

EVALUATION OF EXTENSIONS OF LUXURY BRANDS: THE CASE OF FRAGRANCES IN PORTUGAL

ABSTRACT

Fragrances are part of the market of personal luxury goods, which represents the second most important segment of the luxury industry. Luxury brands have been implementing new marketing strategies, such as the use of brand extensions. This strategy has become fundamental to the business model of many luxury brand. This research has the intention to understand the influences that have determined the consumption of fragrances, inferring about the symbolic meaning of its purchase. Additionally, it tries to evaluate whether fragrances are a success, as an extension of a luxury brand. This study adopts a qualitative approach in the form of in-depth interviews with consumers of fragrances. Findings indicate that fragrances are a fundamental product, used in a daily basis, which shows some distinctive personal characteristics from their consumers. Additionally, fragrances used as an extension of a luxury brand are seen as a success, especially to the brand.

KEY WORDS luxury, luxury brands, brand extensions, luxury fragrances, Portugal.

1 INTRODUCTION

The overall luxury market represented a value of 850 billion euros in 2014, according to Bain (2014), the management consulting company. Globally, in 2014, market enjoyed a growth of 7% for the year, with luxury cars growing 10%, and luxury hospitality growing 9%, representing the best performers among all segments.

The entire luxury industry comprises nine segments in total. The market of personal luxury goods it is the second most important segment and it represented a value of 223 billion euros in 2014, with 2% a market growth.

Table 1: the market of personal luxury goods by categories

Categories	Total sales (%)
Accessories	29
Apparel	25
Hard luxury	22
Beauty	20
Other	4

Source: Bain (2014).

According to the Table 1, accessories are the main category of the market of personal luxury goods. Leather products and shoes are the top performers, in terms of growth, from accessories categories. Additionally, leather products, watches, cosmetics, menswear, womenswear and fragrances, are the main important product categories in terms of market size value (Bain, 2014).

Consumers all over the world gave more importance to the luxury goods during the last 20 years (the market of personal luxury goods has nearly tripled for the period, according to Bain, 2014). But actual size of luxury goods market put us a question related with the real concept linked with luxury. From Kapferer and Bastien (2009-1), we learnt different expressions connected with luxury, like trading-up, new luxury, mass luxury, masstige, opuluxe,

hyper-luxury, luxury fashion, etc. The idea of different levels of luxury, each one representing a different segment or a nuance or another form of luxury, is opposed to the traditional luxury's idea.

The discussion about the luxury concept is limited particularly by two sides: one, from a social standpoint; another, from a marketing management perspective. Luxury is a culture, as referred by Kapferer and Bastien (2009-1), which gives us the starting point from the social side. According to Nueno and Quelch (1998), pressure from the market arises against owners of luxury brands, especially small-owned family firms, because they need capital to invest in marketing expenditures, otherwise they need to sell the business to companies like LVMH (owner of many brands, like Dior, Guerlain, Loewe, etc.) and Vendome (owner of Montblanc, Dunhill and Cartier).

Traditional luxury brands have started their expansion through brand extensions, particularly into perfume and accessories businesses (Aaker, 1991). As expressed by Kapferer and Bastien (2009-2), brand extensions allow luxury brands to grow more quickly, without being limited purely by an organic growth. But, for Stankeviciute and Hoffmann (2011), the way brand extension work for a consumer brand is different than to a luxury brand.

The main aim of this article is to understand the influences surrounding the consumption of fragrances. Additionally, as a second priority, to evaluate if these fragrances are a success as a luxury brand extension. Specific objectives of this article are as follow: i) to understand if fragrances can overcome the challenges connected with the strategy of a luxury brand extension; ii) to verify if a luxury brand can increase the brand image of a fragrance; iii) to identify the main reasons that supports the buying process of a fragrance; iv) to identify which are the main values connected with the consumption of luxury products with a greater impact on the buying process of a certain fragrance.

The article starts by a review of the literature, concerning the wide concept of luxury, but also covering luxury products and luxury brands. Afterwards, it is described the methodology used to evaluate the way consumers use and their attitudes toward fragrances as an extension of luxury brands. The article ends with concluding remarks concerning the view and perception of consumers of fragrances, particularly in relation with luxury brands, and suggestions of future research.

