

Group Part

A Work Project, presented as part of the requirements for the Award of a Master's degree in
Management from the Nova School of Business and Economics.

HOW TO INCREASE ONLINE SALES OF COMPORTA PERFUMES BRAND? –
CUSTOMER ACQUISITION AND CONVERSION

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Abstract:

As the niche perfumery market thrives and trends in e-commerce escalate, Comporta Perfumes aims to optimize its online platform as a sales channel. This work project elaborates on a commercial strategy, to increase the brand's online sales, supported by a literature review, two surveys, and eight interviews. Against the dynamic Beauty industry, characterized by innovative products and intensifying competition, Comporta Perfumes aspires to emerge as a distinguished brand, leaving a lasting mark in Portugal and beyond. For that to happen, there's a need to improve customer acquisition and conversion.

Keywords: Niche Perfumery, Acquisition, Pay-per-click Advertising, Social Media Marketing, Digital Marketing, Conversion

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1. Introduction

This work project endeavors to delve deep into online sales and e-commerce platform optimization, examining the strategies, techniques, and tools that can empower Comporta Perfumes to boost sales performance in the online sphere.

The project lasted 4 months, being carried out in collaboration with the entire Comporta Perfumes' internal team. The project developed will have an impact on stakeholders, as well as a role in guiding the restructuring of the marketing and digital department. The implementation of the explored ideas is expected.

The project encompasses a thorough review of existing academic publications, industry reports and case studies to draw upon established concepts and build a framework for recommendations. The strategy will be outlined through an initial literature review, followed by the chosen methodology, linking powerful insights into customers' shopping habits with the company overview. Moreover, the market analysis will provide a more comprehensive view of the beauty market and niche luxury perfumery brands.

Furthermore, the analysis will make it possible to outline the commercial strategy for Comporta Perfumes on several fronts (brand management and marketing mix; customer acquisition and conversion; e-commerce platform and purchasing journey; and customer retention), as well as the final financial proposal, to fulfill the main objective of this work project: to increase online sales on the Comporta Perfumes E-commerce platform.

2. Literature Review

In order to better understand e-commerce and the importance of digital marketing, a literature review was conducted. E-commerce (electronic commerce) has become an important element, as companies have recognized the immense potential of the online marketplace to drive sales and revenue growth, through the dissemination of products and expansion of customer networks (Miceli et al. 2021). Online marketing, as part of a modern and contemporary marketing plan,

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is a crucial tool for companies to reach a vast network of customers and adapt strategies depending on behavioral and performance metrics (Chaffey and Chadwick 2019).

2.1. Online Promotion

Search Engine Marketing (SEM), social media marketing, and email marketing are techniques widely used for online promotion in digital marketing. SEM encompasses Search Engine Optimization (SEO), which makes a website appear at the top of a search engine's organic results list, due to keyword optimization and improvement of the website's content quality and codes (Panchal et al. 2021). Moreover, Pay-Per-Click Advertising (PPC) is also a complement of SEM, established as an online advertising model in which the advertiser pays the publisher or company responsible for the ad every time an advertisement is “clicked on” (Suganya et al. 2020). Google, Instagram, and Facebook are examples of advertisement platforms.

Social media marketing, dominant these days, is aimed at brand awareness and engagement. To thrive, there must exist an alignment of the brand's digital strategy with its positioning (in terms of content creation, paid advertising, and partnerships), assertiveness in choosing the right target audience, and close contact with the follower, which will enable efficient and credible communication (Evans and McKee 2011) (Ford et al. 2019).

Finally, **email marketing** represents an efficient way of contacting customers (Desai 2019). Implementing automated email sequences, personalization, monitorization of metrics, especially the opening rate (Singh et al. 2019), study of spam effects, and categorization, can nurture leads and guide them toward making a purchase.

2.2. Consumer Behavior in Online Shopping

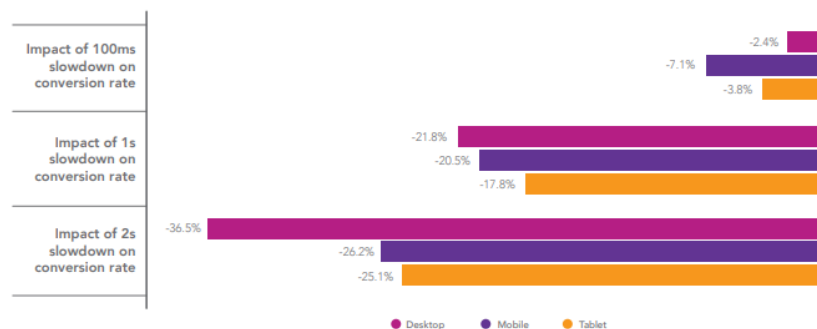
Factors such as convenience, trust, security, and price affect consumer behavior when deciding to buy online (Petcharat and Leelasantitham 2021). For a customer, it is more convenient to access an e-commerce platform rather than go to a physical store. By filtering and comparing

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products, it is possible to shop anytime and anywhere. However, security is a necessary component since the development of technology brings protection but also vulnerability to cyber-attacks. Financial risk and non-delivery risk have negative effects on consumer's perceptions. Finally, the prices practiced on online commerce platforms may or may not be the same as those implemented in physical stores, oftentimes being lower, constituting a greater incentive to spend (Petcharat and Leelasantitham 2021).

2.3. E-commerce Strategies and Best Practices

A **responsive website design** that adapts to various devices (mobile or desktop) is crucial for a positive user experience since it improves the effectiveness and efficiency of data retrieval. A website should be easy to read, easy to navigate, easy to find, consistent in layout, and consistent in design (by assessing color, texture, typography, and imagery) (Ghalmat 2020). Therefore, a **user-friendly navigation** structure involves essential elements like an intuitive and easy-to-use product search, and fast website loading times. Slow loading times can impact up to 7% on the conversion rate, not being beneficial for the performance of the digital platform (Akamai 2017).



Graphic 1 – Impact of slow loading times on conversion rate (by device type). Source: Akamai 2017

Furthermore, **product presentation** requires high-quality images and videos (impactful on purchase decisions and increased conversion rates (Di et al. 2014)), and detailed descriptions (build trust and credibility along with informing and educating consumers (Hassan 2023)).

2.4. Challenges in Online Sales

There are several challenges regarding online sales such as facing competition; the need to stand out and be ahead of other brands; technological limitations, like obsolescence and scalability

issues; and unpredictable changes in consumer expectations, like personalization and sustainable preference (Rust and Lemon 2014).

2.5. Data Analytics in Sales Optimization

By tracking and analyzing the customer journey on a website or e-commerce platform using metrics, businesses can identify pain points, drop-off stages, and opportunities for improvement (Kumar and Garg 2018). Data-driven decisions like applying **A/B testing** (“two variants of a piece of software are compared in the field from an end user's point of view” (Quin et al. 2023, 1)) to evaluate the impact of changes on sales; and **assessing the performance** of marketing campaigns, product listings, and website content (Chaffey and Patron 2012) are crucial to optimize sales and thrive in current competitive atmosphere.

3. Methodology

The empirical aspect of the following approach involves quantitative and qualitative research methods. For this project, two surveys (consumer purchasing experience and customer insights on Comporta Perfumes) and eight in-depth interviews were conducted regarding the brand’s website, brand awareness and perception.

3.1. Surveys

3.1.1. Survey I: Consumer Purchasing Experience

The first survey was conducted between October 20th and November 3rd of 2023 to evaluate and assess the general public's perception of niche perfumery and its purchasing experience within the perfumery market, home fragrances, and candles. Moreover, the method was based on random sampling, and all possible ethical issues regarding the survey were considered so that the sample was aware of their anonymity and data protection. The survey was conducted using Microsoft Forms and all answers were saved, making a total of 140 submissions.

3.1.1.1. Data Analysis and Interpretation

A significant majority of respondents (62%), confessed to never having heard of niche perfumery, with a striking 53% asserting ignorance of niche perfumery brands. However, 15% demonstrated a potential awareness, and 22% claimed familiarity with the concept. Notably, the word most frequently associated with niche perfumery was "small," highlighting the perception of "smaller brands", "small target" and "a small number of perfumes." This recurring theme emphasized the intimate, exclusive nature often attributed to niche perfumery.

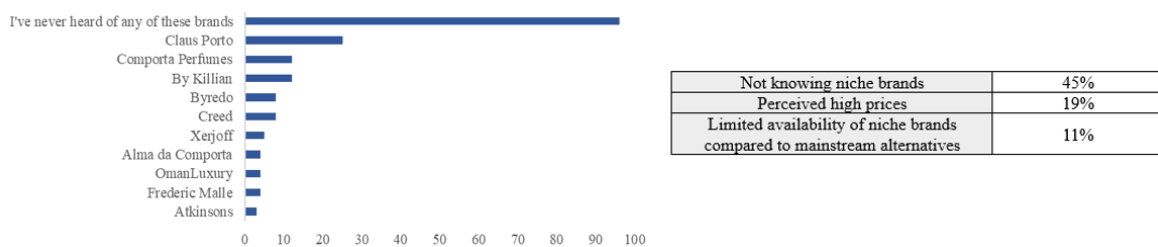


Figure 1 – Awareness of niche perfumery brands as the main deterrent to never purchasing from brands. Source: own analysis

When exploring alternatives to niche perfumery, a substantial 44% leaned towards designer perfumery, hinting at the formidable influence of aggressive marketing strategies and celebrity associations in the mainstream perfume market. In the realm of niche perfumes, there existed a willingness among 38% of respondents to spend €50-100. Interestingly, this aligned with the actual spending behavior. Contrasting with the perfume segment, the market for niche home fragrances and candles exhibited a perceived lower value in the €2-20 range. Nevertheless, this also mirrored the actual spending behavior. This harmony in responses suggested a tangible connection between consumer willingness and real-world actions within this price bracket.



Figure 2 – Willingness to spend vs, actual spending for perfumes. Source: own analysis

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Figure 3 – Willingness to spend vs. actual spending for home fragrances and candles. Source: own analysis

3.1.1.1.1. Shopping Habits

The seasonal change in perfumes, favored by 36% of respondents, suggested a dynamic relationship with scents. This aligned with the occasional purchase pattern, reflecting a desire for variety and adaptation to different moods or occasions. The occasional purchase pattern for home fragrances and candles (59%) indicated that consumers view these products as non-essential luxuries, bought for specific occasions or to enhance the ambiance rather than as daily necessities. The emphasis on product quality for perfumes (40.8%) underscored the importance of the sensory experience. The greater importance of price and discounts for home fragrances and candles (52.9% and 51.7%) suggested a more pragmatic approach, possibly influenced by the perceived disposable nature of these items.

3.1.1.1.2. Shopping Experience

The preference for physical store experiences (66% for perfumes, 90% for home fragrances and candles) highlighted the importance of sensory engagement in the purchase decision.

From this part of the questionnaire, respondents were divided into three groups:

	Number of respondents	
	Perfumery Section	Home Fragrances and Candles Section
Those who chose “online”	10	0
Those who chose “physical”	82	78
Those who chose “physical and online”	33	9

Table 1 – Number of respondents per section. Source: own analysis

For **online shopping**, having 8% of consumers buying perfumes online exclusively showed a growing comfort with online fragrance shopping. However, none of the respondents confessed to buying home fragrances and candles exclusively online.

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The relatively small percentage (37%) of problems reported in online shopping indicated a relatively smooth online purchasing experience, contributing to the positive sentiment toward online shopping in these categories. Most reported problems were related to delivery issues.

The emphasis on testing and sampling products in **physical shopping** (for both perfumes and home fragrances/candles) highlighted the importance of the sensory element. Consumers value the opportunity to experience scents firsthand. Problems reported for physical purchases in both categories were more concerning (70% for perfumes, and 60% for home fragrances/candles), and were mainly directed to product availability and accessibility, and store-specific problems such as long wait lines and bad experiences with staff.

For perfumes, 26% of respondents do their **shopping both physically and online**. The majority of consumers prefer to buy physically, being the main factors in favor: the possibility of testing and sampling products, and the immediate availability of those. For home fragrances and candles, the low number of respondents that buy in both channels made the results not statistically relevant.

For the **ideal online shopping experience**, the emphasis on secure payment options for both perfume (70.4%) and home fragrances/candles (60.9%) indicated that consumers prioritize trust and security in their online transactions. On the other hand, the lower emphasis on a brand's mobile application suggested that consumers prioritize the purchasing process over additional features.

3.1.1.1.3. Brand Preferences

The preference for "Carolina Herrera" in perfumery (10%) and "Rituals" in home fragrances and candles (44%) highlighted the influence of established brands. Consumers tend to gravitate towards familiar names, potentially driven by brand reputation, product consistency, or past positive experiences. Price concerns were what primarily drove the discouragement from purchasing lesser-known brands, in both perfume (38.4%) and home fragrances/candles

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(43.7%). This suggested that consumers associate established brands with quality assurance. However, motivations to buy from lesser-known brands focused on price competitiveness, indicating a willingness to explore new options when the perceived value is compelling.

3.1.1.2. Demographic Information

For demographic purposes, information was also collected on gender, nationality, country of residence, age, current occupation, and comfortability with technology, to compare and contrast the participants (**Appendix 1**).

The results of the survey provided nuanced insights into consumer behavior, emphasizing the importance of sensory experiences, trust in online transactions, and the impact of established brands in the niche perfumery and home fragrances market.

3.1.2. Survey II: Customer Insights on Comporta Perfumes

The second survey was conducted between November 9th and November 17th and was designed to respond to a more specific need: to gain insight into customers' opinions about Comporta Perfumes and the performance and experience of using its only online sales platform. Furthermore, this method was based on random sampling within the company's database of subscribers, with the integration of qualitative and quantitative questions, and guaranteeing the same conditions of anonymity. The survey was conducted using Microsoft Forms and all answers were saved, making a total of 7 submissions, out of an address list with 389 subscribers.

3.1.2.1. Data Analysis and Interpretation

The low number of submissions (7 out of 389) revealed poor customer affection and loyalty held by Comporta Perfumes, also highlighting the lack of engagement with the brand through this channel.

Firstly, around 42.9% of respondents recognized the brand for its emotional significance and sophistication, due to its possession of unique, innovative, and high-quality products as well as

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the presence of strong alignment with their personal values. Furthermore, 57% of respondents admit recommending the brand to a friend or family member.

Additionally, the **interaction with the brand** is done mainly through the Instagram page and occasional visits to the E-commerce platform. However, it was found that 43% of the respondents had never purchased on the website. They visit the website of Comporta Perfumes, but only to consult the information about products, not complete a purchase, which suggests a huge lapse in the newsletter's effectiveness and communication. Considering those who actually purchase, the diagnosis regarding **shopping habits and experience** was summarized in the table below:

Shopping Habits	100% like to explore new smells and use different fragrances 71% buy perfume occasionally 57% purchase on Comporta website 88% never bought a product from Home Stories Collection
Shopping Experience	85% consider send testers before a purchase crucial 50% value secure payment options on the website

Table 2 – Shopping habits and experience. Source: own analysis

For demographic purposes, information was collected on the same parameters as Survey I (**Appendix 1**).

The results of this survey provided nuanced insights into the brand and, despite having less than 30 answers, the information gathered by this small sample was a useful additional perspective.

3.2. Interviews: Consumer Experience on Comporta Perfumes Website

To comprehensively evaluate the consumer experience on the Comporta Perfumes website, eight interviews were conducted, focusing on two tasks. The selection of interviewees considered alignment with the brand's target characteristics (**Appendix 2**). Furthermore, the assessment included factors such as time spent, task completion analysis, and user impressions measured through Single Ease Questions (SEQs) and the System Usability Scale (SUS). **SEQs** were employed immediately after task completion, where interviewees had to rate the difficulty on a scale from 1 (Extremely Difficult) to 7 (Extremely Easy). **SUS**, a 10-statement

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questionnaire, is a simple, industry-standard method to assess system usability (Sauro, 2011) with responses ranging from 1 (Strongly Disagree) and 5 (Strongly Agree).

3.2.1. Data Analysis and Interpretation

Starting with the **first task**, the interviewees were given a hypothetical situation where they wanted to buy the perfume "Will", but they didn't take too long investigating the product. According to the **SEQ**, while not considered extremely easy, users managed to complete it (**Appendix 3**). On average, participants took **01:57min** with a standard deviation of around 1 minute. A project member (expert) completed the task in 20 seconds, indicating that the current path to completion is inefficient (**Appendix 4**).

The paths to completion were through the "Shop the Collection" button on the homepage (preferred method), and then through each of the collections' corresponding tabs. The effectiveness of calls to action (CTA) is evident in the first approach, while the latter highlights the current poor user experience on the website. Additionally, half of the interviewees noticed the absence of a navigation search tool. After finding the perfume, when adding the product to the basket, four users encountered the error in the image below, due to not selecting the free sample.

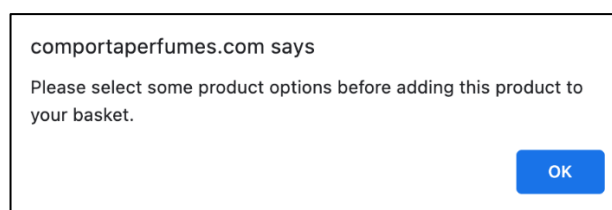


Figure 4 – Error when a user tries to add a perfume to the basket without selecting the free sample Source: Comporta Perfumes website

To evaluate Comporta Perfumes' **online product listing effectiveness**, a few questions were asked about the perfume "Will" and their experience in simulating its purchase. "Will" was chosen for the fact that it does not disclose the scent categories or pyramid of notes. Although intentional, this can be troubling for a customer in the context of online purchasing. Some

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described it as a modern, innovative, and complex fragrance, but not all grasped the concept. The absence of fragrance notes' descriptions was noticed and resented. Many overlooked the scent description and imagery at the bottom of the page, preventing them from gathering insights into the perfume. Those who did notice it found the section insufficiently insightful. In conclusion, the interviewees mostly agreed that they would not have made this purchase if they had never smelt the perfume "Will" before and if the product listing was as is.

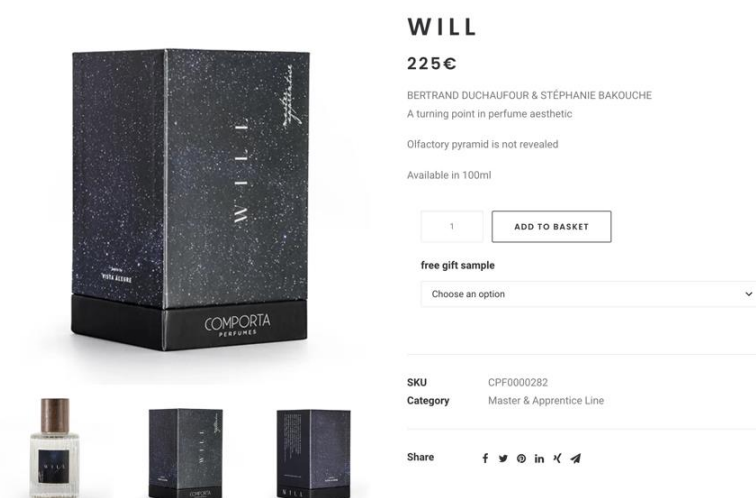


Figure 5 – "Will" images and product information. Source: Comporta Perfumes website

In the **second task**, the interviewees were asked to explore the candles at their own pace and purchase one. According to the SEQ, users found it extremely easy to complete (**Appendix 3**). Regarding the purchase path, half of the users utilized the "You May Also Like" section, highlighting its significance. Another user employed the quick view option to quickly compare the candles, along with popularity sorting, influencing their ultimate product choice. Continuing the assessment of the **product listing**, a few questions were asked about the candles and their experience simulating a purchase. In general, interviewees seemed to be more satisfied with the product. Nonetheless, some noticed that all candles had the same imagery which didn't necessarily relate to the accompanying text. Users were surprised that candles with names matching the perfumes had different scents, accusing false advertising. Notably, the "Mosquito" candle has a warning, while "Bravo" does not.

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Outside of the set tasks, the interviewees were asked to **explore the website**. The aim was to understand how users **interact with the website's content and functionalities**, as well as if they understand the concept of the brand.

Interviewees were able to understand the brand's concept, with most immediately associating with its namesake location and defining it as a niche and luxury brand. One described it as “innovative, forward-thinking, and edgy”. On the other hand, there were contrasting views, where some interviewees found the brand's communication strategy confusing. One interviewee said, “When I think about Comporta I associate it with nature, but I don't get that feeling from the brand.”; another pointed out that it was confusing to read on the website “amazing natural, white sand, infinite beaches, with that Atlantic Sea breeze, bordered by vast green rice fields” (Comporta Perfumes (n.d.)) when the color scheme is dark and moody. The packaging was commonly praised, as for the partnership with Vista Alegre, and noted that it contributed to the brand's luxury positioning. Additionally, interviewees were very interested in the potential of the bundle of samples.

Concerning the **website**, it was frequently described as slow, counterintuitive and the unavailability of a Portuguese language setting was noted. Several interviewees were confused by the landing page's picture of the horse and its purpose on the website. Besides that, one of the interviewees, a Comporta Perfumes' client, complained that it had been the same for more than a year and it was noted that there were no details regarding the specific points of sale. Moreover, two interviewees were confused by the focus on the creator of the brand in comparison to the focus on the brand itself.

