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National and International

Perfume Brands Sales

In Lebanon

“A Comparative Study”

A Research Topic

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Abstract

This study shows that foreign perfumes are still dominant in our rapidly growing perfumery industry. Despite the presence of domestic brands at low prices in the market, the people's buying behavior is oriented towards the purchase of foreign brands.

The people's buying behavior is influenced by certain factors which include the product, price, promotion, and packaging, all of which known as the "marketing-mix tools." In this respect two brands have been studied, one of which is foreign and a leader in sales volume in Lebanon: "Jovan Musk" of Coty Products, and the other is domestic "Charles Illuster" also leader in sales volume as far as domestic brands is concerned.

This study provides the reasons behind the present performance of domestic perfumes in competing with foreign ones. Conclusions and recommendations are illustrated at the last chapter.

CHAPTER ONE

INTRODUCTION

Understanding the buying behavior of the target market is the essential task of the marketing managers. In earlier times, marketers could understand consumers through the daily experience of selling to them. But the growth in the size of the firms and markets has removed many marketing decision makers from direct contact with customers. Increasingly, marketing and sales managers are turning to consumer research for answers to the most important questions about any market : Who constitutes the market ? What does the market buy ? Why does the market buy ? Who participates in the buying ? How does the market buy? When does the market buy ? Where does the market buy ?

Of central interest is the question, how do consumers respond to various marketer controlled stimuli program ? The company that understands how consumers will respond to different product features, prices, advertising appeals, and so on, will have an edge over its competitors. Therefore, business and academic marketing researchers have invested much energy in researching the relationship between marketing stimuli and consumer response.

On the other hand, the consumer market consists of all the individuals and households that buy or acquire goods and services for personal use or consumption. For example, in 1987 the American consumer market consisted of 244 million persons whose aggregate personal disposable income was \$ 3.2 trillion - the equivalent of \$

13.114 for every man, woman, and child.¹ Every year, this market grows by several million persons and over \$ 200 billion, representing one of the most lucrative consumer markets in the world.²

1.0 Research Objective

The research is designed to describe and evaluate the Lebanese consumer behavior towards purchasing perfumes and how companies, distributing perfumes in the market, are assessing and reacting to the market changes taking place in its macroenvironment and microenvironment. A table list of the names of the distributors, retailers and wholesales as well as some suppliers will be presented in the next chapter. The research will also be dealing with companies and their mother suppliers who are leaders in consumer product's markets and have a great influence in helping companies to reach their local market position.

The domestic perfumery products are on the increasing level in the Lebanese market, but not to the extent of being capable to compete with foreign products. Why? The answers will be covered in the next chapters where different brands of leading perfumes in the market are chosen among the foreign and domestic products that have proved, based on statistics, to be the leaders in sales turnover among their categories of super-premium and mass products respectively.

¹ Philip Kotler, Marketing Management Analysis, Planning and Control, (Prentice Hall, 7th Edition) 1991, P. 144

²Ibid. P 164

1.1 Need for Study :

The need for study stems from the lack of recent comprehensive studies concerning consumer behavior towards buying perfumes in Lebanon. Today, the market for consumer products in Lebanon is highly competitive and attractive.

From this perspective arises the need to analyze the strategic marketing programs implemented by companies distributing perfumes in the Lebanese market, to provide some insight into its internal organization, its competitive environment, and the different kinds of marketing intermediaries with whom it is cooperating to enhance its competitive position.

1.2 Methodology of the Study

This is a descriptive study based on presenting information from several sources (primary and secondary) in addition to field observation and interviews.

Furthermore, some magazines, periodicals and reports were used to accomplish this research project for two main reasons :

- 1.To provide the researcher with guidelines for conducting this research.
- 2.To collect relevant information from this research study.

The main sources of information for this research were interviews with business executives at Sindia S.A.R.L and Romance S.A.R.L³. Questions were directed to the managing directors, managers, sales and promotion employees. Furthermore, questions were posed to knowledgeable people in the market place

³Fattal Business Units

through questionnaires distributed to marketers, wholesalers sales representatives, perfumeries, supermarkets, as well as many other outlets and figures in the market.

The research will be dealing with the lebanese growing market, analyzing the perfume industry, and determining the Lebanese consumer behavior towards buying perfumes. Consumers vary in age, income, educational level, mobility patterns, and taste. Perfumes also vary in brand names, prices, classification, odors, and appeals. This market is growing rapidly world-wide where hundreds of brands are being introduced every year to the market. Many companies are importing/exporting various types of perfume products, and are spending thousands of dollars on advertising and promotional campaigns to establish and maintain their market share. Among the big lebanese importers are Tamer, Obaji, Fanitrade, Emex, Fattal, Sarraf, Sicodil, Amatory and Shamas. Among the top perfumes brands are Christian Dior, Lacoste, Old Spice, Tabac, Indifference, Anais, Cartier, Silence, Jovan Musk, Cacharel, Davidof, Beucherin, Jacomo, as well as many other products which had become household familiar words, and found enthusiastic acceptance in our market. The international perfume line has entered the race of global competition. Foreign companies are learning how to enter the lebanese market and increase their global competitiveness.

1.3 Limitations of the Study

Throughout the study , a great effort was made to render the results reliable and unbiased. Despite these efforts, the study has some limitations which are due to the following reasons :

1. Some interviewers were reluctant to provide the researcher with the necessary information, especially when it comes to numerical figure.

2. Some interviewers, gave inaccurate data when it comes to sales volume and pricing strategies. They considered such information as confidential, and they feared that it would be spread to competitors.

3. The analysis of this marketing research requires a longer time - span. To offset this limitation, the researcher has widened the sources of data to a considerable extent.

CHAPTER TWO

Literature Review

Perfume is a substance that gives a pleasant smell. It consists of compounds of fragrant essences obtained from plants and other odoriferous substances. The best perfumes do not come from a single source. They are skillfully blended scents made from many substances. Blenders make perfumes from various combination of animal, plant, and artificial scents. Many different scents can be made from different proportions of these basic perfumes. Most of the highest-quality scents are made in France.¹

2.1 Kinds of Perfume :

2.1.1. Animal Perfumes Animal Perfumes : Odors of animal origin are used in perfumes. Some of them are castor, which comes from the bear, a fatty substance found in the civet, and musk, an oily liquid which forms in a special sac in musk deer.

Animal Perfumes are valuable because they are strong and penetrating, and because the odor lasts longer. In large quantities, animal perfumes are sickening. But small amounts give strength and permanence to light and delicate scents. Animal perfumes are dissolved in alcohol to form a tincture, when they are used in perfumery.²

The tincture of civet is used in many toilet powders and sachets. Musk is the foundation of most fine perfumes. Tonquin musk, which comes from China, is the

¹The World Book, Volume 14, P.230

²Ibid., P..232

highest grade of musk and is the most expensive animal perfume. Weak tinctures of castor are also widely used in perfume.

2.1.2. Plant Perfumes :

Fragrant plants have tiny sacs that store the fragrant substance. This substance is an oil, which perfumes call essential oil. Various parts of different plants are used to produce essential oils. The most delicate perfume come from the blossoms of plants. Perfumeries take the essential oils from blossoms by distilling the oils, or by enfleurage and extraction.

2.1.2.1. Distillation

Distillation is a method in which the flower petals are boiled in water. The essential oil in the petals quickly turns to gas. The gas is then passed through tubing and cooled to make it liquid again.

2.1.2.2. Enfleurage and extraction

Enfleurage and extraction is an old way of getting the essential oils from flowers. Glass plates are covered with fat, and flower petals are spread over it. The fat absorbs the essential oil. This part of the method is called enfleurage. Now it is time to take the essential oil from the fat, or extract it. This is done by putting the fat into a closed container with alcohol, and heating the whole mixture. The alcohol dissolves the essential oil and rises with it to the form of the liquid fat. Then it is skimmed off. By enfleurage and extraction, a dozen of flower petals gives off about 10 to 16 ounces of essential oil.³

³Ibid., P..233

2.1.2.3. Expression

Sometimes the essential oil is found in the rinds of fruits, such as lemon or orange. this oil is pressed out, or expressed.

The essential oils of mints are found in the leaves and the stems. The odor-bearing part of the cinnamon is the bark. Rosewood, Cedar, and Sandalwood hold their fragrance in the wood itself. In cloves, nutmeg, and anise, the seeds contain perfume. The sweet-smelling gums and resins are made by bruised trees.

No matter where the essential oil comes from, great skill and long experience are needed to remove the oils from the plants which hold them. A slight mistake along the way may cause the perfume to smell entirely different from the desired fragrance.

2.1.2.4. Synthetic perfumes.

Synthetic perfumes are made from coal-tar products. Chemists analyze the different essential oils and copy their chemical make-up. Perfumes so made are not to be considered as cheap imitations. In many cases the synthetic product is exactly the same, chemically, as the material essential oil, and it is likely to contain fewer impurities. Perfumes that are chemically made are usually cheaper than natural perfumes.⁴

2.2. Forms of Perfumes :

Some of the familiar forms of perfumes are :

a - Extract or essences, the concentrated perfumes :

⁴Ibid., P..233

b - Toilet water, a weak water - alcohol solution of an extract, (i.e., Florida water and Eau de Cologne)

c - Sachet, a mixture of ground roots, blossoms and herbs.

The popular perfumes on the market are classified as light florals, such as Violet and Lilac scents, heavy floral, such as gardenia and carnation, light Orientals, such as Sandalwood, and heavy Orientals, in which musks are used.

2.3. Source of Material used in one French Type Perfume : ⁵

TYPE	ODORS	S/N	SOURCE
Floral Odors	Jasmine	Synthetic	Coal Tan
	Violet	Synthetic	Oil of almoners
	Rose	Synthetic	Coal tar & alcohol
	Lily of the Valley	Synthetic	Oil of Citronella
	Carnation	Synthetic	Oil of Cloves
	Orange Blossom	Natural	Blossoms
	Mimosa	Natural	Flowers
Oriental Odors	Sandalwood	Natural	Wood
	Vetiver	Natural	Roots
	Styrax	Natural	Resin
	Patchouli	Natural	Leaves
Odors added to modify the odor of the perfume	Oumrin	Synthetic	Coal Tar
	Oxk Moss	Natural	Moss
	Yang Yang	Natural	Flowers
Fixative and diluting Agent	Musk Ambrette	Synthetic	Coal Tar
	Alcohol	Natural	Molasses or Grain

⁵Ibid., P.234

2.4. Historical Background

Compounds of fragrant essences obtained from plants and other odorous substances. Perfumes have a history as ancient as Egypt, where tomb remains reveal the use of fragrant ointments and oils. Avicenna, an Arab physician, is said to have discovered the distillation process that greatly reduced the cost of making the Essential Oils used in perfumery, and knowledge of distillation spread through Europe as the crusaders returned with samples of Arab essences⁶.

Ancient peoples burned many kinds of resins, gums, and woods at their religious ceremonies. They enjoyed the pleasant smell of the smoke that drifted through the air around the burning incense. They often soaked the fragrant woods and resins in water and oil, then rubbed their bodies with the liquid. They also embalmed, or preserved, their dead with the liquids.⁷

The first modern perfume, made of scented oils in an alcohol solution was made in 1370 A.D at the command of Queen Elizabeth of Hungary and was known throughout Europe as Hungary Water. The art of perfumery prospered in Renaissance Italy, and in the 16th century, Italian refinements were taken to France which quickly became the European center of perfume and Cosmetic manufacture. Cultivation of flowers for their perfume essence, which had begun in the 14th century, grew into a major industry in the south of France⁸.

⁶ Ibid. , P. 164

⁷ Crolier Academic Encyclopedia., P.165

⁸ Ibid. , P. 164

The French gave the name *Parfum* to the pleasant smells that drift through the air from burning incense and from blooming flowers. They took the name from two Latin words. These were per , meaning through, and femur, meaning smoke.⁹

Perfumes have been found in the tombs of Egyptian Pharaohs who lived more than 3,000 years ago. The ancient Greeks and Romans learned about perfumes from the Egyptians. For hundreds of years, perfume making was an oriental art. In the early 1200's A.D., the Crusaders brought perfume from the Holyland to England and France. Soon, brisk trade in spices and perfumes grew up between the east and cities in Europe.

In the 1500's A.D., perfumes became very popular throughout Europe. One of the most famous men of the day was Rene, a perfumer from Florence, Italy, who went to France with Catherine de Medici, when she married Prince Henry, who later became Henry II of France.