2 LITERATURE REVIEW

Luxury is something far from simple and particularly very complex to define. Luxury is a social phenomenon, as referred by Kapferer and Bastien (2009-1). To broaden the situation, Nueno and Quelch (1998), claimed that “the appeal of luxury brands has become global”.

In the first part of the review, it will be evaluated the concept of luxury and related issues, like luxury products and luxury brands. Afterwards, it will be dealt the motivation connected with the consumption of luxury products and the gradual democratization of luxury. Finally, the literature concerning extensions of luxury brands.

Concept of luxury

According to Sekora (1977, p. 23), luxury is “anything unneeded“, which gives us some idea of conspicuousness. For Kapferer and Bastien (2009-1) luxury has the fundamental function of recreating social stratification, in the past, when the rich Bourgeois were not allowed to dress like aristocrats, and in modern days, when someone waits two years for getting a Ferrari.

Kemp (1998) argues about the distinction between luxury and necessity, using the concept of elasticity. If a household spend more in luxury goods, it means the household income is rising. Additionally, purchases of the more dispensable luxuries decline more sharp with price rising (if the price of necessities rise, the quantity purchased declines relatively little).

The complexity and difficulty to get a clear concept of luxury is given by Vigneron and Johnson (2004), when they assume in their framework that personal and interpersonal aspects are included in the context of luxury. From one side, prestige and status will support the personal ego of someone that buys a high priced product, but at the other side, the value of the product needs to be seen also by others beyond the buyer.

Luxury has traditionally been associated with exclusivity, status and quality, according to Atwal and Williams (2009). Modern consumers continue to embrace luxury as products and services with a higher level of quality and taste.

“Luxury defines beauty; it is art applied to functional items”, according to Kapferer (1997). This author reinforces the idea when he compares luxury with good taste and even considers it the product of the passion of a creator.

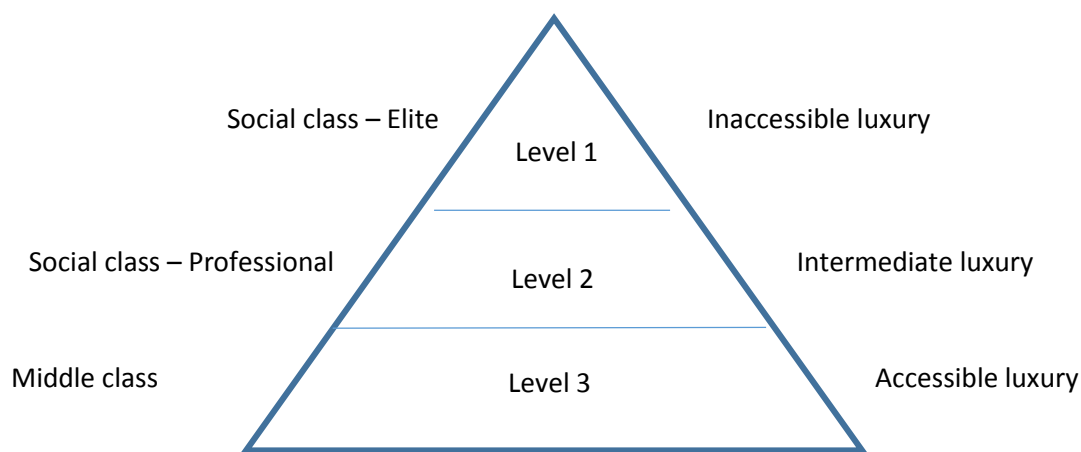
Luxury products and luxury brands

According to Berry (1994), luxury goods are refinements of basic human needs and partially determined by their natural desirability. Nevertheless, luxuries please people rather than simply trying to alleviate a state of discomfort, like in the case of necessities.

For Mason (1984), the conspicuous consumer can only find some satisfaction from luxury products, when he finds some reaction from a certain audience, rather than the mere use of the products.

