retail channels are undergoing a systematic transformation in spatial value—evolving from mere purchase venues into emotional interaction hubs and cultural transmission platforms. At its core, this transformation aims to convert standardized retail containers into immersive brand storytelling environments, enabling a shift from physical functionality to cultural resonance through differentiated operations.

Non-Standard Commercial Space 2.0: From 'Spatial Restructuring' to 'Social Relationship Reconstruction'

Non-standard commercial space model has been upgraded from the 1.0 era of format mixing (e.g., 'bookstore + café') to the 2.0 stage of 'social narrative innovation'—where emotional needs become the starting point for restructuring the relationship between people, products, and spaces. Its core competitiveness lies in three key dimensions.



Space Boundary Breaking Power

Breaking the homogenization of spatial boundaries, constructing immersive and highly interactive human-emotion scenario, creating 'One Store, Myriad Atmosphere'.

Demand Penetration Power

Precision vertical adaptation of functional facilities to meet the needs of specific groups, activating deeper consumption potential.

Content Iteration Power

Relying on the continuous renewal of flagship stores and the theme rotation mechanism, to maintain content attractiveness and customer loyalty.

I.Global Luxury Heritage & Hyper Localization

As a leading brand in the premium fragrance market across Europe and the U.S., Parfums de Marly has earned international acclaim among celebrities for its luxurious compositions and artistic bottle designs. However, faced with limited mainstream awareness in China, the brand adopted hyper-localization as a core strategy to break out of its niche perfume circle.

Targeting Shanghai Xintiandi, a key commercial hub where international tourists and local elites converge, the brand leveraged both global buzz and access to its desired Chinese consumer segments. In April 2025, inspired by its signature scent ‘Delina (More Than Rose)’, the brand launched the world’s first themed pop-up store-‘More Than Rose Art Garden’-strategically timed to coincide with the Shanghai International Flower Expo, a major city-level event.

Through immersive design elements such as a giant rose art installation and a mirror fragrance maze, the brand transformed Delina’s top, heart, and base notes into a multi-sensory experience combining scent and visual interaction. This fusion of luxury fragrance aesthetics with China’s strong preference for immersive, experiential marketing created an impactful blend of international brand essence and local consumer resonance.

II. Cross-boundary ecosystem integration and explosive phenomenal influence

The pop-up experience integrated all five senses-visuals (installations, decor), scent (fragrance diffusion), touch (product and GWP design), and interactive engagement (flower giveaways, PR events)-delivering a highly immersive journey for the Xintiandi audience, which includes both domestic and international tourists.

The campaign leveraged Xintiandi’s unique role as a super traffic node for culture, tourism, commerce, and exhibitions, generating influence far beyond Shanghai, reaching Jiangsu-Zhejiang-Hu regions and even nationwide and international audiences. Beyond commercial success, the activation marked a significant step in localizing the brand’s expression and elevating its premium positioning in China, providing a replicable playbook for global brands seeking to deeply localize within top-tier cultural and tourism landmarks.

This case demonstrates that hyper-localization must identify emotionally resonant intersections between local cultural symbols and brand identity. The formula of ‘Landmark Experience + Niche Community Amplification + Cross-Sector Ecosystem Integration’ can effectively drive consumer conversion from the initial 1% niche awareness to a broader 10% mainstream breakthrough.



The essence of non-standard commercial space is to break the physical sameness and establish a differentiated competitive moat. Its core strategic lever lies in using ‘space’ itself as the medium for brand storytelling and value transmission. By exploring long-term asset revitalization strategies and integrating the upstream and downstream industry chain, brands can ultimately embody their narratives through offline space.

KEY IMPLICATIONS

Marketing innovation in the fragrance industry is becoming the core for growth breakthroughs. Brands must reshape their integrated marketing systems around four key pillars: cultural depth, scenario expansion, traffic generation, and spatial evolution.

1 Cultural Strategy: From Symbolic Deployment to Value Co-Creation

The narrative of Eastern aesthetics has shifted from symbolic appropriation to a systematic construction of cultural spirit. International brands need to engage deeply with local cultural contexts. Chinese brands should amplify native cultural assets—such as traditional crafts, Chinese memory, and metaphysical motifs—and convert them into communicable, scalable emotional values, thereby building lasting spiritual anchors.

2 Scenario Expansion: Mapping the Emotional Landscape

The true revolution of perfume consumption lies in its role as the architect of consumers’ ‘parallel emotional lives’. Brands must build a complete emotional value map. Immersive storytelling should elicit empathy, allowing products to shift from utilitarian tools to anchors of emotional identity.

3 Traffic Generation: Building Cultural Immunity

Traffic marketing is transitioning from attention-grabbing to building cultural immunity. Collaborations with top-tier IPs, cultural symbols, short drama content, and IP-based product lines are key to transforming transient traffic into lasting brand assets, resisting the risk of homogenization.

4 Spatial Evolution: From Sales Terminals to Value Hubs

Offline spaces are no longer transactional endpoints but curatorial arenas for emotional and cultural connections. Using the ‘Space Boundary Breaking Power × Demand Penetration Power × Content Iteration Power’ triangle model, non-standard commercial space are evolving stores into immersive storytelling hubs.

SUMMARY

The Chinese perfume and fragrance market stands at the dawn of a major transformation. Amid global consumption volatility, its unique ‘resilient duality’ provides irreplaceable momentum. Lower-tier cities and the male demographic hold immense incremental potential: while lower-tier cities demand nuanced penetration due to consumption potential, male users are transitioning from rational utility to value-driven engagement—releasing untapped opportunities for category education.

Pioneering brands play a pivotal guiding role. From global powerhouses to rising Eastern innovators, their explorations offer replicable roadmaps for market entrants. The industry’s key challenges—redefining olfactory discourse through Eastern aesthetics, transcending transactional value via resonant consumption, activating cross-channel synergy, and embedding cultural storytelling within real-life scenarios—are also its best opportunities.