More focused on the **product listings**, interviewees called attention to the lack of details regarding the products,

especially the lack of photo diversity, like using real-world settings or photos with the main



Figure 6 – Candles' imagery. Source: Comporta Perfumes website

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ingredients, for example. Furthermore, interviewees condemned the lack of descriptions and context of product lines, with nothing to identify them by besides the name. Additionally, one was bothered by the fact that the candles were all visually very similar.

Regarding the **purchase experience**, the lack of shipping information was noticed. Most interviewees said that they only purchase perfumes online if already familiar with them, expressing a lack of confidence otherwise. Moreover, it's important to highlight the fact that the brand's client and also a passionate perfume enthusiast, showed significantly more sensibility in understanding the brand and familiarity with niche perfumes, perfumers, and online shopping. This emphasizes the difference in segments of the perfume industry, and how the target of Comporta Perfumes shows distinct behaviors and love for perfumes compared to a regular day-to-day perfume wearer.

To finalize, the analysis of the results obtained in the **System Usability Scale (SUS)** was conducted. The website was able to reach a **score of 70.3**, with a **standard deviation of 14.8**, meaning that some individual users' SUS scores are far from the final SUS score (**Appendix 5**). Nonetheless, it was possible to conclude that it reached an acceptable result, suggesting that **improvements should be made to enhance the user experience**, as verified in the usability tests previously performed.

4. Company Overview

4.1. History

The Portuguese village of Comporta is a well-kept secret along the Atlantic coast, and it has long captured the attention of travelers. Pedro Simões Dias, the mind behind Comporta Perfumes, sensed the town as a source of fragrance inspiration, in addition to the lack of new construction work that allows for no air contamination, which increases the sensorial experience. Pedro decided to launch his niche perfumery brand by developing a line of fragrances that would replicate the events and feelings that shape this location. The fragrances'

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unique composition is one of the characteristics that the founder highlights: “These perfumes are made based on natural molecules. They differ from perfumes made from synthetic molecules” (Lisbonne Idée 2016). Comporta Perfumes was created in 2017, with the collaboration of four esteemed perfumers: Luca Maffei, Béatrice Aguilar, Daniel Josier, and Stéphanie Bakouche. Pedro developed a narrative that included the elements and olfactory notes that should be present in essential oils used in perfumes. They created a set of six intimate scents, making up the Original Line of Comporta Perfumes. Each of these original fragrances acts as aromatic chapters, that all together tell the story of Comporta and of who wears the perfumes. This is the main goal of the company and is accompanied by the slogan “Storytelling on your skin” (Commercial Book 2023).

Comporta Perfumes has been on a trajectory of innovation and growth, having expanded its perfume portfolio and developing important partnerships. In 2021, the company ventured into the world of home fragrances and expanded in terms of market presence, with retail points from Portugal to Australia. Recently, Comporta Perfumes has received well-deserved acclaim and recognition in the fragrance industry. The Digital Beauty Awards 2023, which honor the top businesses, individuals, and efforts in digitalization and e-commerce, have proudly recognized it as the first Portuguese niche perfume company to be nominated in the “Best Digital Perfume Brand” category (AICEP 2023).

4.2. Strategic Sales and Marketing Objectives

As mentioned earlier, Pedro Simões Dias is the CEO and the mind behind the sensory experience of the brand. Inês Noronha is the Marketing and Operations Manager, making all the connections necessary with the logistics, accounting, and marketing teams, which are all outsourced. Recently, Bernado Simões Dias, son of the CEO, joined the company as an e-commerce strategist and computer engineer. That being said, Comporta Perfumes consists of a rather **small internal structure**, whose focus is mainly directed at the product itself.

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To sustain growth through **international distributors** in Comporta Perfumes' primary sales channel, the company is keen on global expansion to tap into new markets. Looking at the **direct sales channels**, Comporta Perfumes aims to elevate its e-commerce platform as the primary sales channel, given its profitability when compared to intermediaries. Improving the online customer experience is crucial for achieving this goal, and the focus is on increasing website traffic, newsletter sign-ups, and online sales. Simultaneously, there is an effort to enhance brand awareness and highlight the brand's unique features, including luxury packaging, premium aesthetic, and distinctive formulas, while also noting that engagement on social media and in email marketing must maintain a delicate balance between communication and discretion.

Due to the small internal structure, Comporta Perfumes lacks Key Performance Indicators (KPIs) and marketing metrics, limiting the measurability of the effectiveness of marketing strategies and campaigns. Moreover, the lack of access to customer information through indirect channels makes it challenging to track KPIs such as conversion rate, customer acquisition cost, ROI, and customer lifetime value. Additionally, budget constraints allocate a significant portion to product-related aspects (90%), leaving minimal resources for sales and marketing activities.

4.3. Customer Segmentation and Targeting

Comporta Perfumes adopts a "Simple Segment Concentration" targeting strategy where the company focuses its marketing efforts and resources on a single, well-defined market segment (Lewison and Hawes 2006). It concentrates on a specific group of customers who share common characteristics or needs and can be especially effective for businesses with limited resources or looking to make a strong impact in a particular niche, which is the case of Comporta Perfumes (Lewison and Hawes 2006).

Comporta Perfumes only defines its target audience based on demographic criteria; thus, its target consumer base comprises (Commercial Book 2023):

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Gender	Men and women
Age Group	30-55 years old
Income	High-income
Class	A1 and A2 classes (upper-middle class.)

Table 3 – Demographic criteria (class supported by the SEC classification criteria). Source: Commercial Book Comporta Perfumes

This age group is chosen due to great purchasing power; brand loyalty, maturity, career, and social engagement; and its substantial representation in the market (Statista 2023).

Clients are distinguished by their sophisticated, exclusive, and refined lifestyle with a touch of boho chic mood and urban style, as well as an interest in sensory experiences and pleasures. They have a high willingness to pay and high loyalty, aiming to make a statement through their fragrance choices. Overall, they prefer high-end fashion magazines, luxury lifestyle publications, and exclusive events. “People demanding exclusivity on cool luxury vibe” is the brand's main motto (Commercial Book 2023).

4.4. Product Portfolio and Partnerships

Before going into detail about Comporta Perfumes' creations, it is important to know that different types of fragrance concentrations may be sold (Scent Store 2023):

	Eau de Cologne	Eau de Toilette	Eau de Parfum	Extract de Parfum or Pure Parfum
Concentration:	2-5%	5-15%	15-20%	20-40%
Durability:	Up to 2h	Up to 8h	8h to 12h	More than 12h

Table 4 – Types of fragrance concentrations. Source: Scent Store

Comporta Perfumes portfolio (**Appendix 6**) encompasses three perfumery lines: The Original Line, The Millésime Line, and the Master & Apprentice Line. All these lines have in common unique, meaningful, and high-quality “Palafitico” bottles, produced by Vista Alegre, a distinguished porcelain brand. Together with Comporta Perfumes, they came up with the “ideal niche perfume bottle”, that captures the wooden pilings of Comporta’s historic port (Cais Palafitico da Carrasqueira). Firstly, at the core of the brand lies **The Original Line**, presenting four distinct Eau de Parfum fragrances that embody the essence and initial emotions associated with Comporta:

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A Olhar Trancoso	Areia Salgada	Mosquito	Muda
Tropical twist, coco bliss, marine	Literal smell of joy, classic, non-conceptual Ozonic, citrus, green	Transparency, simplicity Clean, light floral, musk, ozonic	Intensity Rose, fresh spicy, aromatic
			

Figure 7 – The Original Line. Source: Comporta Perfumes website

The **Millésime Line** is based on extrait de parfum, with each of the products made from rare oils and exclusive raw materials:

Mosquito Man	Ocaso	Palafítico	50 – The anniversary Article
Ozonic, musky, green, salty, light floral.	Sexual notes, carnal, intensity, exclusivity, conceptual. White floral, spicy, oriental, luminous	Woody, balsamic, powdery	Aldehydic, musky, salty, fresh spicy, powdery, light incense, metallic
			

Figure 8 – The Millésime Line. Source: Comporta Perfumes website

The **Master & Apprentice Line** is a great representation of the direct dialogue between the creator and the masterpiece. Currently featuring three fragrances, the line is under development with plans to launch new products:

Bravo	Femme Fougere	Will
Imperceptible, powerful Balsamic, herbal, aromatic, fresh spicy, bitter	Beauty and female empowerment Classy aromatic, fruity, floral, sweet, gourmand	Powerful, the legacy for the brand in perfumery, mysterious (its notes are not revealed)
		

Figure 9 – The Master & Apprentice Line. Source: Comporta Perfumes website

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Finally, the only parfum created is called “**Sela Parfum**”, a new interpretation of the discontinued Eau de Parfum «Sela», belonging to The Original Line. With a floral aroma, it aims to reveal the sensuality of darkness and the mystery of the night.



Figure 10 – Sela Parfum. Source: Comporta Perfumes website

Furthermore, Comporta Perfumes developed high-end packaging, with stickers, magnetic closure, UV on the logo, anti-wrinkle, and anti-damage premium cardboard (**Appendix 7**).

Finally, the **Home Stories Collection** includes scented candles and home scents like “Mosquito”, “Camellia”, “Chama”, and “Bravo”, expressing luxury, comfort, and sensuality. It is important to highlight the differences in the scents between candles and perfumes with the same name: the "Mosquito" candle has notes of lily of the valley and sandalwood, while the perfume is lighter floral and ozonic. The "Bravo" candle has touches of marine and fig, but the "Bravo" perfume is spicier and more aromatic.

Comporta Perfumes and Vista Alegre also worked together to develop a distinctive piece for the Home Stories Collection that was inspired by the stilt pier and the sea's waves. The unique item is a porcelain candleholder with the name AL-qasr, which is Arabic for “fortress” or “palace” (Avelar 2021).



Figure 11 – Home Fragrances and Al-Qasr. Source: Comporta Perfumes website

Group Part

At the **merchandising level**, perfume samples, olfactory strips (mouilletes), and shopping bags are available to customers. Samples of a perfume of the consumer's choice are offered when purchasing a perfume online, aiming to foster curiosity about other fragrances.

Another impressive partnership that sticks out is the brand's affiliation with the renowned luxury resort Vila Vita Parc. Comporta Perfumes and the resort collaborated to produce the “Al Sul” perfume, which is exclusively sold there. This perfume was carefully created to capture the peculiar scents of the Algarve, bringing back fond memories, and capturing the distinct beauty of this seaside paradise (Sul Informação 2022).

4.5. Pricing Strategy Analysis

Comporta Perfumes employs a **Competitive Pricing Strategy**, setting their prices according to competitors, while also following their costs (**Mark-Up Pricing Strategy**), so perfumes that need more expensive raw materials are also priced at a higher price point.

In addition, each product line is priced differently, but products within each product line are priced equally. This occurs in The Millésime Line and The Master & Apprentice Line, with an exception for the one product that is deemed premium within each line. Comporta Perfumes does this on its best-performing product lines (Master & Apprentice and Millésime Line) but does not employ it in other categories within the portfolio, such as the Home Stories Collection, where it utilizes a **Captive-Product Pricing Strategy**, selling candles at a lower price, making a profit from the sale of the AL-qasr, the complementary product (Octoviany 2023). Consumers gain the perception of getting a “deal”, and once satisfied they will perform additional purchases (single candles), at a higher price.

Overall, the price range of Comporta Perfumes is €62-€225 (**Appendix 8**).

4.6. Current Financial Situation

The financial assessment was based on sales information made available by the company and a public financial report of unconsolidated accounts, from 2017 to 2022 (SABI report 2023).

Group Part

The overall financial situation of Comporta Perfumes from 2018 to 2022 was favorable, as the company tended to grow over the years. In 2022 the company achieved new billing records with net revenues of €235,209, 2.2% above the previous year. However, profits were negative, indicating that Comporta Perfumes had substantial cash outflows for 2022. Comporta Perfumes is expected to continue growing, as the EBITDA, EBIT, and gross margin showed a positive trend, within normal parameters, indicating the company's ability to generate operational profits, defending a strong performance. The discrepancy in values for 2020 and 2021 was possibly due to the significant impact of the COVID-19 pandemic.

	2018	2019	2020	2021	2022
Net revenues	€85,154	€94,066	€217,335	€230,231	€235,209
Revenue growth rate	30.3%	10.5%	131%	5.9%	2.2%
Profits	€743	€27,663	€15,148	€-6,517	€-40,984
Gross margin	55.2%	9.7%	82.1%	82.7%	80.3%
EBITDA margin	1.7%	-55.2%	-16.8%	5.1%	3.3%

Table 5 – Comporta Perfumes net revenues and key ratios from 2018 to 2022. Source: SABI Report

Furthermore, the company is entirely financed through equity, with no financial debt.

Regarding working capital, the number of inventory days is high, suggesting that stock remains idle in the warehouse for a long time (probably due to the frequency of sales, both to retailers and direct customers). The company needs to reduce third-party payment flexibility, as the number of receivable days also exceeds 90 days. Finally, the number of payable days calculated is above normal, as the company takes 221 days to pay debts to i.e., suppliers. It is unusual for the other party to wait for such a long time, however, there can be a great relationship of trust between both parties.

	2018	2019	2020	2021	2022
Inventory days	141	64	273	415	356
Receivable days	73	74	41	62	130
Payable days	-	-	-	106	221

Table 6 – Working Capital. Source: SABI Report

4.6.1. Sales Invoice Analysis

In interpreting the sales data provided by Comporta Perfumes, the invoicing data helped understand the brand's client base and overall sales activity.

Group Part

Portugal leads the sales figures (~49% of total gross revenue), indicating a significant customer base in Comporta Perfumes' home country. The USA appears next, with a noteworthy but comparatively lower total sales figure of almost 15%. France joins the top three with practically 12% of total gross revenue. Countries like Spain, and the United Arab Emirates also have an important role in global sales, yet with a total percentage of only one digit. Although there are sales in 15 other different countries, the top five account for >90% of total gross revenue.

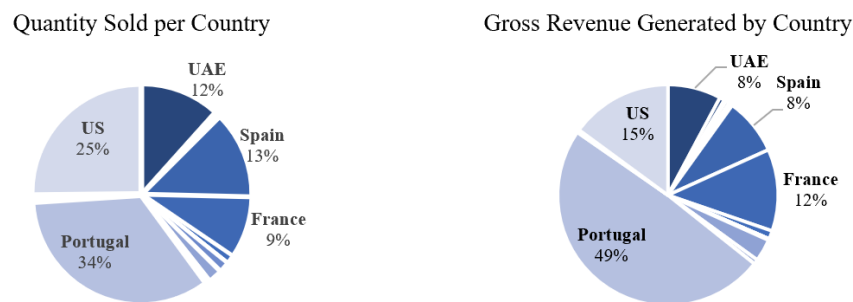
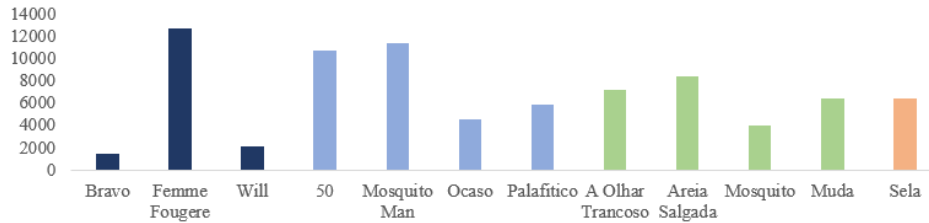


Figure 12 – Top five countries where Comporta Perfumes sells regarding quantity sold and gross revenue generated. Source: Comporta Perfumes Sales Invoice Document

Examining the monthly invoiced amount for Comporta Perfumes, it can be noted **seasonality**, with a substantial 81% concentration in August. This aligns with the peak holiday season in Comporta, where heightened brand awareness intersects with regional exposure. Once again, this analysis is purely made by using the invoice's value, meaning that sales could have happened in one month and only have been invoiced in another. (**Appendix 9**).

Moving on to the analysis of **sales by product**, it was possible to infer that “Perfumes” is the star product collection, accounting for 92% of the company's sales, leading both in terms of quantity sold and gross revenue generated. Within this category, it is possible to observe that the newest line, “The Millésime Line” is the one that carries the portfolio, having the greatest quantity sold and gross revenue generated. On the other hand, the Home Stories Collection is the one that sells the least amount of quantity and generates the least gross revenue as well, accounting for only 8% of the total gross revenue generated. However, these are the products that generate the most for the least number of products sold. (**Appendix 10**)

Group Part



Graphic 2 – Perfume product performance by gross revenue generated. Source: Comporta Perfumes Sales Invoice Document

4.7. Digital Marketing Activities

The company's digital marketing (website and social media) is assigned to an outsourcing team and presented to Inês Noronha (Marketing & Operations Manager), who subsequently provides her approval. The budget allocated for this activity is €750, diluted in a monthly fee.

The brand contacts its customers mainly through the digital domain, using the website (created in 2020), social media marketing (Instagram, Facebook, and LinkedIn), and email marketing.

Email marketing is activated from the moment a user subscribes to the brand's newsletter.

Comporta Perfumes uses MailChimp as its main platform to send emails to its 389 subscribers.

However, Comporta Perfumes does not pay for advanced analysis of metrics, which is a downside, and again highlights the inability to make accurate assessments.

The overall content of email campaigns is based on product information and updates. Some campaigns allude to themed days and others to collection advertisements:

Seasonal campaigns:	Collection Campaigns:	Other campaigns:
Valentine's Day	Home Stories Collection	Two sprays, same essence
Mother's Day	The Master & Apprentice Line	Are you ready to start this journey with us?
Happy holidays		
Trying to find the perfect gift?		
Will 50 be the new black?		
New Season scents		

Table 7 – Comporta Perfumes campaigns



Figure 13 – Campaigns visuals

Group Part

Comporta Perfumes uses emotional narratives to address subscribers, but the approach lacks effectiveness and engagement. The email content fails to clearly communicate the perfume concept, and product information is poorly conveyed.

The company doesn't track metrics regarding email marketing, but there are some automatically revealed for each campaign, including a reference to the ROI generated itemized. It is noticeable that, on average, only fifty percent of emails are opened per campaign, with only a small percentage clicking on the attached links. In terms of return on investment per campaign, it is residual or almost non-existent (**Appendix 11**).

The Instagram page is used to create closer contact with the target audience, sharing retailers, events, press releases, product ranges, and future releases. However, posts are not consistent and there's no apparent commitment to maintaining a planned schedule. On top of that, the desired luxury and refinement positioning is not conveyed through its Instagram page: the photos are not coherent or appealing; the image quality is not the best; the use of stories is amateur distancing from the aesthetic of the brand; and the reposts on the stories lack a discernible criterion, referencing to the "Friends" highlight. While it aims to foster a close relationship with followers, the approach appears disorganized. Statistical analyses of the Instagram page have been infrequent, with the last one conducted between January and April 2023 (**Appendix 12**).

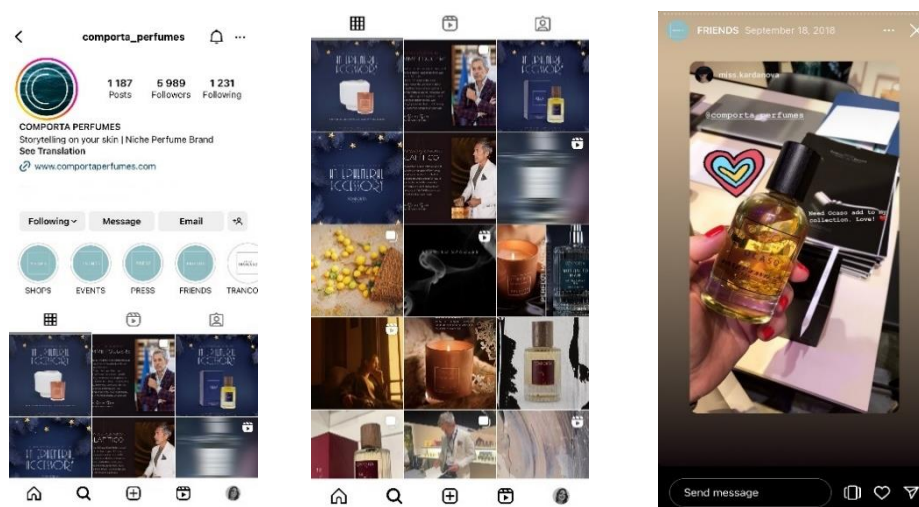


Figure 14 – Instagram page of Comporta Perfumes

Group Part

To date, few paid channels have been used. Facebook and Instagram Ads for posts were implemented, with a total monthly investment of approximately €50. Furthermore, the cultivation of relations with the media is part of the brand's identity, originating worldwide online press releases and media that are earned, voluntary and organic (**Appendix 13**).

4.8. E-commerce Platform Performance and User Experience

Comporta Perfumes' e-commerce channel is its website which is currently being hosted on WordPress. However, the tool is not being used to its full potential, only on a hosting capacity, and no further e-commerce tool or platform is in place. Consequently, it was not possible to perform any web analytics on the website as is. Online sales are reportedly not relevant to the brand's revenue, but no data was provided to be able to access its specifics. Furthermore, Comporta Perfumes recognized that the current website is not optimized, since it was a low-budget solution and is now actively working on a replacement. To evaluate the current situation of the website an in-depth analysis was performed, including an analysis of the website's performance, navigation, product listings and content, and user flow.

4.8.1. Performance

On the 26th of September of 2023 through **Page Speed Insights** (PSI), the user experience of the main page and the perfumes page, on both desktop and mobile devices, were tested.