Following an idea of an evolution of products, according to the needs of the consumers, Alleres (1990) have developed a hierarchy of luxury products linked with each socio-economic dimension, as shown in Figure 1.

Figure 1: A Hierarchy of Luxury Goods Products



Source: Alleres (1990).

Vickers and Renand (2003), argue that luxury goods are modifications of a base product. Additionally, these authors concluded that luxury products, as opposed to normal or “non” luxury products, exhibit a distinctive mix of three important dimensions of instrumental performance, such as: functionalism, experimentalism and symbolic interactionism. Every luxury product has a functional aspect related to the needs that motivate the consumer to search this product to solve a specific problem. The experiential symbolism is related with sensory pleasure and the cognitive stimulation that luxury product gives to a consumer. Symbolic interactionism is connected with needs related with self-enhancement and group membership that someone who buys a luxury product try to collect.

In a different perspective, Heine and Phan (2011) have concluded that consumers perceive luxury products to have six major characteristics, such as: price, quality, aesthetics, rarity, extraordinariness and symbolism. Regarding this, it is not necessary that a luxury brand needs to have a maximum level covering all mentioned characteristics, particularly because consumers’ purchase decisions depend on the comparison between expectations of the product and their perception of the product attributes and benefits.

For Keller (2009), luxury brands are one of the purest examples of branding, particularly because the image of luxury brands are a key part of the competitive advantage that creates an enormous level of profits and wealth for many organizations. A clear definition of a luxury brand in comparison with a non-luxury brand does not exist according to Vigneron and Johnson (2014). These authors argue that the perception of what is and is not a luxury

brand is dependent on the context and the people concerned (for example, some goods could be a luxury or a necessity for the same person in different situations).

Nueno and Quelch (1998) put the focus in a different way, when they refer that luxury brands are those whose ratio of functional utility to price is low, and the ratio of intangible and situational utility to price is high. According to these authors, traditional luxury brands share following characteristics, among others: consistent delivery products across all products in line; a heritage of craftsmanship; a recognizable style or design; a limited production run; a global reputation.

According to Kapferrer and Bastien (2009-1) a luxury brand is built during a long time period, managing adequately the resources in a specific way, particularly respecting the luxury brand status. For these authors a luxury brand can't start from a launch and it will require a specific luxury strategy, especially trying to pull out from classic principles of marketing connected with consumer goods.

The existence of beauty is not a sufficient ingredient to define a luxury product. Technical excellence is also a needed ingredient to develop and produce luxury. According to Dion and Arnould (2011, p. 504), "a luxury good represents simultaneous aesthetic and technical excellence".

Motivations regarding consumption of luxury goods

The number of luxury consumers in the world has more than tripled over the last 20 years. The luxury market have exploded from 90 million consumers in 1995, to 330 million at the end of 2013 (Bain, 2014-2). According to Christodoulides *et al* (2009), this consumer's growth is largely driven by changing in socio-economic and demographic factors, together with an increase in household income.

More than the utility of a luxury good, a particular branded product gives prestige and status to the user (Grossman and Shapiro, 1988). Many other consumers can find intangible assets in the usage of a luxury product, such as sensory pleasure, aesthetic beauty and even excitement (Hur *et al*, 2014).

Vigneron and Johnson (1999) proposed a framework of luxury seeking consumer behavior which included five perceived values, such as: conspicuousness, perceived uniqueness and perceived quality (these three dimensions reflect non-personal perceptions); perceived hedonism and perceived extended self (these two dimensions reflect personal oriented perceptions). In what concerns personal perception, consumption of luxury goods is related with models of hedonic consumption and extended personality (Vickers and Renand, 2003). In a different perspective, luxury is identified in terms of their psychological value, as a status symbol and with an experience that is congruent to a personal self-concept (Fionda and Moore, 2009).

Constructs regarding conspicuousness and status had a different perception, according to a research developed by O'Cass and McEwen (2004). Young males (between 18 and 25) may place more importance on the conspicuousness of product use versus other groups. Additionally, the authors found that self-monitoring influences the desire for status consumption, but not that for conspicuous consumption. They conclude, "people who have different self-monitoring or conspicuous consumption tendencies use products for different reasons" (O'Cass and McEwen, 2004, p. 35).