True market potential lies in the reconstruction of consumer value perception. When perfume shifts from a social signal to an emotional necessity and Eastern imagery becomes embedded in global olfactory language, China’s strategic direction becomes clear:

only through synchronized evolution across four axes—human-centric value, cultural depth, scenario immersion, and technological empowerment—can the industry claim future leadership.

This is the moment where challenges meet unprecedented opportunity. Lower-tier recognition barriers must be penetrated layer by layer, male-driven growth awakened through precise education, and long-tail brands must leverage pioneering cases for breakout momentum. Only by anchoring the growth formula of ‘Human Value × Cultural Depth × Scene Integration × Tech Empowerment’ can China’s perfume and fragrance industry write its unique Eastern chapter in the global olfactory economy.



Part 6

Industry Sharing & Executive Interviews

This white paper is honored to invite strong support from industry leaders, distinguished perfumers, and authoritative media partners. We hereby express our highest respect and sincere gratitude to the eight partners who have contributed exclusive articles to this chapter. Their valuable practical experience, profound industry insights, and forward-thinking perspectives have injected core value and diverse perspectives into this white paper.



Alberto Morillas

Master Perfumer

First perfumer in history to receive the Fragrance Foundation's esteemed Lifetime Achievement Award.

Notably created

Lancome Absolue Hot As Rose

Chopard Love Chopard

Versace Pour Homme

Salvatore Ferragamo Acqua Essenziale

Dolce&Gabbana Light Blue Eau Intense Pour Homme

1 What are the key factors in building a classic perfume product that remains popular for decades?

For me, it always starts with the brand's image, the fragrance must reflect that image, create a strong emotional connection between the scent and what the brand stands for. Without that connection, the fragrance can't speak to people.

Equally important is the olfactive signature. A perfume needs to carry the brand's DNA; something recognizable, memorable, and timeless. When someone experiences it, they should immediately feel the identity of the brand behind it.

2 What are the key factors of building a classic perfume with enduring popularity for decades among fragrance enthusiasts?

With experts and lovers of perfume, it all comes down to quality and uniqueness. You must use exceptional ingredients, materials that are rich, expressive, and pure. And you need to create something that feels timeless, something that doesn't follow trends but creates its own path. These are the kinds of creations that endure and earn true respect in the world of fragrance.

3 In recent years, the perception of perfume lovers towards niche perfumes, mass perfumes and salon perfumes has changed. How should a perfume brand optimize its positioning according to this?

Personally, I don't believe too much in all these divisions; niche, mass, salon. It's very difficult to draw a clear line. In the end, what matters is quality, the signature, and having the courage to be avant-garde. Whether a perfume is sold in a niche boutique or a large retailer, if it's beautifully made, it will find its audience. It's not about categories, it's about emotion and excellence.

4 Some China local perfume brands are trying to enter the European and American market, any suggestion for them?

My advice is very simple but very important: stay true to your identity. Don't try to imitate. Bring something new, something personal. That's what European and American consumers are looking for—individuality, character, a story. At the same time, remember your roots. Be proud of your cultural background and let it guide your olfactive direction. The key is to be coherent with your image, your message, and your scent.

5 What is your inspiration and the most effective way that drive you to continue to create fragrance products?

Passion, passion, passion. That's the core of everything. I love this work, this life, and that's what keeps me going. I'm always driven by a vision of creation, the desire to express something new through scent, to build emotions people can wear.

That joy, that curiosity, it never fades.

6 Compared to the past, what changes have occurred in the way you find inspiration for new products? What are the reasons behind it?

Honestly, my inspiration hasn't changed over the years. I'm always fascinated by molecules, especially those that bring modernity, that make a fragrance feel contemporary. At the same time, I'm deeply inspired by nature, by the majestic, generous raw materials that give so much emotion.

7 What is the current innovation trend of perfume products?

I see innovation as a balance between science and nature. On one side, we have scientific excellence with new molecules, modern techniques. On the other, we have nature's treasures, extracted through advanced methods like CO₂ extraction and fractionation, which bring out more refined, new and pure facets of ingredients.

But in the end, it's about the vision of the perfumer—we are the ones who bring everything together and turn it into emotion. That's where innovation becomes artistry.

8 What's your point of view on personalized fragrance? Will it be a trend in near future?

For me, every fragrance is already personalized, because your skin transforms it. The same perfume smells different on every person and therefore it becomes your own. So yes, personalization is a beautiful idea, but it's already happening, naturally. It's one of the most magical things about perfume.



Olivier Cresp

Master Perfumer

Named 'Master Perfumer' in 2006 and 'Perfumer of the Year' in 2007; later received the FIFI Lifetime Achievement Award.

Notably created

Givenchy Oiseau Rare

Maison Margiela From the Garden

Versace Fleur de Maté

Yves Saint Laurent Mon Paris Intensement

Dolce&Gabbana Devotion

1 What are the key factors in building a classic perfume product that remains popular for decades?

To create a perfume with lasting popularity, it's essential to keep investing in the fragrance year after year through product upgrades, storytelling, and new launches. Brands maintain icons by nurturing them over time. A successful perfume needs high-quality ingredients, coherence with the brand, and attention to detail in every aspect, from scent to packaging to advertising. It's about building and polishing the same pillar, not creating new ones constantly.

2 What are the key factors of building a classic perfume with enduring popularity for decades among fragrance enthusiasts?

When I create a fragrance, I don't think in terms of 'experts' versus 'average consumers.' I focus on making something that touches people emotionally. That's always my starting point. But I do know that fragrance lovers look deeper, they want originality, a strong creative point of view, and authenticity. To build a brand that resonates with them, you have to stay true to your artistic identity and evolve with intention. It's about maintaining a signature while still surprising them.

3 In recent years, the perception of perfume lovers towards niche perfumes, mass perfumes and salon perfumes has changed. How should a perfume brand optimize its positioning according to this?