In the 1920s A.D. the great couriers of Paris began to promote fragrances that carried their house names : Worth, Chanel, Patou. Today, using the same technique, American fashion designers have captured a large part of perfume market and expanded it by selling scents to men as well as women.¹⁰

2.5. Fragrance

The essential oils that are the foundation for perfumes are taken from a large variety of plants. The most important, however, are bitter orange blossoms, jasmine, and rose. Oil of costus is derived from the root of the Indian costus plant and is used in

⁹Ibid., P.165

¹⁰Ibid., P.168

Oriental perfume blends. Approximately 100 pounds of root are needed to obtain one - quarter pound of oil, which is why it is extremely expensive. Patchouli is a musty fragrance taken from the leaves of the Patchouli plant. Citrus oils are obtained from the peel, leaves and shoots, and flowers of various citrus fruits, especially the pear - shaped, inedible Bergamot. Aromatic synthetic chemicals supply new odors not found in natural substances. Some synthetics are used to create floral fragrances resembling those of flowers that do not yield oils : lily of the valley and gardenia , for example. ¹¹

On the other hand fixatives are used to bind the various fragrance elements together and to equalize their rate of vaporization. They are obtained from balsams, resins, and animal secretions. The most important are those from the scent glands of the civet cat; from the male musk deer; from the beaver; and from Ambergris, a fatty substance that is the product of the sperm whale. Undiluted, these animal substances exude unpleasant odors. In high - alcohol dilution's they lose their odor and act as mellowing and preserving agents. Fragrances and fixatives are diluted and blended in pure alcohol, chilled and filtered, and then aged for up to a year. Toilet waters and colognes are always more dilute than perfumes.

Yet, since perfumes as a subject for discussion is very broad and includes all types of products related to skin, face and body, the main emphasis of this thesis project will be on consumer behavior towards perfumes in Lebanon ; the marketing mix, (the 4p's), structure of distribution, and the consumer purchasing decision. But before discussing that particular issue of consumer response in market, one must learn and know in general the basic concept behind each term to be discussed. ¹²

¹¹ Ibid., P.169

¹²Ibid., P.169

2.6. Marketing - Mix

By definition, the marketing mix is the set of marketing tools that the firm uses to pursue its marketing objectives in the target market.¹³ There are various number of marketing - mix tools, “McCarthy popularized a four factor classification of these tools called the four Ps: *product*, *price*, *place* (i.e ; distribution), and *promotion*.”¹⁴

2.6.1. Product

2.6.1.1. What is a product ?

By definition the product is “ anything the can be offered to someone to satisfy a need or want.” Moreover, it is “ anything can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need”. Most products are physical products or goods such as automobiles, toasters, shoes, eggs and books. But services - such as haircuts, concerts, and vacations are also products (sometimes called service products). One can also think of *persons* as products not that one can buy but that one can buy what they produce such as Diego Maradona, former Argentine football star, whose videos could be bought and his matches could be attended. *Places* are sometimes considered products in that one can buy a land there or take a vacation.¹⁵

Even an *idea* can be marketed such as a family planning or safe driving, in the sense that we might adopt the behavior associated with the idea. Thus we say that

¹³Philip Kotter, Marketing Management Analysis, Planning and Control, (Prentice Hall 7th Edition) 1991. P.68

¹⁴Ibid., P.68

¹⁵Ibid., P.5

products “ consist broadly of anything that can be marketed, including physical objects, services, persons, places, organizations, and ideas.”¹⁶

2.6.1.2. Product Levels

In planning its market offer or product, the marketer should think of the products levels :¹⁷

i - The most fundamental level is the “ core benefit”, that is the benefit the customer is buying. In the case of a hotel, the guest is buying “ rest and sleep “, women are buying “ hope” when purchasing a perfume, and the purchasing agent is buying “ holes” in the case of drills.

ii - The generic product is the second level, namely a “ basic version of the products”. Thus a hotel would consist of a building that has a lobby, a desk and deluxe rooms for rent.

iii - The third level consists of the marketer preparing for an “ expected product”, namely a set of characteristics and features that are expected by the buyer. For example, smooth - flowing hyperanti allergic, long - lasting, perfumes.

iv - “An augmented” product is prepared by the marketer in the fourth stage. The marketer includes other characteristics and benefits provided that differentiate it from its competitors. Today’s competition takes place primarily at the product - augmentation level.

According to Theodore Levitt, “ *the new competition is not between what companies produce in their factories, but between what they add to their factory*

¹⁶Ibid., P.429

¹⁷Ibid., P.429

output in the form of packaging, services, advertising, customer advice, financing, delivery arrangements, warehousing, and other things that people value"¹⁸

v - The "potential product" stands at the fifth level. Here, the company would build a product to reach it ultimacy in the future, not only to satisfy the consumer but also to bring delight through the new ways and innovations offered that distinguish it from its competitors. Delighting is "a matter of adding unexpected surprises to the offer".

2.6.1.3. Packaging and labeling

When a product enters the market it should be packaged and labeled. Packaging can play a minor role as with inexpensive hardware items, or a major role as with cosmetics. Some packages are well - known as a bottle of Coke. Many marketers consider packaging a "fifth p" along with product, price, place and promotion, whereas others prefer to include the packaging item under the product strategy.¹⁹

a - The Importance of Packaging

Packaging is defined as "the activities of designing and producing the container or wrapper for a product." The package is classified into three levels of material.²⁰

1. The primary package, the products' immediate container,
2. The secondary package, the material that protects the primary package and is removed when the product is to be used ; and
3. The shipping package, is packaging essential for storage, identification, or transportation.

¹⁸Ibid., P.430

¹⁹Ibid., P.448

b - Package Design

Today, packaging has become a powerful marketing tool. Well - designed packages can create convenience value for the consumer and promotional value for the producer. A variety of factors have contributed to the growth of packaging as a marketing tool :²¹

i- Self - service : Some products are sold on the self - service shelves of supermarkets and discount houses. Here, the package attracts attention, to the features, builds consumer confidence, and provides a favorable impression.

ii - Consumer affluence : Some consumers are ready to pay more for a package that offers convenience, look, dependability, and prestige.

iii - Company and brand image : Well - designed packages provide instant recognition of the brand. For example, the yellow packaging of a Kodak film is immediately recognized.

iv - Innovative opportunity : New innovative packaging will bring satisfaction and benefit to the consumer on one hand and profits to the producer on the other hand.

Therefore developing an effective package for a new product requires several decisions. The first is to establish a packaging concept. The packaging concept “defines what the package should basically be or do for the particular product”. Several packaging elements should be the basis of decisions as the size, shape,

²⁰Ibid., P.449

²¹Ibid., P.449

materials, colors, text, and brand mark. All those elements should be in harmony, for example, the size with materials and colors.²²

c - Package Test

After the package is designed, it should be tested. This should be done through several tests e.g., the engineering tests to ensure that the package stands under normal conditions; the visual tests, to ensure that the script is legible and the colors harmonious; dealer tests, to ensure dealers find the package attractive and easy to handle; and consumer satisfaction through their response.²³

d - Functions of Packaging & Labeling

The functions of packaging could not but be noticed in the way it provides satisfaction and attraction for the consumers. To this end, companies may pay hundreds of thousands of dollars extra in the process of designing and developing effective packaging and labeling. The label may be a simple tag attached to the products or a designed graphic that is part of the package. The label may carry the brand name or more information about the product.

The functions attributed to the labeling of a product are various. First of all the label identifies products from each other. It might also grade the product, describe who made it, where it was made, when it was made, what it contains, how it is to be used, and how to use it safely. Finally, the label might even promote the product through its attractive graphics.

²²Ibid., P.450

²³Ibid., P.450

Therefore, it is quite obvious the term product is, in fact “the most basic marketing - mix tool, which stands for the firm’s tangible offer to the market, including the product quality, design, features, branding and packaging”.²⁴

2.6.2. Price

2.6.2.1. What is price ?

Throughout history, prices were set by buyers and sellers negotiating over a product with

each other. Sellers would ask for a high price and the buyers would offer a lower price. With bargaining, they would reach at a price. Hence price is the only marketing tool that generates a revenue; all other elements produce costs.

Price is an important element in meeting the consumer’s needs. Price and pricing policies are among the most important problems that confront management.

Yet, the business manager setting a price on his goods today has to consider consumer demand, competition, political consequences, legal aspects, and even ethical aspects of pricing. In addition he must consider his own costs, the cost of channels he uses to reach the market, and the various activities he has to perform in connection with the sale, such as advertising and promotion, personal selling, freight, handling costs, discounts and allowances, and the like. Furthermore, the product itself and what it will do for the buyer, has a great deal to do with the price at which it will sell.²⁵

²⁴Ibid., P.451

²⁵Grolier, Modern Business Marketing, Alexander Hamilton Institute 1962, P.273

2.6.2.2. Pricing Policies :

The manufacturer is not completely free to set his own pricing policies. But any good pricing policy must be aimed at offering a reasonable price to the consumer, insuring a fair return on investment to the manufacturer, permitting reasonable growth, and providing reasonable price stability. In addition, a good pricing policy should meet competition and comply with legislative requirements.

2.6.2.3 Choices for setting the price

One pricing policy is a global policy set by multinationals. However, companies have three choices in setting their international prices.²⁶

1 - *Setting a Uniform Price Everywhere* : Thus The French cosmetics and fragrance company, Chanel, might want to charge \$X for a lipstick. But this might be too high a price in poor countries and not enough in rich countries.

2 - *Setting a Market - Based Price in Each Country* : Here Chanel would charge what each country would bear. But this ignores differences in the actual cost from country to country. It also would lead to a situation where middlemen in low - price countries transshipped their Chanel to high - price countries.

3 - *Setting a Cost - Based Price in Each Country* : Here Chanel would use a standard markup of its costs everywhere. But doing this might price Chanel out of the market in certain countries where its costs are high.

2.6.2.4 - Selecting the price

Correct pricing involves finding the best possible exchange value for the product. The modern manufacturer must not only know the worth of his products,

²⁶Philip Kotter, Marketing Management Analysis, Planning and Control, 1991 P.420

but also he must know what competition offers, what substitutes are available and the relative efficiency of the various channels of distribution. In addition, the manufacturer must have a good understanding of costs and he must understand or try to understand what constitutes value in the eyes of the consumer, Thus the firm or the manufacturer must take into consideration several factors in order to set the correct price in the market.

2.6.2.5. Selecting the Pricing Objective

First of all, once the target market and the market positioning are selected, the pricing strategy will be easy to set. Behind setting the price the company aims at pursuing several objectives.²⁷

i - One of these objectives is the survival of the company which is much more important than profit itself. To maintain its survival, the company sometimes will cut prices. As long as inventories are turning over, and prices cover the variable costs and some fixed costs, the company is on the safe side and is still in business. But this is considered a short - term objective. Its long - term objective is to learn how “to add value or face extinction”.

ii - Maximizing current profit is the second objective sought by a firm. In such a case firms try to estimate the demand and costs analogous with alternative prices and select the price incurs maximum current profit, cash flow, or rate of return on investment.

²⁷Ibid., P.476

2.6.2.6. Steps in Setting the price

Moreover, selecting the price is based on knowing about the “three C’s” which are customer’s demand schedule, cost function and competitor’s prices.²⁸

i - Demand Schedule

The firm has to determine the demand schedule which shows the probable quantity purchased per period at alternative price levels. The more inelastic the demand, the higher the company can set its price. For instance in the case of prestige goods the demand curve is sometimes positively sloped. A Perfumery firm like Chanel for example, cannot but raise its prices since it found that the higher are the prices of its products the higher were its volume sales. This is a fact since customers believe that a higher price signifies a better product, (the price - quality relationship).

ii - Estimating Costs²⁹

“ Demand sets a ceiling to the price that the company can charge to its product. And company costs set the floor”. The firm usually sets a price to cover its cost of production, distribution, and including a fair return for its efforts and uncertainty. The two costs the company faces are the fixed and variable costs. Fixed costs are the costs that stay constant with production or sales revenue. These are in the form of salaries, bills, rent, and interest expenses and the like which have to be paid with or without output. The variable costs are associated with the production level. These expenses include the cost of materials, packaging and processing which vary with the output. The sum of both costs is the total costs.

²⁸Ibid., P.478

²⁹Ibid., P.480

iii - Competitors' Prices

Prices could be set by knowing and learning about the competitor's prices. To do that, the company must know about the quality and price of competitor's offer. Thus there are several ways to gather such information. One way is to send researchers to price and compare the competitor's offers. The firm can obtain the product or even acquire a price list. Moreover, the firm can ask buyers how they view the price and quality of the competitor's offer. Once all this information are gathered the firm can use them as an orienting point to set their prices. Yet, if the product offered by the firm is similar in quality and brand image to the competitor's offer, the firm cannot but price close the latter's.

Knowing the three C's, i.e.; the customer demand schedule, the cost function and the competitor's prices, the company would be able to set its price on the products. The price will be somewhere between one that is too low to produce a profit and one that is too high to produce a demand.³⁰

2.6.3. Place :

The term place is another key of marketing - mix tool that stands for the various activities the company undertakes to make the product easily accessible and available to target customers. The company must identify, recruit and link various intermediaries and marketing facilitators so that its products and services are efficiently delivered to the target market. The firm understands the various types of retailers, wholesalers, and physical - distribution firms and how they make their decisions.

³⁰Ibid., P.70

A more intensified illustration will be presented in the section under Structure of Distribution for the similarity of those two items.