Segmentation of the luxury market is seen in a different way by many authors. For Dubois *et al* (2005), the luxury market could be divided in three segments: the elitists (people that feels luxury is appropriate for a small elite), the democrats (they believe everyone should be able to have access to luxury products) and the distance segment (they feel far from luxury products, because they don't be attracted by these products).

Wiedmann *et al* (2009) proposed four segments, based in a conceptual model with four different types of value connected with luxury products: financial value (price value), functional value (usability, quality and uniqueness value), individual value (self-identity, hedonic and materialistic value) and social value (conspicuousness and prestige value). The first segment are the materialists (they emphasize the hedonic value of luxury products). The second segment are the rational functionalists (they like the quality standard connected with exclusive luxury products). The third segment are the extravagant prestige seekers (they buy a certain luxury brand to impress others

rather than to satisfy themselves). The fourth segment are the introvert hedonists (for them, luxury refers to exclusivity and products that are not for mass consumption).

Democratization of luxury

The demand of luxury products are increasing, particularly in emerging markets (Hudders *et al*, 2013). The economic improvement worldwide and an increased consumption of luxury goods from lower classes in many countries helped the expansion of luxury products (Truong, 2009).

The democratization of luxury brands could be seen as a process that brands tries to target non-traditional wealthy clients, through new product lines, new brand or product extensions to market their products to middle-class consumers (Vigneron and Johnson, 2004).

A higher level of income from middle classes is bringing them to the experience of new-luxury goods, according to Silverstein and Fiske (2003). The middle class aspires to get products with a better perception of quality, that is what Atwal and Willians (2009, p. 339) called “the luxurification of society”.

Trading-up phenomenon is seen in different ways. From one side, the new-luxury goods are developed by people outside traditional luxury brands, trying to profit from their weaknesses, such as a very expensive price, and taking place in many products and services (Silverstein and Fiske, 2003). In another side, trading-up concept is seen far from luxury, because it doesn't have a sociological dimension, once people tries to treat themselves in a better way by indulging in buying something better and more expensive, but without the social stratification connected with luxury products (Kapferrer and Bastien, 2009-1).

Alleres (1990) proposed the integration of the so-called accessible luxury, targeted to the middle class, in the bottom of the pyramid of the luxury goods products (see Figure 1). Silverstein and Fiske (2003) have distinguished three major types of new-luxury goods: accessible superpremium (products with price near the top of their category); old-luxury brand extension (lower priced versions of goods that have traditionally been affordable only by the rich); mass prestige or masstige (products with a higher price versus conventional products, and a lower price versus superpremium and old-luxury goods).

New luxury brands have a superior level of prestige when compared with middle range products, even though they are sold with a small increase of price versus middle range products. This new luxury brands' strategy it is called a masstige strategy (Truong *et al*, 2009). The success of a luxury brand is linked with its exclusivity and high price. The critical factor of success of a masstige strategy is the balance between the prestige differentiation and the price premium, from new luxury products versus middle range products (Truong *et al*, 2009).

Extensions of luxury brands

Brand extensions refers to the launch of new products and services through the usage of an established brand (Keller, 2003). In their strategy of expansion, companies try to reduce risks and to strength synergies when they launch new products and services using these established brands (Albrecht, 2013).

Following the process of democratization of luxury, many traditional luxury brands developed their own masstige strategy, particularly through the creation of new brand or product extension. The use of a brand extension strategy has become fundamental in the business model of many luxury brands, allowing them to take profits from one of their main important asset, the brand image (Kapferer, 2008).

According to Jackson (2004), four main categories of luxury goods can be identified: fashion, perfumes and cosmetics, wines and spirits, watches and jewelry. Recently, Chevalier and Mazzalovo (2008), added more categories, such as: luxury automobiles, hotels, tourism, private banking, home furnishing and airlines. Brand extension strategy have started when high fashion brands started selling perfumes and accessories (Stankeviciute and Hoffmann, 2011). Brands like Louis Vuitton, Prada or Chanel moved from their core business, opening the way to new brand extensions in fashion, accessories, clothes, fragrances, watches, and jewelry (Kapferer, 2008).