The world has changed a lot, consumer shifts, social media, and we, as perfumers, have had to adapt. Clients are evolving so fast now. We need to stay agile and understand what people are looking for. Today, people want more than just a nice scent. They want a story, a concept, something meaningful. Especially in the niche world, you need to offer something with depth. If a brand doesn't have a strong, thoughtful concept behind it, it won't survive long. We're seeing more demand for transparency, craftsmanship, and emotional connection. That's the future, and that's where I believe brands need to position themselves.

4 Some China local perfume brands are trying to enter the European and American market, any suggestion for them?

I think the Chinese fragrance industry is still in its early stages—it's like witnessing a birth. I've been watching the energy in places like Shanghai and Guangzhou, and it's exciting. But my advice would be to first grow strong at home. Build your identity and brand loyalty in China before aiming for Europe or North America. At the same time, don't lose your cultural identity. Look at how Middle Eastern brands became successful by staying authentic. I believe Chinese perfumers can bring something fresh to the global stage if they remain confident in their roots and invest in storytelling and concept development.

5 What is your inspiration and the most effective way that drive you to continue to create fragrance products?

Passion. That's what drives me, pure and simple. I started nearly 50 years ago, and I still wake up excited to create. I love working with passionate people, whether it's for a big international house or my own brand. Each project brings something different. What motivates me most is knowing that my creations can make people feel something. Sharing my passion with others, watching them connect to a fragrance, that's incredibly fulfilling. Honestly, it doesn't even feel like work.

6 Compared to the past, what changes have occurred in the way you find inspiration for new products? What are the reasons behind it?

In the early days, I'd come up with thousands of ideas a year. But over time, I realized it's better to focus on a few great ones—ideas that are truly unique and not yet on the market. I've become more selective and precise. I prefer to polish two or three powerful ideas and take them as far as they can go.

7 What is the current innovation trend of perfume products?

When I think of innovation, I think of olfaction, and in particular what will be the next trend. Trends are hard to predict long-term, but if I can sense what's coming a year or two ahead, that's already valuable. A couple of years ago, I felt vanilla was on the rise. Vanilla, gourmands, and solar fragrances are all still trending.

Now I'm also seeing a shift toward clean fragrances: fresh, light, transparent compositions. These can be linked with water, forest, or even skin-like scents. Clean is becoming the new modern freshness, and I think that's an exciting space to explore.

8 What's your point of view on personalized fragrance? Will it be a trend in near future?

Personalized or bespoke fragrance is interesting, but I see it as a very niche practice, something for celebrities or a handful of private clients. As perfumers, we don't have the capacity to create individual scents for everyone. It's not scalable.

That said, layering, where people combine two or three perfumes to make their own signature, is growing fast, especially among Gen Z. That's a more realistic form of personalization, and I find it very creative. It lets consumers become part of the creation process.



Luca Maffei

Perfumer

Atelier Fragranze Milano CEO

1 What are the key challenges for mainstream and niche perfume brands?

For mainstream brands, the main challenge is to stay relevant and connect emotionally with consumers in an oversaturated market. For niche brands, maintaining authenticity and artistic freedom while scaling up and entering new markets is a delicate balance.

The rise of niche brands has helped consumers discover the heart of perfumery, encouraging them to become true 'olfactory explorers.' I believe in presenting a more human, artisanal perfumery, focused on emotional connection and ingredient storytelling.

2 What are the key factors for niche perfume brands to build competitive advantages for their products?

A strong creative vision combined with artisanal quality is the most powerful asset. Ingredient transparency, craftsmanship, and a human touch are essential to build true emotional connections with consumers.

3 The common and different demands for niche perfume between the Western consumers and Chinese consumers?

Western consumers often love strong artistic concepts and bold compositions. Chinese consumers, on the other hand, are more focused on refined elegance and cultural resonance.

In both cases, consumers are looking for unique experiences—they want to feel something real and personal. My artisanal approach aims to capture this by highlighting ingredient origin and quality. For example, I use Calabrian Bergamot 'Grand Cru', exclusively obtained for AFM, and Tuscan Iris, where we control the fields and rhizomes to achieve maximum olfactory performance, exceeding 25% irone content.

4 What are the emerging and unmet needs of perfume consumers towards perfume products?

Consumers today want personalization and deeper engagement. They are eager to understand where ingredients come from and to feel part of the creative journey. The artisanal approach responds perfectly to this need, offering an authentic and human dimension.

5 What are the key factors of building a classic perfume product with enduring popularity for decades?

A timeless perfume must express universal emotions in a simple yet profound way. For me, the link with the territory is fundamental, and it is reflected in the raw materials I choose, like the hazelnut from Piedmont, which gives me great satisfaction in gourmand accords.

A consistent olfactory signature and authentic storytelling help both niche and commercial brands create classics that can last for decades.

6 What is the impact of ingredients and technology on innovation?

New extraction technologies, sustainable synthesis methods, and biotechnological raw materials have given us an incredible palette to work with. Today, we can recreate rare or endangered notes, develop purer and more sustainable ingredients, and push olfactory boundaries that were unimaginable just a few decades ago.

I deeply believe in a high artisanal approach, to tell and convey the real value of ingredients. This mindset allows us to transform each formula into a story, with each raw material as a key character.

7 Is there any change happened for the sources of your new product inspiration in recent years, how the changes happened?

My sources of inspiration have become more diverse in recent years: from travel and nature to art, architecture, and digital experiences. However, my deepest inspiration always remains linked to raw materials, to the fields and the hands that cultivate them. This connection fuels my artisanal vision and ensures that every fragrance has a soul.

Conclusion

I truly believe that perfumery is entering a new era—one that values craftsmanship, territory, and emotional storytelling. Those who embrace this artisanal spirit while innovating will create lasting bonds with consumers and write the next great chapters of olfactory art.