2.6.4. Promotion :

Promotion the fourth marketing - mix tool stands for the various activities the company undertakes to communicate its products' merits and to persuade target customers to buy them. The company has to hire, train, and motivate salespeople to promote its products to middlemen and other buyers. It has to set up communication and promotion programs consisting of advertising, direct marketing, sales promotion, and public relations.³¹

2.6.4.1 Advertising

By definition is "any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an additional sponsor". In designing any communication and promotion the target audience should be identified. Then one can proceed in developing the five major decisions in the advertising program known as the "five M's : - mission, money, message, media, measurement."³²

A - Mission

The first step set by the advertiser is to draw the objectives. These objectives are further classified into those that are aims at informing, persuading or reminding. Here below a definition of each one would be stated :

i - Informative advertising

I. Tells the market about a new product

³¹Ibid., P.567

³²Ibid., P.496-498

2. Suggests new uses for the product
3. Informs the market of a price change
4. Explains how the product works
5. Describes available services
6. Corrects false impressions
7. Reduces consumers' fears
8. Builds a company image

ii - Persuasive Advertising

1. Build brand preference
2. Encourage switching to the brand
3. Change customer's perception of products attributes
4. Persuade customers to purchase now
5. Persuade customers to receive a sales call

iii - Reminder Advertising

1. Remind customers that the product will be needed in the near future
2. Remind them where to buy it
3. Keep it in their minds off seasons
4. Maintaining its top of mind awareness

The choice of an advertising program should be based on a thorough analysis of the current marketing situation. for example if the product class is mature and it is

the leader, yet the brand usage is low. In this case the advertising should be oriented towards stimulating more brand usage.

B - Money

Once the advertising objectives are determined, the company seeks to set a budget for its advertising campaigns. Advertising plays the role of aiming to increase the demand and the volume sales. But does a company know how much to spend and if it is spending the right amount ?

Sometimes the company might spend little leaving low impact on listeners and viewers, which the company paradoxically has spent too much. In contrast, a company might spend too much on advertising which is not worth it, where money might have been channeled for better use.

Although advertising is considered as a variable cost of doing business, yet a part of it is an investment that builds an image called the goodwill. However, establishing the promotion budget is one of the difficult tasks faced by companies. Yet, there are four methods used to set a promotion budget :³³

i- Affordable method

In this method companies set the budget on what they think they can afford. But, this method leads to uncertain annual promotion budget, since it disregards the role of promotion as an investment and its impact on sales volume.

³³Ibid., P.581-583

ii - Percentage of Sales Method

As the same name implies, companies set the promotion budget as a percentage of the sales that is specified or as a percentage of sales price. This method has its advantages and disadvantages.

a - Advantages :

1. Promotion expenses would vary with the capability of what the company can afford.
2. Managers would think in terms of the relationship between promotion cost, selling price, and profit per unit.
3. Competing firms would encourage to spend approximately the same percentage of their sales volume.

b - Disadvantages

1. Sales viewed as a cause of promotion and not the result.
2. The budget is set by the convenience of funds rather than by market opportunities.
3. Year - to - year sales fluctuates, thus the budget depending on the latter will interfere with long - term planning.
4. The method gives no logical basis for selecting a percentage, except depending on the results of past volume sales or on competitor's actions.

iii - Competitive - Parity Method

“ Some companies set their promotion budget to achieve share - of - voice parity with their competitor”. This means that companies set their budget based on their belief that competition knows better what should be spent on promotion. This

method is impractical since companies have different reputations, resources, opportunities, and objectives, to set them as a guide for selecting the budget.

In this method the marketers select the promotion budget based on the company's specific objectives, and the ways to achieve those objectives, and the costs estimated for performing those ways. The total of those costs is the designed promotion budget.

Yet, the Objective - And - Task Method is the favored method since it calls upon the marketer to specify the objectives and thereafter the costs of the tasks performed. However, there are specific factors to consider when setting the advertising budget.

1. Stage in the Product Life Cycle : It is necessary to know which stage the product is at. For, new product need a high advertising budget to build awareness as compared to established brands.
2. Market Share and Consumer Base : Products that have a high marketing share need less advertising spending as a percentage of the sales than those having a low share. Moreover it is less costly to build consumer awareness of well known brands as compared to those that need constant advertising to reach the consumer.
3. Competition and Cluster : A product or brand that faces high competition needs to advertise extensively so as to be heard above others.
4. Advertising Frequency : The more the advertisements are repeated the more the budget would have to increase.

5. **Product Substitutability** : In a commodity class where certain brands are demanded, advertising is to be high as to maintain their image. Moreover, brands that offer unique characteristics and advantages need to be highly advertised and promoted.

C- Message

Creativity and innovation are two factors important to be considered in formulating the message to reach the consumer. The advertising should express the major benefits offered by the product. Thus, the message of the ad should concentrate on the selling proposition without going into details and information of the product which might distract the consumer's attention. The more message conveyed is short, effective, direct to the point, desirable, exclusive and believable, the more successful is the ad. Moreover, the way of executing the message in addition to selecting is very important. The message should have an effective impact on the viewer. Some ads are intended to appeal to the rational mind, and some to the emotional mind.³⁴

Furthermore, some marketers today use celebrities to endorse their products. However, the choice of the celebrity is critical. The celebrity should be well recognized, have a positive effect and have a high appropriateness to the product. He, or she should be carefully chosen as to which type of product is to be advertised. Yet, the marketer worries in selecting the celebrity, since the sales should cover the highly paid costs. Moreover, they worry that the celebrity gets involved in a scandal, or even injured or dead, since those risks are covered with insurance.

³⁴Ibid., P.602-603

D - Media

The 4th M that has to be considered is the selection of the media, the best media that has immediate impact to convey and carry the message. Selecting the media is the “ problem of finding the most cost - effective media to deliver the desired number of exposures to the target audience”. The media planner then has to define the types of media needed to deliver the message. The major media types in order of their advertising volume, are telephone, newspapers, television, direct mail, radio, magazines, and outdoor.³⁵

E - Measurements

Evaluating the effectiveness of advertising is the marketers last task. Most measurements are of an applied nature, dealing with specific campaigns and ads. Some marketers even go through the process of communication - effect research. This procedure calls upon viewers to rate alternative ads. Second to view and/or listen to a portfolio of ads. Third the consumer's psychological reactions to an ad are measured. Another way the marketer follows to measure advertising effectiveness is through the sales - effect research. This process is harder to measure, since sales are influenced by several factors such as price, product features and availability as well as competition, which are uncontrollable factors.³⁶

2.6.5. Structure of Distribution

Selecting the channels of distribution is one of the important decisions the marketer has to consider in distributing the consumer goods. Five channels are widely used in the marketing of consumer products. In each, the manufacturer also has the

³⁵Ibid., P. 606

³⁶Ibid., P. 613-615

alternative of using sales branches or sales offices. Obviously, the suggestion that there are only five major channels is an oversimplification, but one that seems necessary if one is to discuss this wide subject in few paragraphs.³⁷

1. **Producer - Consumer.** The shortest, simplest channel of distribution for consumer products is from the producer to the consumer, with no middlemen involved. The producer may sell from house to house or by mail.
2. **Producer - retailer - consumer.** Many large retailers buy directly from manufacturers and agricultural producers.
3. **Producer - wholesaler - retailer - consumer.** If there is a “traditional” channel for consumer goods, this is it. Small retailers and small manufacturers find this channel the only economically feasible choice.
4. **Producer - agent - retailer - consumer.** Instead of using wholesalers, many producers prefer to use a manufacturers’ agent or some other agent middleman to reach the retail market, especially *large - scale* retailers.
5. **Producer - agent - wholesaler - retailer - consumer.** To reach small retailers, the producers mentioned in the preceding paragraph often use agent middlemen, who in turn call on wholesalers that sell to small stores.

2.6.6. Consumer Behavior

2.6.6.1. Who is the Consumer ?

Consumers vary in age income, educational level, mobility patterns, and taste. The consumers’ buying behavior should be understood and known by marketers. In the

³⁷William J. Stanton, *Fundamentals of Marketing*, (Mc.Graw - Hill. 1987)

early times, marketers could understand the consumers through the daily experience of selling to them. but with the growing size of the market and the firms, marketers have stopped the direct contact and shifted to researches about the consumers' behavior via answers for question known as the 7 O's of the marketplace.

2.6.6.2. Factors behind the purchasing Decision

What are the major factors influencing the consumers' purchasing decision ?³⁸

A - Cultural Factors

This factor influences consumers deeply and mostly.

I- Culture

“ Culture is the most fundamental determinant of a person's wants and behavior”. A human being is exposed to several values and thus acquires those values through the process of socializing with the surrounding group as family and friends.³⁹

ii - Subculture

Four types of subculture could be identified. Nationality groups such as Spanish, Mexicans, Polish and the like that are found in large communities and have their own ethnic tastes and preferences. Religious such as Catholics, Jews, etc...that represent specific cultural preferences and taboos. Racial groups such as the Blacks, and Orientals who have different styles and beliefs. Geographical areas such as California, Australia etc...that have different characteristic lifestyles.

³⁸Philip Kotler, Marketing Management Analysis, Planing and Control, 1991, P.164-168

³⁹Ibid., P.165

B - Social Class

Social classes show distinct product and brand preferences in such areas as clothing, home furnishings, leisure activities, and automobiles. The social classes differ in their media preferences. Moreover, social classes have several characteristics :

1. People of the same social class tend to behave more alike than persons of different social class.
2. People are perceived as occupying inferior or superior positions according to their social class.
3. People's social class is indicated by a number of variables including, occupation, income, wealth and education.
4. People pass through different social classes - ups downs - during their lifetime.

2.6.6.3. Reasons Behind Buying

Defining the customers needs begins by considering the reasons behind buying.

These could be related to :⁴⁰

1 - Functional Needs

A product is purchased for its particular performance characteristic. For example, consumers will buy basic stuffs where they are offered the cheapest prices.

2 - Convenience or Habit

Particular products are selected almost automatically because of established consumer confidence through trial, through their sheer size and brand domination or because of excellence of supply or accessibility.

⁴⁰Frant Cokayne, Successful Marketing Studiegies, 1991 P.35-37

3 - Aspiration and Aesthetic Needs

The presentation and design of the product is also the prime importance of selecting a product. The product with an aspirational feature increases the customers wish to look, feel or be seen as desirable in a particular way.

Customers' behavior can be summarized by positioning on a necessity spectrum which moves from "need" through "Want" to "Desire". Each of these major types of market necessity may be driven primarily by one of the three purchasing requirements mentioned above. (See Table 1).⁴¹

Table 1. The link between need, want and desire, and the priority purchase requirements.

Necessity segment	Priority purchasing requirements		
Need	Function	Convenience	Aspiration
Want	Function	Convenience	Aspiration
Desire	Function	Convenience	Aspiration

After illustrating in details the marketing mix of products in general, we will turn now to concentrate on the main purpose of this study, which is the consumer behavior towards the foreign - made perfume coty, and domestic - made perfumes of Charles illuster.

General overview of the Foreign - Local made Perfumes.

Groups such as Obaji, Tamer, Fanitrade, Fattal, Abou Adal, Shamas as well as others are concerned with distributing consumer goods whether imported into or

⁴¹Ibid., P.38

manufactured in Lebanon . As defined earlier in this chapter, the product is “anything that can be offered to someone to satisfy a need or want”. What is the need or want to be satisfied upon purchasing a perfume? HOPE ! As one of the managers interviewed mentioned, “people are buying hope when buying a perfume, hope for an attractive, better, and appeals”. The smell, the feel, the sensational feeling of attraction gives the person the best of all possible worlds. at any moment, a true perfume lets the person enjoy hours of true comfort. The smell of a true perfume attracts peoples attention. It has an appealing brilliance and incredibly even wear. Therefore to start with the essentials, and to clarify systematically this study we will start by presenting a brief introduction of the background of the coty company and how it has grown throughout the years to become one of the most worldwide known in the perfumery business.⁴²

2.7.1. Historical Background of Coty Group

2.7.1.1. What is Coty Group ?

Coty Group is the broad distribution cosmetics and fragrance division of Benckiser Group, a privately held global consumer products company with annual net sales of over \$ 3 billion.⁴³

2.7.1.2. How long has Coty Group been in business ?

Coty Group was created in 1993 to unify under one banner the various acquisitions made by Benckiser since 1990 in the broad distribution cosmetics and fragrance category.

⁴²Personal Interview with Mr.Aboud, Marketing Manager at Romance S.A.R.L

⁴³Interview with Mr. Zoôo Product Manager of “Coty”, at “Sindia”

2.7.1.3. Why was the name Coty Group chosen ?

Francois Coty played a key role in founding the modern fragrance industry. His philosophy was best summarized by his statement :

“Give a woman the best product that you can make, market it in the perfect bottle, beautiful in its simplicity yet impeccable in taste, ask a reasonable price for it, and you will witness the birth of a business the size of which the world has never seen”.

This philosophy provides the guiding principle and inspiration for Coty Group.

2.7.1.4. What brands does Coty Group market ?

Major brands include Margret Astor, Invite, Miss Sporty, Theater and Gisele Denis in color cosmetics as well as numerous fragrance brands including Adidas, Vanilla Fields, Stetson, Preferred Stock, Exclamation!, longing, Monsoon, Chipie, Grossmen, Amando, Jovan Musk , Aspen and Chanson D'Eau. Coty Group is also active in the skin care market with brands like Margret Astor and Inegrite.