In general, the **main page** obtained good results, however, this could be due to the current simplistic approach to the display, that has a low number of features in place. Nonetheless, because of the negative impact of slow loading times on the conversion rate, the current poor performance of the website could significantly harm the brand's online sales.

Group Part

Parameters	Results (26 th of September 2023) out of 100	Classification	Evaluation
Performance	Desktop: 79 (Annex 14)	Poor	Servers' initial response time is slow; Text is not visible during the web front load.
	Mobile: 39 (Annex 15)	Poor	Performance issues related to the main thread cause slow page load times; Unresponsive user interfaces; General poor user experience.
Accessibility	Desktop: 90 Mobile: 90	Good	Background and foreground colours do not have sufficient contrast ratio; Links don't have a discernible name (limits the navigation experience for screen reader users) (Annex 16)
Best Practices	Desktop: 100 Mobile: 100	Good	
SEO	Desktop: 100 Mobile: 97	Good	Tap targets are not appropriately sized.

Table 8 – Page speed index results of the main page

The **perfume page** results were generally less successful, particularly in loading time and accessibility parameters.

Parameters	Results (26 th of September 2023) out of 100	Classification	Evaluation
Performance	Desktop: 73 (Annex 17)	Poor	Poor speed index; Text is not visible during the web front load; Inefficient cache policy. Third-party code is significantly impacting load performance.
	Mobile: 31 (Annex 18)	Poor	
Accessibility	Desktop: 87 Mobile: 87	Need Improvements	Background and foreground colours don't have sufficient contrast ratio; Links don't have a discernible name (limits the navigation experience for screen reader users); Heading elements are not in a sequentially descending order.
Best Practices	Desktop: 95 Mobile: 100	Good	Images being served have poor resolution.
SEO	Desktop: 92 Mobile: 93	Good	Lack of a meta description in the document (It may be included in search results to concisely summarize page content)

Table 9 – Page speed index results of the perfumes page

4.8.2. Navigation

Addressing website navigation, the evaluation included assessing the menu structure, tools, and pages for intuitive and evident calls to action (CTAs).

Language: The website is presented only in English, creating friction in the navigation for users who's that is not their first language.

Navigation bar: The sub-tabs of the “Perfumes” tab can create some friction in

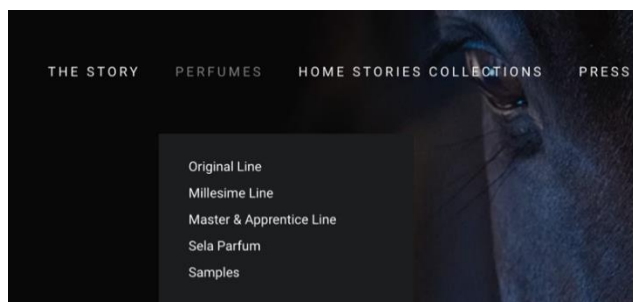


Figure 15 – Perfumes tab in navigation bar. Source: Comporta Perfume website

Group Part

the shopping experience of a visitor who does not know the brand. To go to the page with all the perfumes, the client must click on the main “Perfumes” tab, which is not very intuitive once the sub-tabs open up. There is no navigation search bar, making it impossible for a visitor to quickly access a specific product or collection page he is already aware of.

Main page: When entering, the website does not present any relevant information or CTAs, instead it has a still picture of a horse that does not necessarily relate to the core of the business. It does have a button for the visitors to shop the collection, however, since it is associated with the picture previously mentioned, the CTA is not as effective as it could be. The rest of the page is focused on storytelling and information about the brand, which does not engage the visitor to make a purchase. Moreover, the various pictures of the perfume bottles do not provide any tool to promote navigation of the platform. Additionally, the perfumers’ pictures are given with no context as to who they are and what is their role in Comporta Perfumes.

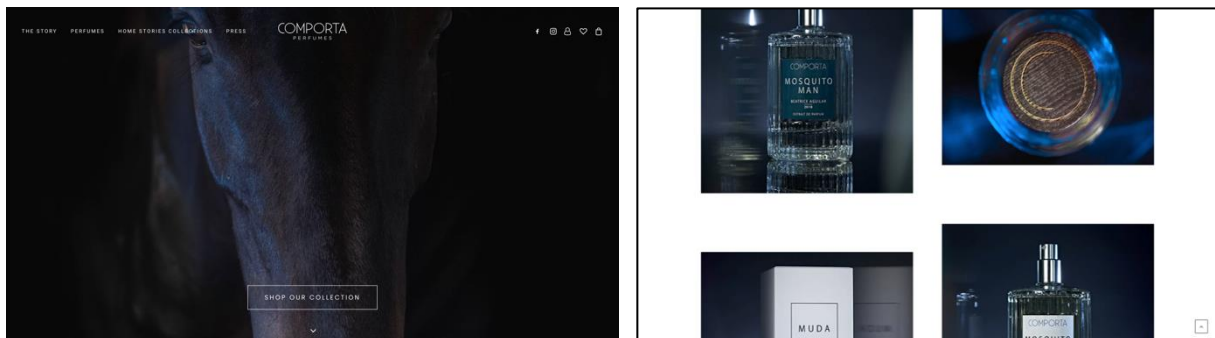


Figure 16 – Main page at two different points. Source: Comporta Perfumes website

Wishlist tool: There is a button to go to the Wishlist page on the Navigation Bar which is working. However, there is no way of adding products to the list.

“Perfumes” page: Product images are cohesive, making it easy for the visitor to see the product name and price. By hovering over the picture there is a CTA, “Select Options”, nevertheless the only option the visitor will



Figure 17 – “Perfumes” page. Source: Comporta Perfumes website

Group Part

need to select is regarding the gift sample. This item may mislead the user into thinking they can customize the order, such as the bottle size. Additionally, there is a button with an icon of a magnifying glass that allows the user to have a quick view of the product. This is important since it allows for a faster browsing experience throughout the brand's portfolio. However, the button in question can be easily missed due to its sizing and coloring.

“Samples” product page: The page has the selection boxes under the “Add to Basket” button and it’s not possible to go directly to the corresponding products. The lack of seamless navigation in this selection makes it hard for the customer to create the bundle of samples.

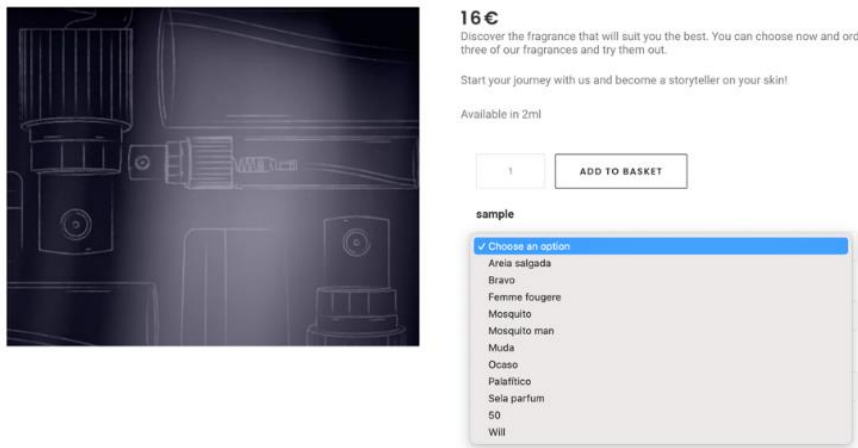


Figure 24 – Sample selection. Source: Comporta Perfumes website

Products page number navigator: This navigation system is not sufficiently highlighted, making it easy to be overlooked by customers, leading to important information or products being missed.

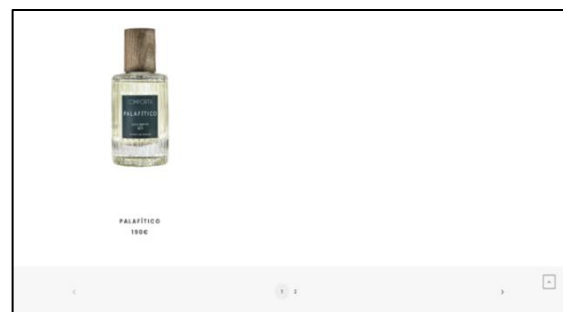


Figure 25 – Number navigator on product pages.

Source: Comporta Perfumes website

Footer: It has information regarding the location

of the headquarters and showroom, and has a customer area with the return policy, privacy policy, and terms and conditions. The footer also includes the payment methods available, and information regarding co-financed funds. However, this area is not present on all pages of the website, particularly on the product pages.

4.8.3. Product and Content Analysis

Previously, the company's product offering was analyzed, however, in this case, it is also necessary to analyze how it affects the user experience. All products are listed and designed similarly but incoherencies were found between the brand's different lines and categories. Each product category will be evaluated according to product image quality, product information, and product description (**Appendix 19 and 20**).

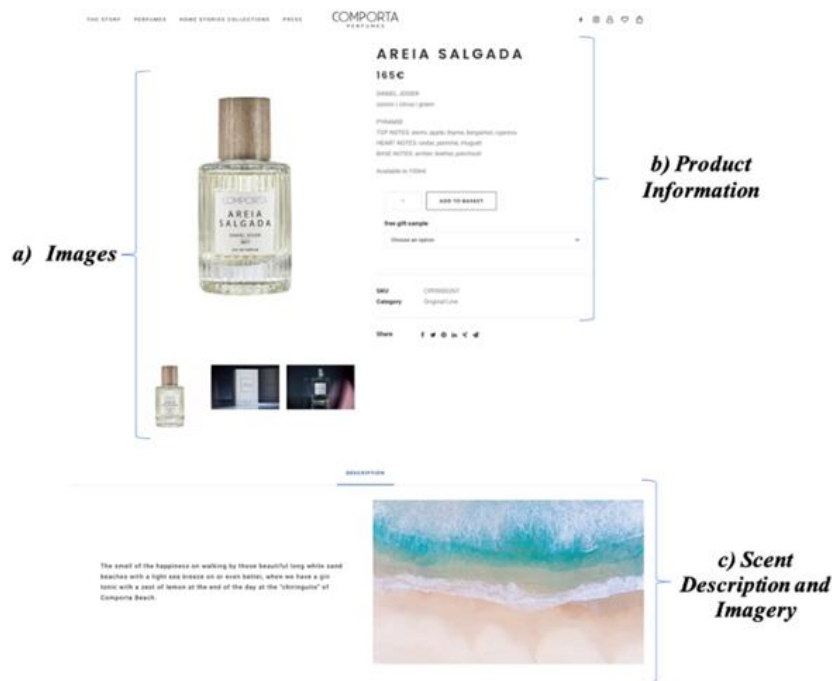


Figure 26 – Example of product listing with a legend for analysis. Source: Comporta Perfumes website

In terms of **image quality (figure 26a)**, it varies depending on the products. Generally, in terms of resolution users experience a drop in image quality when viewing the images. The quantity of images affects their quality in representing a product. However, Comporta Perfumes does not seem to prioritize this aspect. Moreover, when there are multiple pictures, many lack coherence, altering the user's viewing experience during the consideration stage of the buyer's journey. Regarding **product information (figure 26b)**, in terms of text formatting, besides title

Group Part

and price, the consistent grey color creates difficulties in readability and does not highlight the relevant information. When mentioning the creators of the fragrance, no context is given as to whom the names represent. This means that unless the visitor has any prior knowledge, they will not recognize this element or its value. Moreover, contrary to the perfumes category, the homeware category has a detailed description

BR A V O

75€

MIGUEL MATOS

fig | lemon | cedar | copaiba | musk | marine notes

At the end of an August afternoon or the beginning of September, leaving the rice fields behind, we go into the fields almost up the mountain, in a dry heat, roasted and hot yellow. We throw the blanket on the floor, open the basket with fresh lemonade, and lie down to read a book with a view of the foothills right next door. Under a fig tree.

ROOM SPRAY

100% recycled glass spraying decoration high-end technique and 100%

Recyclable and Solvent free colours

Available in 450ml

Figure 27 – Product information of the candle “Bravo”.

Source: Comporta Perfumes website

focused on storytelling (Figure 27), which is done again in the following section, creating a redundant user experience.

Finally, regarding **scent description and imagery** (Figure 26c), it weaves a narrative, fostering emotional connection and deeper user engagement by providing additional context to the product concept. The home fragrances have no images accompanying the descriptions and all of the chosen images for the different candles are the same, preventing the user from creating a distinctive visual representation for each of the scents.

Furthermore, the perfume descriptions exhibit inconsistencies, elaborated in **Appendix 19**, largely stemming from a lack of coherence in the chosen written communication style.

To conclude the product analysis, the unique case of the **samples**. The samples page is where a customer can purchase a set of three samples of any of the brand’s perfumes. However, the page has only one image with a drawing of a sample bottle, there is no title in the product information, the description is short, lacks enthusiasm, and does not create any narrative for the advantages of purchasing the set (Figure 24).

Finishing this analysis, currently the website only has two pages that are not focused on selling products, besides the main page, “**The Story**” page and “**Press**” page. “**The Story**” Page is concise and gives interesting insights into Comporta Perfumes' journey and concept. However,

Group Part

the prioritization of the information being given is highly focused on the founder as opposed to the concept. The “**Press**” **Page**, which provides brand credibility to customers, combines the articles written about the brand with small summaries as well as hyperlinks to the full articles. However, users are forced out of the website when opening them.

4.8.4. User Flow

Previously, during the interviews, it was possible to gain insights related to the User flows, which map out the users’ paths and provide valuable insights into their behaviors and preferences (UXPin 2023). By delving into user flows, it is possible to gain a deeper understanding of the user journey, allowing to identify pain points, streamline processes, and optimize key pathways. Therefore, with the data provided by the interviews and the analysis performed by the group, several main bottlenecks were identified that are harming the user flow on the Comporta Perfumes website:

Bottlenecks	Consequences
Slow load times	Disrupt the user experience.
Lack of search bar	Prevent the customer to quickly find the desired product.
The sample selection box (mandatory) after the “Add to Basket” button	Promotes a bad sequence flow since and generates an error when user does not select a sample (Appendix 21).
There is no quantity adjustor in the basket pop-up overview	The user cannot change the quantity and so has to either go to the basket page to do it or delete it and add it again to the basket.
In the basket page, in order to change the quantity of the product, the user has to click on a “Update Basket” button	It is not visible enough or common practice that visitors are used to, which can lead to confusion and mistakes.
No information regarding delivery	Can lead to consumer feel unsafe with its purchase and contact the company for help.

Table 10 – Bottlenecks and their consequences on user flow

4.9. Customer Relationships

For the purpose of customer relationships and interactions, **two consumer segments** were identified based on purchasing behavior: customers who have already purchased through the website and customers who purchase through retailers. For customers who buy from international distributors, Comporta Perfumes does not communicate, either pre- or post-purchase. It is up to the distributors to contact the final client, making it difficult for Comporta

Group Part

Perfumes to control whether and how the consumers are being approached. Regarding customers who make online purchases, there is a lack of follow-up communication with no tracking system in place. In addition, deliveries can sometimes take longer than expected, leading to customer dissatisfaction.

Regarding **feedback**, the company previously introduced "Storytelling on Your Skin" for customers to share experiences. However, much of the feedback relies on Word-of-Mouth (WOM) recommendations and informal customer discussions.

For customer **engagement and communication** besides email and social media, the company does not employ specific CRM software or tools, which limits its ability to provide a more comprehensive customer experience. Moreover, there is no specific information available regarding the use of satisfaction metrics. In addition, specific information regarding how the company handles customer complaints is not given, making it hard for customers to express concerns and give feedback.

4.10. Supply Chain and Logistics

Within the process of making sales, there is a need to analyze what happens to get to different retailers around the world, as well as what happens when a product is ordered on the website and has to find its way to the consumers' hands. Therefore, the supply chain of Comporta Perfumes needs to be taken apart and analyzed through its different stages (Indeed 2022).

4.10.1. Conceptualization

The journey starts with the creative process necessary for the formulation of the products, which is overseen by the CEO, Pedro, and the job of formulating the samples is done by a team of perfumers. It takes **2 to 4 months**, from the first briefing Pedro provides perfumers, to the exchange of feedback between him and the team, until they finally achieve the perfect sample.

4.10.2. Sourcing and Procurement

Once the perfumers have Pedro's consent, they are responsible for the production of the concentrate. This takes place wherever they are located, usually France, Italy, or Spain, taking **3 to 6 months** to be completed. The perfumers are responsible for sourcing and procuring the raw materials necessary to produce the concentrate, meaning Comporta Perfumes is not loyal to a single supplier and therefore acquires the necessary raw materials following the needs of the concentrate being created. Subsequently, producing the concentrate takes about **3 weeks** and is then transported to the factory in Barcelona (Perfums Bachs (n.d.)), in case it is destined to be a perfume, or to the factory in Castro Daire in case it will be a candle or home fragrance. In the factory, it will then go through a series of processes to reach its final output. **Each concentrate** can result in up to **500 bottles of perfume**, depending on its concentration.

4.10.3. Manufacturing

Depending on whether the final product is a perfume, a candle, or a home fragrance, it will be diluted so that its final formula can be attained.

In the case of perfumes, the product is **filtered** (4 to 5 weeks), **macerated** (2 months), and then **assembled**. The bottle, produced by Vista Alegre, is shipped from Portugal to the factory for assembly, taking a whole of 1 week. After that, the product is taken directly to Watec, a company responsible for packaging, to be wrapped in cellophane, which takes about 2 days.

In the case of home fragrances and candles and having the formulas ready, the products are then manufactured in order to reach their final stage, assembled, and are then wrapped in cellophane.

4.10.4. Delivery

Once wrapped, the products are collected from Watec by a carrier (Go Logistics) and taken to the company's logistics center in Sintra, which takes about **2 days**. The products are then shipped as orders come in, whether from retailers or direct consumers, who purchase on the company's website.

Group Part

Because perfumes contain alcohol in their formula, they are considered hazardous materials, and must therefore comply with several policies. Most countries do not allow these materials to be shipped on air freight services, which increases barriers to a worldwide reach and increases transportation costs, so Comporta Perfumes resorts to transportation through truck or train. In addition, the product’s containers are made of glass, increasing the chances of breaking and spilling the contents if mishandled.

Regarding their **points of sale**, Comporta Perfumes chooses to partner with retailers that align with the company's positioning, such as Janes Concept Store in Braga, N°50 Store in Lisbon, and Vila Vita Parc in Algarve. The company has a policy that allows retailers to order a minimum quantity of 6 bottles of each perfume from Comporta Perfumes' collections, and if they choose to reorder, they can receive promotional items or testers for free on the first order. Once reordered, the retailer can have access to one tester or 5% of the order value for free testers.

As seen, the whole process from conception to sale takes about **10 to 13 months** and the whole cost of producing an average of **500 units of bottled perfumes** ranges from **6,5k to 12k euros**.

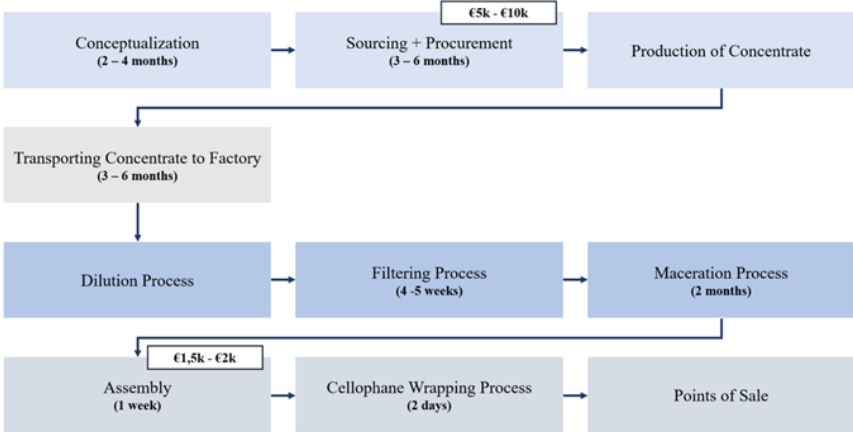


Figure 28 – Supply Chain and Logistics of Comporta Perfumes

4.10.5. Gartner’s Five-stage Logistics Maturity Model

Comporta Perfumes outsources for almost every stage of the supply chain and from different third-party companies with different functionalities, thus operating with disconnected systems.

Group Part

The process of stock management and order fulfillment is not automated nor coordinated, and demand is met as necessities occur. Therefore, it is possible to infer that, according to Gartner's five-stage logistics maturity model (Meulen 2017), Comporta Perfumes is at the first, that is, the “React” Stage, where there is no standardization of logistics and little coordination.

5. Market Analysis

5.1. Beauty Industry

Comporta Perfumes is a niche perfumery brand that is covered by the beauty industry. In its entirety, the beauty industry includes cosmetics like skincare products, fragrances, makeup, and haircare products. This is a market that in 2022 generated around €399.2 billion, with the majority of revenue attributed to Europe (Petruzzi 2023) (Whittington et al. 2020). Additionally, it is considered to have a projection of growth of 6% per year (**Appendix 22**) and is projected to generate revenue of approximately €538.5 billion by 2027 (McKinsey 2023) (Petruzzi 2023).