Patrizio Stella

Group CEO and shareholder of Give Back Beauty

1 From a global perspective, what new trends or developments do you think are critical in the worldwide perfume and beauty market? Could you share some brand marketing or product examples with us?

We believe that the global Beauty market has been rapidly evolving in the last years and that some key criteria will be more and more relevant to be successful in that market. Among others, we think that consumer trends like 'transparency' (consumer wish to be fully aware of all what the products are composed of), 'beauty tech' (use of technology in the development and composition of the products) and 'emotional beauty' (connection between product formulation and effects on consumers' mood) will continue playing a major role in the future. In this direction, Chopard Parfums was one of the first iconic Brand to position itself within the 'sustainability' field, thanks to its new Collection, creating its own 'journey to sustainable perfumery', therefore making of a transparent and careful use of high quality and natural ingredients the trademark and consistent development of its unique Brand selling proposition.

2 Retail digitization like retail media has been increasingly advanced in the western countries. Please share the similarities and differences between offline retail development in China and in the West, and which aspects are adaptable for the Chinese market. Also, what are the similarities and differences between e-commerce channels in the West and in China?

I've to say that we see more and more similarities between Western and Chinese retail environment. In fact phenomena like 'In-store digital integration' (digital screens, interactive displays, mobile payments), 'omnichannel journeys' (integration between online and offline dynamics) and 'experiential retail' (flagship, pop ups, eventful activations) are increasingly successful everywhere. As far as the differences, we see an earlier tech-adoption attitude in China and the presence of holistic mobile platforms (like WeChat) which are better suitable for a complete journey; while the Western environment is more fragmented thru different apps and different retail suppliers (which in return offer a broader variety of models) and also more constrained by several internal regulations (for instance, privacy and personal data usage) which are slowing down its application (but in a more individuals-protected mode). On ecom activations, 'livestream and influencers marketing' is becoming (already is) very popular everywhere, a 'mobile-first' approach is typical of China, together with a higher customers' involvement and excitement. Then, a more balanced 'mobile/desktop application' is still surviving in the West (though rapidly shifting towards the mobile priority) together with a more ad hoc focus on the different perfume segments (including niche and high-end perfumes), which is therefore able to enhance each different perfume typology. In a global world, trends are rapidly shifting from West to East and vice versa, but once again, the ability to capture those trends in advance, improving and sophisticating them in a 'consumers first' mode it is key to the final business success thru a complete customers' satisfaction.

Give Back Beauty is a global beauty group focused on developing enduring brands. Its primary business encompasses global partnerships for renowned brands in fragrances, color cosmetics, skin care, hair care, and personal care products. Key brand partnerships include Tommy Hilfiger, Elie Saab, Chopard, Zegna, Trussardi, and Mercedes-Benz.

3 Compared to Western markets, China has a lower perfume penetration rate but is experiencing continuous market growth and diversifying consumer preferences. What explosive business opportunities do you think is currently exist in the Chinese perfume market in terms of brand building and business development strategy? Over the next 3-5 years, which channels have the most growth potential?

We've always considered China perfume market as a good trade-off between Asian consumers' trends and Western habits. In fact, the lower perfume penetration level was anyway higher than other Asian markets' and in continuous evolution. Additionally, we believe than Chinese customers are sensitive to Brands and to Brand quality, therefore we think that a more targeted Brand building approach (through confidential perfumes, made to measure high quality Collection, artistic perfumery) is a not yet fully tapped opportunity and its evolution will continue and accelerate in the years to come. Moreover, we are confident that the online business will happily keep on growing - that's the channel to focus on - and the winning Companies will be the ones able to capture this channel opportunities, not only in terms of sales development but also as a complementary channel to complete the offline customer's journey.

4 Nowadays, consumers' perspectives for different types of perfume brands have become diversified. What advice would you give to international perfume brands newly entering China market for development?

I'm not afraid to share the recipe which has been a successful one for our Brands and for my personal experience, few decades-long, in the Chinese perfume market. It may seem quite obvious, but, in a few points, it simply exhorts a) to clearly define Brand assets and target consumers, acknowledging the cultural and attitude peculiarities of these consumers and b) to work very closely with the local operators (distributors, retailers and business stakeholders) to make sure that all those consumers' requests are clearly captured. Today, in the Perfume market, there are several segments and several channels and each Brand (Company) needs to make sure that they are crystal-clear on who to address in priority. Moreover, while in the past the Chinese market could have been following some outside trends, in the last years it is becoming 'self-driven' and therefore closeness and ability to anticipate new local consumers' trends become quintessential to the in-market success (and to capture that success also wherever Chinese consumers' journey should take place, in China or elsewhere).

5 We've noticed that more groups are conducting multi-brand marketing campaigns through immersive scenarios offline. Beauty concept stores are enhancing the instore experience by miniature vintage store replicas through small-scale visual adjustments. What recommendations do you have regarding to this trend?

'Be yourself and enthuse consumers' must be the tagline of any business action. In my personal experience, originality and consistency have always been the real winners in the business arena. Brands need to consistently express themselves and beauty stores need to provide a very lively and unexpected shopping experience, according to their goals and DNA. At the end of all of this, target must be to become a cannot-miss moment in the holistic consumers' journey, but also a moment of personal (and exciting) reward. Therefore, if those actions are following consumers' demands and play that in an original way, I would continue doing it. But keeping in mind that, eventually, final customers need to be surprised and, if not, they get bored very soon. In a multi-stimulus modern world, 'simply taking inspiration' is not enough, even when you're smaller, a touch of originality is always expected and needed to give to yourself a longstanding perspective.



CHINA COMMERCE ASSOCIATION FOR GENERAL MERCHANDISE

Yang Qingsong

Executive President and
Secretary-General, CCAGM

1 What adjustments are department store retail enterprises making to effectively respond to market challenges, and what trends are emerging?

Five major trends include: deepening adjustments for generational consumption, growing together with brands to enhance product strength, scenario-based and experiential consumption upgrades, digital and AI-driven operational efficiency improvements, and green low-carbon sustainable development.

