

APPENDIX 3.1
(referred to in paragraphs 3.7 and 3.60)

**Product characteristics in the different categories of fragrances:
fine, volume prestige and mass-market fragrances**

| <i>Fine fragrances</i> | <i>Volume prestige fragrances</i> | <i>Mass-market fragrances</i> |
|--|---|--|
| Product quality | | |
| Premium quality, expensive ingredients | As fine | Less expensive ingredients |
| Wide selection of strengths of perfume content | As fine | Reduced selection of strength of perfume |
| Long-lasting tenacity of fragrance notes on wearer | As fine | Shorter tenacity of fragrance notes |
| Product presentation | | |
| Unique, premium quality bottle and cap design | As fine | Mix of some standard and non-standard components |
| Premium quality packaging and printing | As fine | Standard printing and packaging |
| Retail price | | |
| More than £20 entry | Less than £20 entry | Less than £10 entry |
| Image | | |
| Fashion linked parentage | May still have fashion linked | Focused on price and promotions, designer endorsement |
| Customer awareness of individual | Lifestyle rather than personality | |
| Established authority of individual as designer | | |
| Endorsement of heritage and history of house name | | |
| Exclusivity of fashion creations | Broader distribution of fashion creations | |
| In-store presentation | | |
| Counter and backwall or island | As fine | Self-selection gondola runs |
| Front of store | As fine | Front half of store |
| Adjacent to cosmetics counters | As fine | Adjacent to toiletries, self-selection cosmetics and bath products |
| Display lighting, house identification plaques and image shots | As fine | |
| Glass shelving | | Standard or glass shelving |
| Price information on-shelf or pack | | |
| Typical marketing support | | |
| Trained permanent consultant service | As fine | |
| Testers and units for each fragrance on counter | As fine | Testers |
| Free samples of bath/body/other fragrance lines | As fine | |
| Selection of monthly promotional activities on counter, focusing on gift sets and product promotions | As fine, but focuses on gift with purchase/free incentive | Monthly promotional activity on specialist sites or from normal stock location, focused on price/extra value |
| Use of windows/specialist sites in-store | As fine | |
| Additional temporary consultant support for promotions | As fine | |
| Advertising of imagery of brand through selective use of: | Slightly broader use of advertising, including promotional incentives as well as imagery through: | Wide use of: |
| (a) monthly periodicals and journals which profile | (a) monthly women's and men's ship profile | (a) weekly and monthly women's |
| (b) colour supplements for Sunday press | (b) colour supplements | (b) national daily press |
| (c) TV | (c) national daily press | (c) some TV, focused on Christmas |
| (c) TV | (d) TV | |
| Typical UK distribution | | |
| Less than 1,500 retail outlets | Less than 2,000 retail outlets | More than 2,000 retail outlets |
| Usual product source | | |
| Europe, particularly France/USA | Europe/USA | UK/USA |

Source: MMC, based on a table originally supplied by Boots.