Luxury brands can benefit from brand extensions. Nevertheless, every time a luxury brand creates an extension, launching a new product or a service, it can make some damage to the original brand image, particularly if the qualities of the parent luxury brand are not replicated in the extension, as happened to Mercedes-Benz with its Class-A model (Stankeviciute and Hoffmann 2011).

The masstige strategy can bring some reward to the parent luxury brand, but it could happen the worst, especially in the case “every masstige product, therefore, is a candidate for death in the middle”, as referred by Silverstein and Fiske (2003, p.57). The perception of the consumer in what concerns the consistency between the brand extension and the parent brand it is the key element to predict a brand extension success (Aaker and Keller, 1990). Consumers buy luxury brands through their symbolic dimension, such as status, rather than their functionality. As opposite to fast moving consumer goods, that rely basically in the functionality dimension, the marketing strategy of luxury brands and of their extensions should focus on the symbolic component (Riley *et al* 2004).

3 METHODOLOGY

The available information regarding the subject of this article is scarce and even poor, which brings us to consider a qualitative methodology, and explicitly to conduct an exploratory research as the most appropriate way to gather additional information in order to understand in a better way the problem concerning this investigation. In qualitative studies, data can be collected through interviews, allowing to find some pattern regarding the phenomena of interest (Sekaran, 2003).

There are three main reasons that supports the implementation of an exploratory study in this specific research. First, the information regarding the influences surrounding the consumption of fragrances is very limited, which brings us to run a preliminary work just before a possible future development of a model. Second, extensive interviews with many people could be a good source of information to better understand the subject of this research. Third, data collected in some qualitative studies, through interviews, are exploratory in nature (Sekaran, 2003).

A qualitative research can be made when we are facing a complex phenomena, and particularly “the nature of what respondents are expected to describe may be difficult to capture with structured questions” (Malhotra and Birks, 2005, p. 135). The usage of depth interviews is a common qualitative research technique, which is an unstructured way of obtaining information, conducted on a one-on-one basis. Through this technique, the interviewer can uncover underlying motivations, beliefs, attitudes, and feelings of the respondent, regarding the subject of the research.

Once the interviewer gained access to a potential respondent, the one should begin by explaining the purpose of the interview, afterwards starting to ask unstructured questions in order to get perceptions and attitudes concerning the consumption of fragrances, especially in what concerns brand extensions.

Preparation of data collection

This research covers specifically consumers or buyers of fragrances of luxury brands. Therefore, respondents of this research will have following characteristics: usual buyers of fragrances of luxury brands; people with higher/medium income; living in the region of Lisbon.

The most appropriate location to get a minimum of 15 respondents were established as follows: 1) a fragrances luxury brand store operating in a prestige location; 2) the selected brand store should have a luxury brand image; 3) it is necessary to have appropriate facilities to accommodate properly respondents.

In order to identify clearly the most adequate store that meet these requirement, it was established following criteria: one of the top three brand stores in Portugal selling fragrances; the store should be located in one of the most prestigious malls in the region of Lisbon.

Founded in 1969, in Paris, Sephora, the arm of LVMH selective retailing company, is one of the best retail operators of fragrances, and especially of luxury brands (LVMH, 2014). The selected shop operates in the region of Lisbon, in one of the most prestigious mall, Cascaisshopping.

Respondents of this research were selected from the clients of Sephora, starting the process with a previous short inquiry, in which they have to answer to these questions: 1) if the client was a regular buyer of fragrances; 2) what brands they are used to buy; 3) if their usual residence is based in the region of Lisbon. After finishing this brief inquiry, and if the respondent usually buys fragrances belonging to luxury brands, the interview will move to the second step. The second part of the interview were conducted in a small room of the shop, in order to get and appropriate ambiance that it will allow the possibility to record the entire conversation.