2.7.1.5. In which countries does Coty Group market products ?

Coty Group has operations in around 20 countries, in addition to export businesses. The company's primary markets are Western Europe (Germany, Spain, France, UK, Holland, Austria, Belgium, Switzerland, Portugal, Turkey) and North America (United States and Canada). Recently Coty Group has experienced fast growth in new markets like Eastern Europe (Poland, Czech Republic) and South America (Mexico, Argentina). Coty Group has to further develop its activities in South America, Eastern Europe and Asia.

2.7.1.6. What is the company's management structure ?

Jean - Andre Rougeot is president of Coty Group Worldwide. An operating committee consisting of several key division managers directs the strategy of Coty Group Worldwide.

2.7.1.7. Who is Coty Group ?

A subsidiary of Benckiser Group, Coty Group Worldwide is the operating division which focuses on developing and building brands in broad distribution cosmetics and fragrances. their headquarters are in New York and Paris.

Coty Goup has operarions in 20 countries, in addition to significiant export businesses.

2.7.1.8. Who is Coty's ?⁴⁴

Its' parent company, Benckiser Group, is a global consumer products company, focused on non - food and non - durable packaged goods. Its mission is to be the best in all categories. Benckiser Group products are in three areas :

- a) Broad Distribution Cosmetics and Fragrances
- b) Selective Distribution Cosmetics and Fragrances
- c) Household Detergents and Cleaning Agents

Like Coty Group's broad distribution cosmetics, other Benckiser products are best known by their brand names and many have a leading share in markets throughout the world.

⁴⁴"Coty" Profile., P.3-5

The company is the worldwide leader in automatic dishwashing detergents and water softeners with brands such as Calgon, Calgonit, Finish and Electrasol.

Its selective distribution cosmetics division, Lancaster Group, is a world leader with international brands such as Davidoff, Lancaster, Montel Paris, Jil Sander, JOOP!, Chopard, Nikos and Bogner.

As part of Benckiser's diversification strategy, which was initiated in 1990, the company acquired the Astor/Lancaster Group, one of Europe's leading manufacturers of cosmetics and personal care products, from Smith Kline Beecham and followed this with the acquisition of Coty Inc. from Pfizer Inc. More Benckiser acquired General Cosmetics in Holland, Beauty

International in the UK and Beecham Cosmetics in Mexico to further build the international network of Coty Group.

Coty Inc., acquired in 1992, holds the number one position in the U.S. fragrance market with brands such as Steton, Exclamation, Vanilla Fields and Aspen. Through its various operating companies, Coty Group also holds the number one position in color cosmetics in Spain, Germany, Austria, Switzerland, Poland, Czech Republic and Holland as well as leading positions in fragrances in Spain, UK, Canada, Holland, France, Poland and Mexico.

2.7.1.9. Why coty ?

Francois Coty founded the modern fragrance industry by introducing innovative practices in manufacturing, marketing and merchandising. Born in 1875, he started his own fragrance company in Paris in 1905 which soon became the biggest fragrance company in the world. Coty Incorporated was founded in New York in

1913. Some of the early brands created by Francois Coty such as Emeraude, L'Aimant, L'Origan and Muguet des Bois, are still marketed today.

The values and visions that Coty had Years ago and applied so brilliantly to his business were simple but very effective. These can be summarized in his statement :

“Give a woman the best product that you can market, it in the perfect bottle, beautiful in its simplicity yet impeccable in taste, ask a reasonable price for it, and you will witness the birth of a business the size of which the world has never seen”.

He supported his vision with the expert use of advertising, where his ingenuity distinguished him as a marketing pioneer.

The values and visions which represent the legacy of Coty are remarkably consistent with the exciting new opportunities the cosmetics and fragrances markets offer today. These values provide the guiding principle and inspiration on which the Coty Group will continue to build its worldwide presence.

2.7.1.10.How Coty thinks and why they are different ?

Coty Group Worldwide's objective is to become one of the top two companies worldwide in the broad distribution cosmetics and fragrance markets. To achieve this goal, they believe that :

- a) “Mega brands” - worldwide brands with broad consumer appeal - are key to our strategy of profitable growth.
- b) While the competitive battle is fought on the international field, it must be won at the local level. Therefore, they rely on and faster strong, flexible local management teams with broad decision - making powers.

- c) Extensive and sustained marketing spending behind key brands is the only way to build dominant shelf and market share. To sustain this high level of marketing support, Coty Group focuses on very tight control of fixed costs, cost of goods, and net working capital. Superior cost control is one of our most important competitive advantages.
- d) Aggressive international expansion in “new markets” such as Eastern Europe, Asia and South America will lead them to long - term worldwide leadership in the color, fragrance and skin care markets.
- e) Where needed, strategic acquisitions will be aggressively pursued to reinforce their organic growth.

2.7.2. Historical background of Charles Illuster

2.7.2.1. What is Charles Illuster ?⁴⁵

Charles Illuster is the local distribution fragrance and cosmetics division of Fattal Holding Group, a private company distributing various types of consumer products in Lebanon and neighbouring countries. Charles Illuster have been in business since 1972 aiming to give the woman in Lebanon a product that is beautiful in its simplicity with a delightful taste and reasonable price for it. The name of Charles Illuster was chosen by the owner of the Groups' mother company in affiliation and support of a major cosmetic company in Paris.

⁴⁵“Charles Illuster” Profile., P.1

2.7.2.2. What Brands does Charles Illuster Group market ?

Major brands include Hamlet, Garconne, Jean Garconne, forever Hamlet, Violetta, Gatsby, Anastasia Reve, Rosalie, Lili, Lili Rose as well as cosmetics products.

2.7.2.3. In which countries does Charles Illuster market products ?

Charles Illuster has operations in Lebanon, Syria, Jordan, Turkey, Saudi Arabia, as well as Paris and Iran and they are planning to further develop its activities in Eastern Europe and the Mediterranean countries.

2.7.2.4. What is the company's management structure ?.

Willie Aratungi is the president of Charles Illuster. An operating committee consisting of several key division managers directs the marketing strategy of Charles Illuster.

2.7.2.5. Who is Charles Illuster ?

A subsidiary of Sindia Group, one of Fattal Holding's companies, aiming on developing and building brands in local distribution cosmetics and fragrances. Its headquarter is in Beirut. Charles Illuster has operations in 9 countries in addition to a significant export business division.

2.8 - Major foreign Perfumes in Lebanon.

A research study was conducted regarding the major perfumes for men and women during the first six months of 1996. The results are presented in the following tables :

Table 2.1

EDT FOR WOMEN

Name of EDT	EDT 50ml VAPO		EDT 100ml VAPO	
	P.P.S	Discount%	P.P.S	Discount%
CHAMPAGNE	59	40	94	40
PARIS	49	40	74	40
OPIUM	59	40	94	40
TOCADE	52	35	75	35
LALIQUE	66	35	94	35
DOLCE VITA	58	35	85	35
DUNE	55	35	75	35
TENDREPOISON	55	35	75	35
ARMNAI GIO	60	30	85	30
BOUCHERON	70	35	94	35
JAIPUR	53	35	80	35
BULGARI	75	35	115	35
C.HERERA	48	30	72	30
ETERNITY	61	32.5	86	32.5
ESCAPE	64	32.5	88	32.5
OBSESSION	59	32.5	82	32.5
EDEN	49	35	69	35
COCO-CHANEL	60	35	84	35
AMARIGE	52	40	75	40
FLEUR	28	40	44	40
SAMSARA	59	50	88	50
ISSEY MIYAKE	62	40	88	50
J.P. GAULHIER	62	40	88	40
KENZO P.D'ETE	58	35	72	35
SUN,MOONSTARS	51	35	67	35
TRSSOR	55	35	79	35
DECI DELA	48	30	65	30

ANAIS ANAIS	42	35	63	35
VALUPTE	54	35	69	35
SAFARI	56	30	85	30
NUIT INDIENNE	64	35	93	35
ANGEL	81	35		
V.C.A.FEMME	82	35	115	35
MISS ARPELS	52	35	68	35

Table 2.2

EDT FOR MEN

Name	EDT 50ml VAPO		EDT 100ml VAPO	
	P.P.\$	Discount%	P.P.\$	Discount%
ARMANI GIO	42	30	65	30
BOUCHERON	46	35	61	35
C.HERERA	40	30	60	30
ETERNITY			70	32.5
ESCADE	56	32.5	72	32.5
COOLWATER	52	40	71	40
EGOISTE	50	35	74	35
FAHRENHEIT	45	35	62	35
ESCADA	37	37	59	37
INSENSE	37	40	52	40
HERITAGE	43	30	63	30
HABIT ROUGE	43	30	63	30
1881	43	35	58	35
MINOTAURE	36	30	69	30
XS	38	35	55	35
SAFARI	44	30	55	30
TSAR	36	35	54	35
JAZZ	37	40	56	40
CACHAREL	39	35	59	35

KOUROS	40	40	61	40
DRAKKR NOIR	36	35	57	35
HORIZON	34	35	54	35
VANCLEEF	69	35	115	35
FACONNABLE	40	35	52	35
POLO	31	30	44	30
VERSACE	40	65	56	65

The above two tables have to do with brands of high - class as far as their quality and prices is concerned. The next table will include brands of foreign and local perfumes regarding the most popular types of smells in Lebanon.

Table 2.3 **EDT 50ml** **EDT 100ml**

BRAND	P.PS	P.PS
COLOURS	15	22
LACOSTE	15	22
DERIK		13
PRIVATE		15
VERSACE		23
BLEU JEANS		18
RED JEANS		18
ARROGANCE	10	14
LAPIDUS		19
ONE MAN SHOW		13
SERGIO TACHINI	15	18
BRUT		8
AXE		5
CITY MEN		9
OLDSPICE		6
MAGNOLIA	3.75	4.5
TABAC		9

JOVAN MUSK		10
VETIVER		12.5
GATSBY	7	10
HAMLET		6.5
GARCONNE	4.5	8
VIOLETTE	6	
ANASTASIA	8	10
ROSALIE	5.75	7.25
LILI	4.5	5.65
DENIM		4.5
BUSINESS MEN		15
EAU JEUNE	7.5	15

The next table will present the most important and popular deodorants in the Lebanese perfumery market :

Table 2.4	VOLUME ml	P.PS
IMPULSE	85	2.15
REXONA	150	2.95
AXE	150	3.1
EAU JEUNE	75	3.25
MUN	150	3.11
PRINTIL	200	3.67
OBAO	200	4
CITY MAN	150	2.86
MAGNOLIA	100	1.81
SIMILAR	85	1.1
INDIFFERENCE	100	1.46
MUM 21	86	2.36
LIMARA	100	1.61
BUSINESS MEN	85	1.4

SINTONY	100	1.96
BOURJOIS	140	3.6
TABAC	200	7
JOVAN BUSK	76	2.7
LILI	85	1.5
GARCONNE	85	1.75
VIOLETTA	85	1.90
ROSALIE	85	1.90
ANASTASIA	85	2
GATSBY	85	2
HAMLET	85	1.90

2.9 - LOCAL and DOMESTIC ?

Local or domestic products of all types have always carried the characteristic of “ most bad quality but cheap”. The most important research questions are: What is the secret behind people preferring foreign products to domestic ones? Where are those industries, nevertheless perfumery industries, going wrong? Is the task of the know how and technology ? Or is it the negligence of some irresponsible men of high positions and ranks who run after their own personal profits and deeds? However, the issue of foreign preferences and choices will be dealt with later in this project.

2.9.1 - Lebanese Perfumery Industries :

Fattal, Tamer, Abou Adal, Obaji, Fanitrade, Emex, Sicodil, M.Saraf, Amatory, Shamas are the major acting agents for distributing local and other imported products including food, watches, pens, toys, alcoholic drinks etc...In distributing their perfumery products, they all depends on there major perfumery.Wholesalers :

1. Salim Abou Jawde (EDDY)
2. Fahs (ABOU SAMIR)
3. AL DAOUK

The above mentioned wholesalers are the major top three perfumery dealers in Lebanon. Behind them comes few important names : FADI SAWAYA, RIAD YOUNIS, HUSSEIN HEJASE, LA ROSE, ROYAL Company, who are all considered major wholesalers in perfumes. Under the category of semi - wholesalers comes 18 to 20 names covering the far regions of the lebanese market such as the south, north and Bekaa areas.

Perfumery products are distributed in Lebanon to 400 perfumeries, 200 supermarkets, 300 minimarkets, 200 pharmacies as well as other gift shops and various small outlets.

2.9.2 - Market Structure:

The Lebanese perfumery market structure is so wide that every year many brands are launched. A wide variety of products are available ranging from the bad to the top quality, and from the cheapest to the expensive products. From an interview with Mr.N.Bekhaasy, a production manager at Fattal company, it was found out that the perfumery products enter the market in three forms :

1. **Imported foreign products**
2. **Conditioned products**
3. **Domestic manufactured products.**

2.9.2.1 - Imported foreign products

The imported foreign products, which constitute 39 % of the market. Those products are imported directly from the manufacturers abroad by the agent to be distributed to retailers in the market. As such products one can mention the super -

premium products as, Dior, Chanel, Guerlain, Cacharel, etc...That carry high prices due to the high duties and tariffs on finished goods.