Survey results show that sample enterprises believe increasing renovation and upgrades is the primary development trend for the department store retail industry in the next three years. Practice has proven that in the stock market, renovation and upgrade is the inevitable path for the retail industry to adapt to consumption changes and respond to competition. In recent years, although the number of new store openings has decreased, enterprise renovation projects have increased year by year, and many projects have seen significant improvements

in customer traffic and average transaction value after renovation.

Many department store retail enterprises actively explore transformation and upgrade paths, effectively enhancing their market competitiveness through optimizing product structure, strengthening supply chain management, and improving product innovation capabilities. Only by solving issues such as benefit orientation between retailers and brand merchants, digital collaboration, and organizational structure alignment can true upgrade and transformation of department stores be achieved, not just external image upgrades or simple adjustments to brand levels, quantities, and positions. Only through deep collaboration between retailers and brand merchants can both parties move from 'zero-sum games' to 'ecological win-win' situations.

Department stores and shopping centers are experiencing profound scenario-based transformations to meet consumers' increasingly diverse and personalized shopping needs. The core of scenario-based consumption lies in creating immersive shopping experiences for consumers through carefully designed spatial layouts and atmosphere creation, enabling them to achieve emotional resonance and pleasure during the shopping process. Excellent commercial projects generally have distinctive features in scenario-based design and experience, which will be further highlighted in 2025.

In recent years, many department store retail enterprises have achieved certain results in digital transformation and AI applications, injecting new vitality into industry development. Taking Intime Department Store as an example, it has been at the forefront of the industry in digital and AI applications. Intime uses AI to generate product image libraries and sales scripts, significantly reducing the cost and time of digital content production through AIGC technology, improving shopping conversion rates. Meanwhile, Intime promotes cooperation between brand merchants and department stores, achieving functional transformation between sales staff and AI, focusing on solving problem diagnosis and marketing prediction in key operational links, further optimizing operational processes.

Green consumption is gradually becoming a new consumption trend, with consumers increasingly concerned about product sustainability. Under the guidance of the national 'dual carbon' strategy, the green consumption revolution is reshaping the retail industry ecosystem, and many department store retail enterprises are transitioning to green and low-carbon approaches through innovative methods, committed to promoting sustainable development.

In summary, the transformation and upgrade of the department store industry lies in three key points: first, relationships with brands, conducting deep joint operations and common business plans to solve the problem of separation between brands and stores; second, developing private domain operations, maintaining member activity, expanding member sales proportion, and tapping VIP member potential; third, improving online capabilities, while building online malls, focusing on using coupons and other means to drive in-store consumption.



CHINA COMMERCE ASSOCIATION FOR GENERAL MERCHANDISE

Li Wei

Deputy Secretary-General and Secretary-General of
Cosmetics Import and Export Branch, CCAGM

2 In consumer decision-making paths, what key roles does ‘offline experience’ play in which stages? Have there been changes in consumer decision-making key points in recent years?

In consumer decision-making paths, the key role of ‘offline experience’ is mainly reflected in the following stages:

Awareness Stage: Offline experience is an important way for consumers to contact products during the awareness stage. Through offline stores, exhibitions, salons, pop-up stores, and other forms, consumers can intuitively feel the product's appearance, texture, smell, etc., thereby deepening their awareness and interest in the product. In the perfume industry, offline experience (such as fragrance testing) can directly touch consumers' olfactory perception, enhancing their brand impression and purchase intention.

Purchase Decision Stage: Although online channels dominate the purchase stage, offline experience remains an important reference factor for consumer purchase decisions. In the perfume industry, although online purchases account for a higher proportion, offline experience (such as fragrance testing) remains an important decision-making basis for consumers before purchasing. Additionally, immersive marketing in offline stores (such as immersive showrooms) can enhance consumer purchase confidence and promote final purchases.

Consideration and Evaluation Stage: Offline experience provides consumers with opportunities to interact with products, enabling them to evaluate product performance and applicability through actual experience. Professional sales staff (Beauty Advisors) can also provide personalized advice at this stage, helping consumers make more rational choices.

Post-Purchase Experience and Word-of-Mouth Dissemination: Offline experience not only affects consumer purchase decisions but also influences their post-purchase experience and word-of-mouth dissemination. Quality service in offline experiences can also improve consumer satisfaction and enhance brand loyalty.

In recent years, consumer decision-making paths have undergone significant changes, mainly reflected in the following aspects:

Non-linearization of Decision Paths: Consumers no longer follow the traditional linear path of ‘awareness–consideration–comparison–purchase–sharing’ for decision-making, but present non-linear, leapfrog decision-making models. Perfume consumers may immediately conduct online searches and comparisons after generating interest, rather than waiting for gradual progression.

Increased Decision Difficulty: Due to consumers' wide range of choices and multiple information sources, decision-making difficulty has significantly increased. Consumers need more professional information support and guidance that aligns with their decision-making logic to help them make choices.

Information as Decision Hub: The development of the internet and mobile internet enables consumers to access information anytime, anywhere, making information a core element in decision-making paths. Consumers obtain information through social media, short videos, live streaming, and other content forms, using it as an important basis for decision-making.

Enhanced Consumer Rights: Consumers have greater autonomy in decision-making processes, and post-purchase reviews and word-of-mouth dissemination have increasing influence on other consumers. Consumers not only focus on the product itself but also on their post-use experience and emotional value.

Enhanced Emotional Value and Cultural Identity: Consumers increasingly value emotional value and cultural identity. Consumers in self-pleasing and healing scenarios comprehensively consider emotional support, sensory feedback, and product characteristics to achieve emotional satisfaction and healing. The rise of domestic trend products also reflects consumers' pursuit of cultural identity.