After the selection of the respondent, the second part of the interview have started from a brief information concerning personal data; after that, it was requested the level of usage and type of fragrances normally bought; then, the subject was focused on the consumer or buying process, covering the frequency of buying to give to other people or to himself; hereafter, it was requested the memory concerning last purchase; next, the focus was the influences that brings the customer to a purchase of a certain luxury brand of fragrances; ultimately, the usage and consumption of fragrances as a brand extension of a luxury brand, particularly in what concerns connectivity between the product and the parent brand.

The interviews were transcribed, and all the information was codified and analyzed, with the help of software MaxQDA 11. The key points developed along the interviews, the frequency of occurrence, the patterns between different answers from respondents and the findings were compared with literature on the subject and area of investigation.

4 RESULTS AND ANALYSIS

A generic profile of the interviewees will be presented, especially connected with their usages of the fragrances. Afterwards, it will be analyzed the findings concerning the buying process regarding fragrances. The next subject it will cover the influences around the consumption of fragrances. Finally, it will be dealt the evaluation of fragrances as an extension of a luxury brand.

Usage and consumption of fragrances

The interviewees were predominantly female, with a degree and they have assumed a medium/higher level income. A majority of the respondents have used fragrances belonging to luxury brands and a part of them have consumed also fragrances of non-luxury brands. Among the luxury brands mentioned along the interviews are Dior, Chanel, Dolce & Gabbana and Armani. Some respondents referred the usage fragrances of non-luxury brands, such as Hugo Boss and Carolina Herrera.

Concerning the buying frequency, all respondents said they bought fragrances at least once a year, for their own consumption. Two of them bought once per month. One of them mentioned that “I buy once per year, but normally I buy the bigger size format”. Concerning the specific purpose of buying fragrances, all but three respondents usually buys fragrances to give to other people. Christmas it is referred as the normal season to buy fragrances to give to others.

A complete loyalty to the consumption of the same brand does not exist for the entire group of respondents. But, a great majority of respondents have assumed a higher level of loyalty to the same brand. One of this respondents have mentioned “I usually buy same fragrances of the brands that I like, because fragrances makes part of my identity”. Another interviewee referred a different angle, saying “I usually buy the same brand, because people normally mold themselves to the specific details of a fragrance of a brand”.

The usage of fragrances every day is common for all interviewees, with the exception of one. A respondent says “it’s a habit, I can’t leave home without putting a fragrance”. Another person put a different tone, “my definition of being well tidy it is related with the usage of fragrances”. Other sentences are as follow: “I’m feeling in a good shape with the perfume, with the aroma”; “I like to feel with a fresh air”; “I like to feel the aroma, to feel the scent and that’s makes me feel good”.

The focus of the usage of fragrances from the interviewee's perspective, it is beyond its functionality, particularly when respondents put the tone on the psychological effect, when they saw the fragrance as an element of its own identification, a part of feeling well, and as an element of sensuality.

Buying process of fragrances

The most important criteria to select a fragrance, according to the majority of the respondents, it is the durability of the aroma, or the way the fragrance still be fixed in the skin. The aroma could be fresh, strong, floral, fruity or sweet, but each consumer will use the one which fits best with its taste. An interviewee refers this "I like the way the aroma remains in my skin, I like to feel in a good way, even sensual", another one puts the focus on a single characteristic, a fragrance "with a specific aroma".

Other criteria chosen by respondents are typically emotional ones, as expressed by an interviewee, "the criteria that I'm used to buy fragrances, it is connected with my identity and with experiences from the past". This type of consumer doesn't buy a fragrance in a strict relation with the aroma, but according to the emotions and the sensations related sometimes to some actual experience or from the past.

The importance of the brand is considered in different way, if the consumer is buying for their own usage, or if the main purpose it is to give the fragrance as a gift. Only four respondents expressed the idea of the brand, as a less important driver of the buying process of a fragrance. One of these interviewees expressed their view like this: "the reason that I like a fragrance, it is not because it is from Yves Saint Laurent or from Dior".

The entire group of respondents have admitted to consider the brand as a top criteria to choose a fragrance, in the case of buying the product to give to other people. Even the respondents that do not consider brand as a top priority, in the case of buying the fragrances for themselves, they have expressed a different view in the situation of buying the product for a gift purpose, in this way, "in this case, I will consider the brand".