2.9.2.2 - Conditioned products

The conditioned products, that constitute 42 % of the market.⁴⁶ Those are imported in the form of raw materials, moreover, in bulks and are packaged domestically. This new form of import gives way to higher competition, since prices are set by the agents, or distributors based on the market demand and supply. Yet, the price of those products is much less than imported products, since of course, the tariffs and duties charged are much lower.

2.9.2.3 - Domestic manufactured products

Domestic manufactured products, which bearly constitute 18 % of market⁴⁷. The working process starts from the time the raw materials are formulated, passing through coloring, smelling, packing, conditioning and all the testing procedures to the time they're ready for distribution..

However, the main question remains : To what extent are the three above mentioned points achieving their desired goals ? To this, the answers and results will be extracted from the questionnaires and will be presented in chapter four. But before that, this chapter will discuss how perfumes in general are processed, priced, promoted and distributed.

⁴⁶ Fattal Research Statistics, 1996

⁴⁷ Ibid

2.9.3 - Product

The product is any thing that is offered to satisfy the consumer's need. The variety of perfumery products in the market is leading to create different types of perfumes : Eau de toilette, After shave, After shave lotion, Body lotion, Deo - stick, Eau de Cologne, Deoderants - spray.

2.9.4 - Packaging

When the product has proven good for usage, it should be packed. S.N.C.E, Which is a perfumery manufacturing company at Fattal, imports the package of their Eau de toilette from Paris. The label and logo of Charles Illuster is found on the bottom of all jars, containers and bottles. The color of the package varies which each type of Charles Illuster products.

2.9.5 - Price

The pricing strategy followed by all perfumery companies is common in a way that an additional 30 - 35 % profit is added on the products total cost or landed cost. A foreign product like Jovan Musk is usually priced at 11 \$ in the market, While domestic products such as Lili, Garconne, Anastasia ranges from 2.5 \$ to 8.00 \$ in the market depending on sizes.

2.9.6 - Place and structure distribution

Perfumery companies strategy of distributing its products is in all different point of sales that fall in categories of class A, B and C. The highest percentage are above 18 years old regarding the target customers whose main interest is in reading the most attractive and sex appealing smells. In answering to a question of " what type of point of sales do you distribute Jovan and Charles Illuster products ? Mr Bakhaasy said

: “Wholesalers which consist of 35 % of the structure of distribution, Supermarkets and Minimarkets which consist of 35 % , and perfumeries at 30 %.

2.9.7 - promotion

The company’s policies is to launch several products per year. However they are always up to the date with the new changes in the market. According to Mr. Bekhaasy, promotion is very important for increasing customers purchasing power. thus the advertising budget varies from year to another, and its policy relies on two techniques:

1. T.V. ads, mainly at peak times on L.B.C.I. and Tele Liban.
2. Gifts and others, during peak seasons and Christmas occasions.

Now that the marketing mix stratrgy elements are presented, it would be worth knowing the customers own opinions and views on Charles Illuster products. To this end, questionnaires were distributed and the results obtained will be presented in chapter four.

CHAPTER THREE

Research Design and Methodology

3.1 The basic approach

The purpose of the study is to determine the influential factors behind the consumer's behaviour in purchasing perfumes. The measures used and form of analysis are based on the methodology and the details presented in chapter two.

3.2 Sources of Information

The comparison between domestic and foreign perfumes is being tested through field study. The survey covered many perfumeries of different classes. Questionnaires have been distributed to gather the necessary data needed about their preferences, attitudes and opinions towards foreign and domestic perfumes. Out of 122 questionnaires distributed in the market, 100 were returned although personal follow up was done. This constitutes 81.96 % response rate which is considered acceptable.

3.3 Survey Design

Before preparing the questionnaires, several prerequisites presented here were taken into consideration.

1. The first page of the questionnaire presented a cover letter that clarifies the objective of the survey, and inform the respondents that their answers will be confidentially treated.

2.To avoid respondent embarrassment, questions related to names and parental names were not included so as not to alter their response.

3.Long questionnaire usually tend to be more effective, but the purpose behind this questionnaire is to get results, so simplicity in directing the question was the main intention. The length of the questionnaire was short but effective in order to avoid respondent boredom and unease.

4.The research instrument is a four page questionnaire organized in a way to cover the major factors influencing consumer's behavior in purchasing perfumes in general and domestic or foreign in particular. The questionnaire is divided into five parts :

- a) The first part covers the back ground of the respondent, their age, and type of job they hold.
- b) The second part is concerned in finding out perfumes and tastes that will influence their purchasing decision.
- c) The third part measures in details consumer's attitude, if any, towards Jovan Musk which is a foreign brand.
- d) The fourth part measures in details, the consumer's attitude towards Charles Illuster (domestic products).
- e) The final part is concerned with one question dealing with their opinion on all brands.

3.4 Type of questions used

Three types of questions were used in the construction of the questionnaire.

1. Category scale : This procedure measures the respondents preferences and attitudes with respect to several items given in the questionnaire.

2. The ordinal scale : This procedure asks the respondent to rank or rate their choice in order of 1,2,3,4, and 5.

3. The Dichotomous scale : This is a measure of a “ yes” or “ no” answer to the question asked.

3.5 The research variable:

The research variables include the attitudes towards using a brand. These variables include quality, habit, convenience, trust, satisfaction, appearance, price, and problems.

3.6 Demographic variables :

These are independent variables. They are used to determine some personal background of the respondents. Two types of questions related to personal background were asked. The first is concerned with age divided into four parts: under 18, between 19 and 34, between 35 and 45, and above 45. This type of categoration helps to determine the percentage of each age using perfumes whether they are foreign or domestic.

The second category is related to the job performed which is also divided into four parts : Employees, Housewives, Students, and other. This type of question will

help determine what kind of job the consumer is holding consequently knowing approximately their monthly salary and how it is related to their decision in purchasing perfumes.

3.7 Consumer's attitudes and preferences towards perfumes

This part provides the respondent with different brand choices of which he or she has to rank the brand as mostly used (1) to the least used (5), why the use of that brand, what attracts him or her in the promotion of perfumes, why he or she use perfumes, and finally what type of perfume is preferred and why ?

3.8 Consumer's attitude towards Jovan Musk

This part specifies the brand in use in order to determine the percentage of brand awareness, and what impression it has on the consumer, and whether he currently uses it and why.

3.9 Consumer's attitude towards domestic perfumes.

This part is similar to the previous one, yet it specifies "Hamlet", "Lili", "Garconne" as the brand in use. The same questions were presented to determine the same effect for purchasing decision purposes.

3.10 Final opinion

This final part is an open - ended question which depends on the respondent's final opinion, impression, and attitudes on the presented brands.

3.11 Data analysis

A descriptive analysis is used to determine frequencies and percentages of data. Regression analysis determines the relationship between dependent and independent variables. The next chapter will present a detailed findings and their interpretations.

CHAPTER FOUR

RESEARCH ANALYSIS AND FINDINGS

4.1- PREVIEW

The previous chapter presented the methodology and research design along with the tools to be used for statistical purposes. The main purpose of this chapter is to reveal the results and analyze them, keeping in mind the main purpose is to test the factors influencing the consumers purchasing decision of perfumes.

4.2 PROFILE OF RESPONDENTS

The general characteristics along with some other aspects of the respondents were determined through descriptive statistics using frequencies and percentages. The questionnaire was targeted equally towards the consumers of both genders, and here below are tables of frequencies and percentages.

Table 4.1 Respondents Ages

AGE	FREQUENCY	PERCENTAGE	CUM.%
Under 18	12	12.0	12.0
19 - 34	51	51.0	63.0
35 - 45	20	20.0	83.0
Above 46	17	17.0	100.0
Total	100	100	100.0

Table 4.1 shows that 12% of the respondents are under 18, 51% are between 19 and 34, 20% are between 35 and 45, and 17% are above 46.

Table 4.2. Respondents positions

JOB	FREQUENCY	PERCENTAGE	CUM.%
Employee	55.0	55.0	55.0
Housewife	8	8.0	63.0
Student	32.0	32.0	95.0
Other	5.0	5.0	100.0
Total	100	100.0	100.0

This table shows that a percentage of 55% of respondents were employees, 8% were housewives, 32% were students, and 5% of others.

Table 4.3 Respondents Using Perfumes

USE PERFUMES	FREQUENCY	PERCENTAGE	CUM.%
No	1	1.0	2.0
Yes	99	99.0	100.0
Total	100	100	100.0

Table 4.3 shows that 99.% are actually using perfumes.

4.3. RESPONDENTS ATTITUDES

Table 4.4 . Familiar with Coty brands

COTY	FREQUENCY	PERCENTAGE	CUM.%
No	4	4.0	4.0
Yes	96	96.0	96.0
Total	100	100.0	100.0

Table 4.4 shows that 96% of respondents are aware of Jovan Musk Coty brands while 4% are not.

Table 4.5. Familiar with Charles Illuster brands

CHARLES ILLUSTER	FREQUENCY	PERCENTAGE	CUM.%
No	3.0	3.0	3.0
Yes	97.0	97.0	100.0
Total	100	100.0	100.0

Table 4.5 shows that 97% are familiar with Charles illuster brands while 3% are not.

Table 4.6 Ranking of use of Jovan Musk

USE JOVAN	FREQUENCY	PERCENTAGE	CUM%
Rank 0	38	38.0	38.0
Rank 1	18	18.0	56.0
Rank 2	19	19.0	75.0
Rank 3	10	10.0	85.0
Rank 4	15	15.0	100.0
Total	100	100.0	100.0

Table 4.6 reveals that 38% of the respondents do not use Coty brands, whereas 18% ranked it as their first choice, 19% as their 2nd, 10% as their 3rd, and 15% as their fourth choice.

Table 4.7 . Ranking of use of Charles illuster

USE C. ILLUSTR	FREQUENCY	PERCENTAGE	CUM.%
Rank 0	31	31.0	31.0
Rank 1	16	16.0	47.0
Rank 2	20	20.0	67.0
Rank 3	14	14.0	81.0
Rank4	19	19.0	100.0
Total	100	100.0	100.0

Table 4.7 shows that 31% of respondents do not use Charles Illuster, 16% ranked it as their first choice, 20% as their 2nd best, 14% as their 3rd, and 19% at their fourth.

Table 4.8 ranking of use of Businessmen.

BUSINESSMEN	FREQUENCY	PERCENTAGE	CUM.%
Rank 0	48	48.0	48.0
Rank 1	4	4.0	52.0
Rank 2	20	20.0	72.0
Rank 3	15	15.0	87.0
Rank 4	13	13.0	100.0
Total	100	100.0	100.0

* 2nd comparison with Charles Illuster.

Table 4.8 shows that 48% do not use Businessman, where as 4% ranked it as their first choice, 20% as their 2nd, 15% as their 3rd, and 13% as their fourth.

Table 4.9. ranking use of Magnolia

MAGNOLIA	FREQUENCY	PERCENTAGE	CUM.%
Rank 0	53	53.0	53.0
Rank 1	5	5.0	58.0
Rank 2	12	12.0	70.0
Rank 3	14	14.0	84.0
Rank 4	16	16.0	100.0
Total	100	100.0	100.0

* In comparison with Charles illuster brand.

Table 4.9 shows that 53% do not use Magnolia, however 5% ranked it as their first choice, 12% or their 2nd best, 14% as their 3rd, and 16% as their fourth.

Table 4.10. ranking use of Tabac

TABAC	FREQUENCY	PERCENTAGE	CUM.%
Rank 0	69	69.0	69.0
Rank 1	4	4.0	73.0
Rank 2	9	9.0	82.0
Rank 3	12	12.0	94.0
Rank 4	6	6.0	100.0
Total	100	100.0	100.0

* In comparison with Coty brands.

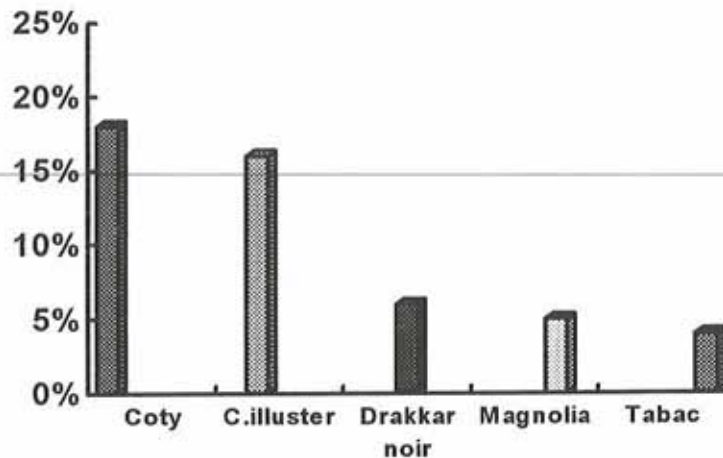
Table 4.10 shows that 69% do not use Tabac E.D.C, where as 4% ranked it as first choice, 9% as their 2nd, 12% as their 3rd, and 6% as their fourth.

Table 4.11 . ranking of use Drakkar Noir

DRAKKAR NOIR	FREQUENCY	PERCENTAGE	CUM.%
Rank 0	56	56.0	56.0
Rank 1	6	6.0	62.0
Rank 2	9	9.0	71.0
Rank 3	14	14.0	85.0
Rank 4	15	15.0	100.0
Total	100	100.0	100.0

Table 4.11 reveals that 56% do not use Drakkar Noir, where as 6% ranked it as their first choice, 9% as their 2nd, 14% as their 3rd, and 15% as their fourth.