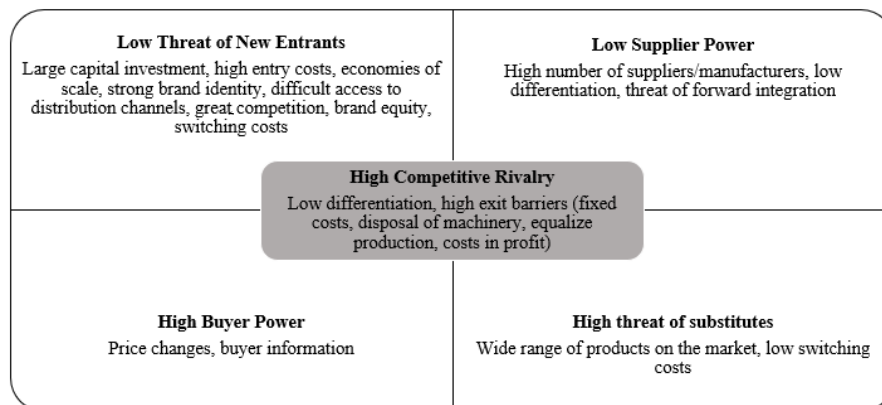
In the past few years, there has been an increasing demand for natural and organic ingredients, as well as an increasing popularity in e-commerce, which quadrupled its market share value from 2015 to 2022, and online purchases, accompanied by the increase in comfort when buying products online, as many brands offer free samples and employ free return policies (Ignition (n.d.)) (Petruzzi 2023) (**Appendix 22**). Still, within the scope of online purchasing of beauty products, studies conducted in the second quarter of 2023 indicated that millennials have been the group of global consumers that stands out the most, with an advantageous percentage of 48% (Statista 2023).

5.1.1. Porter's Five Forces

The attractiveness of the beauty industry can vary in the long term. Comporta Perfumes must stay aware of the environment to assess its position. Porter's Five Forces is the appropriate

Group Part

framework to use here because it evaluates industry attractiveness based on five competitive forces (Whittington et al. 2020).



Graphic 3 – Porter's five forces analysis of the beauty industry

In conclusion, the market's current competitive landscape shows **highly competitive rivalry** and an overcrowded market, with established premium brands such as Dior and Chanel, as well as emerging brands that are starting to stand out due to their unique value proposition (Kotler and Keller 2016) (David 2011).

5.2. Quiet Luxury, Niche Luxury Brands and Distinction from Designer Perfumery

Quiet luxury is a fashion movement focused on minimalism and high quality, with timeless appeal, and celebrates the power of subtlety (Toit 2023). In fact, it has been a growing trend, with Google Searches for the term growing by a staggering 614%, with terms such as “old-money aesthetic” gathering more than 74,000 searches.

In recent years, there's been a growing trend with **niche luxury brands** targeting a narrow customer segment, offering products to a very selective audience with a strong emphasis on quality and status (That Agency 2022). An important characteristic of these brands is their storytelling. Niche brands, like Comporta Perfumes, cater to a discerning clientele, prioritizing unique formulas and a premium product experience over aggressive marketing campaigns.

In designer perfumery, production targets the masses, with broader dissemination and greater accessibility. Typically, more financing is available, prices are lower, fragrances are classified

Group Part

as commercial, and the marketing strategy involves contentious product promotion, often featuring well-known personalities to appeal to consumers (Perfumes Originais 2016).

5.3. Competitive Analysis

Within the group of competitors, there are direct competitors, companies that are “offering the same products or services to the same target market”, as well as indirect competitors that offer a substitute to the product of Comporta Perfumes but can cater to the same needs and offer the same benefits to the same target group (Dovetail 2023).

It is then possible to find that the main direct competitors for Comporta are Alma da Comporta, OmanLuxury, Atkinsons, Creed, By Killian, Frederic Malle, Byredo, and Xerjoff (**Appendix 23**). However, a closer examination was performed for the most relevant competitors only.

Regarding **Alma da Comporta**, the similarity in the concept is notable, especially to a potential consumer who is not familiar with both brands, as it also claims to capture the essence of the coastal elegance of Comporta. Furthermore, Alma da Comporta and Comporta Perfumes products are sold side by side in retailers and appear together on search engine results, which makes it impossible not to consider the brand as a direct competitor (**Appendix 24**).

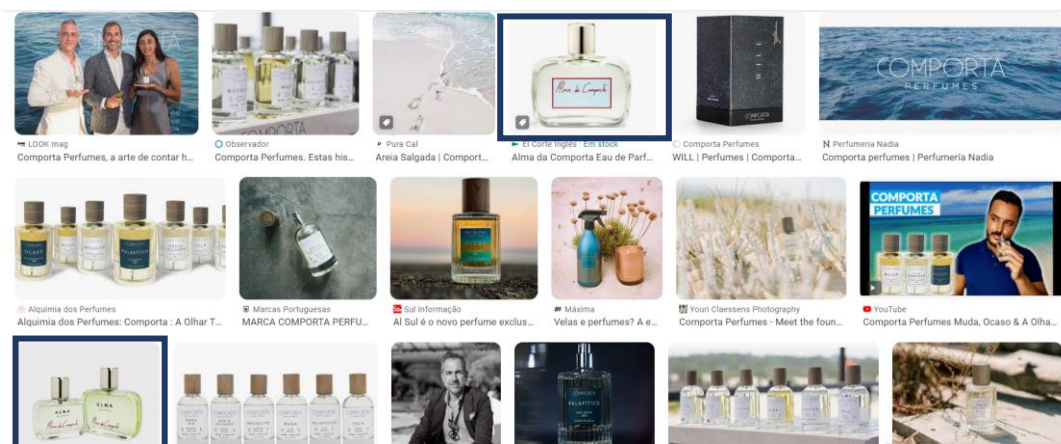


Figure 29 – Search Engine results when searching “Comporta Perfumes” Source: Google Search

Regarding OmanLuxury, Creed, and By Kilian, they no longer have an identical concept as Alma da Comporta, but they are also distinguished by other points:

Group Part

Oman Luxury	Creed	By Kilian
Showcase the essence of Omar and its culture through refined ingredients, high quality sourcing and bespoke scents.	Historic brand with distinctive brand identity and prestigious name in the world of luxury fragrances.	Commitment to storytelling, and eco-conscious practices sets it apart in high-end perfumery.
		
Values: authenticity, modernity, refinement, culture heritage	Values: exclusivity, sophistication, high-quality ingredients, timelessness, classic	Values: opulence, extravagant, luxury, sustainability, inclusivity, personalization, artistry

Table 11 – OmanLuxury, Creed, and By Kilian. Source: OmanLuxury, Creed, and By Kilian websites

Furthermore, and delving deeper into indirect competitors, it is possible to infer that the main products that qualify are soaps, body wash, shampoos, or body sprays. This may include brands such as **Claus Porto (Appendix 25)**, L'Occitane, Aesop and Diptyque.

5.3.1. Brand Identity

This leaves the question as to what makes Comporta Perfumes stand out to a potential consumer, and what is the Unique Selling Point that can set the brand apart from its competitors and persuade the consumer to buy the product (**Appendix 23**).

The brand shares key **Points of Parity** with competitors, emphasizing a high-quality customer experience, a sense of exclusivity and luxury, and a focus on storytelling, but also distinguishes itself from competitors through unique attributes, its **Points of Difference**. The brand fosters a nature-infused tranquility sensation and promotes a quiet luxury lifestyle, inferred not only in their communication across digital platforms but also in their packaging.

5.3.2. Product and Price Comparison

When compared to most of its competitors (**Appendix 23**), apart from Alma da Comporta, Comporta Perfumes has a much smaller product portfolio, perhaps since it is the most recent brand out of them all. In addition, competitors also present a wider breadth of product lines, offering products such as body care and a vast range of beauty products.

Group Part

Direct Competitors	Comporta Perfumes	Alma da Comporta	Oman Luxury	Creed	By Kilian
Portfolio (perfumes)	12	2	14	40	34
Pricing Strategy	€62-225	<u>Narrower range</u> €89-140.	<u>Broader range:</u> €213.68-442.10.	<u>Broader range:</u> €244.84-574.44	<u>Broader range:</u> €122.42-805.16

Table 12 – Product and price comparison with main competitors. Source: Alma da Comporta, OmanLuxury, Creed, and By Kilian websites

5.3.3. Positioning

When analyzing the brand’s competitors (**Appendix 23**), it is possible to observe that **Alma da Comporta** has a similar customer segment in terms of range and gender, despite looking for a consumer that is not as well versed in perfumery and niche brands as a Comporta Perfumes consumer would be. In addition, they employ a lower price range, catering to customers with a slightly lower disposable income.

In the table below, it is possible to observe the differences in target, by different competitors:

Direct Competitors	Alma da Comporta	Oman Luxury	Creed	By Kilian
Target Audience	Luxury nature and environment enthusiasts; Portuguese and International Market; Ages 25-60	Perfume enthusiasts; exclusivity seekers; local Middle Eastern market and international clientele	Perfume Connoisseurs; tradition, exclusivity, and craftsmanship enthusiasts;	Luxury and artistry enthusiasts; sustainability-conscious; gender-inclusive; emotionally connected.

Table 13 – Target audience of main competitors. Source: Alma da Comporta, OmanLuxury, Creed, and By Kilian websites

Another important aspect to take into consideration is the **geographic reach** of each of these companies. Comporta Perfumes does not own a physical store, relying heavily on retailers for distribution. Their products are also globally available through online retailers, leading to exposure alongside competitors. In foreign countries, especially in Spain, there is a convergence with brands such as By Kilian and Creed, and less so with OmanLuxury, whereas in Portugal, Alma da Comporta is the competitor which is most often showcased in the same stores as Comporta Perfumes (**Appendix 26**).

Group Part

To preserve the quiet luxury image, Comporta Perfumes has avoided incorporating promotions into its advertising strategies. On the contrary, competitor Creed employs a discount for a consumer's first purchase, as well as OmanLuxury, which uses a point system to give rewards to customers.

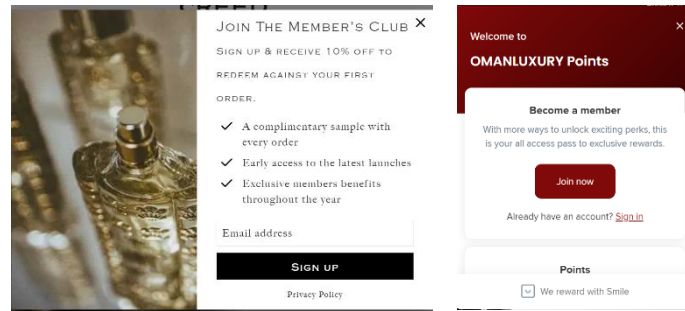
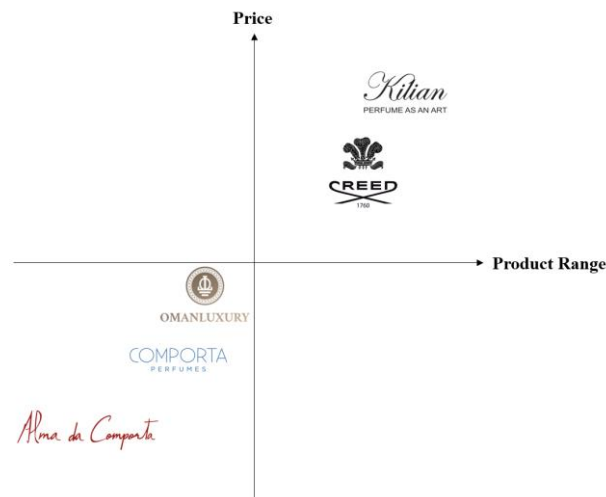


Figure 30 – Promotional Strategies of Creed, and OmanLuxury. Source: Creed and OmanLuxury websites

In conclusion, in the market landscape, By Kilian stands out as the premium choice with a high-price, high-range portfolio, while Creed and OmanLuxury offer a balance between affordability and portfolio offering. Finally, Comporta Perfumes and Alma da Comporta have lower prices and smaller product portfolios.



Graphic 4 – Positioning map

5.3.4. E-commerce Evaluation

To identify website best practices carried out by competitors, two were selected, *By Killian* and *Atkinsons*. These brands were selected since both use distinctive features and approaches to

Group Part

their advantage. They were evaluated regarding performance and speed scores, navigation practices, user flow, product, and content analysis.

Firstly, **By Kilian** and its evaluation of the **performance and speed** of the website. Its Main Page was put through the Page Speed Insight (PSI) to evaluate it. The results showed some serious problems with the website as seen below, but it is important to note that the pop-up that shows when opening the website may be interfering with the results.

Parameters	Results (5 th of November 2023) out of 100	Classification	Evaluation
Performance	Desktop: 48 Mobile: 17	Poor	Display of off-screen images
Accessibility	Desktop: 80 Mobile: 62	Need Improvements	Buttons, images, and links do not have accessible names.
Best Practices	Desktop: 91 Mobile: 91	Good	
SEO	Desktop: 83 Mobile: 82	Needs Improvements	Links are not crawlable and lack of alternative texts in images and

Table 14 – Performance and speed of By Kilian's website

In terms of **navigation** analysis, several of the features may seem overwhelming due to extensive content and visual use for category and collection distinction. Visuals are also paired with CTAs to engage users and immerse them in various collection and campaign concepts. Furthermore, a newsletter form is always accessible at the footer throughout the website's pages. The website offers seamless navigation and a cohesive organization, providing users with easy access to information about products and associated processes.

Continuing with the analysis of the **user flow**, the purchase flow is seamless from the moment the client has chosen what to buy. Users might rush the decision to choose a sample during the payment step, as information about perfumes is lacking at this point. Moreover, there is constant and clear information regarding delivery throughout the process.

Product **analysis reveals** a cohesive and detailed presentation across all products, regarding imagery, fragrance notes, and product information. The website's **content** is diverse and engaging, fostering a sense of exclusivity within the community.

Group Part

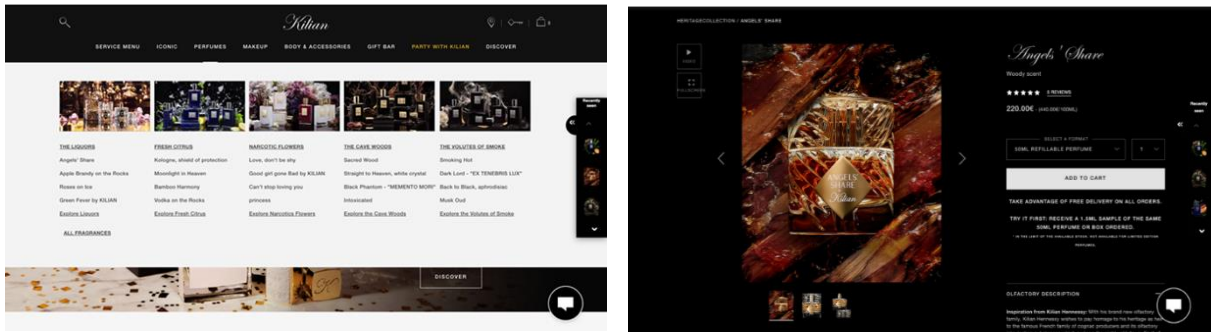


Figure 31 – Navigation bar and product listing example. Source: By Kilian's website

In the case of **Atkinsons**, as for the previous competitor, a test was run on the Main Page to evaluate the **performance and speed**. It obtained better results, evaluated in all parameters as “needs improvements” with similar critics to the last competitor (**Appendix 27**).

Continuing with **navigation**, the website is clean and focused, avoiding distractions with a well-organized structure that clearly highlights campaigns and products. In this case, images are not as integral as in By Killian's website, to guide visitors on the scents of the fragrances.

Regarding **user flow**, the visitor may have to adapt to the website's product organization to feel comfortable exploring the product listing, but the information is easily accessible.

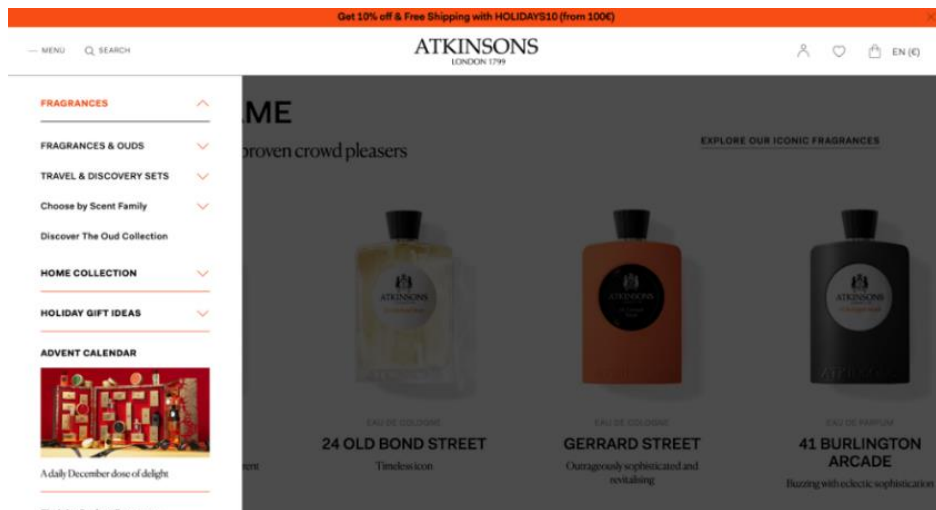


Figure 32 – Atkinsons' navigation menu highlights a seamless navigation and organized structure. Source: Atkinsons' website

Group Part

It is optional to select two samples in the basket before payment, allowing customers to further explore before purchase. Samples closely resemble the original for quick recognition. Smooth purchase flow with clear delivery information, but slow loading times are evident. In **product analysis**, the display is cohesive, featuring bottle and packaging images.

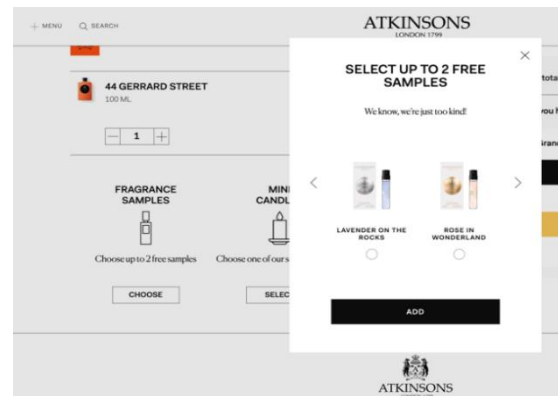


Figure 33 – Atkinsons' sample Selection. Source: Atkinsons' website

Unlike By Killian, there are no visuals for the scents. Atkinsons relies on storytelling to evoke emotions and "set the scene" for each fragrance. Concerning **content analysis**, the website includes pages dedicated to the brand and its concept, providing a well-rounded understanding of Atkinsons. It also has a questionnaire that, through engaging and quick choices with visuals, suggests the best fragrance for the user. This approach quickly connects a client with a product, creating an emotional relationship between the two. Moreover, The FAQ page ensures customer security and prevents the need for unnecessary clarification, saving brand resources.

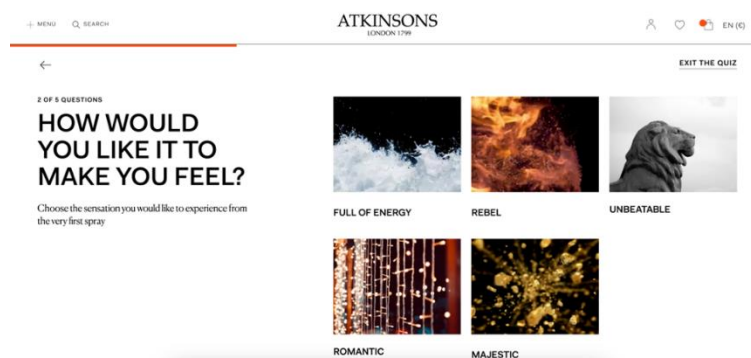


Figure 34 – Atkinsons' questionnaire to "Find the perfect fragrance". Source: Atkinsons' website

5.3.5. Social Media Evaluation

Instagram is the social media platform most used by the brand's competitors. Content quality, audience engagement, consistency, and use of hashtags were evaluated for the Instagram pages of Alma da Comporta, OmanLuxury, Creed, and By Kilian. **(Appendix 28)**

Group Part

Regarding **content quality**, OmanLuxury detains the lead for their engaging, and valuable content. The majority of posts have useful information about products and their production, story, and ingredients. Still in this category, the brand presents a consistent tone and messaging that aligns with its values of exclusivity, class, luxury, and elegance.

If the criterion is the use of visuals, such as images and videos, to enhance the overall appeal, By Kilian has a prominent position, with captivating and coherent images in chromatic terms.