The influences around the consumption of fragrances

Almost every respondents have assumed that they normally consume fragrances depending on the occasion. The respondents have expressed the idea that they have used different type of fragrances for the winter in comparison with the summer season. The argument it is similar to the split between day and night. Or like one of the interviewee have referred, "one fragrance it is related with a moment, and when we have a change, for instance, when becomes hotter or colder, or if it is night or day, or when we have a change in our humor, the fragrance it will change also". Another interviewee have mentioned a similar approach, "some days, I like to use a smooth aroma, because I'm feeling like a young girl, or in another situation, when I wear something pink, I like to use a floral aroma". Same idea it has been expressed by other respondent, "a special fragrance it will be used for a walk out or a special dinner".

For the majority of respondents, the high price of a luxury brand won't work as a bad influence. For them, a fragrance belonging to a luxury brand, normally has a perception of high quality. This perception it is connected with a higher durability of the aroma and its exclusivity. One interviewee argues with this sentence "the value of a luxury brand it is connected with its innovative characteristic".

The most important attribute for a fragrance belonging to a luxury brand, it is the durability of the aroma, according to the majority of interviewees. Other important attributes for a fragrance are: exclusivity, comfort, elegance and sophistication.

The evaluation of fragrances as an extension of a luxury brand

Only three respondents have assumed that they didn't bought any other products from the luxury brand, beyond the fragrances. In addition to fragrances, all the other respondents have bought other extensions, such as cosmetics, clothes and shoes.

The fit between the parent brand and the fragrance exists, for the majority of the interviewees. For these persons, the pattern of the brand exists when they consume the fragrance. One of the interviewees supports this idea when

he says “there is a logic when someone buys a fragrance and use it, he feels the sophistication and elegance of the brand”. Two interviewees have opposed to this idea, particularly because they consider the patterns of the parent brand does not exist in fragrances, especially if there is a comparison with other extensions of the same brand.

The majority of the respondents have considered that brand associations exists in packaging or in the design of the fragrances that they have used. One respondent argues “I think the design of the fragrance respects the history of the brand”. Another one refers “the bottle and the packaging are consistent with the brand”. Others showed a complete delight with the brands, such as “I think the design is cute, it’s definitely Yves Saint Laurent”, and “In the case of Miss Dior, the bottle is so beautiful”.

Some of the respondents opposed the idea of a clear similarity between the luxury brand and their fragrance extension. One of them argued “I think the bottle and the packaging of the fragrance of Chanel that I use, it is poor, and I think they need to change”. Another respondent repeats the same argument, “Chance, the fragrance of Chanel, it has a very simple and unsophisticated bottle, clearly in the opposite side of Chanel, which has normally products with refinement”.

The entire group of respondents have supported the idea that fragrances doesn’t damage the image of the luxury brand. Additionally, they share the same argument concerning the positive link between the luxury brand and fragrances, especially concerning the high quality level.

5 CONCLUSIONS

Data collected from this research shows that fragrances are used in a daily basis, acting as part of the identity of the consumers. Sometimes, the choice of a fragrance is connected with the season or the emotionality of the consumer. Durability and technical excellence seems to be the most important criteria to choose a fragrance. Nevertheless, the emotions and sensations that consumers get from a fragrance reflects also a fundamental criteria of choice.

Respondents to this research have showed a high level of loyalty to the brands that they are used to buy, particularly in the case of luxury brands. These ones normally have a perception of exclusivity and high quality, which supports a regular choice from high income consumers.

The relationship between the luxury brands and their fragrance’s extension is appropriate according to the views reflected in this research. The characteristics of the parent brand, particularly sophistication and elegance, normally exists in the fragrance’ extension. A part of the success of fragrances remains connected with the values of luxury brands, especially exclusivity and premium price.

Limitations and further research

This research has limitations, particularly related with its dimension and its focus in the region of Lisbon. A future research can overcome these limitations, particularly considering a bigger sample and covering a larger part of the country. Secondly, investigating other extensions of luxury brands, evaluating the relationship and influences from the parent brand.

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