To conclude from the tables, 18% of the respondents use Jovan Musk as their first Choice, 16% uses Charles Illuster as their first choice, 6% uses Drakkar Noir, 5% uses Magnolia, 4% uses Business men, and 4% uses Tabac. Thus, Jovan Musk proved to be the number one ranked perfume in Lebanon, and purchased and used most frequently by consumers. Upon showing this information with Eddy, a top perfumery wholesaler who is the number one wholesaler in the perfumery business in Lebanon, he supported the results presented to him showing Jovan Musk as number one in sales turnover. During a special interview he mentioned that the figures may not necessarily be exact, but Jovan Musk is in fact the number one perfume in the Lebanese perfumery market., “at least till now”. He also supported the presented percentages relating to Charles Illuster, but added that the sales turnover of these brands is higher since some of its brands are exported to neighboring countries such as Saudi Arabia, Turkey, Jordan, and especially Iran.



The following tables will now be conducted to determine the percentage of respondents who rank their preferences for using their current brand.

Table 4.12. ranking for safety preference

SAFETY PREF.	FREQUENCY	PERCENTAGE	CUM.%
Rank 0	50	50	50
Rank 1	21	21	71
Rank 2	15	15	86
Rank 3	8	8	94
Rank 4	4	4	98
Rank 5	2	2	100.0
Total	100	100.0	100.0

Table 4.12 shows that 21% use perfumes for protection.

Table 4.13 . preference for prestige

PRESTIGE PREF.	FREQUENCY	PERCENTAGE	CUM%
Rank 0	45	45.0	45.0
Rank 1	6	6	51.0
Rank 2	4	4	55.0
Rank 3	6	6	61.0
Rank 4	6	6	67.0
Rank 5	33	33	100
Total	100	100	100

Table 4.13 shows that 5% of the respondents use their perfumes for prestige purposes, while 33% have ranked it as their 5th choice.

Table 4.14. preference for lasting

LASTING PREF.	FREQUENCY	PERCENTAGE	CUM.%
Rank 0	28	28	28
Rank 1	36	36	64
Rank 2	22	22	86
Rank 3	7	7	93
Rank 4	5	5	98
Rank 5	2	2	100
Total	100	100	100

Table 4.14 reveals that 36% of the respondents choose perfumes characterized of being lasting as their number one choice.

Table 4.15. Preference of Habit.

HABIT PREF.	FREQUENCY	PERCENTAGE	CUM.%
Rank 0	25	25	25.0
Rank 1	32	32	57.0
Rank 2	9	9	66.0
Rank 3	16	16	82.0
Rank 4	11	11	93.0
Rank 5	7	7	100.0
Total	100	100	100.0

As shown in table 4.15, 32% of the respondents rank Habit as the reason for buying or using perfumes.

Therefore, as a conclusion, the respondents prefer buying or using a certain perfume for lasting purposes 1st, habit 2nd, safety 3rd, prestige 4th, and loyalty 5th.

LASTING	HABIT	SAFETY	PRESTIGE	LOYALTY	TOTAL
36%	32%	21%	6%	5%	100%

More over, the questionnaire included questions related to determining the percentage of respondents who are attracted to the several types of promotion as shown in the following tables.

Table 4.16. T,V attraction.

PROM. T.V	FREQUENCY	PERCENTAGE	CUM.%
Rank 0	8	8	8.0
Rank 1	50	50	58.0
Rank 2	16	16	74.0
Rank 3	16	16	90.0
Rank 4	5	5	95.0
Rank 5	5	5	100.0

Thus, table 4.16 shows that 50% of respondents rank TV commercials as their number one determinant.

Table 4.17. Bulletin attraction

PROM.BULLETIN	FREQUENCY	PERCENTAGE	CUM.%
Rank 0	35	35	35.0
Rank 1	2	2	37.0
Rank 2	13	13	50.0
Rank 3	13	13	63.0
Rank 4	31	31	94.0
Rank 5	6	6	100.0
Total	100	100	100.0

The percentage of the respondents who rank bulletins as their number one attraction is 2% only as shown in table 4.17.

Table 4.18 . Magazine attraction.

PROM.MAGAZINE	FREQUENCY	PERCENTAGE	CUM.%
Rank 0	28	28	28.0
Rank 1	2	2	30.0
Rank 2	33	33	63.0
Rank 3	12	12	75.0
Rank 4	20	10	95.0
Rank 5	5	5	100.0
Total	100	100	100.0

Table 4.18 shows that 2% of the respondents rank the magazine promotion as their first influential factor.

Table 4.19. sales promotion attraction.

SALES PROMOTION	FREQUENCY	PERCENTAGE	CUM.%
Rank 0	30	30	30.0
Rank 1	41	41	71.0
Rank 2	15	15	86.0
Rank 3	14	14	100.0
Rank 4	0	0	100.0
Rank 5	0	0	100.0
Total	100	100	100.0

Thus, table 4.19. shows that 41% of the respondents rank sales promotion as their first influential factor to buy perfumes.

Table 4.20. Radio attraction.

RADIO PROMOTION	FREQUENCY	PERCENTAGE	CUM.%
Rank 0	39	39	39.0
Rank 1	5	5	44.0
Rank 2	8	8	52.0
Rank 3	12	12	64.0
Rank 4	22	22	86.0
Rank 5	14	14	100.0
Total	100	100	100.0

The above table reveals, that any 5% of the respondents rank radio promotion as their number on attraction.

The foregoing tables show that a large percentage of respondents are first attracted to T.V promotion (50%), where as 41% ranked the promotional sales activities as their first attraction, 5% went for radio ads, while 4% went for magazines and bulletins.

T.V. PROM.	SALES. PROM.	RADIO	BULLETINS	MAGAZINES	TOTAL
50%	41%	5%	2%	2%	100.0

The following table shows consumers reasons in general behind using perfumes, given four variables.

Table 4.21. why use perfumes

WHY USE PERFUMES	FREQUENCY	PERCENTAGE	CUM.%
Don't use	1	1.0	1.0
Protection	49	49.0	50.0
Sex appeal	32	32.0	82.0
Habit	13	13.0	95.0
Fashion	5	5.0	100.0
Total	100	100.0	100.0

Table 4.21. reveals that only 1% of the respondents doesn't use perfumes, 49% for protection purposes, 32% for appealing to the other sex, 13% as a habit, and finally 5% for fashion.

Yet the percentage of consumers using perfumes is very large. However, the next table reveals what type of perfumes the consumer prefers in Lebanon.

Table 4.23 perfume type preference.

PERFUME TYPE	FREQUENCY	PERCENTAGE	CUM.%
Indifferent	3	3.0	3.0
Foreign	92	92.0	95.0
Domestic	5	5.0	100.0
Total	100	100.0	100.0

Thus 3% are indifferent to the type of the perfume, 92% prefer foreign ones, while 5% prefer otherwise. The reason behind their choice is shown in the following table.

Table 4.24 Why Foreign?

FOREIGN	FREQUENCY	PERCENTAGE	CUM.%
Quality	86	86	86
Price	0	0	86.0
Package	1	1	87.0
Self-satisfaction	5	5	92.0
Don't use	8	8	100.0
Total	100	100.0	100.0

Table 4.24 shows that 86% of consumers prefer the foreign perfumes due to quality, where as 5% prefer it due to self-satisfaction. the remaining 8% are those respondents who do not use foreign perfumes or are indifferent to the variables.

Table 4.25. Why Domestic?

DOMESTIC	FREQUENCY	PERCENTAGE	CUM.%
Quality	10	10	10
Price	75	75	85
Package	0	0	85
Self-satisfaction	7	7	92
Don't use	8	8	100.0
Total	100	100.0	100.0

The above table shows that 75% of consumers appealing to domestic preferences, buy domestic perfumes due to price, while 7% are satisfied with the product. However, all answers were not in favor to the packaging variable indicating a serious problem in this line..

To study the behavior of consumers with respect to their trying a new launched brand, the results were as follows: 8% will not try the new brands versus 92% of respondents are ready to try a new launched brand.

Table 4.25. New launched brand.

TRY NEW BRAND	FREQUENCY	PERCENTAGE	CUM.%
No	8	8.0	8.0
Yes	92	92.0	100.0
Total	100	100.0	100.0

The following will concentrate only on the “Coty” brands.

Table 4.27.

HEARD / COTY	FREQUENCY	PERCENTAGE	CUM.%
No	4	4.0	4.0
Yes	96	96.0	100.0
Tried / Coty	frequency	percentage	cum.%
No	29	29.0	29.0
Yes	71	71.0	100.0
Quality / Coty	frequency	percentage	cum.%
Good	90	90.0	90.0
Not bad	6.0	6.0	96.0
Don't know	4.0	4.0	100.0
Colors / Coty	frequency	percentage	cum.%

Variety	86	86.0	86.0
No variety	10	10.0	96.0
No idea	4	4.0	100.0
Price / Coty	frequency	percentage	cum.%
High	2	2.0	2.0
Low	8	8.0	10.0
Acceptable	80	80.0	90.0
No idea	10	10.0	100.0
Product / Coty	frequency	percentage	cum.%
Available	87	87.0	87.0
Unavailable	3	3.0	90.0
No Idea	10	100.0	100.0

Therefore, 96% of the respondents are aware of the brand while 4% lack brand awareness. 71% of the respondents have tried Jovan Musk while 29% haven't. 90% perceive Jovan Musk as having good quality, while 4% have no opinion. 86% of the respondents believe that "Coty brands" has a wide variety of colors, whereas 4% have no opinion with respect to this issue. On the other hand 80% of the respondents considered Coty prices as acceptable and logical, while 2% only said that brands have a relatively high prices, and 10% gave no opinion regarding this issue. Finally 87% were satisfied from the fact that Coty brands are always available, where as 10% have no idea.

Furthermore, as to the number of respondents currently using "Coty brands" and why do they use it are reflected in the following tables.

Table 4.28. Use "Coty brands"

USE JOVAN	FREQUENCY	PERCENTAGE	CUM.%
Yes	27	27.0	27.0
No	73	73	100.0
Total	100	100.0	100.0

The percentage of consumers using Jovan Musk or Coty brands as reflected in table 4.28 is 27% versus 73% not currently using Coty brands.

Table 4.29 . Why use “Coty”

VARIABLES	FREQUENCY	PERCENTAGE	CUM.%
Quality	22	22.0	22.0
Habit	1	1.0	23.0
Convenience	2	2.0	25.0
Satisfaction	2	2.0	27.0
Total	27	27.0	27.0

Table 4.29 shows that out of the 27% of consumers using Jovan Musk of Coty brands, 22% use it due to quality, 1% to habit, 2% to convenience, and another 2% due to satisfaction.

Table 4.30. Problems using “Coty”

PROBLEMS	FREQUENCY	PERCENTAGE	CUM.%
Yes	2	2.0	2.0
No	25	25.0	27.0
Total	27	27.0	27.0

Table 4.30 reveals that 2 of the 27 respondents have mentioned problems concerning prices of brands, whereas 25% had no problems at all.

Table 4.31 Switch to other brands

SWITCH	FREQUENCY	PERCENTAGE	CUM.%
Yes	27.0	27.0	27.0
No	0	0	27.0
Total	27.0	27.0	27.0

Of the 27 respondents, all have agreed to switch to another brand if not finding their “Jovan Musk”.

Table 4.32. “Jovan Musk” promotion

PROMOTION	FREQUENCY	PERCENTAGE	CUM.%
Attractive	27.0	27.0	27.0
Good	0	0	27.0
Could be better	0	0	27.0
No idea	0	0	27.0
Total	27.0	27.0	27.0

All 27 respondents supported the fact that Jovans' Musk first and latest promotion was really an attractive one. Therefore, as a conclusion 90% of respondents said that it has a good quality, 2% claim that it has a high price, 86% believe in the variety of colors offered, and 87% claim it to be always available. Yet, only 27% of the respondents are currently using Jovan Musk for its good quality offered first, followed by satisfaction, convenience, and finally habit. However, 25 of the 27 respondents have not encountered any problems in using "Jovan" but all would switch in case their brand is not found. However, all respondents agreed that the brands latest promotion was a real hit in the Lebanese perfumery market.

Now that the "Coty" brands has been presented, the next topic will discuss and analyze the respondents behavior towards Charles Illuster brands.

Table 4.34.

HEARD	FREQUENCY	PERCENTAGE	CUM.%
Yes	95	95.0	95.0
No	5	5.0	100.0
Tried / C.Illuster	frequency	percentage	cum.%
Yes	43	43.0	43.0
No	57	57.0	100.0
Quality	frequency	percentage	cum.%
Good	12	12.0	12.0
Not bad	67	67.0	79.0
No idea	21	21.0	100.0
Price	frequency	percentage	cum.%
High	0	0.0	0.0
Low	75	75.0	75.0
No idea	25	25.0	100.0
Colors	frequency	percentage	cum.%
Variety	57	57.0	57.0
No variety	20	20.0	77.0
No idea	23	23.0	100.0
Product	frequency	percentage	cum.%
Available	69	69.0	69.0
Not available	6	6.0	75.0
No idea	25	25.0	100.0

Table 4.34 indicates that 95% of the respondents have heard of Charles Illuster or are aware of the brand, while only 5% are unaware of it. The table shows that 43% have tried it, while 57% have not, 12% perceive Charles Illuster as having good quality, 67% claim it to have not a bad quality, while the rest of 21% have no idea of the subject. 75% of the respondents believe that Charles Illuster has a low price, while the remaining 25% have no idea.