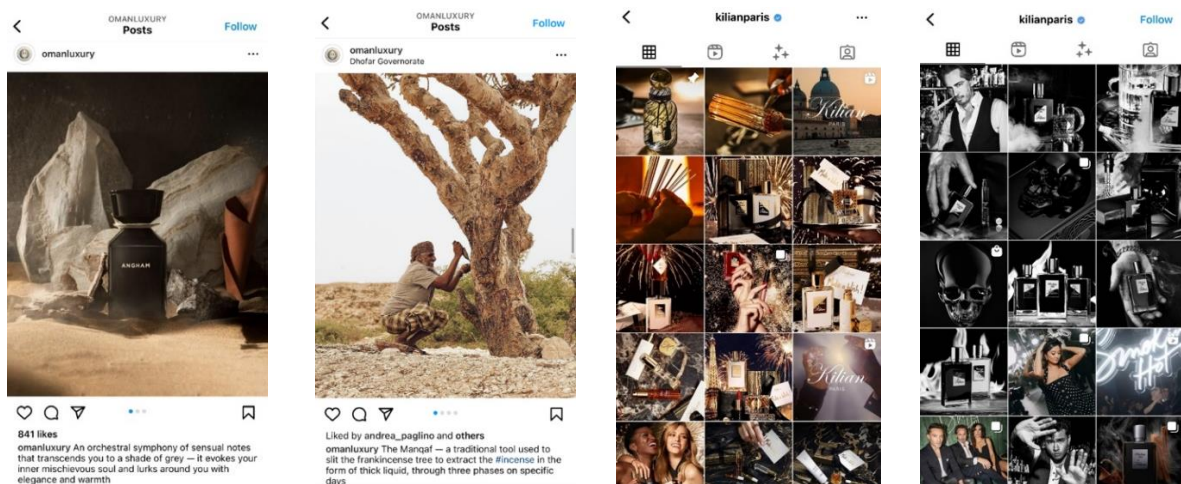


Figure 35 – OmanLuxury's engaging content and By Kilian's captivating feed. Sources: OmanLuxury's and By Kilian's Instagram page

Creed detains the platform with more **followers** than the other competitors. Finally, when it comes to **posting consistency**, By Kilian is the most regular, with around 15 posts made per month. All evaluated competitors use **hashtags**, denoting recognition of their efficiency and relevance when it comes to increasing the discoverability of content.

5.4. SWOT Analysis

Considering everything previously described and to make it easier to develop a coherent online sales optimization strategy, a summary of Comporta Perfumes' strengths, weaknesses, opportunities, and threats was prepared. The company's strengths remain few in relation to the identified weaknesses and opportunities that could be seized (**Appendix 29**).

6. Commercial Strategy

6.1. Customer Acquisition and Conversion

To enhance customer acquisition and conversion rates, Comporta Perfumes should prioritize the improvement of search engine marketing and content marketing. Subsequently, the brand can explore innovation through strategic partnerships and collaborations.

6.1.1. Search Engine Marketing

6.1.1.1. Divestment in Facebook Ads

In Portugal, among social networks like Instagram, YouTube, and WhatsApp, Facebook holds the second position in usage within the demographic that spends the most time on social media—individuals aged 25 to 34. However, Instagram has taken the lead, surpassing Facebook in popularity. Currently, 86.6% of users in this age group utilize Instagram to follow the digital activities of brands, celebrities, or influencers, whereas Facebook lags behind with only 26.5% of users engaging in this practice (MAGG 2023).

The crucial distinctions for Comporta Perfumes between Facebook and Instagram revolve around variances in algorithms and target audiences.

	Facebook	Instagram
Algorithm	<p>Facebook detains a high focus on personalization of content distribution to users.</p> <p>It has undergone algorithm changes over the years, which could have undermined the organic reach for business pages.</p> <p>Engagement rate: 0.09%/post</p>	<p>Strong emphasis on user engagement metrics to access performance (likes, comments, and shares).</p> <p>Content that generates high engagement is more likely to be shown to a larger audience.</p> <p>Engagement rate: 1.60%/post</p>
Target Audience	Age group of 30-55 (company's current target)	Age group of 15-30 (a younger age group)

Table 15 – Comparison between Facebook and Instagram, in terms of algorithm and target audience. Sources: (Gautam 2023) (Jackson 2021)

Ultimately, it is highly advisable for Comporta Perfumes to discontinue investments in Facebook Ads. This recommendation stems from the fact that Facebook, as a platform, exhibits lower reach and engagement levels when compared to promoting content on Instagram. Instagram Ads prove to be more effective and offer the potential to reach a broader audience

(Gautam 2023). Nevertheless, it's important to emphasize that the Facebook page will continue to operate as usual.

6.1.1.2. Optimization of Instagram Ads

It is highly recommended that Comporta Perfumes optimizes not only the content but also the metrics of Instagram Ads. Based on metrics from 2020, the sole data set provided and analyzed by Comporta Perfumes, a noticeable disparity in reach was evident between paid (32,257 people) and organic content (39 people). It underscored the pivotal role of Instagram Ads in the PPC strategy; however, the company should make continuous efforts to monitor key performance indicators (KPIs) for assessing performance and ensuring up-to-date figures.

Certain attributes of Instagram Ads include:

- **Target audience:** the primary focus should be on the Digital Savvy customer segment, given their strong affinity with technology and social media;
- **Geographical reach:** while ads can potentially reach a global audience, Comporta Perfumes should concentrate efforts on Portugal. This strategic approach will enable the company to establish a robust customer base in specific markets before considering expansion.
- **Ad formats:** Comporta Perfumes currently utilizes story ads, a strategy that should be sustained. Story ads consistently demonstrate higher engagement rates and possess the capability to capture users' attention. However, it is noteworthy that the story ads employed by Comporta Perfumes are solely reposts, contributing limited value to the overall page (Adomantra Digital 2023) (Meta Business 2023).



Figure 36 – Example of a creative carousel story ad for Comporta

Delving further into the specifics of story ads, the selected format can be carousel ads, known for their potent storytelling capabilities and adaptability to A/B testing. Each card within the ad could feature a perfume along with its written notes or a compelling sentence such as "*Bravo – The essence of warm summer evenings on your skin.*" This format allows for a maximum of five cards per ad. Moreover, these ads can include links directing users to distinct landing pages on the website, each corresponding to the respective perfume (Meta Business 2023).

6.1.1.3. Investment in Google Ads

It is highly recommended that Comporta Perfumes invests in Google Ads, as it serves as a robust online advertising tool that enables the company to connect with users actively searching for products using general keywords. Google Ads offers immediate visibility on Search Engine Result Pages (SERPs) and delivers measurable results. Furthermore, before ads become active, Google undergoes an evaluation based on two critical factors: bidding (maximum cost per click, adjustable at any time) and relevance (quality index on a scale of 0 to 10). The determination of ad winners is contingent on the ad ranking, meaning that even if an ad has a higher maximum CPC but lacks a good quality index, it won't gain prominence (Google 2023).

Certain features of Google Ads include:

- **Target audience:** the platform is distinguished by its highly targeted advertising capabilities, making it advantageous for reaching national and local enthusiasts.

Based on global statistics from DataReportal for the year 2023, there is a decline in social media usage from 30-39 (21.9%) to 40-49 (15%) and 50-59 (10%). National and local enthusiasts fall within the Gen X demographic, encompassed in these three age groups (up to 55). Gen X tends to discover new products through search, physical retail stores, and television rather than social media. This is why Comporta Perfumes' Google Ads should be tailored to appeal to national and local enthusiasts rather than a digitally savvy audience (Kemp 2023).

- **Geographical reach:** Comporta Perfumes should concentrate on targeting **Portugal**. This strategy aligns with the rationale of establishing a strong performance in one country before considering expansion to others (User Testing 2023);
- **Ad formats:** Google Ads offers a diverse range of ad formats, encompassing text ads, display ads, video ads, shopping ads, and app promotion ads. This versatility empowers Comporta Perfumes to select the format that aligns best with its established objectives. In this case, and following the chosen target audience, text ads are the preferred choice (Intrepid Digital 2022) (Google 2023).

6.1.2. Content Marketing

It is highly recommended that Comporta Perfumes primarily focuses on social media marketing, specifically Instagram, as it stands as the company's main marketing channel. While TikTok boasts an efficient algorithm and exceptional discoverability, the brand, at its current stage, is not prepared for the level of commitment required by this platform. Given that TikTok is renowned for its short form engaging videos, if Comporta Perfumes encounters challenges in creating compelling video content, this platform is not going to be an ideal fit. The **target audience** should align with the same demographic as Instagram Ads, appealing to the Digital Savvy customer segment. It is prudent for Comporta Perfumes to maintain a global reach on Instagram, as the platform is accessible to users worldwide and adaptable to various languages.

6.1.2.1. Interacting with the Community

Engaging with the Digital Savvy customer segment through dynamic content is an ideal strategy for Comporta Perfumes. While the brand already utilizes two (stories and feed posts) of Instagram's three engagement formats (stories, posts, and reels), the quality and precision are currently lacking. In instances, where English is used, there are language inaccuracies and occasional spelling errors. Digital Savvy are inherently drawn to creativity and innovation;

interactive features; brand authenticity and transparency; short-form entertainment; captivating captions; trend awareness; storytelling; visual consistency; and educational content. The primary focus should be on both implementing new elements and optimizing existing ones to curate a compelling and visually appealing Instagram page.

For **behind-the-scenes sneak peeks**, the aim is to heighten brand authenticity and pique the curiosity of followers through captivating reels and stories. Comporta Perfumes will unveil glimpses of the perfume creation process, encompassing brainstorming sessions on fragrance notes and the triumphs over challenges encountered in the creative journey. In addition, insightful interviews with perfumers will be conducted, allowing them to share their first-hand perspectives and sources of inspiration. Notably, interviewees such as Chris Maurice, Beatrice Aguilar, Stéphanie Bakouche, and Luca Maffei, who have contributed to the creation of at least two fragrances for the brand, would be particularly well-suited for this purpose.

Product storytelling elevates visual aesthetics, strengthens promotional activities, and increases product awareness through detailed posts, complemented by stories. While the current product representation on the page is a starting point, the aim is to enrich the content by providing comprehensive information, including detailed product descriptions and associated notes. For instance, a caption like, "*Areia Salgada is a fragrance that harmoniously blends citrus, ozonic, and green notes. It encapsulates the sheer joy of the Comporta Beach breeze and the delight of savoring a gin and tonic at the end of the day in 'Chiringuito.' Can there be a better feeling?*" serves as an appropriate example, capturing the essence of the fragrance's scents and the accompanying emotions.

Instagram lives and interactive Q&A will nurture audience engagement and bolster brand transparency through real-time sessions with followers. The content strategy will primarily revolve around posts announcing the date, time, and theme for live sessions in the weeks leading up to the event, with complementary shares in stories. These sessions will be scheduled to take

place monthly, intending to address any inquiries the audience might have about the brand, its products, and the creation process. Notably, Comporta Perfumes last conducted a live conversation in 2022. It is recommended to reintroduce this initiative, shifting the focus from the founder's story to a more concentrated exploration of the brand itself.

The primary objective for the creation of **educational content** will be to educate consumers and foster a deep understanding of products through posts and stories. A compelling idea will be to share educational content about the art of perfumery, including explanations about fragrance notes, showcasing key ingredients, delving into concentration levels, and providing guidance on the proper application of perfume on different zones of the body.

For interactive content, boosting audience interaction and gathering insights into fragrance preferences through Instagram Stories will be the focus. An effective approach can involve conducting surveys such as "What is your favorite fragrance?" or "Which fragrance line do you prefer?". Another engaging method can be hosting a quiz that presents various options for fragrance types, such as light floral, fresh spicy, or classy aromatic. The quiz can then reveal the connection between these types and specific perfumes, for example, "*If you prefer fresh spicy, the ideal perfume for you is Muda—discover more on our website!*".

Fragrance pairing will involve enhancing the page's value by creating reels showcasing combinations of products based on themes, followed by reposts in stories. Comporta Perfumes currently executes campaigns tied to themed days, a practice that should be continued, and includes occasions such as Women's Day, Father's Day, Brothers' Day, and New Year. Examples of fragrance pairing:

- By season: for instance, "A Olhar Trancoso" is more aptly associated with a tropical climate, making it allusive to the summer season;
- By balance intensity: for instance, the perfect balance can be achieved between occasions by combining a lighter perfume like "Mosquito" with a more intense one such

as "Femme Fougere." To assist in this process, the Fragrance Wheel, created by Michael Edwards, can be employed (Fragrances of the World 2023) (**Appendix 30**);

- By times of the day: daytime and evening.

Furthermore, capitalizing on the sales peak in August for Comporta Perfumes can present an excellent opportunity to craft a narrative around summer moments; introducing the hashtag #SummerwithComportaPerfumes and offering promotions on selected products.

Documenting launches and other events aims to cultivate excitement, and engagement, and showcase exclusivity through high-quality reels featuring seamless transitions. Followers, even those not physically present at the events, seek to feel included and enjoy a sense of VIP access. Comporta Perfumes should share attendees' reactions, highlights of the event, and other insights consistently through stories.

Utilizing **trending hashtags** aims to enhance audience reach. After assessing the competition, it became evident that effective trending hashtags for posts include #fragrances, #fineperfumery, #Luxury, #Beauty, #scent, #FragranceAddict, #PerfumeLovers, and #storytelling.

Finally, **environmental initiatives** aim to associate environmental consciousness with the brand through posts and stories. Effective examples can include showcasing the sourcing and production processes or providing detailed insights into the eco-friendly aspects of the packaging, such as whether it is made from recyclable or biodegradable materials.

6.1.2.2. Content Calendar

It is highly recommended that Comporta Perfumes invests time in creating a content calendar. This practice aids in maintaining regular posting, streamlining the content creation process, identifying optimal posting times, incorporating diverse content formats, and staying informed about the Instagram algorithm.

Besides the existing capability of scheduling directly on Instagram, the optimal Instagram scheduling tool for Comporta Perfumes is Airtable. This platform allows the linking of content features such as names, captions, and visuals; facilitates the selection of content types, and automates the scheduling process by enabling the selection of posting dates on Instagram (Airtable 2023).

The calendar structure should undergo monthly reviews, with consideration given to the content of each format on a weekly basis. Evaluating post-performance at various times and on different days is crucial for determining optimal posting times. For instance, if the brand intends to publish a post and a story every Monday morning, the content theme should be defined the week before.

Day	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Morning	Post	Post	Post	Post	Post	Post	Post
	Story	Story	Story	Story	Story	Story	Story
Midday	Story	Story	Story	Story	Story	Story	Story
Evening	Post	Post	Post	Post	Post	Post	Post
	Story	Story	Story	Story	Story	Story	Story

Figure 37 – Suggestion of ideal content scheduling for Comporta Perfumes

The content scheduling suggestion provided is ideal for a page in development. Considering that the company currently lacks a defined schedule, it should take gradual steps to establish this structure in the long term. For instance, it can begin with three posts per day and evolve from there.

6.1.3. Partnerships

Comporta Perfumes should enhance the brand's visibility and bolster credibility by collaborating with influencers in the beauty and lifestyle space. These strategic partnerships will enable the brand to reach a broader audience of Digital Savvy, benefit from diverse content perspectives that can add significant value to the brand, and foster two-way communication facilitated by influencers through comments and discussions. Influencers such as Caetana

Individual Part - Mariana de Almeida Nunes

Botelho Afonso (@caetanaba), Anita da Costa (@anitadacosta), and Marta Pombo (@mpombor) align with the brand's style and would be suitable collaborators (**Appendix 31**).

Caetana Botelho Afonso emerges as the ideal match for Comporta Perfumes, given her evident alignment with the lifestyle and storytelling of Comporta (Lis the Agency (n.d.)). **Anita da Costa** stands out, showcasing alignment with luxury, sophistication, and elegance, alongside collaborations with other brands that resonate with Comporta Perfumes' positioning (Guedes 2023). Lastly, **Marta Pombo** is renowned for her simplicity and elegance in Spain, making her influence a significant factor for Comporta Perfumes.

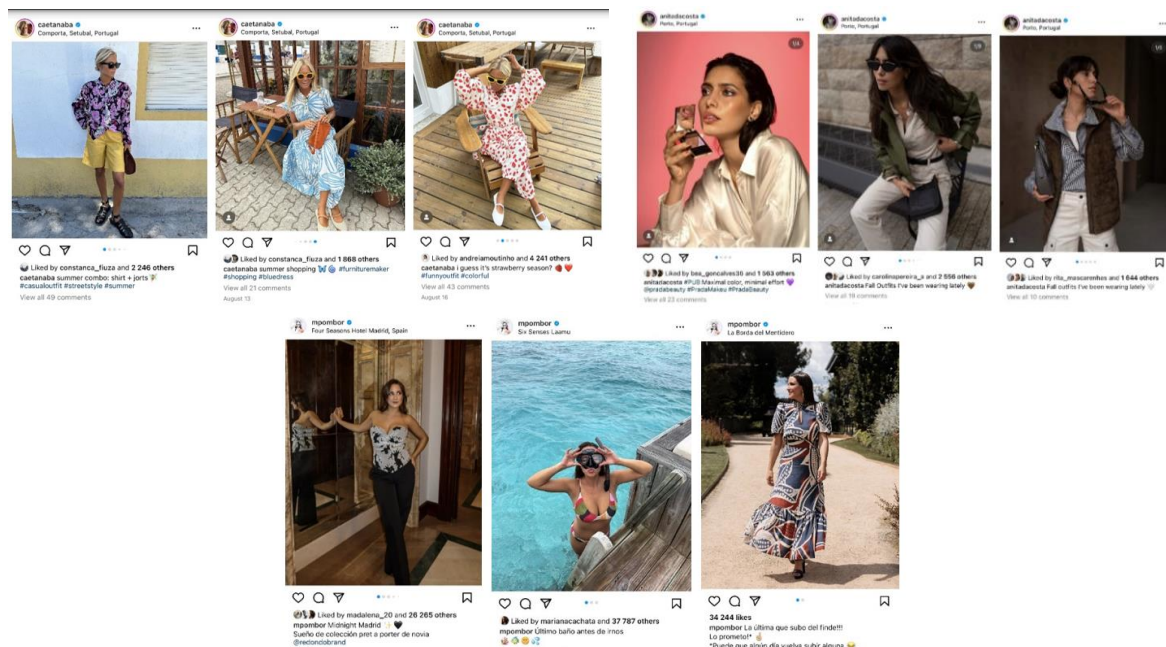


Figure 38 – Content of Caetana Botelho Afonso, Anita Costa, and Marta Pombo, respectively. Source: Instagram

Given Comporta Perfumes' budget constraints, executing simultaneous partnerships may not be feasible. Nonetheless, it will be advantageous for the brand to engage at least one influencer to create and disseminate content.

Moving on from the digital domain, Comporta Perfumes has existing partnerships with Vista Alegre and Vila Vita Parc Resort & Spa. However, to achieve greater visibility and establish itself as a brand automatically recognized by locals, the brand will benefit from a partnership that enhances its prominence. A recommended collaboration could be with **Casa da Comporta**,

a luxury residence situated in Praia do Pego, Comporta. This residence is renowned among elite Europeans for its harmonious blend of seaside strolls and the rich offerings of the countryside (Casa da Comporta (n.d.)). Both Comporta Perfumes and Casa da Comporta share a connection to the distinctive and enchanting atmosphere of Comporta. Customer testimonials from those who stayed in August 2022 highlighted that the space instills a sense of peace, comfort, and a welcoming ambiance. **What if it were possible to offer them a complete sensory experience?** Indeed, this would be achievable through a partnership with Comporta Perfumes. The partnership can contribute to enhancing Comporta's local identity, creating a mutually beneficial scenario. Comporta Perfumes would increase awareness of its products, while Casa da Comporta would expand its customer base, as will be explained later.

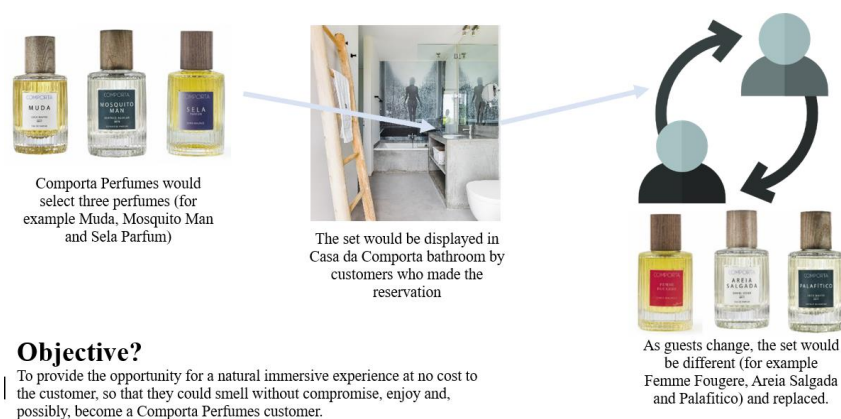


Figure 39 – How would the partnership with Casa da Comporta be?

6.1.3.1. Launch Events and Exclusive Open Houses

A launch event will be held at Casa da Comporta to unveil the partnership. Additionally, open houses would be organized periodically, either monthly or every two months, with a restricted number of participants. This would allow potential customers to acquaint themselves with the house, understand its added value, and recognize it as an exceptional holiday destination – serene, luxurious, secluded, and equipped with all amenities.

Reservations?	Product Showcasing?	Merch Bags?
<p>The individual managing space reservations would be present.</p> 	<p>Products would be available for testing and purchase in case the customer decided to acquire them after testing.</p> 	<p>In the end, attendees would receive Comporta Perfumes merch bags.</p> <p>Set of three samples + promotional card offering a 10% discount on their next reservation at Casa da Comporta (luxury packaging)</p> 

Figure 40 – Launch event and exclusive open house features

6.1.3.2. Cross-Promotional Activities

The launch event would be jointly covered by both brands on their Instagram platforms, through stories, and post-event, reels and collaborative posts would be created. Additionally, collaborative content such as interviews between the brands would be produced, discussing the partnership's offerings. To engage followers, pre-partnership activities like guessing the partner brand through open answers in stories would be conducted, and post-partnership interactions would involve addressing doubts and curiosities.

The promotion of open houses would be conducted through Instagram, with a note specifying that access would be exclusive to newsletter subscribers. This approach would aim to encourage users to sign up, expanding the brand's database. A selection process would be initiated for the first 20 individuals who expressed interest via email.