In summary, ‘offline experience’ in consumer decision-making paths plays key roles in multiple stages including awareness, consideration, evaluation, and purchase decisions. In recent years, with changes in consumer behavior, decision-making paths have become more complex and non-linear, information has become central, consumer rights have been enhanced, and offline experiences are continuously transforming and integrating to adapt to new market environments.



CHINA DUTY FREE GROUP

Michelle Sun

Deputy General Manager,
China Duty Free Group

1 From the rise of domestic cultural tourism to the opening of visa-free policies, China's travel economy is developing rapidly, also driving growth in the consumer market. For perfume and fragrance brands, what are the key opportunities in the current domestic tourism market?

For perfume and fragrance brands, the key opportunities in the current Chinese outbound duty-free and Hainan offshore duty-free markets are concentrated in the cooperative ecosystem and consumption scenarios built by CDF relying on the 'first' economy. On one hand, CDF continues to deepen brand cooperation with 'first stores, first launches, first shows' as the core, attracting international perfume and fragrance brands to accelerate their layout, promoting brands to open first stores and establish exclusive pop-up stores. Through the 'CDF customization, exclusive release, and limited-edition products' model, it provides brands with opportunities to launch duty-free exclusive products, such as becoming DIPTYQUE's exclusive partner in Hainan and jointly creating exclusive limited sets with brands.

On the other hand, CDF innovates 'duty-free + cultural tourism' integrated scenarios, leveraging concert economy and Disney Stitch roaming pop-up stores and other IP-themed pop-up stores to build immersive consumption experiences, creating marketing scenarios for brands to deeply interact with consumers and effectively activate consumption potential. Additionally, CDF collaborates with over a hundred brands to conduct themed marketing activities such as duty-free shopping festivals and watch festivals, further providing platforms for traffic exposure and sales conversion for brands through preferential measures like '100-million-yuan cash giveaways' and 'weekly explosive products' models, helping brands seize growth opportunities in China's outbound duty-free and Hainan offshore duty-free markets.

2 Please share current national policies favorable to travel-related consumer goods markets and related interpretations.

Starting April 8, departure tax refund 'buy and refund immediately' was promoted nationwide. 'Buy and refund immediately' provides foreign travelers with more convenient and diversified tax refund options. The State Administration of Taxation announced the promotion of this policy service from pilot regions including Shanghai, Beijing, Guangdong, Sichuan, and Zhejiang to the whole country. This policy effectively promotes the growth of inbound consumption. Data from the State Administration of Taxation shows that in 2024, the number of foreign travelers handling departure tax refunds, tax refund product sales, and tax refund amounts increased by 2.3 times, 1.2 times, and 1.3 times year-on-year, respectively.

3 What do you think are the development trends of perfume and fragrance products in duty-free channels over the past 3 years, and under future 3-5 years sales forecasts, what are the characteristics of hot-selling brands and products?

According to CDF Group's consumption data for the first half of 2025: Classic fragrances such as Chanel Chance Eau Tendre and Dior Miss Dior Blooming Bouquet remain popular with consumers. Additionally, niche fragrances such as Jo Malone Bluebell, Armani Prive Thé Pour Un Été, and Loewe Solo Ella also show impressive sales data.

Furthermore, the home fragrance market shows significant growth trends, including car fragrances and scented candles, which not only reflect consumers' increasingly diversified shopping needs but also their pursuit of improving quality of life.

4 Under the current policy environment, what strategies can brands adopt to cooperate with China Duty Free Group and seize development opportunities in China's tourism retail market?

In summary, there is huge cooperation potential between China Duty Free Group and imported perfume brands and manufacturers. Through establishing deep cooperative ecosystems, launching exclusive customized products, creating immersive consumption experiences, and utilizing national policy support, both parties can jointly promote the vigorous development of imported perfumes in the Chinese market. This can not only meet consumer demand for unique products but also enhance brand influence, achieving mutual benefit and win-win results.



DSM-FIRMENICH

Angelina Yu

Senior Perfume & Fragrance Market Development
Manager, DSM-Firmenich China

Value-Oriented, Culture-Cored: New Trends in Perfume and Fragrance Product Development

The current global perfume market is experiencing profound category restructuring. Traditional boundaries similar to 'international commercial fragrances', 'international niche fragrances', and 'domestic creative perfumes' are increasingly blurred, presenting three major transformation characteristics:

First, niche brands are continuously moving mainstream. Traditional niche fragrance brands, after being acquired by international beauty groups, have seen their 'niche community' attributes gradually weakened due to distribution channel expansion. This phenomenon has triggered industry rethinking about the essence of 'niche' - whether its core value lies in channel scarcity or the pioneering and special nature of perfumery art.

Second, domestic creative brands are entering a qualitative change period. Chinese perfume brands have evolved from early market explorers to innovators with distinctive Eastern aesthetic characteristics.

Meanwhile, as Chinese consumers become increasingly knowledgeable about fragrances and perfume products, consumer cognition systems for perfumes have broken through traditional brand-dominated models, forming a multi-dimensional cognitive matrix of 'brand official narratives + social platform content + user-generated content'. Therefore, Chinese consumers are redefining perfume types with new dimensions: 'mass fragrances' are highly acceptable classic fragrance notes and product concepts, while 'niche fragrances' are more unique and emerging fragrance directions and product concepts. This cognitive transformation requires brands to establish more flexible brand strategies and more differentiated product positioning.

Five Major Product Trends in China's Perfume and Fragrance Market

Premium Quality-Price Ratio

Consumers are making deeper and more complex demands for premium products: artisanal perfumery, quality fragrance ingredients, origin traceability, and sustainability certification. Second, leading fragrance ingredient extraction processes and innovative fragrance technologies have become new value benchmarks. Additionally, emotional or efficacy benefits are important parts of further enhancing fragrance value perception.

DSM-Firmenich launched the innovative ingredient Amberever™ in March 2025, which is more than 10 times stronger than similar competing products in fragrance performance, bringing incredible fusion amber-scented cedarwood notes to the perfumery world.