Furthermore, the table shows that a percentage of 57% claim that Charles Illuster has a variety of colors, while 20% claim the contrary, 23% have no idea. Finally 69% of the respondents claim that Charles Illuster is always available, 6% claim it is not, while 25% have no idea.

Table 4.35 Use of Charles Illuster

USE	FREQUENCY	PERCENTAGE	CUM.%
Yes	20	20.0	20.0
No	80	80.0	100.0
Total	100	100.0	100.0

In table 4.35, 20% are currently using Charles Illuster brands.

Table 4.36. Why use " Charles Illuster"

VARIABLE	FREQUENCY	PERCENTAGE	CUM.%
Quality	2	2.0	2.0
Price	14	14.0	16.0
Habit	2	2.0	18.0
Convenience	2	2.0	20.0
Total	20	20.0	20.0

Thus as shown in table 4.36 the majority of the 20 respondents currently using Charles Illuster is due to its price convenience, whereas quality, habit and convenience are very minor factors behind using these brands.

Table 4.37 Problems using “Charles Illuster”

PROBLEMS	FREQUENCY	PERCENTAGE	CUM.%
Yes	4	4.0	4.0
No	16	16.0	20.0
Total	20	20.0	20.0

The above table shows the 4% consider that Charles illuster brands do not last long.

Table 4.38 switch if not finding “Charles Illuster”

SWITCH	FREQUENCY	PERCENTAGE	CUM.%
Yes	20	20.0	20.0
No	0	0	20.0
Total	0	0	20.0

As expected, all respondents will switch to a substitute when not finding any of Charles Illuster brands.

Table 4.39 “Charles Illuster” promotion

PROMOTION	FREQUENCY	PERCENTAGE	CUM.%
Attractive	5	5.0	5.0
Good	23	23.0	28.0
Could be better	60	60.0	88.0
No idea	12	12.0	100.0
Total	100	100.0	100.0

This shows that 5% of the respondents think that the Charles Illuster promotion is attractive, 23% think it is good, 60% claim it could be better, and the remaining 12% claim they haven't seen the promotion.

As a conclusion of the Charles Illuster analysis, the brand awareness constitutes 95% of the respondents, while 43% have tried it. Moreover, 67% think it has not at all a bad quality, 75% claim it has a low price, 57% believe that there is a variety of colors and 69% mentioned that it is available everywhere. As to those currently using Charles

Illuster, they constitute 20% of the respondents, and the reasons behind using it is mainly due to price followed with a low percentage due to habit, quality and convenience. the number of respondents who claim to have problems in using “Charles Illuster” is only 4, yet the percentage of those who would switch to a substitute in case Charles Illuster is not found is the whole 20 respondents.

Moreover, 60% of the respondents claim that its promotion could have been much better.

4.4. CROSS - TABULATIONS

The chi-square test of independence is a test for the hypothesis of whether two variables are independent of each other, If the probability known as the significance level, is less than 0.05, the hypothesis that the two variables are independent is rejected.

4.4.1. Cross -tabulation: use of perfumes by age

AGE USE	< 18	19 and 34	35 and 45	> 46	Row total
No				1 5.8	1 1.0
Yes	12 100.0	51 100.0	20 100.0	16 94.2	99.0 99.0
Col.Tot.	12 12	51 51.0	20 20.0	17 17.0	100 100.0

Chi-square
0.97049

D.F
4

Significance
0.9142

Min. E.F
0.070

There is no significant variability as shown, where all respondents of the different ages use perfumes, except only for one respondent. This could be due to the fact that respondents of different ages uses perfumes, except for one.

4.4.2. Cross- tabulation: Use perfumes by Job

JOB USE	HOUSE WIFE	EMPLOYEE	STUDENT	OTHER	ROW TOTAL
No		1 1.8			1 1.0
Yes	8 100.0	54 98.2	32 100.0	5 100.0	99 99.0
Col.Tot.	8 8.0	55 55.0	32 32.0	5 5.0	100 100.0

Chi- square D.F Significance Min. E.F
 2.35690 3 0.5017 0.020

This test with a significance of 0.5017 shows that all respondents except for one use perfumes. This indicates that the two variables use and Job are independent.

4.4.3 Cross- tabulation: Use Jovan Musk by Age

AGE USE	< 18	19 and 34	35 and 45	> 45	ROW TOT.
No	9 75.0	32 62.0	17 85.0	15 88.2	73 73.0
Yes	3 25.0	19 37.2	2 15.0	2 11.8	27 27.0
Col.Tot.	12 12.0	51 51.0	20 20.0	17 17.0	100 100.0

Chi-square D.F Significance Min.E.F
 8.2773 4 0.0819 3.150

This shows that 27% of the respondents use Jovan Musk or Coty brands, however 37.2% of the users are between 19 and 34. Yet the result shows no significant variability, which means that there is no variation among the different ages in using “Coty”.

4.4.4. Cross-tabulation : Using “ Jovan Musk” by Job.

JOB USE	HOUSE WIFE	EMPLOYEE	STUDENT	OTHER	ROW TOT.
No	9	32	17	15	73.0
	75.0	62.7	85.0	88.2	73.0
Yes	3	19	3	2	27.0
	25.0	37.3	15.0	11.8	27.0
Col.Tot	12	51	20.0	17	100
	12.0	51.0	20.0	17.0	100.0

Chi-square D.F Significance Min.E.F
 3.2773 4 0.0819 0.910

There is no significant variability in using “Jovan Musk” Along the job variable since chi-square is greater than 0.05 significance.

4.4.5. Cross- Tabulation: Use “Coty” by safety

Safety Use/coty	Rank 0	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Row Total
Rank 0	26	4	4	2	1	1	38
	52.0	19.0	26.6	25	25	50	38.0
Rank 1	4	9	1	1	3		18
	8	42.8	66.6	12.5	75.0		18.0
Rank 2	9	6	3	1			19
	18.0	28.5	20.0	12.5			19.0
Rank 3	8		2				10
	16.0		13.3				10.0
Rank 4	3	2	5	4		1	15
	6.0	9.5	33.3	50.0		50.0	15.0
Col. Total	50	21	15	8	4	2	100
	50.0	21.0	15.0	8.0	4.0	2.0	100.0

Chi-square D.F Significance Min.E.F
 29.82372 20 0.0728 0.1

The chi-square shows no significance of respondents using “Coty” along safety, since $0.07 > 0.05$. Moreover, it is shown that 75 % of those using Coty rank safety in the fourth position. This might lead to a lack of variability since a very high percentage do not consider protection as a first priority.

4.4.6. Cross- tabulations : use ‘‘Coty’’ by prestige

PRESTIGE USE/COTY	Rank 0	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Row Total
Rank 0	28 62.2	4 66.6	2 50.0	3 50.0		1 3.0	38 38.0
Rank 1	10 22.2	1 16.6	1 25.0	1 16.6	4 66.7	1 3.0	18 18.0
Rank 2	5 11.1			1 16.6	1 16.6	12 36.3	19 19.0
Rank 3	1 2.2				1 16.6	8 24.24	10 10.0
Rank 4	1 2.2	1 16.6	1 25.0	1 16.6		11 33.33	15 15.0
Col. Total	45 45.0	6 6.0	4 4.0	6 6.0	6 6.0	33 33.0	100 100.0

Chi-square	D.F	Significance	Min.E.F
35.69572	20	0.0167	0.2

Chi-square test shows a complete significant variability of $0.0167 < 0.05$. 66.7%

of those using ‘‘Coty’’ rank prestige in the 4th place.

4.4.7. Cross- tabulation: use by long-lasting

LASTING USE/COTY	Rank 0	Rank 1	Rank 2	Rank 3	Rank 4	rank 5	Row Total
Rank 0	19 67.85		12 54.0	4 57.14	2 40.0	1 50.0	38 38.0
Rank 1	2 7.14	16 44.4					18 18.0
Rank 2	5 17.85	10 27.77	1 4.5	1 14.28	1 20.0	1 50.0	19 19.0
Rank 3	1 3.5	2 5.5	6 27.27		1 20.0		10 10.0
Rank 4	1 3.5	8 22.2	3 13.6	2 28.57	1 20.0		15 15.0
Col. Total	28 28.0	36 36.0	22 22.0	7 7.0	5 5.0	2 2.0	100 100.0

Chi- square	D.F	Significance	Min. E.F
35.57	20	0.0175	0.1

The chi-square test shows that there is a complete significant variability being less than significance level. 44.5 % of respondents using Coty rank the lasting variable as number one.

4.4.8.Cross- tabulation: Use “Coty” by habit

HABIT USE/COTY	Rank 0	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Row Total
Rank 0	15 60.0	17 53.1	1 11.1	3 18.75	1 9.1	1 14.28	38 38.0
Rank 1	3 12.0	2 6.25	2 22.2		8 72.7	3 42.85	18 18.0
Rank 2	1 4.0	5 15.6	5 55.5	6 37.5	1 9.1	1 14.28	19 19.0
Rank 3	4 16.0	4 12.5			1 9.1	1 14.28	10 10.0
Rank 4	2 8.0	4 12.5	1 11.1	7 43.75		1 14.28	15 15.0
Col. Total	25 25.0	32 32.0	9 9.0	16 16.0	11 11.0	7 7.0	100 100.0

<u>Chi-square</u>	<u>D.F</u>	<u>Significance</u>	<u>Min.E.F</u>
46.89	20	0.0006	0.35

As it is noticed, there is a complete significance between using “Coty” along with habit. This is shown in the Chi-Square with complete significance of 0.0006 which is less than 0.05, However, 55.5 % of users of “Coty” rank habit 4 in the second place.

4.4.9.Cross tabulation : use of “Coty” by loyalty

LOYALTY USE/COTY	Rank 0	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Row Total
Rank 0	26 60.4		5 50.0	3 20.0	4 17.3		38 38.0
Rank 1	4 9.3	4 80.0	3 30.0	3 20.0	4 17.3		18 18.0
Rank 2	6 13.9	1 20.0		2 13.3	9 39.1	1 25.0	19 19.0
Rank 3	4 9.3		2 20.0		4 17.3		10 10.0
Rank 4	3 6.9			7 46.6	2 8.6	3 75.0	15 15.0
Col. Total	43 43.0	5 5.0	10 10.0	15 15.0	23 23.0	4 4.0	100 100.0

<u>Chi-square</u>	<u>D.F</u>	<u>Significance</u>	<u>Min.E.F</u>
32.57	20	0.0023	0.1

As the table reveals, 80% of users of “Coty” perfumes in general rank loyalty in the first place. This might lead to a lack of variability since a very high percentage, in general, do not consider loyalty as a first priority.

4.4.10. Cross- tabulation : Use Charles Illuster by Age

AGE USE/C.I	< 18	19 and 34	35 and 45	> 46	Row Total
No	45 91.8	7 50.0	16 80.0	12 70.5	80 80.0
Yes	4 8.2	7 50.0	4 20.0	5 29.5	20 20.0
Col. Total	49 49.0	14 14.0	20 20.0	17 17.0	100 100.0

<u>Chi-square</u>	<u>D.F</u>	<u>Significance</u>	<u>Min.E.F</u>
23.106	4	0.0001	1.4

There is a complete significance of “Charles Illuster” users along age. This is shown in the Chi-square test that has a significance less than 0.05. However 50% of “Charles Illuster” users are between the age of 19 and 34.

4.4.11. Cross -tabulation: use “Charles Illuster” by Job

JOB USE / C.I	HOUSE WIFE	EMPLOYEE	STUDENT	OTHER	ROW TOTAL
No	11 68.8	26 86.7	42 80.8	1 50.0	80 80.0
Yes	5 31.3	4 13.3	10 19.2	1 50.0	20 20.0
Col. Total	16 16.0	30 30.0	52 52.0	2 2.0	100 100.0

<u>Chi-square</u>	<u>Significance</u>	<u>D.F</u>	<u>Min.E.F</u>
3.243	0.355	3	4

As revealed, there is no variability in using “Charles Illuster” along Job. This is proven with the significance of the chi-square which is less than 0.05.

4.4.12. Cross-tabulation: use "Charles Illuster" by safety

SAFETY USE/C.I	Rank 0	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Row Total
Rank 0	21 42.0	6 28.5	3 20.0	1 12.5			31 31.0
Rank 1	3 6.0	8 38.1	5 33.3				16 16.0
Rank 2	10 20.0	3 14.2	3 20.0	3 37.5	1 25.0		20 20.0
Rank 3	8 16.0	3 14.2	3 20.0				14 14.0
Rank 4	8 16.0	1 4.7	1 6.6	4 50.0	3 75.0	2 100.0	19 19.0
Col. Total	50 50.0	21 21.0	15 15.0	8 8.0	4 4.0	2 2.0	100 100.0

Chi-square
63.4056

D.F
20

Significance
0.0004

Min E.F
0.04

There is a complete significant variability in using Charles Illuster along with safety. This is proven since the significance result is less than the significance level.