6.1.4. KPIs

KPIs must be established for each recommendation - Instagram Ads, Google Ads, and content marketing (Mukesh 2017) (Ahmed et al. 2017). Regular and strategic monitoring of these KPIs should be done consistently to help Comporta Perfumes gain meaningful insights and make informed decisions.

Instagram Ads	General KPIs	Relevance score provided by Ads Manager on Meta Business, and ROAS (Return on Ad Spent)
	Specific KPIs (being most based on Meta Analytics measures)	<ul style="list-style-type: none"> - <u>Increase brand awareness</u>: reach and Click-Through Rate (CTR); - <u>Drive website traffic</u>: increase number of clicks in links to landing pages; - <u>Boost engagement</u>: increase ad likes, ad replies, ad shares and engagement rate; - <u>Generate leads and conversions</u>: conversion rate of ad clicks and cost-per-conversion (CPC)
Google Ads	General KPIs	Ad position in the average rank in search results and ROAS
	Specific KPIs (being most based on Google Analytics measures)	<ul style="list-style-type: none"> - <u>Increase visibility</u>: impressions, reach and CTR - <u>Drive website traffic</u>: number of clicks - <u>Generate leads and conversions</u>: conversion rate and CPC
Content Marketing	General KPIs	Profile views and reach by location and age.
	Specific KPIs (being most based on Meta Analytics measures)	<ul style="list-style-type: none"> - <u>Increase brand awareness</u>: follower growth rate and follower count, reach, impressions; - <u>Drive website traffic</u>: CTR (link clicks on Instagram bio or story and swipe-up rate); - <u>Boost engagement</u>: likes, comments, shares, saves, engagement rate. Within the goal of boosting engagement and to assure a better user experience, were established some guidelines: <ul style="list-style-type: none"> - <u>Making Instagram stories successful</u>: completion rate of users who watched the entire story and exits; - <u>Making the most of hashtag performance</u>: hashtag impressions and top-performing hashtags (that generate the most impressions and engagement). - <u>Generate leads and conversions</u>: conversion rate of clicks, CPC and the actual sales derived by Instagram marketing efforts

Table 16 – KPIs attributed to Instagram ads, Google ads, and content marketing.

6.1.5. Cost of Implementation

The total implementation cost will amount to **€500 per month** (€200 for Instagram ads and €300 for search ads), significantly exceeding the initial budget of €50 allocated for such activities. The expenses related to influencer partnerships will be variable and contingent on factors like reach, engagement, and negotiated rates. Internal agreements need to be reached concerning the compensation for content creators.

Influencing Factors		
Cost of Instagram ads	Bidding option : CPC (€0.46 a €0.91) vs. CPI (€6.13/1000 impressions) For Comporta Perfumes: CPC.	Status quo : €50/month Projection : minimum of €200/ month
	Bidding amount : small businesses (€200 to €500) For Comporta Perfumes: €200; €2 per link click. If 100 clicks per advertisement, then it will be possible to generate two advertisements)	
	Relevance score, estimated action rates (probability of interaction with content by users) and competition	
Cost of Search ads	Bidding option : CPC for search ads (€1.06)	Status quo : €0/month Projection : €300/month (€10/day) to start. Long term: equalize €1000/month to reap greater benefits.
	Bidding amount : small businesses (minimum of €1000/month)	
	Quality score and ad rank , assigned by the search engine	
	External factors : market trends, customer lifecycle and the industry	

Table 17 – Costs of Instagram ads, Google ads, and content. Sources: (Basque 2023) (McCormick 2023) (Saravia 2023) (Maake 2023)

6.2. Roadmap for Implementation

Comporta Perfumes implementation plan lasts three years and was set according to the particularities of the recommendations.

7. Financial Analysis

7.1. Financial Forecast for 2023 and Current NPV

Given that the year 2023 is ending, a forecast for the same year was conducted. Two alternatives were presented (**Appendix 32**): a net revenue forecast based on the growth rate assumption (considering the actual revenue growth rate of 2.2% in 2022, the forecast was made assuming the same rate for 2023, resulting in a value of €240,296), and a net revenue forecast based on the invoice document. The provided figures represent the comprehensive invoiced amount for 2023, inclusive of both positive and negative values, resulting in a total of €365,792.17. This total encompasses sales transactions and various factors such as credit notes that may have influenced the overall value. The sum of VAT (IVA) for 2023 amounted to €27,369.76. By annualizing this total (comprehensive invoiced amount - VAT), the forecasted value for net revenues was calculated to be €406,107. It's important to note that the presented values may not precisely reflect the actual amount received from clients, as they encapsulate the entirety of invoicing activities.

	2023e (growth rate assumption)	2023e (invoice document)
Net revenues	€240,296	€406,107
Profits	€62,939	€131,827

Table 18 – Forecasts for 2023 (growth rate assumption and invoice document)

Due to the aforementioned challenges in obtaining a realistic value for net revenues through the invoice document, a similar approach of utilizing the growth rate assumption of 2.2% was adopted to determine projections for the next four years (**Appendix 32**).

	2024e	2025e	2026e	2027e
Net revenues	€245,492	€250,800	€256,224	€261,765
Profits	€12,597	€12,869	€13,147	€13,432

Table 19 – Forecast for the next four years (from 2024 to 2027)

Group Part

Ultimately, the **current Net Present Value (NPV)** of the company, amounting to **€146,841.36**, was computed, considering all past activities up to the terminal value in 2027. A discount rate of 10% was applied, as it represents a common return on investment for companies (Zhang 2021). This NPV calculation serves as a benchmark for comparing the current state of the company under the assumption of maintaining the status quo (without restructuring or investments) against the scenario where Comporta Perfumes implements the suggested commercial strategy.

	2024e	2025e	2026e	2027e
Operating cash-flow	€12,495	€12,766	€13,042	€13,324
Investing cash-flow	€-987	€-1,008	€-1,030	€-1,052
Free cash-flow	€11,509	€11,758	€12,012	€12,272
Discount rate (%)	10			
Discount factor	0.91	0.83	0.75	0.68
Discounted free cash-flow	€10,462.53	€9,717.07	€9,024.73	€8,316.63
NPV	€146,841.36			

Table 20 – Computation of current NPV, with a discount rate of 10%

7.2. Financial Impact of the Commercial Strategy

To assess the potential benefits of implementing the commercial strategy, the future NPV was calculated with the aim of achieving a 20% increase over the current NPV, making it justifiable with a **minimum threshold of €176,209.63 (Appendix 33)**.

Firstly, the average selling price for perfumery of Comporta Perfumes was calculated using the net revenues (€240,296) and the number of units sold for 2023 (2,350 units), resulting in a value of €102.25, which was considered consistent over the years. Secondly, considering the 2,350 units and assuming a consistent annual growth rate of 2.7%, the projected units sold were computed for the four-year period spanning from 2024 to 2027. Although the strategy is set to be implemented over three years, it is essential to assess the company's growth in perpetuity for future years. Therefore, 2027 was accepted as the terminal value.

Moreover, the net revenues for each year were calculated by multiplying the projected units sold by Comporta's average selling price.

Group Part

	2024e	2025e	2026e	2027e
Projected units sold	2413	2479	2546	2614
Average selling price	€102.25			
Net revenues	€246,784	€253,447	€260,290	€267,318

Table 21 – Computation of net revenues (2024 to 2027)

Moreover, considering that the production of 500 units incurs costs ranging between €6,500 and €12,000 for the company, an average cost of €9,250 was derived. From this value, the average cost per unit was determined to be €19, remaining constant over the years. By multiplying the average unit cost by the projected units sold, the Cost of Goods Sold (COGS) was determined for all years. Additionally, the brand's discounts (at a 10% rate for partnerships and loyalty programs) and their impact on net revenue had to be considered to arrive at the gross margin.

	2024e	2025e	2026e	2027e
Average unit cost	€19			
COGS	€-44,649	€-45,854	€-47,092	€-48,364
Discounts	€-24,678	€-25,345	€-26,029	€-26,732
Discount rate (%)	10			
Gross margin	€177,456	€182,248	€187,168	€192,222

Table 22– Computation of gross margin (2024 to 2027)

To calculate EBITDA, the inclusion of costs outlined in the commercial strategy was necessary.

These comprise:

- **Consulting costs**, set at 5% of net revenues annually;
- **Marketing costs**, set at 7% of net revenues for outsourced activities, €2,400 per year for Instagram Ads, and €3,600 per year for Google Search ads;
- **E-commerce costs**, set at €384 annually for Shopify and €3.50 per delivery for 2% of projected units sold each year, considering that only online sales were to be considered. Recognizing that nearly 25% of the global perfume market is represented by online sales (Yltävä 2023), and, quoting Pedro (given the lack of literary information), top performers in niche perfumery, such as By Kilian, detain approximately 5% of revenues in e-commerce sales, the percentage was adjusted to 2% for an SME like Comporta Perfumes;

Group Part

- **CRM costs**, set at €224 annually for MailChimp Standard Analytics;
- **Salaries**: the salary of an e-commerce specialist (Bernardo) was not included in the salary figure until 2022, so an average annual salary of €14,099 was considered (talent.com (n.d.));
- **Other operational items**: given the assigned costs and the uncertainty regarding the inclusions in this category, 20% of net revenues were considered.

By subtracting depreciation and amortization, interest expense, and tax expense, the net income value was derived.

	2024e	2025e	2026e	2027e
Consulting costs	€-12,339	€-12,672	€-13,014	€-13,366
Marketing costs	€-23,275	€-23,741	€-24,220	€-24,712
E-commerce costs	€-553	€-558	€-562	€-567
CRM costs	€-224	€-224	€-224	€-224
Salaries	€-78,747	€-78,747	€-78,747	€-78,747
Other operating items	€-49,357	€-50,689	€-52,058	€-53,464
EBITDA	€12,962	€15,617	€18,343	€21,143
Net income	€10,041	€12,133	€14,281	€16,487

Table 23 – Computation of EBITDA and net income, considering associated costs

Subsequently, a statement of cash flows was generated to comprehend the impact on profits. Focusing solely on operating and investing cash flow, the free cash flow was then calculated for each year, employing a consistent 10% discount rate, the same rate utilized in computing the current NPV, and the corresponding discount factor. Ultimately, the discounted free cash flow was determined for each year, including the terminal value in 2027, which represents a **substantial portion (€181,554.25) of the total future NPV (€272,851.29)**.

	2024e	2025e	2026e	2027e
Operating cash-flow	€12,624	€14,429	€16,639	€18,909
Investing cash-flow	€-1,171	€-1,203	€-1,235	€-1,268
Financing cash-flow	€1,358	€1,395	€1,433	€1,471
Profits	€12,811	€14,621	€16,837	€19,112

	2024e	2025e	2026e	2027e
Free cash-flow	€11,453	€13,226	€15,404	€17,640
Discount rate (%)	10			
Discount factor	0.91	0.83	0.75	10.29
Discounted free cash-flow	€10,411.79	€10,930.67	€11,573.13	€181,554.25
NPV	€214,469.85			

Table 24 – Profits and NPV computation

Group Part

The initially set NPV objective has been exceeded, signaling that the company's performance is poised to surpass expectations. With the implementation of the commercial strategy, there will be an additional premium of 0.5%, applied to the perpetual growth rate (currently at 2.7%). This premium represents an extra growth rate factored into the terminal value, anticipating that the company's cash flows will expand at a higher rate over the long term. This adjustment reflects an optimistic outlook for the company's future growth beyond the explicitly forecasted period, acknowledging the potential for its performance to exceed the initial projections.

8. Thesis Limitations

This thesis, while comprehensive and insightful, was not carried out without its limitations. In the methodology section, the **sample size** from Survey I might be relatively small, as it consists of 140 respondents, and the **demographics** might not be fully representative of the larger population, which can limit the generalizability of the findings. Moreover, the low percentage of respondents that correspond to the company's main **target audience** (18%) potentially skews the findings. This survey was structured with **closed-ended questions**, to reduce average response time and respondent fatigue, but the absence of open-ended questions limits qualitative insights into respondent's opinions. Finally, the exclusion of **product size information** (e.g., 100ml) in the willingness-to-pay section introduced ambiguity and possible inconsistency in the analysis. Survey II, addressed to newsletter subscribers, reflected limitations in reach through the **company's internal channels**, impacting the submission count. Concerning the current financial situation, the **unavailability of company-provided financial data** hindered the analysis, which relied on the only available data from **non-consolidated accounts**. The sales data shared by the company had many **incoherent values**, such as 100% profit margins, introducing limitations in drawing accurate conclusions about product profitability. In digital marketing, the **ongoing website restructuring** being held by Comporta Perfumes could render our recommendations obsolete. The e-commerce platform performance

Group Part

analysis lacked real-time data due to the company's **inactive data monitoring**, which restricted comprehension of the constructed analysis. **Insufficient information on the supply chain** hindered a comprehensive understanding. Finally, the development of the commercial strategies faced challenges due to data unavailability, compelling the group to make **assumptions** that might impact the relevance of recommendations to the company's current situation.

9. Conclusion and Recommendations

In light of the insights gained from the comprehensive analysis of Comporta Perfumes, it was possible to develop an extensive commercial strategy, where recommendations were formulated to aim at increasing the company's online sales.

The emphasis on fortifying Brand Equity and refining the Marketing Mix, particularly product assortment, lays a foundation for sustained growth. Moreover, recognizing the significance of digital marketing, it is key to invest in impactful online activities to unlock new business avenues and enhance website functionality for improved conversion. In addition, the implementation of a CRM system, post-purchase campaigns, and loyalty programs emerges as pivotal for customer retention and incentivizing repeat purchases.

Peering into the future, continuous adaptation, and agility in response to emerging trends and consumer behaviors are key. Regular assessments of KPIs, customer feedback, and exploration of innovative technologies will be essential for staying ahead in the competitive online fragrance market.

In conclusion, despite the limitations encountered throughout the process, the suggested holistic approach, grounded in meticulous research and analyses, positions Comporta Perfumes for both immediate and sustained success. By embracing a fusion of strategic marketing, technological advancements, and unwavering customer-centricity, Comporta Perfumes is set to not only enhance online sales in the short term but thrive in the ever-evolving digital landscape in the years to come.

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11. Appendix

Appendix 1: Demographic Information (Survey I and Survey II, respectively). Source: own analysis

Gender	The majority were women (74%)
Nationality	94% were of Portuguese nationality
Country of residence	91% were living in Portugal
Age Group	51% were between 18 and 24 years old 18% correspond to the age of the brand's target
Comfortability with technology	58% of respondents were very comfortable with technology

Gender	The majority were women (71%)
Nationality	71% were of Portuguese nationality
Country of residence	100% were living in Portugal
Age Group	71% were between 45 and 54 years old
Comfortability with technology	71% of respondents were very comfortable with technology

Appendix 2: Interviewees' data. Source: own analysis

ID	BoughtNiche	RegularityPerf	NormAmount	ShopLocation	Gender	Portugal	Age	TechProficiency
1	No	Yearly	Depending on brand and size	Physical and Online Stores	Female	Portugal	18-24 years	5
2	Yes	Occasionally	50-100€	Physical Stores	Female	Portugal	45-54 years	5
3	No	Yearly	50-100€	Physical and Online Stores	Female	Portugal	45-54 years	5
4	No	Yearly	100-200€	Physical Stores	Male	Portugal	+55 years	3
5	No	Occasionally	50-100€	Physical and Online Stores	Female	Portugal	45-54 years	4
6	Yes	Yearly	100-200€	Physical and Online Stores	Female	Portugal	25-34 years	5
7	No	Occasionally	100-200€	Physical and Online Stores	Female	Portugal	18-24 years	5
8	Yes	Frequently	100-200€	Online Store	Male	Portugal	+55 years	5

Appendix 3: SEQ data with mean and standard deviation. Source: own analysis

ID	Purchase "Will"	Purchase Candle
1	6	7
2	6	7
3	6	6
4	7	6
5	7	7
6	4	7
7	7	7
8	4	6
Mean	5,9	6,6
Standard Deviation	1,2	0,5

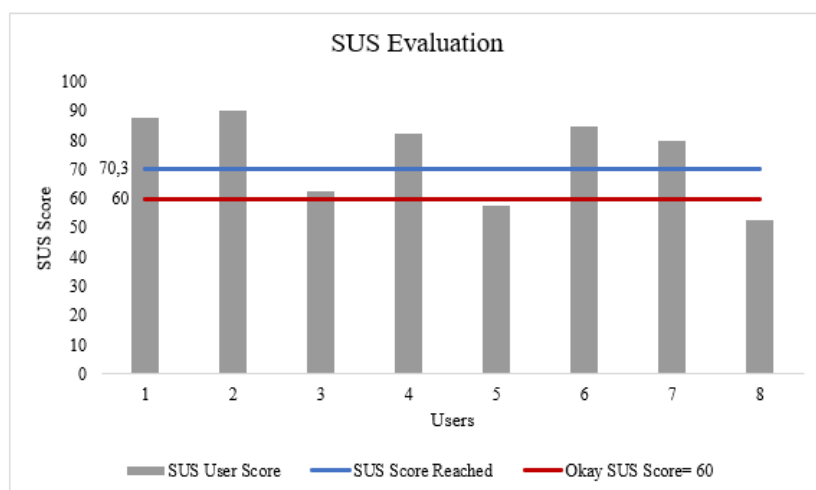
Appendix 4: Timing for each activity. Source: own analysis

ID/ Task	Purchase "Will"	Purchase Candle
1	01:34	00:42
2	01:45	01:58
3	02:24	01:10
4	01:00	01:00
5	01:00	01:43
6	01:27	01:58
7	02:54	05:33
8	03:35	02:55
Expert	00:20	
Mean	01:46:33	02:07:22
Standard Deviation	01:01:19	01:32:55

Appendix 5: SUS data with scores and standard deviation, followed by SUS evaluation.

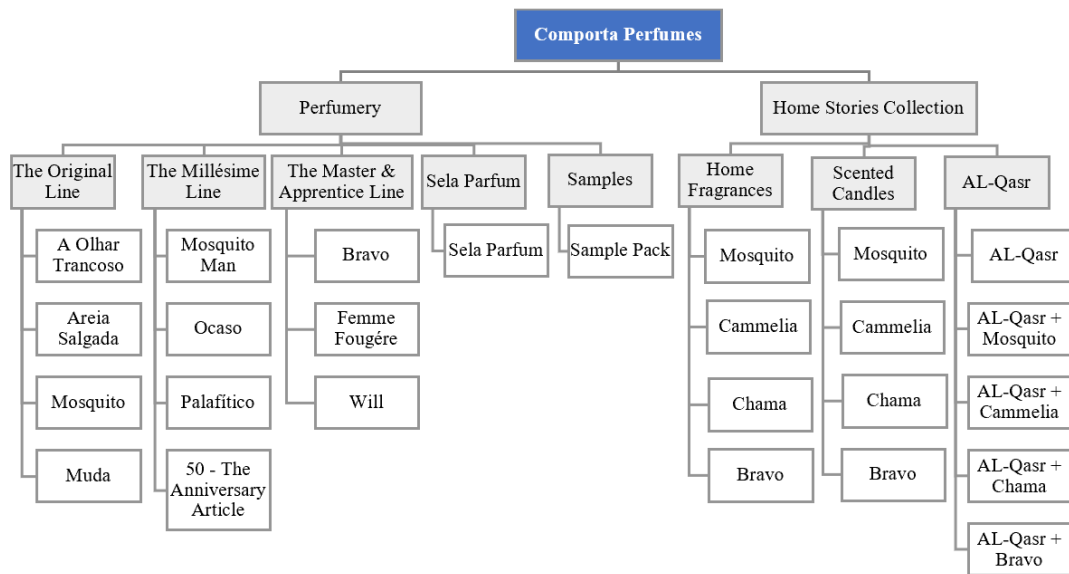
Source: own analysis

ID	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	A9	Q10	SUS User Score
1	3	4	3	4	3	4	3	4	3	4	87,5
2	0	0	3	4	3	1	3	1	3	4	55
3	0	4	3	1	3	0	3	4	3	4	62,5
4	2	3	3	4	3	3	3	5	3	4	82,5
5	0	0	3	4	3	2	3	1	3	4	57,5
6	2	4	3	4	3	4	3	4	3	4	85
7	3	4	3	4	3	1	3	4	3	4	80
8	2	1	3	3	3	0	3	1	3	2	52,5
SUS Score											70,3
Standard Deviation											14,8



Group Part

Appendix 6: Product range of Comporta Perfumes



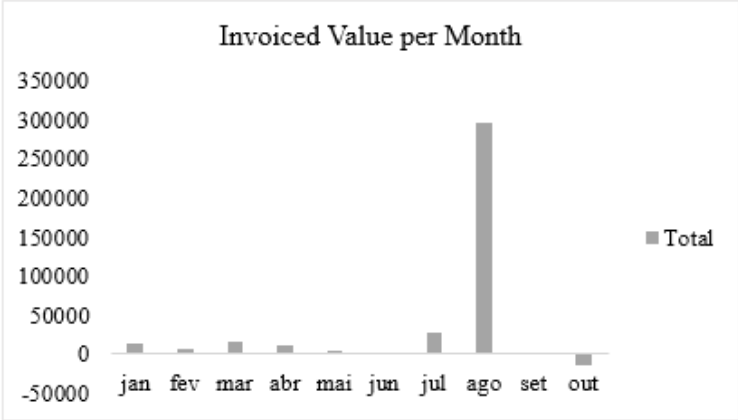
Appendix 7: Packaging. Source: Commercial Book



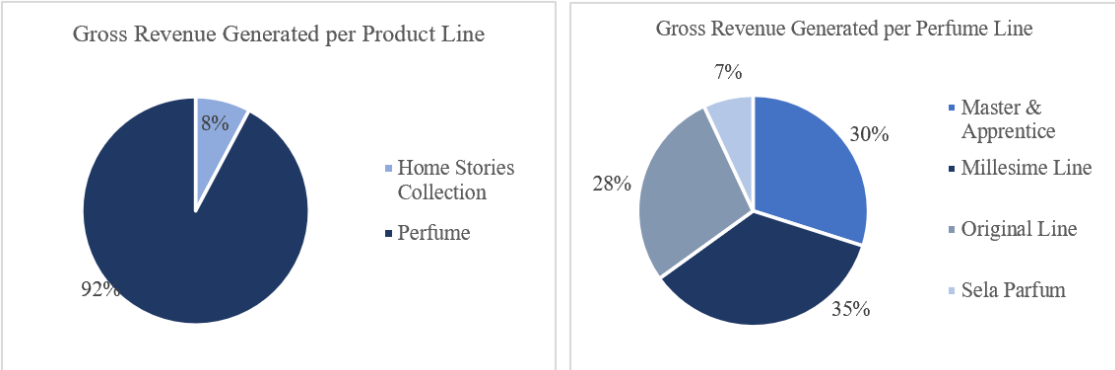
Appendix 8: Price list of Comporta Perfumes. Source Commercial Book and website

The Original Line	A Olhar Trancoso	€165
	Areia Salgada	
	Mosquito	
	Muda	
The Millésime Line	Mosquito Man	€190
	Ocaso	
	Palafítico	
	50-The Anniversary Article	€225
The Master & Apprentice Line	Bravo	€190
	Femme Fougere	€190
	Will	€225
Sela Parfum	Sela Parfum	€225
Samples	Sample Pack (2mL)	€16
Home Stories Collection	Home Fragrances	€75
	Scented Candles	€62
	AL-Qasr	€100
	AL-Qasr + candle	€145

Appendix 9: Total invoiced amount per month. Source: Comporta Perfumes Sales Invoice Document.