Daily Small Luxury Moments

Under the new normal of economic environment, Chinese consumers return to daily life, seeking 'small luxury moments', using accessible beauty to bring positive influence and change to life, with fragrance being one of the important immediately perceptible 'small luxury moments'. More and more brands are bringing 'highlight moments' to daily micro-moments, thereby deepening emotional connections with consumers.

Chinese trend toy brand POP MART launched the LABUBU namesake IP flameless fragrance series in June 2025: trendy IP overlaid with creative product concepts, with the first batch of products selling out on the launch day.



Energy Enhancement and Olfactory Manifestation

In Western culture, 'Aura' is defined as an energy field composed of emotional, psychological, and spiritual dimensions; and when we spray on perfume, the aura formed by fragrance is also called 'Aura'. When consumers need more energy infusion, emotion-oriented products and experiences will re-stimulate consumers' desire to explore. More domestic creative brands are also exploring how to integrate 'ancestral wisdom', such as Five Elements energy philosophy and fragrance material compatibility principles, into fragrance creativity, bringing consumers 'energy-enhanced aura enhancement'.

Easy Fragrance Enjoyment and Pan-Lifestyle

Over the past year, we have observed more emerging fragrance product forms at more accessible price points, supplemented by multiple usage scenarios or multiple composite functions, allowing fragrances to 'boundlessly' integrate into consumers' worlds, such as the fragrance spray craze pursued by young people globally over the past two years. Whether home space sprays, skin-beautifying body sprays, hair care fragrance sprays, etc. - multi-functional spray-type fragrance product forms may become another breakthrough point in China's fragrance market.

The Brazilian brand 'Sol de Janeiro' brings consumers fragrance sprays that can be 'freely sprayed on hair, clothes, underwear, and bed sheets' for pleasant fragrances, easily enjoying South American vacation atmosphere.

Cultural Innovation and Root Construction

China's emerging generations like post-95s and post-00s have stronger and more determined personal values and social identity. The younger generation actively reshapes new cultural symbols from traditional Chinese wisdom. How brands explore deep and authentic Eastern narratives and traditional crafts while sincerely committing to supporting local industry strategies will be key to winning future generation consumers.

The Beast launched the summer 2025 series restoring the thousand-year-old formula 'Lotus Crossing', ingeniously combining handmade glass incense plates, launching 'Lotus Crossing' ceramic fragrance fans and handmade incense treasure gift boxes. Additionally, this series product matrix covers rich product forms including crystal incense boxes, room sprays, room



candles, and compound incense bead pendants, bringing consumers Eastern summer five-sense aesthetic experiences of lotus appreciation, frog sounds, and incense burning.

To summer launched the brand new 'Enter Kunlun Crystal Emotional Fragrance Series' in February 2025, condensing the spiritual power of heaven and earth nature and Kunlun peak energy into this crystal fragrance series, allowing consumers to 'lightly open and deeply smell Kunlun Mountain', reaching distant spiritual hometowns in one breath, obtaining healing and purification.

China's perfume and fragrance market has flourished in recent years. Beyond traditional channels, from Shanghai's boutique perfume and fragrance industry exhibitions to numerous

fragrance lifestyle markets, to increasingly professional perfume buyer stores across regions, plus the disruptive entry of social e-commerce, Chinese consumers quickly gained more fragrance touchpoints and product awareness.

Now, as consumers' understanding of perfume and fragrance categories becomes increasingly professional and consumption decisions become more prudent, China's perfume and fragrance industry is entering a new round of transformation and upgrade. Whether emerging domestic creative brands or established international classic brands, only by being value-oriented and culture-cored can they win consumers' mindshare. Beyond meeting consumers' core needs, brands should use artisanal craftsmanship and innovative technology as support, creating multi-dimensional fragrance product experiences with emotional resonance, era imprints, and efficacy sensations, building truly competitive differentiated product positioning.



BeautyNEXT

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China Fragrance Market Consumer Trends— The Behavioral Revolution of 'Olfactory Sovereignty Awakening'

During periods of economic uncertainty, consumers have shown an important shift from pursuing 'external symbols' to focusing on 'inner self'—they are no longer 'consumers' who can be brainwashed by ordinary marketing, but 'lifestyle creators' with self-advocacy, using consumption behavior to build life order and emotional balance with self-experience as the core.

In functional consumption, they pursue both rationality and quality, no longer blindly following externally labeled famous brands or luxury brands, but examining what they really need from within; beyond functionality, they hope to provide emotional comfort and energy supplementation beyond practical functions through reasonable consumption.

Against this background, the olfactory economy is actually welcoming a 'comprehensive personalization' era—from 'vanity following' to 'for my use'.

Consumers' diversified 'individual preferences' are also prompting fragrance brands to operate more 'precisely', driving fragrance products to transform from pure social symbols to emotional management tools, personality externalization expressions, and containers for cultural experiences. China's fragrance market is entering a new stage of 'equal emphasis on rationality and sensibility'.



BeautyNEXT

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1 From ‘Olfactory Experience’ to ‘Spiritual Outlet’

More and more young consumers want to pay for ‘happiness’. In this new consumption era of crazy premiums for passion, fragrance brands seeking attention are no longer limited to providing quality olfactory experiences, but create emotional resonance through brand narratives or scenario-based designs. This confirms the essential transformation of contemporary consumption: products are just carriers, while emotions and emotional value are the real currency.

Emotional Healing:
‘Body-Mind Awareness’ Olfactory Guide

Living in cities of pressure built with steel and concrete, ‘good mood’ has become a scarcity. Consumers also hope to create positive emotions from daily life and consumption. First, healing fragrances represented by ‘white soft sensations’ are becoming popular. Brands keenly capture consumers’ emotional needs for ‘warm embracing sensations’, elevating olfaction to spiritual comfort through dense milk fragrances, velvet musk, and other fragrance designs.