4.4.13. Cross - tabulation : use "Charles Illuster" along with prestige

PRESTIGE USE / C.I	Rank 0	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Row Total
Rank 0	22 48.8	2 33.3	1 25.0	2 33.3		4 12.12	31 31.0
Rank 1	5 11.1	4 66.6	1 25.0	1 16.6	4 66.6	1 3.01	16 16.0
Rank 2	10 22.2		2 50.0	3 50.0	2 33.3	3 9.0	20 20.0
Rank 3	5 11.1					9 27.27	14 14.0
Rank 4	3 6.6					16 48.48	19 19.0
Col. Total	45 45.0	6 6.0	4 4.0	6 6.0	6 6.0	33 33.0	100 100.0

Chi-square
42.962

D.F
20

Significance
0.0590

Min.E.F
0.08

The significance result is greater than its level. 66.7% of users of Charles Illuster rank prestige in fourth position.

4.4.14.Cross - tabulation: Use “Charles Illuster” by lasting

LASTING USE / C.I	Rank 0	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Row Total
Rank 0	19 67.8	9 25.0		1 14.28	1 20.0	1 50.0	31 31.0
Rank 1	5 17.85	6 16.6	2 9.0	1 14.28	1 20.0	1 50.0	16 16.0
Rank 2	3 10.7	8 30.7	8 36.36	1 14.28			20 20.0
Rank 3	1 3.5	8 22.2	5 22.7				14 14.0
Rank 4		5 13.8	7 31.8	4 57.1	3 60.0		19 19.0
Col. Total	28 28.0	36 36.0	22 22.0	7 7.0	5 5.0	2 2.0	100 100.0

Chi-square D.F Significance Min.E.F
79.376 20 0 0.04

Here is a complete significant variability along the long-lasting variable. however 50% of those who rank “Charles Illuster in the first place rank lasting as 5th position.

4.4.15.Cross- tabulation: Use “Charles Illuster” by loyalty

LOYALTY USE / C.I	Rank 0	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Row Total
Rank 0	19 44.0	3 60.0	5 50.0	3 20.0	1 4.3		31 31.0
Rank 1	8 18.6		2 20.0	4 26.6	1 4.3	1 25.0	16 16.0
Rank 2	10 23.25	2 40.0		4 26.6	4 17.4		20 20.0
Rank 3	3 6.9		3 30.0		7 30.4	1 25.0	14 14.0
Rank 4	3 6.9			4 26.6	10 43.4	2 50.0	19 19.0
Col. Total	43 43.0	5 5.0	10 10.0	15 15.0	23 23.0	4 4.0	100 100.0

Chi-square D.F significance Min.E.F
42.962 20 0.059 0.07

The significance, which is greater than 0.05 shows that there is no variability of “Charles Illuster” use along the loyalty variable. 50% who ranks Charles Illuster in 5th place, also ranked loyalty also in 5th position.

4.4.16. Cross-Tabulation : Use “Charles Illuster” by habit

HABIT USE/ C.I	Rank 0	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Row Total
Rank 0	10 40.12	8 25.0	3 33.3	3 18.75	4 36.36	3 42.85	31 31.0
Rank 1	1 4.0	7 21.8	4 44.44	1 6.25	2 18.18	1 14.28	16 16.0
Rank 2	5 20.0	3 9.3	2 22.2	3 18.7	4 36.36	3 42.85	20 20.0
Rank 3	4 16.0	7 21.8		3 18.75			14 14.0
Rank 4	5 20.0	7 21.8		6 37.5	1 9.09		19 19.0
Col. Total	25 25.0	32 32.0	9 9.0	16 16.0	11 11.0	7 7.0	100 100.0

<u>Chi- square</u>	<u>D.F</u>	<u>Significance</u>	<u>Min.E.F</u>
81.23	20	0	0.14

The results of the chi-square prove that there is complete significance along habit. 44.5% of those who use “Charles Illuster” in the second place rank habit in the first place.

4.5. REGRESSION ANALYSIS

To determine the influence of the variable factors on the level of using “Coty” and “Charles Illuster”, regression analysis was used in order to build a regression equation that will depict the relationship between the dependent and independent variable. The dependent variable is the variable which is to be explained by the different independent variables.

4.4.1. Building a regression equation for “Coty”

The dependent variable is the “use Coty” which is to be explained through the different independent variables as quality habit, convenience, satisfaction, promotion, celebrity and problems.

VARIABLE	BETA	T	SIG.T
PROBLEMS	-0.979	-47.654	.000
CONSTANT	1.005	71.849	.000

$$R^2 = 0.958$$

$$F = 2270.889$$

$$\text{Sig. } F = 0.00$$

The regression equation is as follow : Use of “Coty”= 1.00576 - 0.97910 problems. The interpretation is as follow:

There is a high correlation between dependent and independent variables, as show in $R^2 = 0.958$. Further more, $b = -0.979$ indicates that as problems increase the level of using “Coty” will decrease. In addition to this, there is a complete significance between the two variables since $\text{Sig. } T = 0$. Yet, those problems could be the results of defects in quality, or dissatisfaction of the consumer. Thus there is a negative relationship between the use of “Coty” and problems. The reason behind this high correlation refers to the confidence of people in the “Coty” products, and hence, people will immediately stop using the product once a very minor problem results, and thus the product’s image is ruined.

The regression analysis for the use of “Charles Illuster”:

VARIABLE	BETA	T	SIG.T
PROBLEMS	-0.967	-37.638	0.00
CONSTANT	1.090	42.275	0.00

$R^2 = 0.935$

$F = 1416.597$

Sig.F = 0

The regression equation is stated as follows : Use of Charles Illuster= 1.090-0.967 problems. The regression analysis shows that there is a very high correlation between the dependent and independent variables. Moreover the level of significance is complete as determined to be 0. To further explain, if quality decreases, the use of product decreases.

Similar considerations would be given in regards to smell, packaging, etc...

CHAPTER FIVE

Conclusion and Recommendation

The research conducted through the survey questionnaires in Chapter Four, helps in coming up with a sound conclusion and recommendation. The results of the study has been assessed through the findings that in fact the Lebanese perfumery industry is not capable of challenging the foreign perfumery industry. Although S.N.C.E. is considered to be one of the important manufacturers of perfumes in Lebanon, it lacks the potential to compete with international industries. Through the statistics gathered from chapter four, and supported by the top three wholesalers in the business, Jovan Musk brands are among the leaders in Lebanon for the many reasons previously discussed. In regards to “Charle Illuster”, a large percentage of consumers perceived it as not a bad quality product with a low price, and considered it as a medium type product. Domestic manufacturers are facing some problems in regards to not having the budgetary. Some of these problems is strong competition from all foreign brands. Another one is the high tariffs and duties charged. Yet another is the lack of encouragement from the authorities to build a potential perfumery industry. All these factors as stated by Mr. N. Bikhazi, sales and promotional manager at Tamer Co., make the business weaker. Hence for the purpose of minimizing these problems, the following are recommended:

1.Improve the quality of the product: Some of the responses in the questionnaire mentioned that the smell is not lasting, and not attractive etc...Taking

those aspects into consideration the use of reverse techniques in finding out the percentages of ingredients, may lead to develop a good-product quality.

2. Advertisements and Sales promotion are necessary in the perfumery business. They both form a reminder to the consumer of the product.

3. Companies may concentrate more on training as well as on conducting many researches to determine the preferences, tastes, and attitudes of consumers.

4. The image of the product may be raised from a mass product to a medium one. This could be improved through improving the quality, promotion, and the displays at points of sales which play a major role in attracting the customers.

5. Design of packaging as well as labeling positively influence the decision of purchasing. "Charles Illuster" brands need an overview in regards to this matter, and must be represented in a good brand image, since people believe that a good quality carries an attractive package.

6. The use of celebrities in promoting the product is very important. People are influenced by a certain celebrity, and this is reflected in their attitude towards purchasing. For example, "SABATINI E.D.T." for women was promoted through a well known champion in Tennis, Gabriella Sabatini. Hence, the results were impressive.

7. One of the suggestions stated in an interview with Eddy pointed that the Lebanese perfumery industry may be improved through the emergence of a new domestic brand created by a well known fashion designer who may finance such a project. This type of investment by a fashion designer, will be similar to the many investments made by designers such as Dior and Ricci. With the creation of a new

1. domestic perfume product holding the name of the designer with an acceptable price, people will not hesitate to try the product, since the designer has a good trustworthy and prestigious image.

5.1 - Recommendations for Future Research

Certainly, this project could have been done on wider scale and basis, had not the time factor was short. Therefore suggestions for future research include:

1. A study covering a larger sample from different regions as well as different brands.
2. Comparison between various brands, not limiting the study to only two.
3. All those factors with a longer time margin will help come out with a sound reliable research to detect in depth problems of the Lebanese perfumery industry.

Appendix

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- Personal interview with Mr. Salim Abou Jaude, number one wholesaler in the perfumery business in Lebanon, July 25, 1996.
- Personal interview with Mr. Slayman Daher, non-food manager at Prisunic, August 2, 1996
- Personal interview with Mr. Bekhazi, Sales Manager at Fattal company, August 7, 1996.
- Personal interview with Mr. Akiki, Product Manager at Obeji, September 1, 1996.

Questionnaire

My name is Ziad Costa, a graduate student at LAU, working for MS program.

I am currently doing a comparative study on "NATIONAL AND INTERNATIONAL PERFUME BRANDS SALES IN LEBANON". The information you provide in this questionnaire will be strictly confidential, and will be used for research purposes only.

The results of this study will be available upon request.

QUESTIONNAIRE

The following questionnaire is oriented towards studying the consumer's decision process for purchasing perfumes. Your contribution will help for the success of my thesis. Thank you !

Gender : M F

Age

: Under 18 Bet 18 & 35 bet 36 & 45 Above 36

Profession

Student Employee Manager Other _____

1 - What kind of a job position do you hold ?

Housewife Employee Manager Other _____

2 - Do you use any kind of perfumes ?

Yes No

If yes, answer the following :

3 - Why do you use perfumes ?

Safety

habit

Prestige

Other

4 - What brand of perfumes are you familiar with ? (Mention 3 at least)

1- 2- 3-

5 - Which brand do you use most 1, 2 or 3?

6 - Why do you prefer that brand ? Rank

Safety

Safety

Prestige

Lasting

Loyalty

Habit

7 - What do you think decides the judgement of a better odor ?

8 - What procedures provide better sales for a specific brand ? Rank

Packaging

Pricing

Lasting

Smell

Application

Ads

Promotion

Distribution

Name

Celebrity

Other

9 - What kind of promotion best attracts your attention ? Rank

TV

Bulletins

Magazines

Radio

Sales promotion

Other

10 - Do you prefer using foreign perfumes or domestic ones ?

Foreign

Domestic

11 - If foreign, why ?

Quality

Price

Package

Self - satisfact

Trust

12 - If domestic why ?

- Quality Price Package
 Self - satisfact Trust

13 - In case of launching of new brand would you try it ?

- Yes No

14 - Have you heard of Coty products ?

- Yes No

15 - Have you tried Jovan Musk cologne ?

- Yes No

16 - What do you think of it ? Rank

- Good quality Bad quality Available
 Unavailable High price Low price
 Attractive Unattractive

17 - Do you actually use Jovan Musk ?

If yes answer the following :

If no, go to question 21

- Yes No

18 - Why do you use Jovan Musk ? Rank

- Quality Habit Convenience Satisfied

19 - Have you ever had problems in using Jovan Musk ?

- Yes No

20 - Would you switch to a substitute in case of not finding Jovan Musk ?

- Yes No

21 - What do you think of the Jovan latest promotion ?

- Attractive Good Could be better No idea

22 - To which brand would you prefer to switch if necessary ?

23 - In general, what do you feel when spraying Jovan Musk over your body ?

24 - What domestic perfumes are you acquainted with ?

_____ / _____ / _____ /
_____ / _____ / _____ /

25 - Are you acquainted with Charles Illusters perfumes ?

Yes No

26 - Rank what you know among the given perfumes

<input type="checkbox"/> Hamlet	<input type="checkbox"/> Violetta	<input type="checkbox"/> Gatsby
<input type="checkbox"/> Garçonne	<input type="checkbox"/> Anastasia	<input type="checkbox"/> Lili
<input type="checkbox"/> Rosalie	<input type="checkbox"/> J.Garçone	<input type="checkbox"/> For ever Hamlett
<input type="checkbox"/> Impulse	<input type="checkbox"/> Axe	<input type="checkbox"/> Other

27 - Which domestic brands have you used ?

_____ / _____ / _____ /

28 - What do you think of the Lili new promotion ?

Good could be better No idea

29 - What do you think of the Hamlet new promotion ?

Good could be better No idea

30 - What is the difference between Lili EDT and Jovan Musk for women ?

31 - What is the difference between Hamlet EDT and Jovan Musk for men ?