Appendix 10: Turnover generated per product line and per perfume line. Source: Comporta Perfumes Sales Invoice Document



Group Part

Appendix 11: Metrics of email campaigns. Source: Campaigns Analysis of Comporta Perfumes

Campaign	Successful Deliveries	Total Bounces	Open Rate	Click Rate	ROI		
					Total Orders	Total Gross Sales	Total Revenue
Valentine's Day (February 2021)	275	10	49.82%	6.18%	2	197	197
(February 2022)	407	10	53.81%	0%	0	0	0
(February 2023)	391	9	54.22%	4.09%	0	0	0
Home Stories Collections (June 2021)	15	0	55.96%	24.64%	0	0	0
Trying to find the perfect gift? (November 2021)	363	21	29.95%	2.80%	0	0	0
Happy Holidays (December 2021)	424	16	59.80%	0%	0	0	0
Mother's Day (April 2022)	405	4	51.12%	0%	0	0	0
Two sprays, same essence (April 2022)	407	6	50.62%	3.24%	0	0	0
Master & Apprentice Line (July 2022)	405	7	53.02%	7.54%	0	0	0
(October 2022)	400	7	51.91%	5.09%	0	0	0
New Season Scents (March 2023)	401	6	51.39%	5.57%	0	0	0
Are you ready to start this journey with us? (April 2023)	402	5	54.16%	2.77%	0	0	0
Will be 50 the new black? (June 2023)	395	4	47.82%	2.04%	0	0	0

Appendix 12: Statistical Analysis of the Instagram page, considering Accounts Reached, Accounts Engaged and Followers. From January 18th, 2023, to April 17th, 2023. Source: Instagram Statistic Analysis of Comporta Perfumes

			Ending Balance
Accounts Reached 5,715 (-21.3%)	Main Countries	Portugal, São Tomé e Príncipe, Spain, Mexico	N/A
	Predominant Age Group	25-34	
	Impressions	53,811	+29.9%
	Profile Visits	2,786	+105%
Accounts Engaged 401 (+13.5%)	Followers	327	N/A
	Non-Followers	74	
	Interaction with content	1,123	+46.6% +0.7% (ads)
Followers 5668 (+7.6%)	Main Countries	Portugal, Spain, Brasil, USA, Italy	N/A
	Gender	Female Male	64.8% 35.2%

Appendix 13: Worldwide media. Source: Commercial book



Appendix 14: Main page desktop mode performance results. Source: Page Speed Insights

Metrics	First Contentful Paint	Largest Contentful Paint	Total Blocking Time	Cumulative Layout Shift	Speed Index
Timing	1.6 s	2.0 s	50 ms	0	8.4 s
Classification	Needs improvement	Needs improvement	Good	Good	Poor

Appendix 15: Main page mobile mode performance results. Source: Page Speed Insights

Metrics	First Contentful Paint	Largest Contentful Paint	Total Blocking Time	Cumulative Layout Shift	Speed Index
Timing	5.2 s	7.8 s	1.030 ms	0	20.4 s
Classification	Poor	Poor	Poor	Good	Poor

Appendix 16: Example of failing elements regarding accessibility. Source: Page Speed Insights



Group Part

Appendix 17: Perfumes page desktop mode performance results. Source: Page Speed Insights

Metrics	First Contentful Paint	Largest Contentful Paint	Total Blocking Time	Cumulative Layout Shift	Speed Index
Timing	1.6 s	2.8 s	20 ms	0.013	2.9 s
Classification	Needs improvement	Needs improvement	Good	Good	Poor

Appendix 18: Perfumes page mobile mode performance results. Source: Page Speed Insights

Metrics	First Contentful Paint	Largest Contentful Paint	Total Blocking Time	Cumulative Layout Shift	Speed Index
Timing	5.5 s	13.4 s	1.320 ms	0.009	12.7 s
Classification	Poor	Poor	Poor	Good	Poor

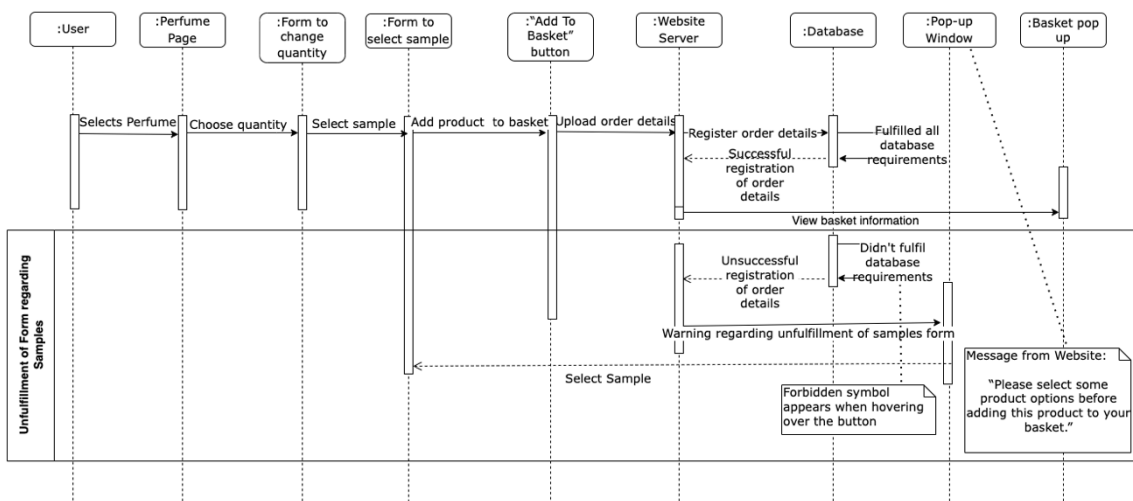
Appendix 19: Product Analysis (perfumes). The Original Line, The Millésime Line, and the Master & Apprentice Line.

		Original Line and Millésime Line (not including “50 – The Anniversary article”)	“50 – The Anniversary article” from the Millésime Line	Master & Apprentice Line (not including “Will”)	“Will” from the Master & Apprentice Line
Image Quality	Quantity	Three images: Perfume bottle Product box (Front) Perfume bottle (Different style than the 1 st)	Three images: Perfume bottle 2xProduct box (front and back)	One image: Perfume bottle Low quantity of visuals	Three images: Perfume bottle 2xProduct box (front and back)
	Differences	Different backgrounds and orientations	Different dimensions		Different background and dimensions
	Resolution	Low, except the fist	Low, except the fist	High	Low, except the fist
Product	The following elements are displayed: Price, Creator/s of the Fragrance, Quantity in ml, SKU (Stock Keeping Unit) and Category Details				
	Include scent categorization and pyramid of scents (Top Notes, Heart Notes, and Base Notes)			Purposely doesn't disclose the scent categories or pyramid of notes.	
Scent Description and Imagery	A storytelling description accompanies an image representative of the scent, offering a compelling and emotional narrative.				
	<p>The description of “Mosquito Man” in the Millésime Line assumes the viewer has previous knowledge regarding the original “Mosquito”.</p> <p>There's a lack of coherence and provide less insight. It may deter some customers.</p>	<p>The description differs from the standard approach - change in narrative style can be confusing.</p> <p>Presented in the first person - creates uncertainty about the identity of the narrator or speaker.</p>	<p>“Bravo” and “Femme Fougere” share the same image - prevents the consumer from creating a contrasting imagery for both. The picture seems better suited for “Femme Fougere”.</p>	<p>Longer storytelling description accompanied, offering users a greater emotional connection with the product highlighting its uniqueness.</p>	

Appendix 20: Product Analysis (Home Fragrances, Candles, Porcelain Candleholder).

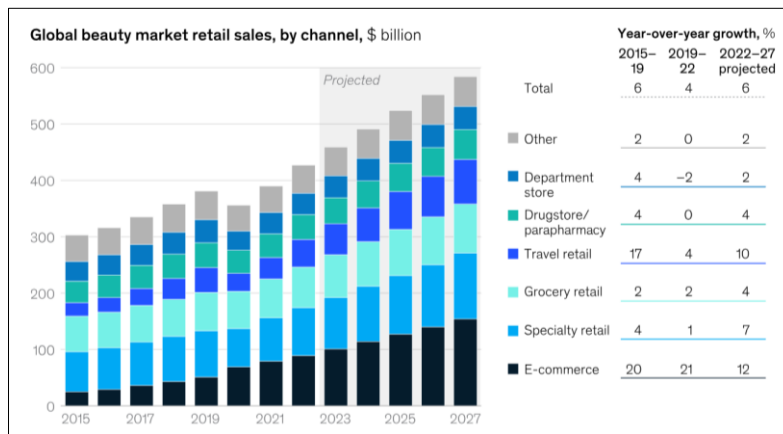
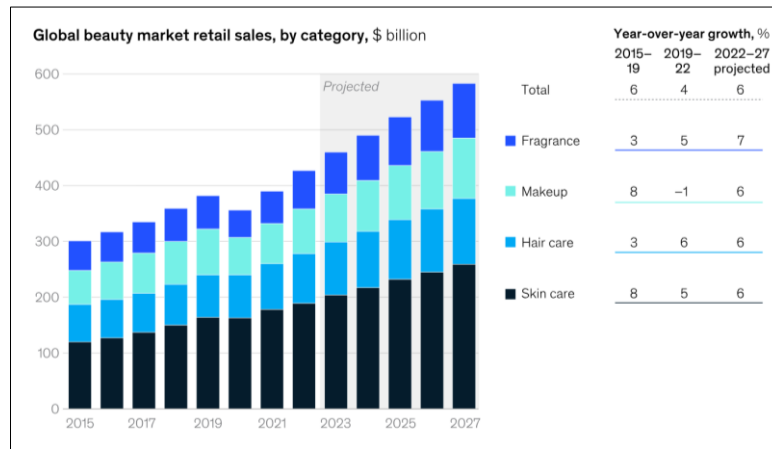
		Home Fragrances	Candles	Porcelain Candleholder
Image Quality	Quantity	One image: Bottle Low quantity of visuals	Two images: Candle Packaging	One image: Candle holder Low quantity of visuals No product to scale comparison
	Resolution	Acceptable	High	High
Product Information	Product Details	Includes details regarding the creator/s of the fragrance and quantity in ml.		Includes details regarding size and weight
	Description	Storytelling description		Extensive Has interesting insights but may disengage viewers
Scent Description and	Description	Storytelling description very similar to product information		Small description similar to product information
	Images	No images representing the scents.	Includes a picture to give a general sense of the scent All images are same	No images

Appendix 21: Sequence Diagram “Add perfume to basket”



Group Part

Appendix 22: Projection of growth in the next years for the four main beauty categories and E-commerce as the fastest-growing channel for beauty products. Source: Statista



Appendix 23: Overview of direct competitors (Alma da Comporta, OmanLuxury, Atkinsons, Creed, By Killian, Frederic Malle, Byredo, and Xerjoff).

Direct Competitors	Alma da Comporta	Oman Luxury	Atkinsons	Creed	Comporta Perfumes
Number of SKUs	7 (3 – perfumes) (4 -home fragrances and candles)	34 (16 – perfumes)	50 (32 – perfumes) (18 – scented candles)	219 (61 – perfumes) (13- home fragrances and candles)	26 (13 – perfumes) (8 – home fragrances and candles)
Loyalty Program	No	Newsletter	Newsletter	Newsletter	Newsletter
Personalization	No	No	No	Yes	No
Brand Identity	Inspired by nature; luxury; exclusivity; simplicity; elegance; heritage; emotional connection.	Quality; excellence; authenticity; modernity; heritage; passion, inspiration; art.	Heritage; British excellence; timeless classics; exclusivity; elegance; high-quality.	Prestigious; heritage; craftsmanship; high-quality; timeless classics; elegance	Nature-inspired; luxury; exclusivity; craftsmanship; sophistication; quality; excellence; elegance

Group Part

Direct Competitors	Alma da Comporta	Oman Luxury	Atkinsons	Creed	Comporta Perfumes
Target Audience	Luxury nature and environment enthusiasts; Portuguese and International Market; Ages 25-60	Perfume enthusiasts; exclusivity seekers; local Middle Eastern market and international clientele	Luxury connoisseurs; historical enthusiasts; British and global luxury consumers. Ages 25+	Perfume Connoisseurs; tradition, exclusivity, and craftsmanship enthusiasts;	Sophisticated; boho chic mood; urban style; luxury seekers; A1 and A2 classes Ages 30-55
Portfolio Comparison	Smaller portfolio: Two Eau de parfum One Eau de toilette. The home collection, with two diffusers and candles.	Similar portfolio: “Main”, “Private” and “Limited Collection” Gift sets, which can be adapted for men and women. Agarwood Two types of musk.	Wider portfolio: “The miniature”, “The Eau” and “The Oud Collection” Travel editions Search functionality: order of preference, by notes, intensity, or mood.	Wider portfolio: Men’s, women’s, and unisex perfumes Autumn-Winter and wedding fragrances. Body care, accessories, and home fragrances. Sample offering and discovery set.	“The Original Line”, “The Millésime Line” and “The Master and Apprentice Line” “Sela Parfum” “Home Stories Collection” AL-Qasr
Pricing strategy and Comparison	<u>Narrower range</u> €89-140	<u>Broader range:</u> €213.68-442.10	<u>Narrower range:</u> €65-220	<u>Broader range:</u> €244.84-574.44	€62-225
Distribution channels and Geographic reach	Distribution throughout Europe, with sales points in Portugal	Distribution throughout Europe, with sales points located in Italy and Romania.	Distribution throughout the world, with points of sale located in London, United Kingdom.	Distribution in US, Canada, and UK, with sales points located in United States.	Distribution and sales points throughout Europe.
Marketing and Advertising/promotional strategies	Strong use of media and press (magazines and newspapers); presence on Instagram and Facebook; use of a website as the main digital platform for marketing products, without applicable promotions	Presence on Instagram and Facebook; holding of events in Italy; use of a website as the main digital platform for marketing products, with the nuance of customers enjoying complimentary gifts with every purchase.	Presence on Instagram and Facebook; use of a website as the main digital platform for marketing products, with the offer of free shipping (for orders over €100) and complimentary samples.	Presence on Instagram, Facebook, TikTok, YouTube and Twitter; use of a website as the main digital platform for marketing products, with complementary shipping, samples, gift wrapping and E-Gift card; celebrity endorsements.	Strong use of media and press (magazines and newspapers); presence on Instagram, Facebook and LinkedIn; use of a website as the main digital platform for marketing products, however applicable promotions. Availability of free samples.

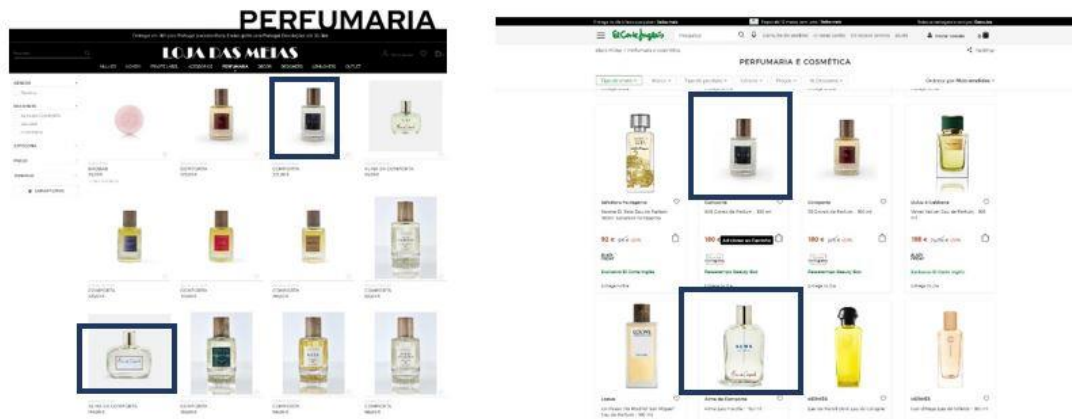
Direct Competitors	By Kilian	Frederic Malle	Byredo	Xerjoff	Comporta Perfumes
Number of SKUs	43 (20- perfumes) (7- home fragrances and candles)	92 (33- perfumes) (10 – home fragrances and candles)	229 (58- Perfumes) (42 – Home Fragrances and Candles)	216 (188 – Perfumes) (7- scented candles)	26 (13 – perfumes) (8 – home fragrances and candles)
Loyalty Program	Newsletter	Newsletter	Newsletter	Newsletter	Newsletter
Personalization	Yes	Yes	No	Yes	No
Brand Identity	Artistic; conceptual; opulence; luxury; exclusivity; sustainability, inclusivity; elegance; emotional appeal.	Art; exclusivity; high-quality; inclusivity; elegance; longevity; timeless	Artistic; conceptual; elegance; contemporary; inclusivity; sustainability; timeless	Luxury; exclusivity; premium; elegance; classic; inclusivity; personalization	Nature-inspired; luxury; exclusivity; craftsmanship; sophistication; quality; excellence; elegance

Group Part

Direct Competitors	By Killian	Frederic Malle	Byredo	Xerjoff	Comporta Perfumes
Target Audience	Luxury and artistry enthusiasts; sustainability-conscious; gender-inclusive; emotionally connected.	Fragrance connoisseurs; exclusivity seekers; Sustainability-conscious; gender-inclusive; elegance admirers	Modern Aesthetic admirers; quality seekers; emotionally connected; sensory experience seekers.	Fragrance enthusiasts; artistry, luxury, exclusivity, and classic seekers; gender-inclusive; sensory experience seekers; personalization enthusiasts.	Sophisticated; boho chic mood; urban style; luxury seekers; A1 and A2 classes Ages 30-55
Portfolio Comparison	<u>Wider portfolio:</u> “The Liquors”, “The fresh”, “The narcotics”, “The cellars» and «The smokes”; 4 lipsticks, body creams, scented hair mist and candles.	<u>Wider portfolio:</u> 32 perfumes; samples; discovery sets; body products; home collection	<u>Wider portfolio:</u> Perfumes and extracts; hair perfumes; discovery sets; travel editions; makeup lines, home fragrances and “Hand & Body care”; leather goods, clothing, sunglasses, and footwear.	<u>Wider portfolio:</u> +100 products Perfumes, scented candles, and a bath collection; sample kits discovery sets.	“The Original Line”, “The Millésime Line” and “The Master and Apprentice Line” “Sela Parfum” “Home Stories Collection” AL-Qasr
Pricing strategy and Comparison	<u>Broader range:</u> €122.42-805.16	<u>Broader range:</u> €61.21-3,225.35	<u>Broader range:</u> €46-1350	<u>Broader range:</u> €60-1,600	<u>€62-225</u>
Distribution channels and Geographic reach	Distribution throughout the world, with sale points located in New York, Las Vegas, and Paris.	Distribution throughout the world, with numerous stores across Europe, North America, Middle East & Africa, Asia & Pacific.	Online distribution in Europe, Asia, and the United States of America	Online distribution in Europe, Asia, and the United States of America	Distribution and sales points throughout Europe.
Marketing and Advertising/promotional strategies	Presence on Instagram and Facebook; use of a website as the main digital platform for marketing products, with sample discovery set, E-Gift card, complimentary shipping, Happy Hours, and refillable bottles. Cocktail recipes, looks, playlists, events, and celebrity endorsements	Presence on Instagram, Facebook, and YouTube; use of a website as the main digital platform for marketing products, with complimentary delivery, personalized gifts, free returns, e-gift cards, and virtual appointments.	Presence on Instagram, and Facebook; use of a website as the main digital platform for marketing products, with free shipping, free return, complimentary samples, «Byredo wrapping» and E-Gift Card.	Presence on Instagram, Facebook YouTube, Pinterest and LinkedIn; use of a website as the main digital platform for marketing products, with no features attached.	Strong use of media and press (magazines and newspapers); presence on Instagram, Facebook and LinkedIn; use of a website as the main digital platform for marketing products, however applicable promotions. Availability of free samples.