In an era where everyone pursues ‘de-work smell’, ‘natural healing’ and ‘scent tourism’ are becoming new emotional outlets. ‘Green fragrances’, ‘wild fragrances’, and ‘natural’ and ‘vacation’ scents are becoming popular—constructing spiritual oases for temporary urban escape through olfactory experiences.

Luck-Turning Fragrances:
‘Energy Metaphysics’ Olfactory Interpretation

Fragrance culture has always carried humanity’s exploration of the spiritual world. Now, ‘energy manifestation’ is becoming young people’s new life philosophy—they choose fragrances through astrology and Five Elements, viewing them as media for dialogue with ‘self’ and ‘external’. International brands launch perfume series inspired by astrology and tarot, while domestic brands deeply cultivate Eastern metaphysical concepts like ‘temples’ and ‘Five Elements’, developing product matrices including perfumes, fragrance care, and traditional stick incense and triangle incense. These fragrance products are essentially psychological games, satisfying modern people’s spiritual needs for ‘luck turning’ through mystical narratives.

2 From ‘Luxury Labels’ to ‘Personality Expression’

Contemporary consumers’ olfactory literacy is experiencing qualitative leaps—from past ‘passive acceptance’ of fragrance marketing to today’s ‘active exploration’ full of autonomous consciousness. ‘Fragrance’ has become a distinctive ‘personal business card’—transcending simple scent experiences, sublimating into three-dimensional expressions integrating aesthetic taste, emotional memory, and life philosophy. In this process, the awakening of consumer ‘subject consciousness’ is also driving innovative evolution in industry channels, product development, and design.

Personalized Customization:
‘Active Exploration’ Olfactory Journey

Under the promotion of personalized consumption waves, fragrance experiences are evolving deeply from ‘niche uniqueness’ to ‘completely exclusive.’ Consumers are no longer satisfied with simple product selection but desire to participate in the entire fragrance creation process. This exploration desire for ‘behind the scenes’ has spawned the rise of ‘DIY fragrance experiences’—guiding participants from ingredient cognition to formula design through systematic fragrance workshops, completing identity transformation from fragrance consumers to creators.

Fun Fragrances:
‘Cute Economy’ Olfactory Gameplay

LABUBU’s global explosion represents a collective emotional regression need under high-pressure society – beyond rational workplace masks, adults are completing another personality expression through ‘childlike consumption.’ Some brands precisely capture this ‘dual personality’ need, using ‘cute’ creativity—whether trendy IP fragrance peripherals or fragrance toys, all aim to build ‘safe havens’ where consumers can temporarily remove social roles and fulfill authentic happiness.

3 From ‘One Bottle of Perfume’ to ‘Olfactory Lifestyle’

In the past, one bottle of perfume or one jar of scented candles was the entirety of fragrance experience; now, consumers pursue full olfactory scenarios throughout life—from bathrooms to living rooms to bedrooms, and even wearable fragrance jewelry. Behind this transformation is deep change in consumption concepts—modern people are beginning to view scent as an important medium for shaping personal style, regulating emotional states, and creating spatial atmosphere. Fragrance consumption has sublimated from functional needs to emotional and ritualistic lifestyle expression.

Scent Life—Fragrant
Companionship Permeating Daily Life

To meet consumers’ diversified life scenario needs, fragrance brands are actively expanding product lines (such as home fragrances, fragrance personal care, etc.). These low-price, high-repurchase categories are becoming new traffic entrances. Through high-frequency usage scenarios, they strengthen brand olfactory memory, ultimately forming olfactory lifestyles permeating daily life with signature fragrance notes as bonds, upgrading single products to comprehensive experiences. Current olfactory economy is deeply penetrating more refined life scenarios, with fragrance products that precisely capture subtle daily needs becoming market favorites, such as car fragrances, pillow sprays, fragrance jewelry, etc.

Holiday Fragrances—
Life Rituals Behind Gifting

Fragrances are evolving into multi-dimensional art installations that carry festive emotions. Brands are reinventing the ritualistic essence of holiday life through meticulously crafted limited-edition scents, fragrance vessels, and artistic gift sets. This allows modern individuals, amidst their fast-paced lives, to rediscover the solemnity and joy of the season through the blending of scent and aesthetics. International brands, too, lean towards launching ‘Zodiac Limited Editions’ during the Lunar New Year, reinterpreting traditional symbols through the lens of brand aesthetics.

DATA DEFINITION

Eternal Data

All e-commerce sales figures for perfume and fragrance products, together with brand-ranking data (covering Taobao/Tmall, JD and Douyin) in this report, are sourced from Eternal Data. The data were extracted in June 2025 using category-specific definitions for perfume and fragrance categories, based on online market-intelligence datasets.

Euromonitor Data

Euromonitor figures cited herein are drawn from Euromonitor Beauty and Personal Care 2025.

Consumer-Insight Data

Consumer-behavior data referenced in the report include:

- Eternal Data & Deloitte China, China Perfume and Fragrance Quantitative Consumer Survey
- Red × ELLE: 2025 Perfume and Fragrance Trend Inspiration Guide
- Qingyan Intelligence: 2025 Fragrance Consumer Insights Report

DSM-Firmenich Data

The data from DSM-Firmenich in this report originates from the 2024 research results of the DSM-Firmenich Global Advanced Fragrance Consumer Research Center.

Business Case Description

All business cases and related data used in the report are compiled from publicly available information.

Additional Data & Case Sources

Cited data and cases include:

- National Bureau of Statistics of China
- Frost & Sullivan data
- Beauty Research
- GfK: 51-City Department Store/Shopping Mall Monitoring Data
- Red: 2025 Luxury Experiential Marketing Report
- Ocean Engine x CBNDData: 8 Key Trends in Emotional Marketing 2025 Insights Report
- Kuaishou: 2025 Kuaishou Intangible Cultural Heritage Ecosystem Report

Citation Note

Expert quotes referenced in this report are derived from interviews with partners of Eternal.