Group Part

Appendix 24: Alma da Comporta and Comporta Perfumes, sold side by side. Source: Loja das Meias and El Corte Inglés.



Appendix 25: Overview of indirect competitor (Claus Porto)

	Claus Porto	Comporta Perfumes
Number of SKUs	148 (18 – perfumes) (26 – home fragrances and candles)	26 (13 – perfumes) (8 – home fragrances and candles)
Loyalty Program	Newsletter	Newsletter
Personalization	Sim (aroma laboratory)	No
Brand identity	Heritage; craftsmanship; iconic; self-care; storytelling.	Nature-inspired; luxury; exclusivity; craftsmanship; sophistication; quality; excellence; elegance
Target Audience	Luxury and fragrances enthusiasts; skincare and self-care seekers; global audience.	Sophisticated; boho chic mood; urban style; luxury seekers; A1 and A2 classes Ages 30-55
Portfolio Comparison	More diverse portfolio: Soaps, 20 fragrances, body, and bath products, household items, discovery sets	“The Original Line”, “The Millésime Line” and “The Master and Apprentice Line” “Sela Parfum” “Home Stories Collection” AL-Qasr
Pricing Strategy and Comparison	Narrower range: €68-160	€62-225
Distribution channels and Geographic reach	Distribution throughout the world, with points of sale located in Portugal.	Distribution and sales points throughout Europe.
Marketing and Advertising/promotional strategies	Strong use of media and press (magazines and newspapers); presence on Instagram and Facebook; use of a website as the main digital platform for marketing products, with the offer of less 20% in the first purchase.	Strong use of media and press (magazines and newspapers); presence on Instagram, Facebook and LinkedIn; use of a website as the main digital platform for marketing products, however applicable promotions. Availability of free samples.

Group Part

Appendix 26: Convergence and shared common sales points between competitors and Comporta Perfumes

Common Sales Points	
Nadia Perfumerias (Madrid)	Comporta Perfumes, By Kilian, Creed, Xerjoff
Skinlife (Worldwide)	Byredo, OmanLuxury
Le Secret du Marais (Madrid)	Byredo, Comporta Perfumes, Creed, By Kilian, Xerjoff
Perfumeria Regia (Barcelona)	Byredo, Creed, By Kilian, Xerjoff
Isolée (Madrid)	Claus Porto, Comporta Perfumes, Frederic Malle, By Kilian
Janes Concept Store (Braga)	Comporta Perfumes
Nº50, Store (Lisbon)	Comporta Perfumes
Vila Vita Parc (Algarve)	Comporta Perfumes
Santa Eulália (Barcelona)	Byredo
Dulce Calvo (Santiago de Compostela)	Atkinsons
Pura Cal (Lisboa)	Comporta Perfumes
Erlai (Bilbao)	Byredo, Creed, Comporta Perfumes
Sal Concept Store (Cacilhas)	Comporta Perfumes
Loja das Meias (Portugal)	Comporta Perfumes, Alma da Comporta
Perfumaria Laura (Espanha)	Xerjoff, Comporta, OmanLuxury
Perfumes Niche (Espanha)	Comporta Perfumes, Creed, Xerjoff
Beauty Plaza (online)	Atkinsons, Claus Porto, Comporta Perfumes, OmanLuxury
El Corte Inglés (online)	Comporta Perfumes, Xerjoff, Alma da Comporta

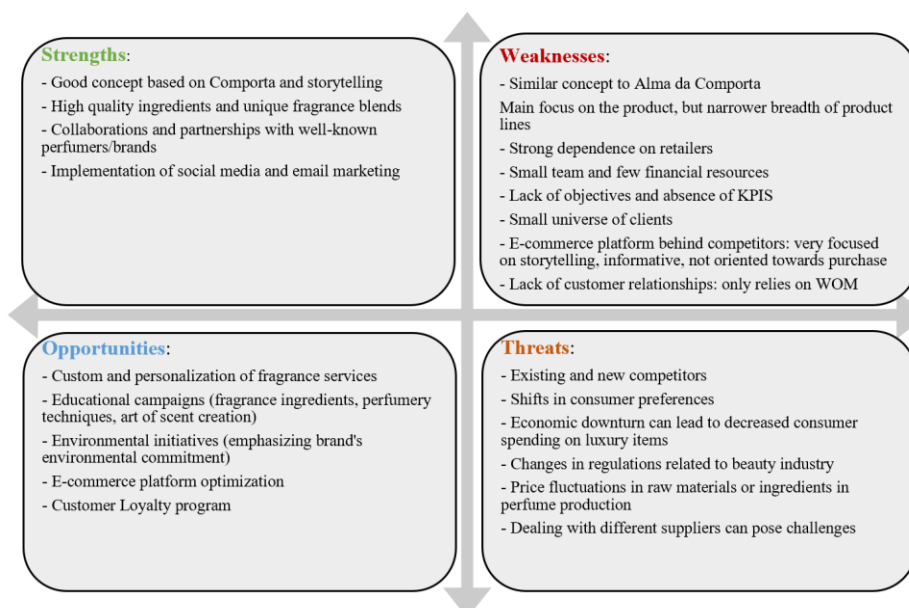
Appendix 27: Performance and speed of Atkinson's website.

Parameters	Results (5 th of November 2023)	Classification	Evaluation
Performance	Desktop: 72 Mobile: 39	Desktop: Need Improvements Mobile: Poor	Display of off-screen images
Accessibility	Desktop: 68 Mobile: 71	Need Improvements	Buttons, images, and links do not have accessible names.
Best Practices	Desktop: 68 Mobile: 68	Need Improvements	
SEO	Desktop: 83 Mobile: 88	Needs Improvements	Links are not crawlable and lack of alternative texts in images and

Appendix 28: Social Media Evaluation (Alma da Comporta, OmanLuxury, Creed, By Kilian)

	Content Quality	Audience Engagement	Consistency	Use of hashtags
Alma da Comporta	<u>Without engaging and relevant content:</u> some posts provide information about the product, but not valuable ones. <u>Consistent tone and messaging</u> aligned with the company's brand and values. <u>Use of visuals</u> (images and videos) to enhance the overall appeal, but with a disorganized and confusing feed.	<u>Followers:</u> 3,677 <u>Likes:</u> average of 60 likes per publication (does not correspond to the expected interaction of the majority of followers) <u>Comments:</u> few (average of 2 per publication)	The last post was made on October 30th. An average of 5 publications made per month.	Yes
Oman Luxury	<u>Engaging, relevant and valuable content:</u> the majority of posts has valuable information about the products, their production, and ingredients. <u>Consistent tone and messaging</u> aligned with the company's brand and values. <u>Use of visuals</u> (images and videos) to enhance the overall appeal, with captivating and allusive pictures.	<u>Followers:</u> 164,000 <u>Likes:</u> average of 700 likes per publication (does not correspond to the expected interaction of the majority of followers) <u>Comments:</u> average of 10 per publication	The last post was made on October 11st. An average of 4 publications made per month.	Yes
Creed	<u>Engaging and relevant content,</u> however, <u>some posts are not valuable</u> or essential to the follower (ex: image of a mountaineer to allude to a fresh aroma, without the perfume being represented) <u>Consistent tone and messaging</u> aligned with the company's brand and values. <u>Use of visuals</u> (images and videos) to enhance the overall appeal, but some are repetitive. Disorganized feed.	<u>Followers:</u> 583,000 <u>Likes:</u> average of 3 782 likes per publication (still does not correspond to the expected interaction of the majority of followers, but it's higher than the previous brands) <u>Comments:</u> average of 67 per publication	The last post was made on November 17th. An average of 11 publications made per month.	Yes
By Kilian	<u>Very engaging content, but not valuable or relevant:</u> some posts are not related to products (photo of a DJ at their party) and, when they do, there's not much information. However, celebrity endorsements are a favorable point. <u>Consistent tone and messaging</u> aligned with the company's brand and values. <u>Use of visuals</u> (images and videos) to enhance the overall appeal, with captivating captures. Color coherency between posts.	<u>Followers:</u> 376,000 <u>Likes:</u> average of 2,093 likes per publication (does not correspond to the expected interaction of the majority of followers) <u>Comments:</u> average of 30 per publication	The last post was made on November 15th. An average of 15 publications made per month.	Yes

Appendix 29: SWOT Analysis



Appendix 30: The Fragrance Wheel. Source: (*Fragrance X, 2023*)



Appendix 31: Influencer marketing (influencer that could help to get visibility to Comporta Perfumes)

	Caetana Botelho Afonso	Anita Costa	Marta Pombo
Relevance to niche	Clear alignment with Comporta lifestyle and storytelling Interest in trying new fragrances.	Alignment with luxury, exclusivity, sophistication, excellence, well-being, and elegance.	Alignment with simplicity, sophistication, and elegance
Authenticity	Creative and authentic in content: stylish, genuine, transparent, and adept at sharing everyday life with the audience.	Creative and authentic in content: stylish, genuine, transparent, and adept at sharing everyday life with the audience.	Creative and authentic in content: stylish, genuine, and adept at sharing everyday life with the audience.
Content quality	Aesthetic alignment, high-quality images, and visual appeal	Aesthetic alignment, high-quality images, and visual appeal	High-quality images, and visual appeal
Frequency of posts	Consistent (almost every day)	Consistent (every day)	More or less consistent (variable posts)
Follower demographics	<u>192.000 followers</u> Match with the targeted digital savvies of Comporta Perfumes.	<u>268.000 followers</u> Match with the targeted digital savvies of Comporta Perfumes	<u>798.000 followers</u> Match with the targeted digital savvies of Comporta Perfumes
Engagement metrics (likes, comments – November 2023)	<u>Likes:</u> average of 6,191/post <u>Comments:</u> average of 58/post <u>Total number of posts:</u> 32	<u>Likes:</u> average of 2,230/post <u>Comments:</u> average of 12/post <u>Total number of posts:</u> 32	<u>Likes:</u> average of 48,566/post <u>Comments:</u> average of 193/post <u>Total number of posts:</u> 18
Other brand collaborations	Harper’s Bazaar, Elle Spain, Cris Maria Jewelry, Plissé Atelier, Type Swimwear, Imma and others	Longchamp, Louis Vuitton, Samsung, Brownie, Esthederm, Massimo Dutti, H&M, Rabanne, Caudalie and others	Four Seasons, Lemonade (Portuguese brand), Dior, Klorane and others

Group Part

Appendix 32: Forecast of Financial Statements, considering two types of forecasts for 2023 (growth rate assumption and invoice document) and one type of forecast (growth rate assumption) for the next four years (from 2024 to 2027), with computation of current NPV.

Forecast method	Growth rate assumption	Invoice document
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Financial statements						
Income statement - FY 31/12 (in EUR)	2023e	2023e	2024e	2025e	2026e	2027e
Net revenues	240 296	406 107	245 492	250 800	256 224	261 765
(-) Cost of good sold (COGS)	(44 045)	(74 437)	(44 997)	(45 970)	(46 964)	(47 980)
(=) Gross margin	196 251	331 670	200 495	204 830	209 259	213 785
(-) Salaries	(64 648)	(109 257)	(66 046)	(67 474)	(68 933)	(70 424)
(-) Other operating items	(118 145)	(199 669)	(120 700)	(123 310)	(125 976)	(128 701)
(=) EBITDA	13 458	22 744	13 749	14 046	14 350	14 660
(-) Depreciation & Amortization	(245)	(415)	(251)	(256)	(262)	(267)
(=) Operational result (EBIT)	13 212	22 330	13 498	13 790	14 088	14 393
(-) Interest expense	-	-	-	-	-	-
(=) Profit before tax (PBT)	13 212	22 330	13 498	13 790	14 088	14 393
(-) Tax expense	(2 775)	(4 689)	(2 835)	(2 896)	(2 959)	(3 023)
(=) Net income	10 438	17 640	10 664	10 894	11 130	11 370
Balance sheet - FY 31/12 (in EUR)	2023e	2023e	2024e	2025e	2026e	2027e
Intangible assets	20 000	20 000	20 000	20 000	20 000	20 000
Fixed assets	658	1 113	673	687	702	717
Other non-current assets	33 382	56 417	34 104	34 842	35 595	36 365
(=) Non current assets	54 041	77 530	54 777	55 529	56 297	57 082
Inventories	46 549	78 670	47 556	48 584	49 635	50 708
Receivables	63 260	106 911	64 628	66 025	67 453	68 912
Other current assets	118 714	200 631	121 282	123 904	126 584	129 321
Cash & Equivalents	65 694	134 582	78 291	91 160	104 307	117 739
(=) Current assets	294 218	520 794	311 756	329 674	347 979	366 680
(=) Total assets	348 258	598 324	366 533	385 203	404 276	423 762
Share capital	5 714	5 714	5 714	5 714	5 714	5 714
Other equity	(9 415)	(2 213)	1 248	12 143	23 272	34 643
(=) Equity	(3 701)	3 501	6 962	17 857	28 986	40 357
Non-current Financial debt	-	-	-	-	-	-
Other non-current liabilities	50 309	85 024	51 397	52 508	53 644	54 804
(=) Non-current liabilities	50 309	85 024	51 397	52 508	53 644	54 804
Current Financial debt	-	-	-	-	-	-
Payables	19 705	33 302	20 131	20 567	21 011	21 466
Other current liabilities	281 945	476 496	288 042	294 271	300 634	307 135
(=) Current liabilities	301 651	509 799	308 174	314 838	321 646	328 601
(=) Total liabilities	351 960	594 823	359 571	367 346	375 290	383 405
(=) Total equity + liabilities	348 258	598 324	366 533	385 203	404 276	423 762

Group Part

Statement of Cash-Flows - FY 31/12 (in EUR)	2023e	2023e	2024e	2025e	2026e	2027e
Net income	10 438	17 640	10 664	10 894	11 130	11 370
(+) Depreciation & Amortization	245	415	251	256	262	267
(-/+ Change in Inventories	(1 236)	(33 356)	(1 007)	(1 028)	(1 051)	(1 073)
(-/+ Change in Receivables	55 652	12 001	(1 368)	(1 398)	(1 428)	(1 459)
(-/+ Change in Other current assets	24 663	(57 254)	(2 567)	(2 623)	(2 679)	(2 737)
(-/+ Change in Payables	(13 515)	82	426	435	445	454
(-/+ Change in Other current liabilities	(2 885)	191 666	6 097	6 229	6 363	6 501
(=) Operating cash flow	73 363	131 194	12 495	12 766	13 042	13 324
(-) Investment in fixed assets	(427)	(1 050)	(265)	(271)	(276)	(282)
(-/+ Change in Other non current assets	(1 561)	(24 596)	(722)	(737)	(753)	(770)
(=) Investing cash flow	(1 988)	(25 646)	(987)	(1 008)	(1 030)	(1 052)
(-/+ Repayment/issuance of debt	-	-	-	-	-	-
(-/+ Change in Other non current liabilities	(8 435)	26 279	1 088	1 111	1 135	1 160
(-/+ Change in Equity	-	-	-	-	-	-
(-/+ Change in Other equity (excl. retained earnings)	-	-	-	-	-	-
(=) Financing cash flow	(8 435)	26 279	1 088	1 111	1 135	1 160
(=) Net change in Cash	62 939	131 827	12 597	12 869	13 147	13 432

NPV Computation	2023a	2024a	2025a	2026a	TV
(=) Operating cash flow	73 363	12 495	12 766	13 042	13 324
(-) Interest expense	-	-	-	-	-
(+) tax shield on interest expense	-	0	0	0	0
(=) Investing cash flow	(1 988)	(987)	(1 008)	(1 030)	(1 052)
(=) Free cash-flow		11 509	11 758	12 012	12 272
Discount rate	10%				
Discount factor		0.91	0.83	0.75	9.59
(=) Discounted free cash-flow		10 462.53	9 717.07	9 024.73	117 637.03
Sum of forecasted discounted free cash-flows		29 204.33			
TV		117 637.03			
(=) NPV		146 841.36			

Appendix 33: Forecast of future NPV considering the implementation of the commercial strategy for the next three years (2024 to 2026) and Terminal Value.

Income statement - FY 31/12 (in EUR)	2024e	2025e	2026e	2027e
Projected units sold	2413	2479	2546	2614
Average selling price perfumery	102,25	102,25	102,25	102,25
Net revenues	246 784	253 447	260 290	267 318
Average unit cost	19	19	19	19
(-) Cost of good sold (COGS)	(44 649)	(45 854)	(47 092)	(48 364)
(-) Discounts	(24 678)	(25 345)	(26 029)	(26 732)
Discount rate	10%	10%	10%	10%
(=) Gross margin	177 456	182 248	187 168	192 222
(-) Consulting costs	(12 339)	(12 672)	(13 014)	(13 366)
(-) Marketing costs	(23 275)	(23 741)	(24 220)	(24 712)
(-) E-commerce costs	(553)	(558)	(562)	(567)
(-) CRM costs	(224)	(224)	(224)	(224)
(-) Salaries	(78 747)	(78 747)	(78 747)	(78 747)
(-) Other operating items	(49 357)	(50 689)	(52 058)	(53 464)
(=) EBITDA	12 962	15 617	18 343	21 143
(-) Depreciation & Amortization	(252)	(259)	(266)	(273)
(=) Operational result (EBIT)	12 710	15 358	18 077	20 870
(-) Interest expense	-	-	-	-
(=) Profit before tax (PBT)	12 710	15 358	18 077	20 870
(-) Tax expense	(2 669)	(3 225)	(3 796)	(4 363)
(=) Net income	10 041	12 133	14 281	16 487

Group Part

Balance sheet – FY 31/12 (in EUR)	2024e	2025e	2026e	2027e
Intangible assets	20 000	20 000	20 000	20 000
Fixed assets	676	694	713	732
Other non-current assets	34 284	35 209	36 160	37 136
(=) Non current assets	54 960	55 904	56 873	57 869
Inventories	47 188	48 462	49 770	51 114
Receivables	64 968	66 722	68 524	70 374
Other current assets	121 920	125 212	128 592	132 064
Cash & Equivalents	78 505	93 126	109 963	129 075
(=) Current assets	312 581	333 522	356 849	382 627
(=) Total assets	367 540	389 426	413 722	440 495
Share capital	5 714	5 714	5 714	5 714
Other equity	626	12 758	27 039	43 526
(=) Equity	6 340	18 472	32 753	49 240
Non-current Financial debt	-	-	-	-
Other non-current liabilities	51 668	53 063	54 495	55 967
(=) Non-current liabilities	51 668	53 063	54 495	55 967
Current Financial debt	-	-	-	-
Payables	19 975	20 515	21 069	21 637
Other current liabilities	289 558	297 376	305 405	313 651
(=) Current liabilities	309 533	317 891	326 474	335 288
(=) Total liabilities	361 201	370 953	380 969	391 255
(=) Total equity + liabilities	367 540	389 426	413 722	440 495

Statement of Cash-Flows – FY 31/12 (in EUR)	2024e	2025e	2026e	2027e
Net income	10 041	12 133	14 281	16 487
(+) Depreciation & Amortization	252	259	266	273
(-/+ Change in Inventories	(638)	(1 274)	(1 308)	(1 344)
(-/+ Change in Receivables	(1 708)	(1 754)	(1 801)	(1 850)
(-/+ Change in Other current assets	(3 205)	(3 292)	(3 381)	(3 472)
(-/+ Change in Payables	270	539	554	569
(-/+ Change in Other current liabilities	7 613	7 818	8 029	8 246
(=) Operating cash flow	12 624	14 429	16 639	18 909
(-) Investment in fixed assets	(270)	(277)	(284)	(292)
(-/+ Change in Other non current assets	(901)	(926)	(951)	(976)
(=) Investing cash flow	(1 171)	(1 203)	(1 235)	(1 268)
(-/+ Repayment/issuance of debt	-	-	-	-
(-/+ Change in Other non current liabilities	1 358	1 395	1 433	1 471
(-/+ Change in Equity	-	-	-	-
(-/+ Change in Other equity (excl. retained earnings)	-	-	-	-
(=) Financing cash flow	1 358	1 395	1 433	1 471
(=) Net change in Cash	12 811	14 621	16 837	19 112

NPV Computation	2024a	2025a	2026a	TV
(=) Operating cash flow	12 624	14 429	16 639	18 909
(-) Interest expense	-	-	-	-
(+) tax shield on interest expense	0	0	0	0
(=) Investing cash flow	(1 171)	(1 203)	(1 235)	(1 268)
(=) Free cash-flow	11 453	13 226	15 404	17 640
Discount rate	10%			
Discount factor	0.91	0.83	0.75	10.29
(=) Discounted free cash-flow	10 411.79	10 930.67	11 573.13	181 554.25
Sum of forecasted discounted free cash-flows	32 915.59			
TV	181 554.25			
(=) NPV		214 469.85		
Objective: 20% above current NPV		176 209.63		
		146 841.36		